

**2705.2500 RATING CRITERIA.**

Subpart 1. **Determining compliance.** In determining whether rates and rating plans comply with Minnesota Statutes, section 79.55 and part 2705.1800, the commissioner shall consider the criteria in subparts 2 to 4.

Subp. 2. **Loss experience and other rate factors.** The commissioner shall consider past and prospective loss and expense experience within and outside of Minnesota, catastrophe hazards and contingencies, events or trends within and outside of the state, loadings for leveling premium rates over time or for dividends or savings to be allowed or returned by insurers to their policyholders, members, or subscribers, and any other relevant factors if they are enumerated in the commissioner's eventual determination.

Subp. 3. **Expenses.** The expense provisions included in the rates to be used by an insurer shall reflect the operating methods of the insurer and, so far as it is credible, its own actual and anticipated expense experience.

Subp. 4. **Profits.** The rates may contain provision for contingencies and an allowance permitting a reasonable profit. In determining the reasonableness of profit, consideration shall be given to all investment income attributable to premiums and the reserves associated with those premiums.

**Statutory Authority:** *MS s 79.55 to 79.61*

**History:** *8 SR 2273*

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