

COMMONWEALTH OF VIRGINIA



STEVEN T. FOSTER
COMMISSIONER OF INSURANCE

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STATE CORPORATION COMMISSION BUREAU OF INSURANCE

December 19, 1990

Administrative Letter
1990-21

**TO: ALL COMPANIES LICENSED TO WRITE PRIVATE PASSENGER AUTOMOBILE
AND/OR HOMEOWNERS INSURANCE IN VIRGINIA**

**RE: REVISIONS TO VA CP-12 (12/90), VA CP-19 (12/90), VA CP-20
(12/90) (AND REVISIONS TO FILING PROCEDURES OF THESE FORMS)**

The Bureau of Insurance developed Competitive Pricing Forms to establish a rate level index system for private passenger automobile and homeowners insurance. Administrative letters have been issued to update and revise these forms as needed.

We are again amending Competitive Pricing Forms VA CP-12, VA CP-19 and VA CP-20 to reflect updated rating criteria. Amended forms reflecting a December, 1990 edition date are attached. These forms should be reproduced for future use.

In the past, insurers have been required to submit Competitive Pricing Forms with each rate filing. This procedure is being eliminated and insurers will now be required to submit these forms annually upon notification by the Bureau of Insurance.

This letter is to notify you that the Bureau of Insurance is designating the first report to be due April 1, 1991. The enclosed Transmittal Form must be submitted on or before April 1, 1991 and must reflect rates for policies effective on and after April 1, 1991. You will be notified annually of the due date of future reports.

This letter is notification of withdrawal of the following Administrative Letters dealing with Competitive Pricing Forms: 1989-4, 1983-4, 1979-4 and 1977-1.

Sincerely,

A handwritten signature in dark ink, appearing to read 'S. T. Foster', written over a horizontal line.

Steven T. Foster
Commissioner of Insurance

STF:krm

Attachments

Transmittal Form

Date: _____
*Rates Effective: _____
Company Name: _____
NAIC No.: _____

RE: VA CP-12 (12/90), VA CP-19 (12/90) and VA CP-20 (12/90)

Please return the completed VA CP-12 (12/90) and the VA CP-19 (12/90) and/or VA CP-20 (12/90) NO LATER THAN APRIL 1, 1991 TO:

Priscilla Gauden
Insurance Market Examiner
Bureau of Insurance
State Corporation Commission
Box 1157
Richmond, VA 23209
(804) 786-0551

* Use the effective date of your rates currently on file with the Bureau of Insurance

COMPANY
 VIRGINIA HOMEOWNERS INSURANCE PREMIUMS
 RATES EFFECTIVE

TOTAL
PREMIUM

TERRITORY/CODE

Alexandria/

Frame (\$100,000)
 Masonry (100,000)

Norfolk/

Frame (\$100,000)
 Masonry (100,000)

Richmond/

Frame (\$100,000)
 Masonry (100,000)

Roanoke/

Frame (\$100,000)
 Masonry (100,000)

Charlotte County/

Frame (\$100,000)
 Masonry (100,000)

- Use Protection Class 10 -

(See Reverse Hereof for Instructions)

INSTRUCTIONS

Report ANNUAL premiums for the best fire protection class in each territory for coverage under "Special Form (Form 3)" with a \$250 flat deductible. Dollar amounts in parentheses are "insured for" values. Do not apply any other rating rules or procedures. Since Charlotte County is representative of a rural risk, Protection Class 10 should be used.

The premiums displayed contemplate a Section 11 Liability Limit of \$100,000 and Medical Payments coverage of \$1,000.

* * * * *

NOTE: IF THE COMPANY DOES NOT PROVIDE THE SPECIFIC COVERAGE REQUESTED, PLEASE CLEARLY NOTE THIS FACT AND INDICATE THE DIFFERENCES BELOW* AND REPORT THE PREMIUM CHARGED FOR THE POLICY MOST NEARLY COMPARABLE TO THE ONE FOR WHICH PREMIUM DATA IS REQUESTED. FOR EXAMPLE, IF THE COMPANY DOES NOT OFFER A \$250 DEDUCTIBLE, REPORT THE PREMIUMS FOR THE MOST COMPARABLE DEDUCTIBLE.

* * * * *

*COMPANY'S EXCEPTIONS:

Form completed by: _____ Signature _____ Date Completed: _____
_____ Title _____ Phone: _____

INSTRUCTIONS:

Report ANNUAL premiums for minimum Special Package Automobile Policy liability coverage, including uninsured motorists coverage, required by Virginia's financial responsibility laws; i.e., SPAP=\$70,000 single limit with \$2,000 Medical Services and \$1,000 Death Benefit and Uninsured Motorists coverage at minimum limits. Report ANNUAL Special Package Automobile Policy physical damage premiums for a new, standard performance intermediate class car (OCN \$12,000, Age Group 1), with Bumper Discount, where applicable. Report Comprehensive premiums with a \$50 deductible. Report collision premiums with a \$100 deductible.

Report premiums for risks who are owners or principal operators, who are accident and conviction free for the preceding three years, who have had driver training, who do not use their vehicles for business, who drive 12,000 miles a year and who drive to or from work 9 miles each way. (Report the married adult premiums for a risk whose vehicle is customarily operated by no one other than the insured or spouse.) Do not apply any other rating rules or procedures.

* * * * *

NOTE: 1. IF THE COMPANY DOES NOT PROVIDE THE SPECIFIC COVERAGE REQUESTED, PLEASE CLEARLY NOTE THIS FACT BELOW* AND REPORT THE PREMIUM CHARGED FOR THE POLICY MOST NEARLY COMPARABLE TO THE ONE FOR WHICH PREMIUM DATA IS REQUESTED. FOR EXAMPLE, IF THE COMPANY DOES NOT OFFER A \$50 DEDUCTIBLE COMPREHENSIVE, REPORT THE PREMIUMS FOR THE MOST COMPARABLE DEDUCTIBLE.

2. INCLUDE, BY SEPARATE ATTACHMENT, A SPECIFIC EXAMPLE OF THE METHOD OF CALCULATION USED TO COMPUTE THESE PREMIUMS. THE EXAMPLE SHOULD INCLUDE ALL THE STEPS NECESSARY TO COMPUTE THE FINAL PREMIUM, SUCH AS ROUNDING, APPLICATION OF FACTORS, ETC.

* * * * *

*COMPANY'S EXCEPTIONS:

Form completed by: _____

Signature _____

Date Completed: _____

Title _____

Phone: _____

COMPANY
 VIRGINIA SPECIAL PACKAGE AUTOMOBILE POLICY INSURANCE PREMIUMS
 RATES EFFECTIVE

* MODEL YEAR USED _____
 OCN/SYMBOL USED _____ / _____

CLASSIFICATION RATING FACTORS	TERRITORY/CODE	SPECIAL PACKAGE AUTOMOBILE POLICY	UNINSURED MOTORISTS	COMPREHENSIVE	COLLISION	TOTAL
	<u>Alexandria/</u>					
	Married Adult-Age 45					
	Unmarried Male-Age 20					
	Unmarried Female-Age 20					
	<u>Norfolk/</u>					
	Married Adult-Age 45					
	Unmarried Male-Age 20					
	Unmarried Female-Age 20					
	<u>Richmond/</u>					
	Married Adult-Age 45					
	Unmarried Male-Age 20					
	Unmarried Female-Age 20					
	<u>Roanoke/</u>					
	Married Adult-Age 45					
	Unmarried Male-Age 20					
	Unmarried Female-Age 20					
	<u>Charlotte County/</u>					
	Married Adult-Age 45					
	Unmarried Male Age-20					
	Unmarried Female-Age 20					

(See Reverse Hereof for Instructions)
 (Complete both sides)

* Use current model year. (Remember, model year changes October 1 to the next year. Any exception to the October 1 model year change should be clearly noted.)

COMPANY
 VIRGINIA PRIVATE PASSENGER AUTOMOBILE INSURANCE PREMIUMS
 RATES EFFECTIVE

* MODEL YEAR USED _____
 OCN/SYMBOL USED _____ / _____

CLASSIFICATION RATING FACTORS	TERRITORY/CODE	BODILY INJURY	PROPERTY DAMAGE	MEDICAL PAYMENTS	UNINSURED MOTORISTS	COMPREHENSIVE	COLLISION	TOTAL
<u>Alexandria/</u>								
	Married Adult-Age 45							
	Unmarried Male-Age 20							
	Unmarried Female-Age 20							
<u>Norfolk/</u>								
	Married Adult-Age 45							
	Unmarried Male-Age 20							
	Unmarried Female-Age 20							
<u>Richmond/</u>								
	Married Adult-Age 45							
	Unmarried Male-Age 20							
	Unmarried Female-Age 20							
<u>Roanoke/</u>								
	Married Adult-Age 45							
	Unmarried Male-Age 20							
	Unmarried Female-Age 20							
<u>Charlotte County/</u>								
	Married Adult-Age 45							
	Unmarried Male Age-20							
	Unmarried Female-Age 20							

(See Reverse Hereof for Instructions)
 (Complete both sides)

* Use current model year. (Remember, model year changes October 1. Any exception to the October 1 model year change should be clearly noted.)

INSTRUCTIONS:

Report ANNUAL premiums for minimum liability coverage, including uninsured motorists coverage, required by Virginia's financial responsibility laws; i.e., Bodily Injury limits of \$25,000/\$50,000, Property Damage limits of \$20,000, Uninsured Motorists coverage at minimum limits and Medical Payments coverage of \$1,000. Report ANNUAL physical damage premiums on a new, standard performance intermediate class car (OCN \$12,000, Age Group 1) with Bumper Discount, where applicable. Report Comprehensive premiums with a \$50 deductible. Report Collision premiums with a \$100 deductible.

Report premiums for risks who are owners or principal operators, who are accident and conviction free for the preceding three years, who have had driver training, who do not use their vehicles for business, who drive 12,000 miles a year and who drive to or from work 9 miles each way. (Report the married adult premiums for a risk whose vehicle is customarily operated by no one other than the insured or spouse.) Do not apply any other rating rules or procedures.

* * * * *

- NOTE:**
1. IF THE COMPANY DOES NOT PROVIDE THE SPECIFIC COVERAGE REQUESTED, PLEASE CLEARLY NOTE THIS FACT AND INDICATE THE DIFFERENCES BELOW* AND REPORT THE PREMIUM CHARGED FOR THE POLICY MOST NEARLY COMPARABLE TO THE ONE FOR WHICH PREMIUM DATA IS REQUESTED. FOR EXAMPLE, IF THE COMPANY DOES NOT OFFER A \$50 DEDUCTIBLE COMPREHENSIVE OR MINIMUM LIABILITY COVERAGE, REPORT THE PREMIUMS FOR THE MOST COMPARABLE DEDUCTIBLE OR LIMIT.
 2. INCLUDE, BY SEPARATE ATTACHMENT, A SPECIFIC EXAMPLE OF THE METHOD OF CALCULATION USED TO COMPUTE THESE PREMIUMS. THE EXAMPLE SHOULD INCLUDE ALL THE STEPS NECESSARY TO COMPUTE THE FINAL PREMIUM, SUCH AS ROUNDING, APPLICATION OF FACTORS, ETC.

* * * * *

*COMPANY'S EXCEPTIONS:

Form completed by: _____ Signature _____ Date Completed: _____
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