

COMMONWEALTH OF VIRGINIA

2005 MAR 17 P 1:55 STATE CORPORATION COMMISSION

BUREAU OF INSURANCE

AT RICHMOND, March 18, 2005  
ADMINISTRATIVE ORDER NO. 11687

AUTOMOBILE INSURANCE PLANS SERVICE OFFICE

ORDER APPROVING APPLICATION OF THE AUTOMOBILE INSURANCE PLANS SERVICE OFFICE FOR AMENDMENTS TO THE VIRGINIA AUTOMOBILE INSURANCE PLAN MANUAL OF RULES, CLASSIFICATIONS, TERRITORIES, RATES, AND ADDITIONAL CHARGES FOR WRITING INSURANCE UPON APPLICANTS ASSIGNED BY THE PLAN, PURSUANT TO SECTION 38.2-2006 OF THE CODE OF VIRGINIA.

BY CORRESPONDENCE commencing on November 15, 2004, and concluding February 21, 2005, came the applicant, on behalf of the subscribers to the Virginia Automobile Insurance Plan, and filed with and requested the approval of the Commissioner of Insurance of certain amendments to the Virginia Automobile Insurance Plan Manual of rules, classifications, territories, rates and additional charges for writing insurance upon applicants assigned by the Plan for private passenger automobiles and related risks, which proposed an aggregate overall statewide rate level increase of +5.5%; the specific rate level revisions are as follows: +1.9% Bodily Injury Liability; +9.6% Property Damage Liability; +30.4% Medical Expense; +1.4% Uninsured Motorists; +3.4% Comprehensive; and +2.5% Collision.

AND IT APPEARING to the Commissioner of Insurance from a review made by the staff of the Bureau of Insurance that a hearing should not be held thereon, that the Office of the Attorney General, Division of Consumer Counsel has no objection, that there is no objection otherwise, and that a publication of notice of the filing is not necessary;

NOW, ON THIS DAY, the Commissioner, having considered the actuarial analysis of the filing herein conducted by the consulting actuaries for the Bureau of Insurance and the recommendations of the staff of the Bureau of Insurance is of the opinion, finds and orders:

(1) That the proposals set forth in the filing would produce excessive rates and premiums for writing such coverages in this Commonwealth.

(2) That the proposed rate revisions are hereby modified to an aggregate overall statewide rate level increase of +3.8%; the specific rate level revisions are as follows:

-0.8% Bodily Injury Liability

+7.8% Property Damage Liability

+29.1% Medical Expense

-0.9% Uninsured Motorists (At limits of \$25,000/50,000/20,000)

+3.2% Comprehensive

+2.3% Collision

(3) That the modified revisions noted in (2) above will not produce rates and premiums for writing such coverages in this Commonwealth which are excessive, inadequate, or unfairly discriminatory, and should be, and they hereby are, approved for use in this Commonwealth by the subscribers to the Virginia Automobile Insurance Plan, to be implemented on new business policies effective on and after June 1, 2005, and renewal policies effective on and after July 1, 2005

(4) That, with the approval of the independent uninsured motorists rates as noted in (2) above, the filer is not permitted to use the current or any future revisions to the uninsured motorists rates approved for use in the voluntary market as of the effective dates stated in this order.

(5) That an attested copy hereof shall be sent to the Automobile Insurance Plans Service Office, 302 Central Avenue, Johnston, Rhode Island 02919-5095; to E.E. Connell, Virginia Automobile Insurance Plan, P.O. Box 4830, Glen Allen, Virginia, 23058-4830; and to Mary M. Bannister, Deputy Commissioner of Insurance.

A True Copy  
Teste:

  
Clerk of the  
State Corporation Commission