New Hampshire Insurance Company submits one endorsement to be used with the ISO Businessowners Coverage Form, Form No. BP 00 03, adopted in our filing ISO-CW-12-BOP-01. The form is similar to the ISO Pharmacists Endorsement, Form No. BP 08 07, as it provides professional liability coverage for injury caused by the rendering of, or failure to render, professional services in connection with services in the practice of a retail pharmacist or pharmacy. The submitted endorsement broadens certain aspects of coverage including injury arising out of administering of vaccinations in accordance with any applicable state or federal law; consulting services regarding over the counter and prescription medications; consulting services regarding medical devices, supplies or equipment; and providing Medication Therapy Management Services.

Rate Determination: We used the approved ISO loss costs for Forms BP 08 07 Pharmacists Endorsement and BP 08 06\* Pharmacists - Broad Coverage, as a guideline for the development of a loss cost for our new endorsement form no. 119838, Pharmacist Amendatory Endorsement - Massachusetts. Form BP 08 06 has been approved in many, but not all states; however, we felt the loss cost developed for this form was the most appropriate reference in our determination of a modifying factor.

ISO form BP 08 06 provides broader coverage than the proposed form 119838, and ISO form BP 08 07, provides less coverage. We evaluated the difference between the loss costs for each of the ISO endorsements, divided the difference in half, and determined that a factor of 1.055 applied to the ISO loss cost for form BP 08 07 would provide the required loss cost for the coverage offered in our form. Because the coverage provided under form 119838 falls between the coverage spectrum of BP 08 06 and BP 08 07, we conclude the factor to be appropriate.

The steps required to rate each form shall be determined as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **FORM BP 08 06** | **FORM 119814** | **FORM BP 08 07** |
|  | Sales/$1000 x Published LC | Published LC for BP 0807 x 1.055 x Sales/$1000 | Sales/$1000 x Published LC |
| EXAMPLE ONLY: | ($50,000/$1,000) x .454 = $22.70 | (50,000/$1,000) x .409 x 1.055 = $21.57 | ($50,000/$1,000) x .409 = $20.45 |

As this is a new coverage, we do not have exhibits to demonstrate rate adequacy and will monitor rate adequacy. We are committed to collecting and analyzing statistics from this product, and we will continue to monitor our rates as credible volume of data become available.