

RULES – IMPLEMENTATION

SEPTEMBER 30, 2024

COMMERCIAL PROPERTY

LI-CF-2024-131

RHODE ISLAND REVISION AND EXPANSION OF DEDUCTIBLE INSURANCE PLAN – RULE 81. AND WINDSTORM OR HAIL AND NAMED STORM PERCENTAGE DEDUCTIBLES – RULE 82. TO BE IMPLEMENTED

KEY MESSAGE

This circular announces implementation of Commercial Property rules filing [CF-2024-RDED1](#) in Rhode Island.

BACKGROUND

In circular [LI-CF-2024-102](#), we advised you that we submitted rules filing CF-2024-RDED1 to the Insurance Department which made the following revisions:

- Rule **81.** is revised to reflect revised flat dollar deductible factors for Basic Group I, Basic Group II and Special Causes of Loss in Table 81.E.4. The amount of insurance groupings are revised, and the deductible factors are newly supported up to \$1,000,000.
- Rule **82.** is revised to reflect revised Basic Group II windstorm or hail percentage deductible factors in Table 82.D., and the amount of insurance groupings are revised to match the revisions to the flat dollar deductible groupings.

INSURANCE DEPARTMENT ACTION

The Insurance Department has acknowledged this revision as filed.

EFFECTIVE DATE

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

These changes are applicable to all policies written on or after February 1, 2025.

COMPANY ACTION

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 [CF-2024-RDED1](#) and SERFF Tracking Number [ISOF-G134211527](#), 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

New attributes being introduced with this revision:

- New, additional factors are being introduced.
 - Current factors are being revised
 - A calculation is being revised.
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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-2024-016](#) 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 2-25 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

RELATED LOSS COSTS REVISION

We are announcing in a separate circular the implementation of a corresponding loss costs revision, which implements the off-balances from the deductible changes so that implementation is on a revenue-neutral basis. Please refer to the Reference(s) block for identification of that circular.

REFERENCE(S)

- [LI-CF-2024-132](#) (09/30/2024) Rhode Island Commercial Fire And Allied Lines Advisory Prospective Loss Cost Revision To Be Implemented
- [LI-CF-2024-102](#) (08/23/2024) Rhode Island Revision And Expansion Of Deductible Insurance Plan – Rule 81. And Windstorm Or Hail And Named Storm Percentage Deductibles – Rule 82. Filed
- [LI-CL-2024-016](#) (03/12/2024) Commercial Lines Revised Lead Time Requirements Listing

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CONTACT INFORMATION

If you have any questions concerning:

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