

Subject: Tentative for 10/29/25 1:00 p.m.: CDI: Discovery from SFG - In the Matter of the Rate Applications of State Farm General Insurance Co. [File Nos. PA-2024-00011, PA-2024-00012 and PA-2024-00013]

Date: Tuesday, October 28, 2025 at 8:13:56 PM Pacific Daylight Time

From: Seligman, Karl-Fredric

To: AHB Filings

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CDI: Discovery from SFG

The Department's request to compel and examine evidence in response to Request No. 48 is Granted as provided for herein.

The California Department of Insurance's Production Request No. 48 seeks documents and data regarding State Farm General Insurance Company's March 2024 block nonrenewal program. The parties continue to dispute the request despite the preliminary order directing further meet-and-confer efforts to reach a resolution. Although State Farm General represents that it has no further documents to produce in response to Request No 48, that representation is conditioned on SFG's premise that the March 2024 nonrenewals produced no rate impact and that certain materials responsive to subpart c are privileged, including SFG's RBC plan. Accordingly, the ALJ will not defer to the representation that the response is complete.

One element of the liberal discovery standard in rate proceedings is that doubts about discoverability are resolved in favor of requiring disclosure. There is no reasonable dispute that the requested information is relevant in the context of the stipulated interim rate increase, which expressly addressed nonrenewals and triggered an emergency hearing. The documents CDI identified as responsive to request No 48 – including model outputs and underwriting criteria - were illustrative examples intended to clarify the types of materials CDI would view as responsive, not a revision, expansion, or limitation.

CDI is not required to accept SFG's analytical conclusions and is entitled to obtain the underlying materials, test the analyses, and reach independent conclusions. The Department is similarly not obligated to wait for the actuaries to meet. So while it is correct that a party need not create new calculations or analyses that do not already exist for discovery purposes alone, that limitation does not permit delay or otherwise condone concealment of core elements of the rate application, and model characteristics. Individual privacy concerns, to the extent they are at play, are outweighed by the Department's need for the information sought.

It should also go without saying that CDI is fundamentally correct in stating that SFG's rate filing must also be complete. Again, model characteristics cannot be kept hidden. If SFG persists in withholding material essential to verifying its claimed rate impact, the Department may pursue appropriate remedies, including further motion practice or other procedural measures designed to resolve the entire case.

To the extent responsive documents have been withheld but are subject to production under this order, State Farm General must produce them within ten business days. SFG commitment to supplement its response to subpart (b) is also confirmed, which should be completed within this same time frame.

If State Farm General continues to assert trade secret statutory protection over otherwise responsive materials, any withholding must be supported by a concise, document-specific factual basis sufficient to permit meaningful review. The parties shall first meet and confer to establish a process for evaluating those specific claims. That process should inform preparation of a proposed protective order, which must include procedures for evaluating each withheld document and applying a balancing test to determine whether the asserted protection should be maintained. Absent stipulation, and consistent with the prior order on the subject, the matter of sealing will be addressed separately.

[Tentative rulings are often highly abbreviated relative to more detailed formal written orders, but are provided in advance of hearing to effectuate efficient case management and facilitate party preparation. Parties should be prepared to address any unresolved, contested, or unaddressed issues at hearing or through appropriate procedural inquiry. If all parties submit and no party contests, the outcomes are deemed final, except to the extent they are expressly subject to subsequent supplementation or modification to address outstanding matters.]

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