

FORMS/RULES/LOSS COSTS – IMPLEMENTATION

NOVEMBER 11, 2022

COMMERCIAL AUTOMOBILE

LI-CA-2022-264

COMMERCIAL AUTO MULTISTATE FORMS, RULES AND LOSS COSTS REVISIONS ADDRESSING ABUSE OR MOLESTATION LIABILITY OPTIONS AND AUTO HACKING EXPENSE COVERAGE TO BE IMPLEMENTED IN ALASKA

KEY MESSAGE

We are implementing Commercial Auto multistate forms, rules and loss costs revisions in Alaska.

Effective Date: 5/1/2023

Filing IDs: CA-2021-OAMFR (Forms), CA-2021-OAMRU (Rules) and CA-2021-RAMLC (Loss Costs)

BACKGROUND

In circular:

- [LI-CA-2021-372](#), we announced the filing of multistate forms filing CA-2021-OAMFR, which introduced and withdrew optional multistate endorsements addressing abuse or molestation liability exposures and auto hacking expense coverage, for use with the ISO Commercial Auto Program.
- [LI-CA-2021-373](#), we announced the filing of multistate rules filing CA-2021-OAMRU, which revised multistate rules for Division One – Commercial Automobile of the Commercial Lines Manual to reflect new and withdrawn endorsements submitted under companion forms filing CA-2021-OAMFR.
- [LI-CA-2021-374](#), we announced the filing of multistate loss costs filing CA-2021-RAMLC, which introduced multistate Commercial Auto Loss Costs 119. Auto Hacking Expense Coverage in order to correspond with revisions made in related rules filing CA-2021-OAMRU.
- [LI-CA-2022-020](#), we provided you with final copies of the multistate endorsements included in forms filing CA-2021-OAMFR.
- [LI-CA-2022-172](#), we furnished Advisory Sample Notice to Policyholders for use in conjunction with the implementation of the Commercial Automobile Abuse or Molestation and Auto Hacking Expense Multistate forms revisions.

In subsequent circulars, which are listed in the attached multistate status report, we provided state supplements to the multistate forms, rules and loss costs filings for certain jurisdictions, where appropriate.

INSURANCE DEPARTMENT ACTION

We have received all necessary approvals or acknowledgements, as required by state laws and regulations, from the insurance department in this jurisdiction.

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

FORMS/RULES:

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

These changes are applicable to all policies **effective** on or after **May 1, 2023**.

LOSS COSTS:

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

These changes are applicable to all policies **effective** on or after **May 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.

COMPANY ACTION

FORMS/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 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-2021-OAMFR (Forms)/CA-2021-OAMRU (Rules), NOT this circular number. In addition:

- Please see below for SERFF Tracking Numbers

CA-2021-OAMFR , ISOF-133149471	CA-2021-OAMRU , ISOF-133149480
---------------------------------------	---------------------------------------

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.

LOSS COST:

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-2021-RAMLC and SERFF Tracking Number ISOF-133149461, NOT this circular number.

CAUTION: This reference filing revises only certain advisory prospective loss costs for Commercial Automobile 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.

SPECIAL NOTICE

The Alaska Division of Insurance has asked that we notify participating insurers that adopt ISO forms or form-related rule revisions that they must accept the explanatory materials in the ISO filing submission. The Division will consider insurers that do not accept the explanatory materials as deviating from the ISO filing. These insurers must explain their deviation as they would in any other form or form-related rule revision. The Division will assume that insurers that have provided ISO with filing authorization have accepted the explanatory materials in filings ISO makes on their behalf unless the insurer provides a written explanation for the deviation. Insurers that have not provided ISO with filing authorization must include in their adoption letters to the Division a statement either acknowledging that they are accepting the explanatory materials that were part of the ISO filing, or an explanation for their deviation.

RATING SOFTWARE IMPACT

CA-2021-OAMFR:

Refer to circular [LI-CA-2021-372](#) for impact of the multistate filing.

CA-2021-OAMRU:

Refer to circular [LI-CA-2021-373](#) for impact of the multistate filing.

CA-2021-RAMLC:

Refer to circular [LI-CA-2021-374](#) for impact of the multistate filing.

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

In future circulars, we will:

- Provide an Advisory Notice to policyholders addressing multistate form revisions.
- Inform you of implementation status of these filings in additional jurisdictions.
- Update the status of this revision. This status report will be updated periodically to provide you with the latest status. For interim updates, please check the Insurance Lines Services web site (www.verisk.com/ils). In addition to other information, this web site contains copies of major multistate filing status reports that are updated approximately every two weeks.

REVISION DISTRIBUTION

Forms:

We will issue a Notice to Portfolioholders with an edition date of **5-23** (or the earliest possible subsequent date), along with any new and/or revised forms.

Rules and Loss Costs:

We will issue a Notice to Manualholders with an edition date of **5-23** (or the earliest possible subsequent date), along with any new and/or revised manual pages.

REFERENCE(S)

- [LI-CA-2022-172](#) (07/19/2022) Advisory Sample Notice To Policyholders For The 2021 Commercial Auto Abuse Or Molestation And Auto Hacking Expense Multistate Forms Revision Furnished
 - [LI-CL-2022-006](#) (02/22/2022) Revised Lead Time Requirements Listing
 - [LI-CA-2022-020](#) (01/21/2022) Commercial Auto Multistate Forms And Endorsements (Edition 09 22) Available
 - [LI-CA-2021-374](#) (12/17/2021) Commercial Auto Multistate Auto Hacking Expense Coverage Loss Costs Revision Being Submitted
 - [LI-CA-2021-373](#) (12/17/2021) Commercial Auto Multistate Rules Revision Addressing Abuse Or Molestation Liability And Auto Hacking Expense Coverage Being Submitted
 - [LI-CA-2021-372](#) (12/17/2021) Commercial Auto Multistate Optional Endorsements Addressing Abuse Or Molestation Liability Options And Auto Hacking Expense Coverage Forms Revision Being Submitted
-

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.

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 multistate products and services. We do not distribute all the multistate 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.

CONTACT INFORMATION

If you have any questions concerning:

- The content of this circular, please contact:
Danielle Vitale
Product Development – Commercial Auto
201-469-2637
Danielle.Vitale@verisk.com
liability@verisk.com
- The status of this filing, please contact:
Shawn Olivacce
Compliance & Product Services – Liability
201-469-2800
Shawn.Olivacce@verisk.com
liability@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 Commercial Automobile Multistate Filings
Forms (CA-2021-OAMFR), Rules (CA-2021-OAMRU) and Loss Costs (CA-2021-RAMLC)**

BSTATE	EFFECTIVE OR DISTRIBUTION DATE	STATE-SPECIFIC SUPPLEMENT/AMENDMENT CIRCULARS FORMS/RULES/LOSS COSTS	IMPLEMENTATION CIRCULARS
ALABAMA	9/1/2022	**	LI-CA-2022-019
ALASKA	5/1/2023	LI-CA-2022-240 LI-CA-2022-239 LI-CA-2022-062 LI-CA-2022-061	LI-CA-2022-264
ARIZONA	9/1/2022	**	LI-CA-2022-055
ARKANSAS	9/1/2022	**	LI-CA-2022-071
CALIFORNIA	2/1/2023	**	LI-CA-2022-232
COLORADO	9/1/2022	**	LI-CA-2022-019
CONNECTICUT	9/1/2022	**	LI-CA-2022-131
DELAWARE	12/1/2022	**	LI-CA-2022-192
DIST. OF COLUMBIA	9/1/2022	**	LI-CA-2022-131
FLORIDA			
GEORGIA			
GUAM*	9/1/2022	**	LI-CA-2022-055
HAWAII	BUREAU		
IDAHO	9/1/2022	**	LI-CA-2022-134
ILLINOIS	9/1/2022	**	LI-CA-2022-019
INDIANA	9/1/2022	**	LI-CA-2022-019
IOWA	9/1/2022	**	LI-CA-2022-019
KANSAS	12/1/2022	**	LI-CA-2022-192
KENTUCKY	2/1/2023	**	LI-CA-2022-192
LOUISIANA		LI-CA-2022-236 LI-CA-2022-235	
MAINE	9/1/2022	**	LI-CA-2022-019
MARYLAND	9/1/2022	**	LI-CA-2022-131
MASSACHUSETTS			
MICHIGAN	9/1/2022	LI-CA-2022-050 LI-CA-2022-049	LI-CA-2022-071
MINNESOTA	9/1/2022	LI-CA-2022-048 LI-CA-2022-047	LI-CA-2022-071
MISSISSIPPI	9/1/2022	**	LI-CA-2022-019
MISSOURI	9/1/2022	**	LI-CA-2022-019
MONTANA	9/1/2022	**	LI-CA-2022-055
NEBRASKA	9/1/2022	**	LI-CA-2022-019
NEVADA	9/1/2022	**	LI-CA-2022-019
NEW HAMPSHIRE	9/1/2022	**	LI-CA-2022-019
NEW JERSEY	9/1/2022	**	LI-CA-2022-134
NEW MEXICO	9/1/2022	**	LI-CA-2022-019
NEW YORK		LI-CA-2022-243 LI-CA-2022-242	
NORTH CAROLINA	9/1/2022	**	LI-CA-2022-071
NORTH DAKOTA	9/1/2022	**	LI-CA-2022-019
OHIO	9/1/2022	**	LI-CA-2022-019
OKLAHOMA	9/1/2022	**	LI-CA-2022-055
OREGON	9/1/2022	**	LI-CA-2022-134
PENNSYLVANIA	9/1/2022	**	LI-CA-2022-019
PUERTO RICO			
RHODE ISLAND	1/1/2023	LI-CA-2022-168 LI-CA-2022-169	LI-CA-2022-226
SOUTH CAROLINA	9/1/2022	**	LI-CA-2022-019
SOUTH DAKOTA	9/1/2022	**	LI-CA-2022-019
TENNESSEE	9/1/2022	**	LI-CA-2022-019
TEXAS		LI-CA-2022-205 LI-CA-2022-204	

BSTATE	EFFECTIVE OR DISTRIBUTION DATE	STATE-SPECIFIC SUPPLEMENT/AMENDMENT CIRCULARS FORMS/RULES/LOSS COSTS	IMPLEMENTATION CIRCULARS
U.S. VIRGIN ISLANDS*			
UTAH	9/1/2022	LI-CA-2022-044 LI-CA-2022-043	LI-CA-2022-071
VERMONT	2/1/2023	LI-CA-2022-186 LI-CA-2022-185	LI-CA-2022-217
VIRGINIA			
WASHINGTON			
WEST VIRGINIA	9/1/2022	**	LI-CA-2022-019
WISCONSIN		LI-CA-2022-046 LI-CA-2022-045	LI-CA-2022-055
WYOMING	2/1/2023	LI-CA-2022-162 LI-CA-2022-163	LI-CA-2022-217

Bold indicates changes.

***ISO has no jurisdiction for rules/loss costs.**

****There is NO state supplement.**

(A) Filing(s) amended.

Multistate Filed Circulars:

Forms: LI-CA-2021-372
Rules: LI-CA-2021-373
Loss Costs: LI-CA-2021-374