

LOSS COSTS/RULES – IMPLEMENTATION

AUGUST 14, 2023

COMMERCIAL AUTOMOBILE

LI-CA-2023-276

## MICHIGAN REVISED MANUAL RULES AND LOSS COSTS FOR THE COMMERCIAL AUTO 2022 FILING TO BE IMPLEMENTED

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### KEY MESSAGE

We are implementing loss costs filing [CA-2022-RLC2](#) and rules filing [CA-2022-RCP4](#) in Michigan.

**Effective Date:** 1/1/2024

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### BACKGROUND

In circulars:

- [LI-CA-2023-260](#), we announced the filing of rules filing CA-2022-RCP4 in Michigan.
- [LI-CA-2023-259](#), we announced the filing of loss costs filing CA-2022-RLC2 in Michigan.

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### INSURANCE DEPARTMENT ACTION

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

**Note:** The announcement of implementation in a particular jurisdiction includes the implementation of the multistate filings and any state supplement and/or amendment filing.

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### EFFECTIVE DATE

#### **LOSS COSTS FILING CA-2022-RLC2**

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

These changes are applicable to all policies written on or after January 1, 2024.

For loss costs, 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.

#### **RULES FILING CA-2022-RCP4**

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

These changes are applicable to all policies written on or after January 1, 2024.

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### COMPANY ACTION

#### **LOSS COSTS FILING CA-2022-RLC2**

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 Reference Filing Number CA-2022-RLC2 and SERFF Tracking Number ISOF-133740385, 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.

#### **RULES FILING CA-2022-RCP4**

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 Designation Number CA-2022-RCP4 and SERFF Tracking Number ISOF-133740244, 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.

#### **RATING SOFTWARE IMPACT**

##### **LOSS COSTS FILING CA-2022-RLC2**

No new attributes are being introduced with this revision.

##### **RULES FILING CA-2022-RCP4**

New attributes being introduced with this revision:

- An existing rating formula is being rewritten.

#### **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 1-24 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

#### **REFERENCE(S)**

- [LI-CA-2023-260](#) (07/25/2023) Michigan Revised Manual Rules For The Commercial Auto 2022 Rules Filing Provided

- [LI-CA-2023-259](#) (07/25/2023) Michigan Revised Loss Costs For The Commercial Auto 2022 Loss Costs Filing Provided
- [LI-CL-2023-005](#) (02/21/2023) Commercial Lines Revised Lead Time Requirements Listing

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## CONTACT INFORMATION

If you have any questions concerning:

- The content of this circular and status of this filing, please contact:  
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- Other issues for this circular, please contact Customer Support:

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