



## Liability and PIP/Medical Payments Symbols

### **What are Rating Symbols?**

ISO's Liability and PIP/Medical Payments (LPMP) Symbols are codes that indicate the relative risk of loss for each private passenger vehicle series. Each Symbol has a corresponding Symbol relativity, or factor, that you can use to develop premiums for liability and PIP/medical payment coverage.

### **What purpose do Symbols serve?**

By adjusting the Symbol based on actual loss experience, ISO's Symbols promote equity.

### **How do LPMP Symbols differ from Physical Damage Symbols?**

Unlike ISO's Personal Auto Physical Damage Rating Symbols, LPMP Symbols are not specific to model year.

### **Are we required to use Rating Symbols?**

Like all ISO products and services, LPMP Symbols are advisory. You may use them without modification, modify them, or choose not to use them.

### **Why did ISO develop LPMP Symbols?**

Since the 1990s, light trucks and SUVs have represented a growing proportion of vehicles on the road. The changing mix of vehicles, along with rising concern about the effects of larger vehicles colliding with smaller ones, led to development of the Liability and PIP/Medical Payments Vehicle Rating Plan. These adjustments are done on a bi-annual basis.

### **How does ISO develop Rating Symbols?**

ISO analyzes the correlation between a vehicle's size, construction, and related characteristics, and a vehicle's insurance loss experience for liability and PIP/medical payments coverages. ISO assigns Symbols based on two factors — the actual loss experience for a vehicle series, and a predicted loss-ratio relativity for the series. Based on the analysis, ISO assigns each vehicle series two Symbols — one for Liability and another for PIP/Medical Payments. Then, we examine actual loss experience for that vehicle and adjust—both upward and downward—to revise the Rating Symbols.

### **Are preliminary Symbols always adjusted?**

No. If the vehicle's loss experience is consistent with that anticipated by the current Symbol, ISO does not adjust the symbol.



**What do increased or decreased symbols indicate?**

If the loss experience is better than that anticipated by the current Symbol, ISO decreases the Symbol, resulting in a *lower cost to insure*. If the loss experience is worse than that anticipated by the current Symbol, ISO increases the Symbol, resulting in a *higher cost to insure*.

**How can we gain access to Symbols?**

You can use VINMASTER® to identify an automobile's current Symbol. With ISO's VINMASTER® and your software, you can identify an automobile's current ISO LPMP Symbol quickly and easily without knowing its vehicle identification number (VIN).