

LOSS COSTS – IMPLEMENTATION

MAY 2, 2022

COMMERCIAL INLAND MARINE

LI-CM-2022-011

COMMERCIAL INLAND MARINE MULTISTATE ADVISORY PROSPECTIVE LOSS COST REVISION TO BE IMPLEMENTED IN VARIOUS JURISDICTIONS

KEY MESSAGE

We are implementing Commercial Inland Marine multistate revisions in **31** jurisdictions.

Effective Date: 11/01/2022

Filing ID: CM-2022-RLA1

BACKGROUND

In circular [LI-CM-2022-008](#), we announced the filing of CM-2022-RLA1, which revises the loss costs for Commercial Inland Marine coverages.

JURISDICTIONS

- | | | |
|---------------|-----------------|-----------------|
| • Alaska | • Michigan | • Pennsylvania |
| • Arizona | • Minnesota | • Rhode Island |
| • Arkansas | • Missouri | • South Dakota |
| • Colorado | • Montana | • Tennessee |
| • Connecticut | • Nevada | • Utah |
| • Idaho | • New Hampshire | • Vermont |
| • Illinois | • New Jersey | • Washington |
| • Indiana | • New Mexico | • West Virginia |
| • Kansas | • North Dakota | • Wisconsin |
| • Kentucky | • Oregon | • Wyoming |
| • Maryland | | |

INSURANCE DEPARTMENT ACTION

We have received all necessary approvals or acknowledgements, as required by state laws and regulations, from the insurance departments listed in the Jurisdictions block. Therefore, we are implementing our loss cost revision in those jurisdictions.

EFFECTIVE DATE

Arizona, Colorado, Idaho, Indiana, Michigan, Missouri, Montana, New Hampshire, North Dakota, Oregon, Pennsylvania, South Dakota, Tennessee, Utah, Vermont and Washington:

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

These changes are applicable to all policies **written** on or after **November 1, 2022**.

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

Alaska, Connecticut and Maryland:

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

These changes are applicable to all policies **effective** on or after **November 1, 2022**.

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

Arkansas, Illinois, Kansas, Kentucky, Minnesota, Nevada, New Jersey, New Mexico, Rhode Island, West Virginia, Wisconsin and Wyoming:

We do not establish an effective date for Commercial Inland Marine loss cost revisions in these jurisdictions. Each insurer that elects to utilize this revision is responsible for determining its own effective date.

IMPACT ON THE STATISTICAL REPORTING OF LOSS COST MULTIPLIER

For the purpose of reporting your company Loss Cost Multiplier under the CSP, as of November 1, 2022, the multiplier must be based on the relationship between your gross rates and the ISO advisory prospective loss costs contained in referenced circular [LI-CM-2022-008](#).

COMPANY ACTION

Refer to the Summary of Company Action Requirements attached.

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-2022-006](#) 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

We will advise you in future circulars as additional jurisdictions are approved.

REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 11-22, (or the earliest possible subsequent date), along with any new and/or revised manual pages.

REFERENCE(S)

- [LI-CM-2022-008](#) (04/06/2022) Commercial Inland Marine Multistate Advisory Prospective Loss Cost Revision Being Filed; Excel Workbook Included
- [LI-CL-2022-006](#) (02/22/2022) Revised Lead Time Requirements Listing

ATTACHMENT(S)

Summary of Company Action Requirements

CONTACT INFORMATION

If you have any questions concerning:

- The actuarial content of this circular, please contact:
Martin Halldorson
Actuarial Operations
(201) 469-2838
Martin.Halldorson@verisk.com
propertyactuarial@verisk.com
- The non-actuarial content of this circular, please contact:
Tony Gicas
Production Operations, Compliance and Product Services
(201) 469-2928
prodops@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.



IMPORTANT NOTICE FOR USERS OF ISO PRODUCTS AND SERVICES

Please make sure that your company has authorized your use of this product and has complied with the requirements applicable in the jurisdiction where you plan to use it.

We distribute both state-specific and multi-state products and services. We do not distribute all the multi-state products and services for use in every jurisdiction due to corporate policy, regulatory preference, or variations or lack of clarity in state laws.

We provide participating insurers with information concerning the jurisdictions for which our products and services are distributed. Even in those jurisdictions, each insurer must determine what filing requirements, if any, apply and whether those requirements have been satisfied.

Now, as in the past, all of our products and services are advisory, and are made available for optional use by participating insurers as a matter of individual choice. Your company must decide for itself which, if any, ISO products or services are needed or useful to its operation and how those selected for use should be applied. We urge that you be guided by the advice of your attorneys on the legal requirements.

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.

SUMMARY OF COMPANY ACTION REQUIREMENTS

LOSS COSTS filing: CM-2022-RLA1

ALASKA IDAHO MICHIGAN MONTANA OREGON PENNSYLVANIA WASHINGTON	<p>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.</p> <p>For guidance on submission requirements, consult the ISO State Filing Handbook.</p> <p>In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Number <u>CM-2022-RLA1</u>, NOT this circular number.</p> <p>CAUTION: This reference filing revises only certain advisory prospective loss costs for Commercial Inland Marine 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. In addition, for:</p> <ul style="list-style-type: none"> • ALASKA, refer to SERFF Tracking Number <u>ISOF-133197716</u>. 		
ARIZONA COLORADO CONNECTICUT INDIANA MARYLAND MISSOURI NEW HAMPSHIRE NORTH DAKOTA SOUTH DAKOTA TENNESSEE UTAH VERMONT	<p>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.</p> <p>For guidance on submission requirements, consult the ISO State Filing Handbook.</p> <p>WE WILL SUBMIT OUR REFERENCE FILING TO THE INSURANCE DEPARTMENT ON:</p> <ul style="list-style-type: none"> • SEPTEMBER 16, 2022 (SOUTH DAKOTA) • SEPTEMBER 27, 2022 (COLORADO & UTAH) • SEPTEMBER 30, 2022 (ARIZONA & INDIANA & TENNESSEE) • OCTOBER 01, 2022 (CONNECTICUT & MARYLAND) • OCTOBER 12, 2022 (MISSOURI) • OCTOBER 21, 2022 (NORTH DAKOTA) • OCTOBER 30, 2022 (NEW HAMPSHIRE & VERMONT) <p>ANY SUBMISSION YOU MAY MAKE WITH THE INSURANCE DEPARTMENT WITH RESPECT TO THIS FILING SHOULD NOT BE SUBMITTED PRIOR TO THIS DATE.</p> <p>In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Number <u>CM-2022-RLA1</u>, NOT this circular number.</p> <p>CAUTION: This reference filing revises only certain advisory prospective loss costs for Commercial Inland Marine 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. In addition, for:</p> <ul style="list-style-type: none"> • ARIZONA, refer to SERFF Tracking Number <u>ISOF-133197717</u>. 		
ARKANSAS ILLINOIS KANSAS KENTUCKY MINNESOTA NEVADA NEW JERSEY	<table border="0"> <tr> <td data-bbox="365 1438 568 1669"> NEW MEXICO RHODE ISLAND WEST VIRGINIA WISCONSIN WYOMING </td><td data-bbox="568 1438 1513 1688"> <p>You must independently determine the final rates you will use and the effective date of any rate change. If you decide to use our prospective loss costs to revise your rates, you are NOT required to file anything with the Insurance Department.</p> <p>You must document your files in case the Insurance Department wishes to review the information at a later date. In all correspondence on this revision, you should refer to ISO Filing Number <u>CM-2022-RLA1</u>, NOT this circular number.</p> </td></tr> </table>	NEW MEXICO RHODE ISLAND WEST VIRGINIA WISCONSIN WYOMING	<p>You must independently determine the final rates you will use and the effective date of any rate change. If you decide to use our prospective loss costs to revise your rates, you are NOT required to file anything with the Insurance Department.</p> <p>You must document your files in case the Insurance Department wishes to review the information at a later date. In all correspondence on this revision, you should refer to ISO Filing Number <u>CM-2022-RLA1</u>, NOT this circular number.</p>
NEW MEXICO RHODE ISLAND WEST VIRGINIA WISCONSIN WYOMING	<p>You must independently determine the final rates you will use and the effective date of any rate change. If you decide to use our prospective loss costs to revise your rates, you are NOT required to file anything with the Insurance Department.</p> <p>You must document your files in case the Insurance Department wishes to review the information at a later date. In all correspondence on this revision, you should refer to ISO Filing Number <u>CM-2022-RLA1</u>, NOT this circular number.</p>		