

LOSS COSTS – APPROVED

AUGUST 29, 2023

COMMERCIAL PROPERTY

LI-CF-2023-109

## **SOUTH CAROLINA COMMERCIAL FIRE AND ALLIED LINES ADVISORY PROSPECTIVE LOSS COST REVISION APPROVED**

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### **KEY MESSAGE**

Revised advisory prospective loss costs reflecting a statewide loss cost level change of **+6.7%** have been approved.

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### **BACKGROUND**

In circular [LI-CF-2023-093](#), we advised you that we submitted filing [CF-2023-RLA1](#) to the Insurance Department.

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### **INSURANCE DEPARTMENT ACTION**

The Insurance Department has approved this revision as filed.

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### **EFFECTIVE DATE**

We do not establish an effective date for Commercial Fire and Allied Lines loss cost revisions in this state. Each insurer that elects to utilize this revision is responsible for determining its own effective date.

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### **IMPACT ON THE STATISTICAL REPORTING OF LOSS COST MULTIPLIER**

For the purpose of reporting your company Loss Cost Multiplier under the CSP, as of December 1, 2023, the multiplier must be based on the relationship between your gross rates and the ISO advisory prospective loss costs contained in referenced circular [LI-CF-2023-093](#).

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### **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 [CF-2023-RLA1](#), NOT this circular number.

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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-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.

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## REVISION DISTRIBUTION INFORMATION

- **Manual And ISO Suite**

We will issue a Notice to Manualholders with an edition date of 12-23 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

- **ProMetrix**

Revised loss costs for specifically rated and class-rated properties contained in ProMetrix will be displayed as "Pending" beginning on October 2, 2023. On December 1, 2023, these loss costs will move to "Current" status. The previous "Current" becomes the most recent "Prior" and joins all previously displayed "Priors". With each subsequent loss cost revision, we will make an additional "Prior" available. Information in ProMetrix will distinguish between loss costs which reflect the effect of limit of insurance (LOI) relativities and pre-LOI loss costs.

- **Toll-free Telephone Service**

Revised loss costs for specifically rated and class-rated properties will be available by calling toll-free 1-800-444-4554 and requesting "Pending" from October 2, 2023 to December 1, 2023. On December 1, 2023, these loss costs will move to "Current" status. The previous "Current" becomes the most recent "Prior" and joins all previously displayed "Priors".

**NOTE:** Specific property information is provided for Basic Group I and Basic Group II in this state. However, the eligibility criteria for Basic Group I and Basic Group II are independent and, therefore, an individual property may be eligible for Basic Group I and/or Basic Group II specific rating.

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## REFERENCE(S)

- [LI-CF-2023-093](#) (07/24/2023) South Carolina Commercial Fire And Allied Lines Advisory Prospective Loss Cost Revision Filed
- [LI-CL-2023-005](#) (02/21/2023) Commercial Lines Revised Lead Time Requirements Listing

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