

Frequently asked questions

Optional Class Plan timeline

When will the ISO Commercial Auto Optional Class Plan no longer be optional?

ISO plans to support both the current Commercial Auto Class plan and the Optional Class Plan until late 2022, and then phase out support of the current plan.

Can you explain what “phase out support” means?

In late 2021, ISO plans to file a multistate revision to its current Commercial Auto Manual that will incorporate the rating elements of the Optional Class Plan and introduce other complementary enhancements. When these consolidated rules become effective (currently expected in 2022), ISO will publish associated loss costs. These rules and loss costs will become the new Standard Class Plan and will be maintained by ISO going forward to serve as our platform for further innovation. Prior versions of the class plan will not be fully supported.

What if my company is unable to adopt the Optional Class Plan by the time it becomes mandatory in 2022?

If your company is unable to adopt by 2022, please contact ISO (autoactuarial@verisk.com), and we'll help you determine what alternatives may be available.

To assist companies unable to adopt by 2022, we expect to continue to file loss costs for use with the legacy class plan, on an interim basis. However, ISO has no plans to update these superseded rules for compliance purpose or any other reasons.

Reporting requirements

When does my company need to start reporting data for the new rating variables required for the Optional Class Plan?

Statistical reporting of the new variables are mandatory for all policies starting with an inception date of July 1, 2019.

Does my company have to report the new variables even if we're not yet using the Optional Class Plan?

Yes.

What if my company is unable to report the new variables?

We recognize that this information may not be readily available in some cases. In these situations, please contact ISO (statistical@verisk.com) for reporting instructions.



Other questions

Is the Optional Class Plan revenue-neutral (even if I'm not using the most current ISO loss costs)?

Yes. We're using territorial off-balance factors to support revenue neutrality. However, these off-balance factors assume that the most current loss costs are in effect. Since the new Optional Class Plan may affect each individual book of business differently, ISO can help companies evaluate the impact. For more information, please contact us at autoactuarial@verisk.com.

I understand that NAICS codes are very predictive variables and key components of the Optional Class Plan. What can I do if my company does not currently collect NAICS codes?

You can use the Optional Class Plan even if NAICS is not available, but the predictive power of the Optional Class Plan will not be fully realized. We strongly recommend incorporating NAICS into your rating. ISO has tools available that can help you determine NAICS codes.

Contact CommercialAuto@verisk.com for more information.

For more information:



iso.com



1-800-888-4476



AutoActuarial@verisk.com



A Verisk Business