

Part 1 Chapter 9: (F&C 73-1) Use of Investment Income in Ratemaking.

Introduction

The Mississippi Insurance Commission in regular session November 16, 1973, adopted the following rules and regulations to take effect on all rate filings submitted to this Commission and received after December 26, 1973.

Rule 9.01 Section 1

No rating organization, insurer or group of insurers that transact an insurance business in this State shall file with this Commission any rate schedule, or rate revision, which does not reflect, to the extent prescribed hereinbelow, the investment income of each insurer whose experience is incorporated in the filing.

Source: Miss. Code Ann. §§ 83-2-3; 83-5-1 (Rev. 2011)

Rule 9.02 Section 2

For the purposes of this Regulation, the rate of investment income shall mean the quotient of (1) the net investment gain or loss as shown on line 9A of the Underwriting and Investment exhibit on Page 4, of the appropriate Annual Statement, divided by (2) the cash and invested assets shown as the sum of items one (1) to seven (7) inclusive, on Page 2 of the appropriate Annual Statement or Annual Statements filed with the Mississippi Insurance Department covering the period of time reflected by the statistical data in such rate filing.

Source: Miss. Code Ann. §§ 83-2-3; 83-5-1 (Rev. 2011)

Rule 9.03 Section 3

The amount of investment income allocated to a rate filing shall be determined by multiplying the rate of investment income as determined hereinabove by the sum of (1) reduced by the allowances for acquisition costs, general expense, and taxes in the formula for the premiums which generated the reserve.

Source: Miss. Code Ann. §§ 83-2-3; 83-5-1 (Rev. 2011)