



Nevada—Approval of Voluntary Loss Costs and Rating Values and Assigned Risk Rates and Rating Values to Be Effective March 1, 2014

ACTION NEEDED

Please review this circular, which contains approved voluntary advisory loss costs, assigned risk rates, and rating values for Nevada. These will become effective March 1, 2014, for new and renewal policies.

BACKGROUND

This approval circular is a supplement to Filing Circular NV-2013-03 and Filing Supplement Circular NV-2013-04.

NCCI recently submitted a voluntary advisory loss costs, assigned risk rates, rating values, and voluntary retrospective rating plan parameters filing to the Nevada Division of Insurance. The filing is proposed to be effective March 1, 2014, for new and renewal policies.

The filing proposed an overall average loss cost level increase of 3.2% for the voluntary market and an overall average rate level increase of 3.3% for the assigned risk market. Advisory loss costs in this filing exclude all expense provisions (except loss adjustment expenses). The filing was approved as filed.

The following are of special note as a result of item filings approved in Nevada:

- As a result of Item E-1402, the split point for experience rating was changed from \$10,000 to \$13,500
- As a result of Items R-1406 and R-1407, the retrospective rating plan parameters were updated
- As a result of Item B-1426, the Per Passenger Seat Surcharge for Class Code 7421 is discontinued effective January 1, 2015

IMPACT

An overall average loss cost level increase of 3.2% for the voluntary market and an overall average rate level increase of 3.3% for the assigned risk market have been approved. These will be effective March 1, 2014, for new and renewal policies.

Important: Each insurer must adopt the revised voluntary loss costs effective March 1, 2014, for all new and renewal business.

The anniversary rating date rule (Rule 3-A-2 in the *Basic Manual*) applies.

Insurers do not need to make a filing to the Nevada Division of Insurance unless they are changing their loss cost multipliers or other rating parameters in association with their adoption of the new loss costs.

NCCI ACTION

Revised manual pages will be mailed shortly to subscribers of NCCI's *Basic Manual*, *Experience Rating Plan Manual*, and *Retrospective Rating Plan Manual*. If you would like to subscribe to any of our manuals, please contact our Customer Service Center at 800-NCCI-123 (800-622-4123).

We will post this approval circular on ncci.com.

**PERSON TO
CONTACT**

If you have any questions, please contact:

Magda (Maggie) Karpuk
State Relations Executive
NCCI
2815 Townsgate Road, Suite 210
Westlake Village, CA 91361
818-707-8374
maggie_karpuk@ncci.com

Technical Contact:

Kirt Dooley, FCAS, MAAA
Manager and Associate Actuary
NCCI
901 Peninsula Corporate Circle
Boca Raton, FL 33487-1362
561-893-3068
kirt_dooley@ncci.com
