

LOSS COSTS – APPROVED

MARCH 9, 2021

COMMERCIAL AUTOMOBILE

LI-CA-2021-059

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## WASHINGTON REVISED COMMERCIAL AUTO LOSS COSTS TO REFLECT TERRITORY DEFINITIONS REVISION APPROVED

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### KEY MESSAGE

Revised advisory prospective loss costs in filing CA-2020-RTL1C1 are approved in Washington.

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### UPGRADE TO WORD AND EXCEL DOCUMENTS

ISO is currently implementing changes to our authoring and delivery systems so that **newly created** documents will be delivered in Office 365 .docx/.xlsx format. These changes will be phased in by product/service tentatively beginning in second quarter 2021. We are providing advance notification so that you may prepare your internal systems. Products impacted include, but are not limited to, documents delivered/accessed via Circulars, CLM, EFD, ERC, Filings, FIRST, Forms Library (including PolicyWriting Support Forms Instructional Supplement), PRM, Statistical Plans and Suite +.

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### BACKGROUND

In circular [LI-CA-2020-411](#), we advised you that we submitted filing CA-2020-RTL1C1 to the Insurance Department. We also stated that we did not intend to issue the loss costs in filing CA-2020-RTL1C1 unless we decided not to implement the subsequent experience review filing. We have now decided not to implement the subsequent experience review filing, so we are announcing the implementation of filing CA-2020-RTL1C1 and issuing loss costs that reflect only the ZIP Code territory changes.

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### INSURANCE DEPARTMENT ACTION

The Insurance Department has acknowledged this revision as filed.

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### EFFECTIVE DATE

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

These changes are applicable to all policies written on or after October 1, 2021.

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

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### IMPACT ON THE STATISTICAL REPORTING OF LOSS COST MULTIPLIER

For the purpose of reporting your company Loss Cost Multiplier under the CSP, as of October 1, 2021, if your company has implemented the Optional Class Plan, the multiplier must be based on the relationship between your gross rates and the ISO advisory prospective loss costs contained in referenced circular [LI-CA-2020-411](#).

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## 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.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Number CA-2020-RTL1, NOT this circular number.

CAUTION: This reference filing revises only certain advisory prospective loss costs for Commercial Auto in this state. 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.

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## RATING SOFTWARE IMPACT

No new attributes are being introduced with this revision.

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## 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-2021-004](#) 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.

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## REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 10-21 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

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## REFERENCE(S)

- [LI-CL-2021-004](#) (02/17/2021) Revised Lead Time Requirements Listing
- [LI-CA-2020-411](#) (10/13/2020) Washington Revised Commercial Auto Loss Costs To Reflect Territory Definitions Revision Submitted

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## OPTIONAL CLASS PLAN INFORMATION

For the latest updates on the Optional Class Plan, visit <https://www.verisk.com/insurance/products/new-commercial-auto-class-plan>.

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## CONTACT INFORMATION

If you have any questions concerning:

- The actuarial content of this circular, please contact:  
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