



## State of New Jersey

DEPARTMENT OF BANKING AND INSURANCE

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### BULLETIN NO. 14-11

**TO: ALL NEW JERSEY PRIVATE PASSENGER AUTOMOBILE INSURERS**

**FROM: KENNETH E. KOBYLowski, COMMISSIONER**

**RE: ANNUAL PREMIUM SURVEY: N.J.A.C. 11:3-45  
ANNUAL PREMIUM SURVEY INFORMATION**

Pursuant to N.J.S.A. 39:6A-23.1, the Commissioner of Banking and Insurance each year conducts a premium survey of private passenger automobile insurers and publishes the results for the benefit of consumers. N.J.A.C. 11:3-45 sets forth a standard procedure to be employed for the dissemination of the survey information. In accordance with N.J.A.C. 11:3-45.3(b), this Bulletin is being issued to advise all insurers of the survey information they should use to complete their annual responses.

Appendix #1 is a copy of the survey information from which the sample premiums shall be calculated. There are five survey examples with variations, and each of the sample premiums should be calculated for each specified zip code.

Appendix #2 is a copy of the approved survey certification form that should be completed by a corporate official attesting to the accuracy of the forms. A signed paper copy is not required.

Appendix #3 is a copy of the worksheet that shows the insurer's total premiums by example (see Appendix #1) and by zip code. Please provide a detailed explanation for every rating example where your company(ies) does(do) not have a premium calculated.

Appendix #4 is a worksheet that shows the insurer's calculations used to obtain the various coverages and the total premium for each example (Appendix #1) using 49 zip codes. Each Appendix #4 worksheet should identify the tier in which the risk is placed and all assumptions used in making this placement.

Companies not actively writing in the private passenger automobile market in New Jersey are not required to respond to this bulletin. Companies writing private passenger automobile insurance requesting an exemption should e-mail their request to the address below, stating the basis for the request, and include the NAIC number for all companies covered by the request.

Additional copies of this Bulletin, the criteria for rating examples and additional work sheets can be obtained from the Department's web page: [www.dobi.nj.gov](http://www.dobi.nj.gov).

The completed survey (Appendices 2, 3 and 4) should be submitted to the Department on or before November 1, 2014, and should reflect annual premiums that are effective as of October 1, 2014. Insurers that require a surplus contribution for new business are to reflect that.

The survey shall be submitted as an Excel spreadsheet by e-mail. The required blank Excel spreadsheet may be downloaded at the Department's web-site at [www.dobi.nj.gov](http://www.dobi.nj.gov). The spreadsheet name is [2014-10-01.xls](#). Upon completion, the survey should be sent to:

E-Mail Address: [reports@dobi.state.nj.us](mailto:reports@dobi.state.nj.us)

All insurers are reminded that failure to comply with these requirements may result in penalties authorized by law.

September 9, 2014  
Date



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Kenneth E. Kobylowski  
Commissioner

Attachments

Appendix 1

Spreadsheet 2014-10-01.xls

Note: The spreadsheet contains Appendices 2, 3 and 4

### **Example 1-A:**

Young Single Male, age 23 (single car policy – without PLIGA surcharge)  
Drives a 2007 Buick LaCrosse CX, four-door sedan, with a Category II Anti-Theft Device discount, ISO rating symbol 8, First 10 digits of VIN are 2G4WC552&7  
Pleasure use – drives less than 3 miles daily  
Has no motor vehicle violations/accidents in the past 3 years

#### **Standard Policy:**

Liability:

Bodily Injury Limits: \$15,000/\$30,000

Property Damage: \$5,000 (or combined single limit of \$35,000)

Personal Injury Protection: \$250,000; \$250 deductible

Uninsured Motorist Coverage:

Bodily Injury Limits: \$15,000/\$30,000

Property Damage: \$5,000 (or combined single limit of \$35,000)

Comprehensive: \$750 deductible

Collision: \$750 deductible

Limited Right to Sue

### **Example 1-B:**

**Same as Example 1-A, but with Unlimited Right to Sue Option**

### **Example 2-A:**

Married couple, both between ages of 30 and 49 (multiple car policy – without PLIGA surcharge)

Car # 1:

2012 Ford Taurus SE, Four-Door Sedan, with Category II Anti-Theft Device discount, ISO rating symbol 15, First 10 digits of VIN are 1FAHP2DW&C

Driven by husband to work 10 or more miles a day; 20,000 annual miles

Car #2:

2010 Chrysler Town and Country LX, with a Category II Anti-Theft Device discount, ISO rating symbol 10, First 10 digits of VIN are 2A4&R2D1&A

Driven by wife to work less than 3 miles a day; less than 7,500 annual miles

No motor vehicle violations/accidents within the past 3 years

Continuous insurance with same company for 5 years

#### **Standard Policy:**

Liability:

Bodily Injury Limits: \$100,000/\$300,000

Property Damage: \$25,000 (or combined single limit of \$300,000)

Personal Injury Protection: \$250,000; \$250 deductible

Uninsured Motorist Coverage:

Bodily Injury Limits: \$100,000/\$300,000

Property Damage: \$25,000 (or combined single limit of \$300,000)

Comprehensive: \$750 deductible (on Car #1 and Car #2)

Collision: \$750 deductible (Car #1 and Car #2)

Limited Right to Sue

### **Example 2-B:**

**Same as Example 2-A, but with Unlimited Right to Sue Option**

### **Example 3-A:**

Unmarried male, 35 years old (without PLIGA surcharge)

2012 Ford Taurus SE, Four-Door Sedan, with Category II Anti-Theft Device discount,

ISO rating symbol 15, First 10 digits of VIN are 1FAHP2DW&C

Has no motor vehicle violations/accidents in the past 3 years

Uses mass transit to work –pleasure use, less than 3 miles to train/bus station

#### **Standard Policy:**

Liability:

Bodily Injury Limits: \$100,000/\$300,000

Property Damage: \$25,000 (or combined single limit of \$300,000)

Personal Injury Protection: \$250,000; \$250 deductible

Uninsured Motorist Coverage:

Bodily Injury Limits: \$100,000/\$300,000

Property Damage: \$25,000 (or combined single limit of \$300,000)

Comprehensive: \$750 deductible

Collision: \$750 deductible

Limited Right to Sue

### **Example 3-B:**

**Same as Example 3-A, but insured drives to work, long commute.**

### **Example 4-A:**

Married couple, both 65 or older (single car policy – without PLIGA surcharge)

2012 Ford Taurus SE, Four-Door Sedan, with Category II Anti-Theft Device discount,

ISO rating symbol 15, First 10 digits of VIN are 1FAHP2DW&C Pleasure use (10,000 annual miles)

Has no motor vehicle violations/accidents within the past 3 years

#### **Standard Policy:**

Liability:

Bodily Injury Limits: \$100,000/\$300,000

Property Damage: \$25,000 (or combined single limit of \$300,000)

Personal Injury Protection: \$250,000; \$250 deductible

Uninsured Motorist Coverage:

Bodily Injury Limits: \$100,000/\$300,000

Property Damage: \$25,000 (or combined single limit of \$300,000)

Comprehensive: \$750 deductible

Collision: \$750 deductible

Limited Right to Sue

### **Example 4-B:**

**Same as Example 4-A, but with Unlimited Right to Sue Option**

### **Example 5:**

Young Single Female, age 23 (single car policy – without PLIGA surcharge)  
Drives a 2007 Buick LaCrosse CX, four-door sedan,  
ISO rating symbol 8, First 10 digits of VIN are 2G4WC552&7  
Drives 5 miles to work each day and 12,000 miles annually  
Has no motor vehicle violations/accidents within the past 3 years

**Basic Policy:**

Liability:

Property Damage: \$5,000

No optional Bodily Injury coverage

Personal Injury Protection (PIP): \$15,000

No physical damage coverage

Limited Right to Sue

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