WEST VIRGINIA OFFICES OF THE INSURANCE COMMISSIONER
Homeowners Insurance Review Standards Checklist

Homeowners		
REVIEW REQUIREMENTS	**REFERENCE**	**COMMENTS**
FORMS		
Applications	**REFERENCE**	**COMMENTS**
Fee, filing	§33-6-34	The Filing Fee is $50.00 per Form filing and applies on a per company basis.
Submission, filing	WVIL (Informational Letter) 163	All filings **must** be submitted through SERFF (System for Electronic Rate and Form Filing). Filing fees **must** be remitted via EFT (Electronic Funds Transfer) through SERFF.
Filing Standards	**REFERENCE**	**COMMENTS**
Filing Requirement	§33-17-8(b)	Must be filed with and approved by the commissioner prior to use.
Time	§33-6-8(b)(1)	Filing must be made not less than sixty days in advance of delivery.
Approval	§33-17-8(b)	After sixty days, a filed Non-commercial (personal lines) insurance form is considered approved. The preceding applies unless express approval or disapproval has been received from the commissioner.
Disapproval	§33-6-8(c)	The commissioner may at any time disapprove or withdraw an approval for a form. The commissioner shall state the grounds for withdrawal or disapproval.
Reasons for Disapproval	§33-6-9 §33-17-8(b)	Any form shall be disapproved under any of the following conditions: 1. The form is in violation of or does not comply with Chapter 33 of the West Virginia Code. 2. The form contains or references any inconsistent, ambiguous, or misleading clauses or exceptions and conditions which deceptively affect the risk purported to be assumed in the general coverage of the contract. 3. The form has any title, heading, or other indication of its provisions which is misleading. 4. The purchase of such policy is being solicited by deceptive advertising. 5. The benefits provided therein are unreasonable in relation to the premium charged. 6. The coverages provided therein are not sufficiently broad to be in the public interest.
Suggested Lead Time for filings	§33-6-8(b)(1)	Non-commercial (personal lines) insurance should be filed at least sixty days prior to either the effective date requested or to the date that our final disposition needs to be known.

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Filing Standards	REFERENCE	COMMENTS
Mine Subsidence	§33-30-6 §115-1-3	All fire insurance policies shall include coverage for mine subsidence insurance unless waived by the insured. Contact the Board of Risk and Insurance Management for details at (800)-345-4669.
Non-coverage of Flood Damage Notice	§33-17-6A	Every insurer issuing or renewing a policy that provides fire insurance, but which does not cover damages from flood, shall provide to the policyholder a notice that provides as follows: THIS POLICY DOES NOT COVER DAMAGE FROM FLOOD. FOR INFORMATION ABOUT FLOOD INSURANCE, CONTACT THE NATIONAL FLOOD INSURANCE PROGRAM OR YOUR INSURANCE AGENT.
Basic Contents	§33-6-11	Must specify the names of the parties to the contract, the insurer's name, the subject of the insurance, the risks insured against, the time the insurance coverage becomes effective and the term during which such coverage continues, the premium, and the conditions pertaining to the insurance.
Additional Contents	§33-6-12	A policy may contain additional provisions if they are: 1. Consistent with Chapter 33. 2. Required to be inserted by the laws of the insurer's domicile. 3. Necessary, because of the manner in which the insurer is constituted or operated, in order to state the rights and obligations of the parties. 4. Desired by the insurer and not prohibited by law nor in conflict with any provisions required to be included therein.
Charter, Bylaws, Other Documents	§33-6-13	No policy shall contain any provision purporting to make any portion of the charter, bylaws, or other constituent document of the insurer a part of the contract unless such portion is set forth in the full policy.
Standard Fire Policy	§33-17-2	Policy must conform to New York standard fire policy, 1943 edition.
Arrangement of the Policy	§33-17-3	Pages of the standard fire insurance policy may be renumbered and the format rearranged.
Standard Fire Policy Information	§33-17-4	Must have printed on standard fire insurance policy: 1. Name of the insurer(s) issuing the policy. 2. Location of the home office or United States office of the insurer(s). 3. Statement whether insurer(s) are stock corporations, mutual corporations, reciprocal insurers, or otherwise. 4. Any regulations appropriate to or required by the form of organization.

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Filing Standards	REFERENCE	COMMENTS
Provisions Required by Law or Charter	§33-17-5	A domestic insurer may include provisions which it is authorized or required by law to insert. A foreign or alien insurer may print in the policy any provision required by its charter or deed of settlement or by the laws of its own state or country, not contrary to WV laws.
Additional Contracts, Riders or Endorsements	§33-17-6	Appropriate forms of additional contracts, riders or endorsements may be used in connection with the standard fire policy.
Total Loss Valuation	§33-17-9, *WVIL 10*	All insurers issuing fire insurance policies are liable for the whole amount of insurance stated in the policy in case of total loss by fire or otherwise.
Partial Loss Valuation	§33-17-9, *WVIL 10*	In case of partial loss by fire or otherwise, the liability shall be for the total amount of such partial loss, not to exceed the whole amount of insurance stated. *(i.e. No Coinsurance Penalties, Rebuild Requirements, Functional Valuations, or Depreciation)*
Signature	§33-6-15	Every policy shall be executed in the name of and on behalf of the insurer by its officer, attorney-in-fact, employee, or representative duly authorized by the insurer.
Legal Action Against Insurer	§33-6-14	No policy may contain any condition, stipulation or agreement preventing the bringing of an action against the insurer for more than six months after the cause of action accrues or limiting the time within which an action may be brought to a period of less than two years from the time the cause of action accrues in connection with all insurances. Any such condition, stipulation or agreement shall be void, but this shall not affect the validity of the other provisions of the policy.
Nuclear Exclusion	§33-17-11	Insurers may include in their policy a written statement that the policy does not cover loss or damage caused by nuclear reaction, nuclear radiation or radioactive contamination, or any combination or all of said causes.
Payment of Loss Provisions	§114-14-6 (6.11)	Every insurer shall pay any amount finally agreed upon in settlement of all or part of any claim no later than 15 working days from the receipt of agreement by the insurer, or from the date of the performance by the claimant of any condition set by such agreement, whichever is later.
Arbitration and Appraisal Provisions	*WVIL* 119-B	Appraisal provisions are required and the language must be equivalent to that of the Standard Fire Policy (§33-17-2) and *WVIL 119-B.* Arbitration provisions are not required, but if they are included in a policy the language must be equivalent to that set forth in *WVIL* 119-B.

Cancellation, Nonrenewal, & Declination	REFERENCE	COMMENTS
Prohibited Reasons for Declination or Termination	§33-17A-6	No insurer may decline to issue or terminate a policy of insurance if the declination or termination is: 1. Based upon the race, religion, nationality, ethnic group, age, sex or marital status of the applicant or named insured. 2. Based solely upon the lawful occupation or profession of the applicant or insured, unless the decision is for a business purpose that is not a mere pretext for unfair discrimination. This does not apply to insurers that limit their market to one or several occupations. 3. Based upon the age or location of the residence of the applicant or named insured unless the decision is for a legitimate business purpose. 4. Based upon the fact that another insurer previously declined to insure the applicant or terminated an existing policy in which the applicant was the named insured. 5. Based upon the fact that the applicant or named insured previously obtained insurance coverage through a residual market insurance mechanism. 6. Based upon the fact that the applicant has not previously been insured. 7. Based upon the fact that the applicant did not have insurance coverage for a period of time prior to the application. 8. Based solely upon an adverse credit report or adverse credit scoring.
Notice Requirements	§33-17A-4	**Declination**–Must provide applicant with a written explanation of the specific reason(s) at the time of declination. **Cancellation**–Must provide notice in writing stating the effective date of the cancellation and specific reason(s) for the cancellation. **Nonrenewal**–At least 30 days before the end of a policy period, must provide notice of the intent not to renew with specific reason(s) for nonrenewal.

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Cancellation, Nonrenewal, & Declination	**REFERENCE**	**COMMENTS**
Permissible Reasons for Cancellation	§33-17A-5 §33-17A-4	After 30 days from policy inception, or effective immediately upon renewal, a Cancellation may not be issued unless it is based on at least one of the following reasons: 1. Nonpayment of premium 2. Conviction of the insured of any crime having as one of its necessary elements an act increasing any hazard insured against. 3. Discovery of fraud or material misrepresentation made by or with the knowledge of the insured in obtaining the policy, continuing the policy or in presenting a claim under the policy. 4. Discovery of willful or reckless acts or omissions on the part of the insured which increase any hazard insured against. 5. The occurrence of a change in the risk which substantially increases any hazard insured against after insurance coverage has been issued or renewed. 6. Violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against. 7. Determination by the commissioner that the continuation of the policy would place the insurer in violation of the insurance laws of WV. 8. Real property taxes owing on the insured property which have been delinquent for two or more years and continue delinquent at the time notice of cancellation is issued. 9. The insurer which issues said policy of insurance ceases writing the particular type or line of insurance coverage contained in said policy throughout the state or should such insurer discontinue all operations within the state. 10. A substantial breach of the provisions of the policy.
Election of a Method for Nonrenewals	**§33-17A-4B**	**Each insurer must make an election to either nonrenew policies under the enumerated statutory reasons, or based upon their underwriting guidelines (***subject to a maximum limit of 1% of business in a year.***) These elections are binding on the insurer for a period of 5 years from the date of last election. The election form is available on our website.**

Cancellation, Nonrenewal, & Declination	REFERENCE	COMMENTS
Enumerated Nonrenewal Reasons	§33-17A-4(c), §33-17A-4B(c), §33-17A-5	Policies in force 4 years or more may not be nonrenewed unless the nonrenewal is based on: 1. Nonpayment of premium. 2. Conviction of the insured of any crime increasing any hazard insured against. 3. Discovery of fraud or material misrepresentation made by or with the knowledge of the insured in obtaining the policy, continuing the policy or in presenting a claim under the policy. 4. Discovery of willful or reckless acts or omissions on the part of the insured which increase any hazard insured against. 5. The occurrence of a change in the risk which substantially increases any hazard insured against after insurance coverage has been issued or renewed. 6. Violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against. 7. Determination by the commissioner that the continuation of the policy would place the insurer in violation of the insurance laws of WV. 8. Real property taxes owing on the insured property which have been delinquent for two or more years and continue delinquent at the time notice of cancellation is issued. 9. The insurer ceases writing the particular type or line of insurance throughout the state or discontinues all operations within the state. 10. A substantial breach of the provisions of the policy. 11. A valid underwriting reason which involves a substantial increase in the risk. 12. Two (2) or more paid claims within a period of thirty-six (36) months each of which occurs after July 1, 2005.
Nonrenewal**-Underwriting** Limitations	§33-17A-4A	An insurer may nonrenew a policy based upon its own underwriting standards subject to a maximum nonrenewal limit of 1% of the insurer's business in a given year. The total number of nonrenewals issued each year may not exceed one percent per year of the total number of policies in force in the state or in any given county unless the applicable percentage limitation results in less than one policy.
Requirement to file Underwriting Guidelines	§33-17A-4A(f), §114-74-4	Each insurer utilizing Underwriting Guidelines as a basis for nonrenewal shall file with the Commissioner a copy of its underwriting standards that it intends to use for nonrenewing policies.
Reporting Requirement	§33-17A-4A(g)	Each insurer that has elected to issue nonrenewals according to their Underwriting Standards shall report to the Commissioner, on or before the thirtieth day of September each year, the total number of nonrenewal notices issued in the state and in each county for the preceding year and the specific reason or reasons for those nonrenewals.

Financial Institution Insurance Sales	**REFERENCE**	**COMMENTS**
Product Tying	§33-11A-8	Cannot require or imply that purchase of an insurance product is required as a condition of the lending of money or extension of credit. Cannot offer an insurance product in combination with other products unless all the products are available separately from the institution.
Disclosures	§33-11A-9	Must prominently disclose to customers, in writing, in clear and concise language, and orally during any customer contact, that insurance offered, recommended, sponsored, or sold: 1. Is not a deposit; 2. Is not insured by the FDIC or, if applicable, the National Credit Union Share Insurance Fund; 3. Is not guaranteed by any insured depository institution; and 4. Where appropriate, involves investment risk, including potential loss of principal. Must disclose to customers in writing that the insurance product may be purchased from an agent or broker of the customer's choice and that this will not affect the customer's credit relationship. Must obtain a written acknowledgment of receipt by the customer of these disclosures, including the date of receipt and the customer's name, address, and account number, prior to or at the time of any application for insurance sold by the person. This shall be in a separate document.
Insurance in Connection with a Loan	§33-11A-11	Credit and insurance transactions must be completed independently and through separate documents. A loan for premiums on required insurance shall not be included in the primary credit without the written consent of the customer.
Domestic Farm Mutual Companies	**REFERENCE**	**COMMENTS**
Farm Mutual Companies	§33-22-7	Domestic Farmers' Mutual Insurance Companies must conform to the following regulations: 1. No policy form shall be issued or used by any such company unless such form has been filed with and approved by the commissioner. 2. All terms and conditions shall be set forth in full in the policy or endorsements including any contingent liability of the policyholder, and no provision purporting to make any portion of the charter, bylaws or other documents a part of the policy shall be valid unless set forth in full in the policy. 3. Policies may limit the liability of the company to a fixed percent of the value of the property insured. 4. The commissioner may prescribe a standard form of policy for such companies or a standard specific provision to be inserted in such policies, and all policies thereafter must conform to such forms or provisions.

Unfair Trade Practices	REFERENCE	COMMENTS
Unfair or Deceptive Practices	§33-11-4	The following are defined as unfair methods of competition and unfair or deceptive acts or practices in the business of insurance (full definitions and explanations are available in the referenced sections): 1. Misrepresentation and false advertising of insurance policies 2. False information and advertising generally 3. Defamation 4. Boycott, coercion and intimidation 5. False statements and entries 6. Stock operations and advisory board contracts as an inducement to insurance 7. Unfair discrimination 8. Rebates 9. Unfair claim settlement practices 10. Failure to maintain complaint handling procedures 11. Misrepresentation in insurance applications 12. Failure to maintain privacy of consumer financial and health information
Standards for the Acknowledgment of Pertinent Communications	§114-14-5	1. Acknowledgment of notices of claims – within 15 working days 2. Answer of inquiries from insurance department – within 15 working days 3. Replies to other pertinent communications – within 15 working days 4. Provisions of assistance to first party claimants – Provide necessary claim forms, instructions, and reasonable assistance within 15 working days of notification of a claim.

Unfair Trade Practices	REFERENCE	COMMENTS
Standards for Prompt Investigations and Fair and Equitable Settlements Applicable to All Insurers	§114-14-6	All insurers must comply with the following (full explanations are available in the Regulation) 1. Investigation of Claims – Investigation must commence within 15 working days of receiving notice of the claim. Must provide a notification of all items, statements and forms, if any, which the insurer reasonably believes will be required of the claimant within 15 working days of receiving notice of the claim. 2. Offers of Settlement – In cases where there is no dispute over coverage or liability, it is the duty of the insurer to offer claimants amounts which are fair and reasonable as shown by its investigation of the claim, providing the amounts offered are within policy limits and provisions. 3. Denial of Claims – No insurer shall deny a claim on the grounds of a specific policy provision, condition or exclusion unless reference to the provision, condition or exclusion is included in the denial. 4. Records of Denial of Claims – If a denial is made by any other means than writing, an appropriate notation shall be made in the claim file of the insurer. 5. Notice of Necessary Delay in Investigating Claims – If the insurer needs more time with a claim, it shall notify the claimant in writing within 15 working days after receipt of the proofs of loss. If the investigation remains incomplete, the insurer shall send notification to the claimant every 45 days thereafter until the investigation is completed. The letter shall contain a reason for additional time. 6. Liability of Others – Insurers may not refuse to settle claims on the basis that responsibility for payment should be assumed by others except as may otherwise be provided by policy provisions. 7. Denial of Claims for Failure to Exhibit Property – No insurer shall deny a claim for failure to exhibit the insured property without proof of demand by the insurer and refusal by the claimant to exhibit the property. 8. Separation of Claims – If there is no dispute as to one or more elements of a claim, payment for such element(s) shall be made notwithstanding the existence of disputes as to other elements of the claim if payment can be made without prejudice to either party.

Unfair Trade Practices	REFERENCE	COMMENTS
Standards for Prompt Investigations and Fair and Equitable Settlements Applicable to All Insurers	§114-14-6	9. Time for Payment of Claims – Insurers must pay the amount agreed upon no later than 15 working days from the receipt of the agreement or from the date of the performance by the claimant of any condition set by such agreement, whichever is later. 10. Notice of Applicable Time Limitations – No person shall negotiate for settlement of a claim with a claimant who is neither an attorney nor represented by an attorney without giving the claimant written notice that the claimant's rights may be affected by a statute of limitations or a policy or contract time limit. Such notice shall be given to first party claimants 30 days before, and to third party claimants 60 days before the date on which the time limit may expire. 11. Avoidance of Payment – Where liability and damages are reasonably clear, no person shall recommend that third party claimants make claim under their own policies solely to avoid paying claims under an insurer's insurance policy or insurance contract. 12. Unreasonable Travel – No person shall require a claimant to travel unreasonably to either inspect a replacement motor vehicle or to obtain a repair estimate.

Homeowners		
REVIEW REQUIREMENTS	**REFERENCE**	**COMMENTS**
RATES		
Rate Filing	**REFERENCE**	**COMMENTS**
Fee, filing	§33-6-34	The Filing Fee is $75.00 per Rate filing and $75 per Rule filing and applies on a per company basis.
Submission, filing	WVIL (Informational Letter) 163	All filings **must** be submitted through SERFF (System for Electronic Rate and Form Filing). Filing fees **must** be remitted via EFT (Electronic Funds Transfer) through SERFF.
Basic Requirements	§33-20-4	Must file every manual of classifications, territorial rate areas established pursuant to §33-20-3(c)(2). Must file every manual, minimum, class rate, rating schedule or rating plan and every other rating rule and every modification of any of the foregoing which the insurer proposes to use for fire and marine insurance. Filing should state proposed effective date and indication of the character and extent of the coverage contemplated.
Abstract	*§114-67*	File Appropriate Abstract. Available in Regulations-Series 67. Appendix E (Loss Cost)- PCA-LCR-2009 and/or Appendix F (Rate/Rule)- PCA-R-2009

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Rate Filing	REFERENCE	COMMENTS
Filing Requirement	§33-20-4(e)	Must be filed with and approved by the commissioner prior to use.
Information for Support	§33-20-4(b) §33-20-3	Information furnished in support of a filing may include: 1. Experience or judgment of the insurer or rating organization making the filing. 2. Experience or judgment of the insurer or rating organization in the territorial rate areas established by §33-20-3(c)(2). 3. Interpretation of any statistical data relied upon. 4. Experience of other insurers or rating organizations. 5. Manual, minimum, class rates, rating schedules or rating plans shall be made and adopted. 6. Due consideration shall be given to the conflagration hazard. 7. Consideration shall be given to the experience of the fire insurance business during a period of not less than the most recent five-year period for which experience is available 8. Any other relevant factors
Rating Organizations	§33-20-4(c)	An insurer may, but is not required to, satisfy its obligation to make such filing by becoming a member of or a subscriber to a licensed rating organization which makes such filings and by authorizing the commissioner to accept such filings on its behalf.
Filing Requirements for Members of Rating Organizations	§33-20-7(b), *WVIL* 54	If a member or subscriber deviates in any way from the approved rating organization filing, the insurer must make written application to the commissioner for permission to file a deviation from the class rates, schedules, rating plans or rules respecting any kind of insurance, or class of risk within a kind of insurance or a combination thereof. This application must specify the basis for modification and a copy must also be sent simultaneously to such rating organization. The commissioner will give consideration to the available statistics and the applicable principles for rate making as provided in §33-20-3. Initial or amended loss cost multipliers or modifiers must be filed independently. The following will be considered deviations: 1. Use of rates higher or lower than those approved for the rating organization. 2. Non-adoption of an approved rating organization filing. 3. Delay in the implementation of an approved rating organization filing. 4. Modification of a deviation currently in use.
Insurance Scoring	*WVIL 142A*	Rating plans utilizing Insurance Scoring must comply with *WVIL 142A*.
Suggested Lead Time for filings	§33-20-4(e)	Non-commercial (personal lines) insurance should be filed at least sixty days prior to either the effective date requested or to the date that our final disposition needs to be known.
Waiting Period	§33-20-4(e)	Each filing shall be on file for a waiting period of 60 days.

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Requirements	REFERENCE	COMMENTS
Consent-to-Rate Approval	*WVIL 40*	Any rate in excess of an approved rate filing must be filed with and approved by the Insurance Commissioner. Consent-to-Rate filings must comply with the following: 1. All applications must be on an exact copy of the form provided in *WVIL* 40. 2. The original application form must be signed in ink by both the agent and the insured. 3. The insured's address, phone number and exact property location must be indicated. 4. Both the existing approved and the requested rates must be indicated. If the Consent-to-Rate is disapproved, the approved rate becomes applicable. 5. The specific reason(s) for Consent-to-Rate must be given *in detail*. 6. The original and one copy must be submitted to the Rates and Forms Division of the West Virginia Insurance Commissioner 10 days prior to the effective date of the coverage.
Approval	§33-20-4	After sixty days, a filed Non-commercial (personal lines) insurance rate is considered approved. The preceding applies unless express approval or disapproval has been received from the commissioner. Note that when additional information is requested in support of a filing, the timing of the review period ceases until the requested information is provided.
Disapproval	§33-20-5	The commissioner may at any time after notice and hearing disapprove or withdraw a previous rate approval.
Reasons for Disapproval	§33-20-5	If a filing is not found to meet all requirements within the waiting period, the commissioner will send written notice of disapproval with a reason for disapproval. If at any time after the review period a filing is found not to meet all requirements, an order specifying the reason(s) and a date when the filing is no longer effective will be sent. Any person, insurer, or rating organization my demand a hearing in response to a disapproval. All rate filings must meet the requirements set forth in §33-20.
Rate Making	**REFERENCE**	**COMMENTS**
Provisions for Rate Making	§33-20-3, §33-20-17	All rates shall be made in accordance with the following provisions: 1. Consideration must be given to past and prospective loss experience, to catastrophe hazards, to dividends, expenses, and to all other relevant factors within and outside West Virginia. 2. Rates must not be excessive, inadequate or unfairly discriminatory. 3. Manual, minimum, class rates, rating schedules or rating plans shall be made and adopted. 4. Due consideration shall be given to the conflagration hazard, and to the experience of the fire insurance business during a period of at least the most recent 5-year period for which such experience is available. 5. Commercial activities conducted by the insured shall not be taken into consideration by the insurer unless conducted within the dwelling in question.