



## Nevada—Approval of Voluntary Loss Costs and Rating Values and Assigned Risk Rates and Rating Values to Be Effective March 1, 2015

### ACTION NEEDED

Please review this circular, which contains information on approved voluntary loss costs, assigned risk rates, and rating values for Nevada. These will become effective March 1, 2015 for new and renewal policies.

### BACKGROUND

This approval circular is a supplement to Filing Circular NV-2014-01 and Filing Supplement Circular NV-2014-02.

NCCI recently submitted a voluntary 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, 2015 for new and renewal policies.

The filing proposed an overall average loss cost level decrease of 0.5% for the voluntary market and an overall average rate level decrease of 5.0% for the assigned risk market. Advisory loss costs in this filing exclude all expense provisions (except loss adjustment expense). 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 \$13,500 to \$15,500. This is the third and final year of the split point transition period. In each subsequent loss cost filing, the split point will be indexed by the countrywide severity change.
- As a result of Items R-1408 and R-1409, the retrospective rating plan parameters were updated.
- As a result of Item B-1427, Class Code 3069 is discontinued effective March 1, 2015, and Class Code 3076 reflects the combined experience of Class Codes 3069 and 3076.

### IMPACT

An overall average loss cost level decrease of 0.5% for the voluntary market and an overall average rate level decrease of 5.0% for the assigned risk market have been approved. These will be effective March 1, 2015 for new and renewal policies.

**Important: Each insurer must adopt the revised voluntary loss costs effective March 1, 2015, 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).

NCCI has posted this approval circular on [ncci.com](http://ncci.com).

**PERSON TO  
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