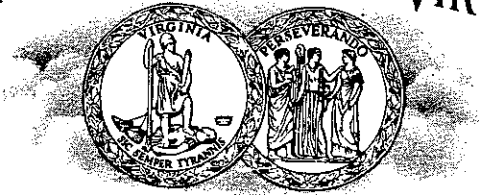


COMMONWEALTH OF VIRGINIA

STEVEN T. FOSTER
COMMISSIONER OF INSURANCE



Box 1157
RICHMOND, VA 23209
TELEPHONE: (804) 786-3741
TDD/VOICE: (804) 225-3806
LETTER

STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

February 24, 1993

REPLACED

By Administrative
Letter 1994-6

Administrative Letter
1993-5

- TO: ALL COMPANIES LICENSED TO WRITE PRIVATE PASSENGER AUTOMOBILE AND/OR HOMEOWNERS INSURANCE IN VIRGINIA**
- RE: REVISIONS TO VA CP-19(2/93) AND VA CP-20(2/93)/ REVISIONS TO FILING PROCEDURES OF VA CP-12(12/90), VA CP-19 (2/93) AND VA CP-20(2/93)**

In the early 1980s, the State Corporation Commission Bureau of Insurance (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 throughout the subsequent years. Premium information received is published in our Automobile and Homeowners Consumer's Guides.

At this time, we are amending Competitive Pricing Forms VA CP-19 and VA CP-20 to reflect certain editorial changes. The amended forms have a February 1993 edition date. The attached copies are to be reproduced for current and future use.

Administrative Letter 1990-21 dated December 19, 1990, established a procedure for submitting Competitive Pricing Forms annually. The Bureau of Insurance has now established the following new procedures to be effective immediately:

**FILING PROCEDURES FOR RATES EFFECTIVE ON OR
BEFORE APRIL 1, 1993**

This letter is to notify you that the Bureau of Insurance is designating the next competitive pricing report to be due April 1, 1993. The enclosed transmittal form must be submitted on or before April 1, 1993 and must reflect rates for policies effective on and after April 1, 1993.

Administrative Letter 1993-5
February 24, 1993
Page 2

**FILING PROCEDURES FOR RATES EFFECTIVE
ON AND AFTER APRIL 2, 1993**

With this letter, the Bureau of Insurance is withdrawing the procedures for annual submission of these forms.

Insurers will now be required to submit Competitive Pricing Forms with each rate filing. (The submission of the Transmittal Form will no longer be required).

Private passenger automobile and homeowners rate filings with policy effective dates on and after April 2, 1993, must include as part of the filing the applicable Competitive Pricing Form(s).

The Bureau of Insurance intends to publish interim supplements to the Sample Insurance Premium Tables in the Automobile Insurance Consumer's Guide, thus continuing our commitment to consumer awareness and education.

We are not presently planning to publish a supplement to the Homeowners Consumer's Guide since only a small percentage of insurers offer homeowners policies with terms of less than one year.

However, to maintain consistency in filing procedures, we are requiring that all Competitive Pricing Forms be included with each rate filing made for policies effective on and after April 2, 1993.

Sincerely,



Steven T. Foster
Commissioner of Insurance

/sdb

Attachments

Transmittal Form

Date: _____

***Rates Effective:** _____

Company Name: _____

NAIC No.: _____

RE: VA CP-12 (12/90), VA CP-19 (2/93) and VA CP-20 (2/93)

Please return the completed VA CP-12 (12/90) and the VA CP-19 (2/93) and/or VA CP-20 (2/93) NO LATER THAN APRIL 1, 1993 TO:

**Priscilla Gaulden
Senior Insurance Market Examiner
State Corporation Commission
Bureau of Insurance
Box 1157
Richmond, Virginia 23209
(804) 786-2460**

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

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 EXPENSE BENEFITS	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.)

INSTRUCTIONS:

Report ANNUAL premiums for minimum liability 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 Expense Benefits coverage of \$2,000. Report ANNUAL 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 named 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 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 _____
_____ 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
_____	Alexandria/					
_____	Married Adult-Age 45					
_____	Unmarried Male-Age 20					
_____	Unmarried Female-Age 20					
_____	Norfolk/					
_____	Married Adult-Age 45					
_____	Unmarried Male-Age 20					
_____	Unmarried Female-Age 20					
_____	Richmond/					
_____	Married Adult-Age 45					
_____	Unmarried Male-Age 20					
_____	Unmarried Female-Age 20					
_____	Roanoke/					
_____	Married Adult-Age 45					
_____	Unmarried Male-Age 20					
_____	Unmarried Female-Age 20					
_____	Charlotte County/					
_____	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.)

INSTRUCTIONS:

Report **ANNUAL** premiums for minimum Special Package Automobile Policy liability coverage required by Virginia's financial responsibility laws; i.e., SPAP-\$70,000 Single Limit with \$2,000 Medical Expense Benefits 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 named 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
_____ Title

Date Completed: _____
Phone: _____