

DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS
INSURANCE ADMINISTRATION

In the Matter of:
Personal Auto Advisory
Prospective Loss Cost Revision
PP-96-BRLA1

Order 96-07

ORDER

Upon consideration of the administrative records, the Interim Insurance Commissioner of the District of Columbia (hereinafter "Commissioner") makes the following:

FINDING OF FACTS

1. I find that the Insurance Service Office (hereinafter referred to as the "ISO") is a licensed insurance rating bureau authorized to transact business on behalf of its members in the District of Columbia.
2. I find that ISO has submitted a rate filing on April 23, 1996, identified as Personal Auto Advisory Prospective Loss Cost Revision (PP-96-BRLA1).

3. I find that ISO has requested an overall rate level charge of 13.1% as shown:

<u>Coverage</u>	<u>Percentage Change</u>
Single Limit Liability (T/L) *	+ 17.6%
Bodily Injury (T/L)	+ 17.0%
Property Damage (T/L)	+ 19.4%
Personal Injury	
Protection	-24.3%
Uninsured Motorists	0.0%
Underinsured Motorists	+ 13.2%
Liability Sub-Total	+ 12.1%
Comprehensive	+ 6.1%
Collision	+ 20.9%
Physical Damage Sub-Total	+ 15.4%

4. I find that ISO has is continuing its Loss Cost for Uninsured Motorists and Underinsured Motorist Coverages to provide a multi-car discount of 20% which applies to all cars on the policy and not just to the additional cars on the policy.
5. I find that ISO as a rating bureau will provide Loss Cost for approximately 25.4% of the liability and 24.1% of the Physical Damage Premiums written in the District of Columbia.
6. I find that ISO has shifted its base model year from 1995 to 1997.
7. I find that ISO has added a new insurer in the ISO database which affected the Bodily Injury and Uninsured Motorists by 4.4% and 3.6% respectively.
8. I find that ISO has introduced revised physical damage deductibles relativities, which affected comprehensive and collision by -2.0% and +0.8 respectively.
9. I find that ISO prior loss cost level change was for a -3.6% filed on 4/1/94.

CONCLUSION OF LAW

1. Section 35-1703 (f) (2), D.C. Code, 1981 Edition (as amended) provides that every final rate or premium charge proposed may not be used unless it has been filed with and approved by the Interim Insurance Commissioner as being adequate, not excessive and unfairly discriminatory.
2. I find that the Company's rates which are subject of this Order are within the scope of Section 35-1703 (f) (2) et. seq. D.C. Code, 1981 Edition (as amended).

DECISION

Based upon the aforesaid finding of fact and conclusion of law, it is the decision of the Interim Insurance Commissioner that:

The loss costs included in the Company's filing dated April 23, 1996, identified as Personal Auto Advisory Prospective Loss Cost Revision-PP-96-BRLA1.

ORDER

Pursuant to Section 35-1703 (f) (2), D.C. Code, 1981 Edition (as amended) it is hereby ordered that the rates which are the subject of this Order shall be the final rates approved by the Interim Insurance Commissioner.

IN WITNESS WHEREOF, I have hereunto
set my hand and affixed the seal of
this Administration on the 7 th day
November, 1996



Patrick E. Kelly
Interim Insurance Commissioner