

LOSS COSTS/RULES/FORMS – IMPLEMENTATION

NOVEMBER 11, 2019

GENERAL LIABILITY

LI-GL-2019-237

GENERAL LIABILITY MULTISTATE NEW AND REVISED OPTIONAL ENDORSEMENTS, MANUAL RULES AND LOSS COSTS REVISION TO BE IMPLEMENTED IN VERMONT

KEY MESSAGE

We are implementing new and revised optional multistate and state-specific endorsements, rules and loss costs as part of the Commercial General Liability Program in Vermont.

Effective Date: 4/1/2020

Filing IDs: GL-2018-OFR18 (Forms), GL-2018-RRU18 (Rules) and GL-2018-RLC18 (Loss Costs)

BACKGROUND

In circular:

- [LI-GL-2018-135](#), we announced the submission of forms filing GL-2018-OFR18, which introduced a variety of new and revised multistate optional endorsements for use with the General Liability program.
- [LI-GL-2018-136](#), we announced the submission of rules filing GL-2018-RRU18, which revised multistate rules in Division Six – General Liability of the Commercial Lines Manual to reflect, in part, changes made in companion forms filing GL-2018-OFR18.
- [LI-GL-2018-137](#), we announced the submission of loss costs filing GL-2018-RLC18, which introduced advisory prospective loss costs and associated rating factors for the optional Unmanned Aircraft Endorsements written under the ISO General Liability policy.

In subsequent circulars, which are listed in the attached multistate status report, we provided state supplements to the multistate forms and rules filings in Vermont.

INSURANCE DEPARTMENT ACTION

We have received all necessary approvals or acknowledgements, as required by state laws and regulations, from the Vermont Department of Insurance.

Note: The announcement of implementation in a particular jurisdiction includes the implementation of the multistate filings and any state supplement and/or amendment filing.

EFFECTIVE DATE**GL-2018-OFR18 (Forms) and GL-2018-RRU18 (Rules):**

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

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

GL-2018-RLC18 (Loss Costs):

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

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

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

COMPANY ACTION**GL-2018-OFR18 (Forms):**

If you have authorized us to file on your behalf and decide:

- To use our revision and effective date, you are not required to file anything with the Vermont Department of Insurance.
- To use our revision with a different effective date, to use our revision with modification, or to not use our revision, you must make an appropriate submission with the Vermont Department of Insurance.

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

In all correspondence with the Vermont Department of Insurance on this revision, you should refer to ISO Filing Designation Number GL-2018-OFR18, NOT this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing.

GL-2018-RRU18 (Rules):

If you have authorized us to file on your behalf and decide:

- To use our revision and effective date, you are not required to file anything with the Vermont Department of Insurance.
- To use our revision with a different effective date, to use our revision with modification, or to not use our revision, you must make an appropriate submission with the Vermont Department of Insurance.

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

WE WILL SUBMIT THIS REVISION TO THE VERMONT DEPARTMENT OF INSURANCE ON MARCH 1, 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 Vermont Department of Insurance on this revision, you should refer to ISO Filing Designation Number GL-2018-RRU18, NOT this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing.

GL-2018-RLC18 (Loss Costs):

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 VERMONT DEPARTMENT OF INSURANCE ON MARCH 1, 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 Vermont Department of Insurance on this revision, you should refer to ISO Filing Designation Number GL-2018-RLC18, NOT this circular number

CAUTION: This reference filing revises only certain advisory prospective loss costs for General Liability in Vermont. 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

Refer to the circulars in the Reference(s) block for the impact of the multistate filings.

IMPACT ON STATISTICAL REPORTING

Circular [SP-GL-2019-002](#), dated May 8, 2019, establishes the statistical coding for the General Liability Unmanned Aircraft (Drones) program. Coding includes the introduction of new Subline Code 370, new Type of Loss Codes as well as the collection of Policy Limits and Premium amounts. In addition, we have introduced several new data elements such as Primary Place of Operation, Ownership and Operation and Level of Certification. Please refer to the statistical circular for specifics.

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.

FUTURE ISO ACTION

In future circulars, we will:

- Inform you of implementation status of these filings in additional jurisdictions.
- Provide an updated multistate status report summarizing filing activity.

REVISION DISTRIBUTION

GL-2018-OFR18 (Forms):

We will issue a Notice to Portfolioholders with an edition date of 4-20 (or the earliest possible subsequent date), along with any new and/or revised forms.

GL-2018-RRU18 (Rules) and GL-2018-RLC18 (Loss Costs):

We will issue a Notice to Manualholders with an edition date of 4-20 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

REFERENCE(S)

- [SP-GL-2019-002](#) (05/08/2019) Unmanned Aircraft (Drones) Coding Expanded For General Liability
 - [LI-GL-2018-137](#) (12/21/2018) General Liability Multistate Loss Costs Revision Being Filed
 - [LI-GL-2018-136](#) (12/21/2018) General Liability Multistate Manual Rules Revision Being Filed
 - [LI-GL-2018-135](#) (12/21/2018) New And Revised General Liability Multistate Optional Endorsements Being Filed
 - [LI-CL-2018-044](#) (11/27/2018) Revised Lead Time Requirements Listing
-

ATTACHMENT(S)

Status Report

COPYRIGHT EXPLANATION

The material distributed by Insurance Services Office, Inc. is copyrighted. All rights reserved. Possession of these pages does not confer the right to print, reprint, publish, copy, sell, file, or use same in any manner without the written permission of the copyright owner. Permission is hereby granted to members, subscribers, and service purchasers to reprint, copy, or otherwise use the enclosed material for purposes of their own business use relating to that territory or line or kind of insurance, or subdivision thereof, for which they participate, provided that:

- (A) Where ISO copyrighted material is reprinted, copied, or otherwise used **as a whole**, it must reflect the copyright notice actually shown on such material.
 - (B) Where ISO copyrighted material is reprinted, copied, or otherwise used **in part**, the following credit legend must appear at the bottom of each page so used:
Includes copyrighted material of Insurance Services Office, Inc., with its permission.
-

DATA QUALITY

Statistical plan data reported to ISO is first processed through a system of rigorous automated data verification procedures so that only valid data 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 were 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 (GL-2018-RLC18-LOSS COSTS)

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 filing a Statement of Actuarial Opinion; therefore we are including the following acknowledgment:

I, Timothy J. McCarthy, am a Manager and Actuary for ISO. I am responsible for the content of this Statement of Actuarial Opinion. I am a member of the American Academy of Actuaries and I 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:

- The forms and rules content of this circular, please contact:
Nathaniel Brown
Compliance & Product Services – Liability
(201) 469-2796
Nathaniel.Brown@verisk.com
- The loss cost content of this circular, please contact:
Alla Golonesky
ISOCL – Actuarial
(201) 469-2566
Alla.Golonesky@verisk.com
- Other issues for this circular, please contact Customer Support:
E-mail: info@verisk.com
Phone: 800-888-4476

Callers outside the United States, Canada, and the Caribbean may contact us using our global toll-free number (International Access Code + 800 48977489). For information on all ISO products, visit us at www.verisk.com/iso. To keep abreast of the latest Insurance Lines Services updates, view www.verisk.com/ils.

**Status of General Liability Multistate Filings
Forms (GL-2018-OFR18), Rules (GL-2018-RRU18) and Loss Costs (GL-2018-RLC18)**

STATE	EFFECTIVE OR DISTRIBUTION DATE	STATE-SPECIFIC FILING/SUPPLEMENT/AMENDMENT CIRCULARS		IMPLEMENTATION CIRCULARS
		FORMS	RULES	
ALABAMA	12/1/2019	**	**	LI-GL-2019-138
ALASKA	3/1/2020	LI-GL-2019-068 LI-GL-2019-218 (A)	LI-GL-2019-069 LI-GL-2019-219 (A)	LI-GL-2019-231
ARIZONA	12/1/2019	**	**	LI-GL-2019-138
ARKANSAS	12/1/2019	LI-GL-2019-109	LI-GL-2019-110	LI-GL-2019-138
CALIFORNIA	12/1/2019	**	LI-GL-2019-051	LI-GL-2019-138
COLORADO	12/1/2019	**	**	LI-GL-2019-138
CONNECTICUT	12/1/2019	LI-GL-2019-111	LI-GL-2019-112	LI-GL-2019-138
DELAWARE	12/1/2019	**	LI-GL-2019-052	LI-GL-2019-138
DIST. OF COLUMBIA	12/1/2019	**	**	LI-GL-2019-138
FLORIDA				
GEORGIA		**	**	
GUAM*	12/1/2019	**		LI-GL-2019-138
HAWAII				
IDAHO	12/1/2019	**	**	LI-GL-2019-138
ILLINOIS	12/1/2019	LI-GL-2019-195	LI-GL-2019-196	LI-GL-2019-138
INDIANA	12/1/2019	**	LI-GL-2019-040	LI-GL-2019-138
IOWA	12/1/2019	**	**	LI-GL-2019-138
KANSAS	12/1/2019	LI-GL-2019-042	**	LI-GL-2019-138
KENTUCKY		**	LI-GL-2019-036	
LOUISIANA	12/1/2019	LI-GL-2019-070	LI-GL-2019-071	LI-GL-2019-138
MAINE	12/1/2019	**	**	LI-GL-2019-138
MARYLAND	12/1/2019	**	**	LI-GL-2019-138
MASSACHUSETTS		LI-GL-2019-120	LI-GL-2019-121	
MICHIGAN	12/1/2019	**	**	LI-GL-2019-138
MINNESOTA	12/1/2019	LI-GL-2019-077	LI-GL-2019-078	LI-GL-2019-138
MISSISSIPPI	12/1/2019	**	LI-GL-2019-053	LI-GL-2019-138
MISSOURI	12/1/2019	LI-GL-2019-083	LI-GL-2019-084	LI-GL-2019-138
MONTANA	12/1/2019	**	**	LI-GL-2019-138
NEBRASKA	12/1/2019	**	LI-GL-2019-041	LI-GL-2019-138
NEVADA	12/1/2019	**	LI-GL-2019-081	LI-GL-2019-138
NEW HAMPSHIRE	12/1/2019	LI-GL-2019-113	LI-GL-2019-114	LI-GL-2019-138
NEW JERSEY	12/1/2019	**	**	LI-GL-2019-138
NEW MEXICO	12/1/2019	**	**	LI-GL-2019-138
NEW YORK				
NORTH CAROLINA	12/1/2019	**	**	LI-GL-2019-138
NORTH DAKOTA	12/1/2019	LI-GL-2019-043	LI-GL-2019-044	LI-GL-2019-138
OHIO	12/1/2019	LI-GL-2019-117	LI-GL-2019-118	LI-GL-2019-138
OKLAHOMA	12/1/2019	LI-GL-2019-047	LI-GL-2019-048	LI-GL-2019-138
OREGON	12/1/2019	LI-GL-2019-032	LI-GL-2019-033	LI-GL-2019-138
PENNSYLVANIA	12/1/2019	**	**	LI-GL-2019-138
PUERTO RICO		LI-GL-2019-079	LI-GL-2019-080	
RHODE ISLAND	12/1/2019	**	LI-GL-2019-054	LI-GL-2019-138
SOUTH CAROLINA	12/1/2019	**	**	LI-GL-2019-138
SOUTH DAKOTA	12/1/2019	**	LI-GL-2019-035	LI-GL-2019-138
TENNESSEE	12/1/2019	**	LI-GL-2019-055	LI-GL-2019-138
TEXAS		LI-GL-2019-092 LI-GL-2019-232 (A)	LI-GL-2019-093 LI-GL-2019-233 (A)	
U.S. VIRGIN ISLANDS*		LI-GL-2019-045		
UTAH	12/1/2019	LI-GL-2019-085	LI-GL-2019-086	LI-GL-2019-138
VERMONT	4/1/2020	LI-GL-2019-115 LI-GL-2019-223 (A)	LI-GL-2019-116 LI-GL-2019-224 (A)	LI-GL-2019-237
VIRGINIA	12/1/2019	LI-GL-2019-145	LI-GL-2019-146	
WASHINGTON		LI-GL-2019-124	LI-GL-2019-125	
WEST VIRGINIA	12/1/2019	**	**	LI-GL-2019-138
WISCONSIN	12/1/2019	**	LI-GL-2019-039	LI-GL-2019-138
WYOMING	12/1/2019	LI-GL-2019-049	LI-GL-2019-050	LI-GL-2019-138

* ISO has no jurisdiction for rules/loss costs.

** There is NO state supplement.

Bold indicates change.

(A) Filing(s) amended.