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Policy Limit Requirements *Remain in Effect*

The Texas Department of Insurance (TDI) reiterated its goals of market capacity, uniform reporting, and market comparison to industry stakeholders with respect to a new policy limit requirement, adopted in December 2018. The regulatory requirement remains in effect, for all policies with an effective date on or after 12/30/18.

While SLTX simplified the policy limit filing to the ‘highest aggregate limit’ per policy, the Department has provided additional clarifications for the agent community to include:

- **Property Policies** – Total Insurable Value (TIV) for all properties on the policy (*both in and outside of the state*)
- **Liability Policies** – Aggregate Limit
- **Package Policies** (property & liability) – TIV for all properties on the policy (*both in and outside of the state*)
- **Other - Accident & Health** – Maximum Benefit, aka Total Sum (*excluding occupational A&H, which are not required to report*)

While only (1) loss limit per policy is still required, regardless of policy type, it does require agent staff to be observant of “property TIV, in/outside the state.”

The expectation from TDI is that the new definitions be followed moving forward. Agents may work with carriers to obtain policy limits in order to comply but are ultimately responsible for the accuracy of these submissions. For the few agents who decide to provide a carrier’s bordereaux of policy limits, SLTX will create a separate outreach/process for those agencies’ reconciliations.

Also remaining in place for all industry agents/brokers:

- SLTX will continue to not report any policy limit errors on the monthly or annual late filing report to TDI.
- No change in submission/filing methods SLTX already allows, to include:
 - File upload via temporary portal (SLTX website)
 - EFS policy limit field
 - Programmatic filing
 - Mailed submissions

From the inception, filed policy information to SLTX has been extremely positive. Additionally, the overwhelming support from a widespread insurance & risk management industry base has been poised, with consistent emphasis on the value of strategy and innovation as the digital era is already before us. Thus, another reason to thank the hundreds of brokers who are reporting information to our office, as well as the growing interest as “SLTX beta testers” for our future SMART system.



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