

July 16, 1992

SUBJECT: INSURANCE

WITHDRAWN

SUPPLEMENT NO. 3 to CIRCULAR LETTER NO. 3 (1986)

To: Manager, Commercial Lines Underwriting of All Licensed Property/Casualty Insurance Companies And Accredited Reinsurers

Also: Insurance Producer Organizations

Re: REVISION of AVAILABILITY SURVEY UPDATES (Supplement 2 to Circular Letter No. 3 (1986))

The Second Supplement to Department Circular Letter No. 3 (1986), dated August 15, 1989, advised that pursuant to Section 308 of the Insurance Law, the Department was, establishing an availability survey as a mechanism for the annual appraisal of insurance market conditions and trends. Accordingly, this Department mails updated survey forms to insurers and producer organizations on or before August 15th of each year for completion by September 30th.

The purpose of this Circular Letter is to advise that The Department is delaying the issuance of this year's Availability Survey Update. We are in the process of revamping the method of data capture for the survey results, including the introduction of optical character reader (OCR) technology and creating a mainframe database to capture and utilize data. This will enhance analysis of market conditions and developing trends as well as enable the Department (and the industry) to better serve insurance consumers in New York.

To achieve this goal, several changes to the survey format are necessary to enable OCR to properly record responses. These include a coding of each type of risk in the survey. The Department intends to utilize a list of codes based upon the Standard Industrial Classification Codes (SIC) (published by the Executive Office of the President, Office of Management and Budget) which are commonly used by insurers in the entering and analyzing of statistical data. Data entry will also necessitate that survey responses be typed using specified fonts. The expected enhancement of market trend and condition analysis will enable the Department to omit its request for policy count information from the survey.

Revised survey forms should be available by December 1, 1992, and will be furnished to you at that time.

Your comments regarding the aforementioned contemplated revisions are requested, and should be submitted for our receipt no later than August 31, 1992. Comments should be sent to:

Bruce L. Ascher -- (212-602-0369)

Associate Insurance Examiner

Property & Casualty Insurance Bureau

New York State Insurance Department

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Industry cooperation has been the key to the Department's efforts to cultivate and maintain stability in the commercial insurance marketplace. Your continued assistance is essential and appreciated.

Very truly yours,

SALVATORE R. CURIALE

SUPERINTENDENT OF INSURANCE