

LOSS COSTS/RULES – IMPLEMENTATION

AUGUST 11, 2022

COMMERCIAL AUTOMOBILE

LI-CA-2022-202

## TENNESSEE COMMERCIAL AUTO RULES AND LOSS COSTS REVISIONS IN RESPONSE TO FORMER S.B. 504 TO BECOME EFFECTIVE

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### KEY MESSAGE

The Tennessee Department of Commerce and Insurance has acknowledged Commercial Auto rules filing [CA-2022-RIL1](#) and loss cost filing [CA-2022-RUMLC](#).

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### BACKGROUND

In circulars [LI-CA-2022-170](#) and [LI-CA-2022-171](#), we announced, in part, that in response to Tenn. Pub. Acts \_\_\_ (former S.B. 504), we had:

- Revised:
  - ◆ Rule **100**. Increased Liability Limits in the Tennessee exception to the Automobile division of the Commercial Lines Manual; and
  - ◆ The following loss costs:
    - Single Limits Uninsured (Includes Underinsured) Motorists Bodily Injury Coverage Loss Costs;
    - Single Limits Uninsured (Includes Underinsured) Motorists Bodily and Property Damage Coverage Loss Costs; and
    - Split Limits Uninsured (Includes Underinsured) Motorists Property Damage Coverage Loss Costs; and
- Filed the revisions with the Tennessee Department of Commerce and Insurance under ISO Filing Designation Numbers [CA-2022-RIL1](#) and [CA-2022-RUMLC](#).

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### EFFECTIVE DATE

#### **Commercial Auto Rules Filing CA-2022-RIL1**

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

These changes are applicable to all policies written on or after January 1, 2023.

#### **Commercial Auto Loss Costs Filing CA-2022-RUMLC**

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

These changes are applicable to all policies written on or after January 1, 2023.

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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## COMPANY ACTION

### Commercial Auto Rules Filing CA-2022-RIL1

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 Insurance Department.
- 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 Insurance Department.

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-2022-RIL1 and SERFF Tracking Number ISOF-133319469, 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.

### Commercial Auto Loss Costs Filing CA-2022-RUMLC

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-2022-RUMLC and SERFF Tracking Number ISOF-133319891, 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-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.

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## REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 1-23 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

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## REFERENCE(S)

- [LI-CA-2022-171](#) (07/18/2022) Tennessee Commercial Auto Loss Costs Revisions In Response To Former S.B. 504 Submitted; Implementation Pending
  - [LI-CA-2022-170](#) (07/18/2022) Tennessee Commercial Auto Rules Revision In Response To Former S.B. 504 Submitted; Implementation Pending
  - [LI-CA-2022-127](#) (05/16/2022) Tennessee Former S.B. 504 Regarding Financial Responsibility Being Reviewed; Update Provided
  - [LI-CA-2022-114](#) (04/27/2022) Tennessee Former S.B. 504 Regarding Financial Responsibility Under Review
  - [LI-CL-2022-006](#) (02/22/2022) Revised Lead Time Requirements Listing
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