



LOSS COSTS – IMPLEMENTATION

AUGUST 5, 2019

BUSINESSOWNERS

LI-BP-2019-074

NEW HAMPSHIRE LOSS COSTS REVISION TO BE IMPLEMENTED

KEY MESSAGE

Deleted state-specific loss costs in favor of the corresponding multistate material to be implemented in New Hampshire.

Filing ID: BP-2019-RLC1

Effective Date: 3/1/2020

BACKGROUND

In circular [LI-BP-2019-039](#) we announced the implementation of Filing BP-2019-RMITL, which implemented certain multistate loss cost revisions as New Hampshire-specific exceptions.

ISO ACTION

We are deleting several New Hampshire exceptions in favor of the corresponding multistate material. Refer to the attached explanatory material for complete details about the filing.

EFFECTIVE DATE

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies **written** on or after March 1, 2020.

This effective date applies only to those insurers who have filed their Businessowners loss cost adjustments to be automatically applicable to future ISO loss cost revisions.

COMPANY ACTION

You must independently determine the final rates you will use. The action, if any, you must take in response to this filing is dependent upon how you filed to have your loss cost adjustments apply to subsequent revisions of ISO loss costs. Any submission you make with respect to this revision must comply with applicable regulatory filing requirements.

For guidance on submission requirements, consult the ISO State Filing Handbook.

WE WILL SUBMIT THIS REVISION TO THE INSURANCE DEPARTMENT ON JANUARY 28, 2020. IF STATE FILING REQUIREMENTS DICTATE THAT YOU MAKE A SUBMISSION WITH THE INSURANCE DEPARTMENT, DO NOT SUBMIT IT PRIOR TO THIS DATE.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Reference Filing Number BP-2019-RLC1, NOT this circular number.

CAUTION: This reference filing revises only certain advisory prospective loss costs for Businessowners in New Hampshire. In determining whether or not to revise your rates, you should consider the application of your loss cost adjustments to any loss costs not included in this revision.

RATING SOFTWARE IMPACT

No new attributes are being introduced with this revision.

POLICYHOLDER NOTIFICATION

If you decide to implement this revision, you should check all applicable laws for the state(s) to which this revision applies, to determine whether or not a specific policyholder notice requirement may apply. Please note that circular [LI-CL-2018-044](#) contains the ISO Guide To Renewals With Changed Conditions For Commercial Lines, which is available only as a guide to assist participating companies in complying with various conditional renewal statutes or regulations, for the major commercial lines of insurance serviced by ISO. The information in the Guide does not necessarily reflect all requirements or exceptions that may apply, and it is not intended as a substitute for your review of all applicable statutes and regulations concerning policyholder notification.

REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 3-20 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

RELATED FORMS AND RULES REVISION

We are announcing in separate circulars the implementation of corresponding forms and rules revisions. Please refer to the Reference(s) block for identification of each circular.

REFERENCE(S)

- [LI-BP-2019-073](#) (08/05/2019) New Hampshire Supplement To Multistate Rules Revision To Accommodate New Unmanned Aircraft Endorsements To Be Implemented
- [LI-BP-2019-072](#) (08/05/2019) New Hampshire Supplement To Businessowners Unmanned Aircraft Endorsement Options Filed And Approved
- [LI-BP-2019-039](#) (05/08/2019) Businessowners Multistate Forms, Rules And Loss Costs Revisions To Be Implemented
- [LI-CL-2018-044](#) (11/27/2018) Revised Lead Time Requirements Listing

ATTACHMENT(S)

Filing [BP-2019-RLC1](#)

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DATA QUALITY

Statistical plan date reported to ISO is first processed through a system of rigorous automated date verification procedures so that only valid date would be used for ratemaking. Subsequent to this initial data submission review, additional analyses on the statistical plan data involving an even more customized data review for this line was performed by staff. During these processes, various data records were excluded from the review, The ISO staff responsible for this circular also reviewed the data for reasonableness.

ACKNOWLEDGMENT OF ACTUARIAL QUALIFICATIONS

The American Academy of Actuaries' "Qualifications Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" requires that an actuary issuing a Statement of Actuarial Opinion should include an acknowledgment with the opinion that he/she has met the qualification standards of the AAA. ISO considers this loss cost document a Statement of Actuarial Opinion; therefore we are including the following acknowledgment:

I, David Terné, am a Managing Director of Actuarial Operations for ISO and I, Michael Doyle, am an Actuarial Product Director for Specialty Lines for ISO. We are jointly responsible for the content of this Statement of Actuarial Opinion. We are both members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

CONTACT INFORMATION

If you have any questions concerning:

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New Hampshire Loss Costs Revision To Adopt Multistate Loss Costs Related To Contractors Installation, Tools And Equipment Coverage

About This Filing

We are deleting New Hampshire loss cost exceptions in favor of multistate loss costs.

Withdrawn Loss Costs

We are withdrawing the following loss costs:

- ◆ Table 16.B.4.a.(1)(b)(i)(LC) Contractors' Installation Premium Determination
- ◆ Table 16.B.4.a.(2)(c)(i)i.(LC) Contractors' Tools And Equipment Premium Determination – Blanket Basis
- ◆ Table 16.B.4.a.(2)(c)(ii)i.(LC) Contractors' Tools And Equipment Premium Determination – Scheduled Basis
- ◆ Table 16.B.4.b.(1)(b)(i)(LC) Non-owned Tools And Equipment Premium Determination
- ◆ Table 16.B.4.b.(2)(b)(i)(LC) Employees' Tools Premium Determination

Related Filing(s)

- ◆ BP-2016-ODNRU (Rules)
- ◆ BP-2016-ODNFR (Forms)

Background

In filing BP-2019-RMITL, loss cost revisions were introduced as New Hampshire exceptions rather than as multistate loss cost revisions because the most recent Businessowners multistate loss costs program was not in effect in New Hampshire at the time that filing was submitted. As the revisions proposed in the companion filings bring New Hampshire to the most current multistate program, these exceptions are no longer necessary because similar provisions are reflected in the multistate loss costs.

Explanation of Changes

We are deleting several New Hampshire exceptions in favor of the corresponding multistate material. The table below lists each deleted exception, the section of the corresponding multistate loss cost that will now apply, along with the prior ISO filing that introduced each of the deleted exceptions.

Deleted Exception(s)	Corresponding Multistate Provision(s)	Prior ISO Filing
Table 16.B.4.a.(1)(b)(i)(LC)	Table 16.B.4.a.(1)(b)(i)(LC)	BP-2019-RMITL
Table 16.B.4.a.(2)(c)(i)i.(LC)	Table 16.B.4.a.(2)(c)(i)i.(LC)	BP-2019-RMITL
Table 16.B.4.a.(2)(c)(ii)i.(LC)	Table 16.B.4.a.(2)(c)(ii)i.(LC)	BP-2019-RMITL
Table 16.B.4.b.(1)(b)(i)(LC)	Table 16.B.4.b.(1)(b)(i)(LC)	BP-2019-RMITL
Table 16.B.4.b.(2)(b)(i)(LC)	Table 16.B.4.b.(2)(b)(i)(LC)	BP-2019-RMITL

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SECTION II – COVERAGE FORM RULES

16. MANDATORY FORMS, COVERAGE AND LIMITS

Loss Cost	
Loss cost (per \$100) for Contractors' Installation	\$ 0.75

Table 16.B.4.a.(1)(b)(i)(LC) Contractors' Installation Premium Determination

Coverage	Loss Cost		
	\$2,000 Sublimit Option	\$1,000 Sublimit Option	\$500 Sublimit Option
Loss cost (per \$100) for Contractors' Blanket Tools And Equipment	\$ 2.00	\$ 1.00	\$ 1.80

Table 16.B.4.a.(2)(c)(i)(LC) Contractors' Tools And Equipment Premium Determination – Blanket Basis

Loss Cost	
Loss cost (per \$100) for Contractors' Scheduled Tools And Equipment	\$ 1.10

Table 16.B.4.a.(2)(c)(ii)(LC) Contractors' Tools And Equipment Premium Determination – Scheduled Basis

Loss Cost	
Additional loss cost (per \$100) for Non-owned Tools And Equipment	\$ 1.20

Table 16.B.4.b.(1)(b)(i)(LC) Non-owned Tools And Equipment Premium Determination

Loss Cost	
Additional loss cost (per \$100) for Employees' Tools	\$ 2.00

Table 16.B.4.b.(2)(b)(i)(LC) Employees' Tools Premium Determination