

LOSS COSTS – IMPLEMENTATION

APRIL 26, 2023

COMMERCIAL AUTOMOBILE

LI-CA-2023-143

KENTUCKY REVISED COMMERCIAL AUTO LEGACY CLASSIFICATION PLAN LOSS COSTS TO BE IMPLEMENTED

KEY MESSAGE

Loss costs representing an overall statewide level change of **-2.4%** are acknowledged.

BACKGROUND

In circular [LI-CA-2023-124](#), we advised you that we submitted filing [CA-2023-BRLC1](#) to the Insurance Department.

IMPORTANT NOTE

These loss costs are intended for use by insurers who have not yet adopted the ISO Rules filing CA-2022-RCP1.

INSURANCE DEPARTMENT ACTION

The Insurance Department has acknowledged 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.

IMPACT ON THE STATISTICAL REPORTING OF LOSS COST MULTIPLIER

For the purpose of reporting your company Loss Cost Multiplier under the CSP, as of February 1, 2024, if your company has delayed adoption of ISO filing CA-2022-RCP1, 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-2023-124](#).

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 internal correspondence on this revision, you should refer to ISO Revision Designation Number [CA-2023-BRLC1](#), NOT this circular number.

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 2-24 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

REFERENCE(S)

- [LI-CA-2023-124](#) (04/10/2023) Kentucky Revised Commercial Auto Legacy Classification Plan Loss Costs Filed
- [LI-CL-2023-005](#) (02/21/2023) Commercial Lines Revised Lead Time Requirements Listing

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 actuarial content of this circular, please contact:
Gary Kilb
Actuarial Operations
(201) 469-2630
Gary.Kilb@verisk.com
autoactuarial@verisk.com
- The non-actuarial content of this circular, please contact:
Akpene Simpri
Production Operations, Compliance and Product Services
(201) 469-2969
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.