

LOSS COSTS – APPROVED

MARCH 16, 2023

COMMERCIAL AUTOMOBILE

LI-CA-2023-080

SOUTH CAROLINA REVISED LOSS COSTS FOR ZONE-RATED COVERAGES APPROVED

KEY MESSAGE

This circular announces the approval of revised Commercial Auto zone-rated loss costs in South Carolina.

BACKGROUND

In circular [LI-CA-2023-076](#), we announced the submission of revised commercial auto zone-rated loss costs in South Carolina.

INSURANCE DEPARTMENT ACTION

The Insurance Department has approved this revision as filed.

EFFECTIVE DATE

We do not establish an effective date for Commercial Auto loss costs revisions in this state. Each insurer that elects to utilize this revision is responsible for determining its own effective date.

COMPANY ACTION

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.

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 [CA-2023-RZRLC](#) and SERFF Tracking Number [ISO-133585370](#), NOT this circular number.

IMPACT ON THE STATISTICAL REPORTING OF LOSS COST MULTIPLIER

For the purpose of reporting your company Loss Cost Multiplier under the CSP, as of April 1, 2024, the multiplier must be based on the relationship between your gross rates and the ISO advisory prospective loss costs contained in this circular.

ISO RISK ANALYZER®

The loss cost analysis in this circular is reflected in ISO Risk Analyzer®, a suite of predictive models that help with granular pricing of insurance risks. Risk Analyzer can provide loss costs for refined territories and classes, as well as feed custom modeling efforts. For more information, please visit www.verisk.com/riskanalyzer.

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-2023-005](#) 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.

REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 4-24 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

REFERENCE(S)

- [LI-CA-2023-076](#) (03/09/2023) South Carolina Revised Loss Costs For Zone-rated Coverages Filed
 - [LI-CL-2023-005](#) (02/21/2023) Commercial Lines Revised Lead Time Requirements Listing
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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.

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