

OPERATING METHODS OF THE INSURER OR GROUP WITH RESPECT TO A KIND OF INSURANCE, OR WITH RESPECT TO A SUBDIVISION OR COMBINATION OF KINDS OF INSURANCE FOR WHICH SEPARATE EXPENSE PROVISIONS ARE APPLICABLE.

(F) CLASSIFICATIONS OF RISKS.

(1) RISKS MAY BE GROUPED BY CLASSIFICATIONS FOR THE ESTABLISHMENT OF RATES AND MINIMUM PREMIUMS.

(2) CLASSIFICATION RATES MAY BE MODIFIED TO PRODUCE RATES FOR INDIVIDUAL RISKS IN ACCORDANCE WITH RATING PLANS THAT ESTABLISH STANDARDS FOR MEASURING VARIATIONS IN HAZARDS OR EXPENSE PROVISIONS, OR BOTH.

(3) THE STANDARDS MAY MEASURE ANY DIFFERENCE AMONG RISKS THAT ARE DEMONSTRATED OBJECTIVELY TO THE COMMISSIONER TO HAVE HAD A DIRECT AND SUBSTANTIAL EFFECT ON LOSSES OR EXPENSES.

(4) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBSECTION, A RATE MAY NOT BE BASED WHOLLY OR PARTLY ON GEOGRAPHIC AREA ITSELF, AS OPPOSED TO UNDERLYING RISK CONSIDERATIONS, EVEN THOUGH EXPRESSED IN GEOGRAPHIC TERMS.

(G) FIRE INSURANCE RATES.

FOR FIRE INSURANCE RATES, CONSIDERATION SHALL BE GIVEN TO EXPERIENCE DURING A PERIOD OF NOT LESS THAN THE MOST RECENT 5-YEAR PERIOD FOR WHICH EXPERIENCE IS AVAILABLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 242(c)(1), (2), (3), (4)(i), and (5) and (d)(10).

In subsection (b) of this section, the reference to the scope of this "subtitle" is broader than the scope of the provision in the former law. The Insurance Article Review Committee interpreted this provision as a statement of policy for the entire subtitle.

Defined terms: "Commissioner" § 1-101

"Insurance" § 1-101

"Insurer" § 1-101

"Premium" § 1-101

"Rate" § 11-101

11-206. RATE FILINGS.

(A) REQUIRED.

(1) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, EACH INSURER SHALL FILE WITH THE COMMISSIONER ALL RATES, SUPPLEMENTARY RATE INFORMATION, POLICY FORMS, AND ENDORSEMENTS AND ALL MODIFICATIONS OF RATES, SUPPLEMENTARY RATE INFORMATION, POLICY FORMS, AND ENDORSEMENTS THAT THE INSURER PROPOSES TO USE.