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**State:** Hawaii **Filing Company:** AIPSO  
**TOI/Sub-TOI:** 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)  
**Product Name:** Hawaii Model Year Filing  
**Project Name/Number:** Hawaii Model Year Filing/HI 13-01

## Filing at a Glance

Company: AIPSO  
Product Name: Hawaii Model Year Filing  
State: Hawaii  
TOI: 19.0 Personal Auto  
Sub-TOI: 19.0001 Private Passenger Auto (PPA)  
Filing Type: Rate  
Date Submitted: 10/23/2013  
SERFF Tr Num: APST-129263076  
SERFF Status: Pending State Action  
State Tr Num: 152138  
State Status:  
Co Tr Num: HI 13-01  
  
Effective Date: 02/01/2014  
Requested (New):  
Effective Date: 02/01/2014  
Requested (Renewal):  
Author(s): Lauren Singh  
Reviewer(s): Rae Oda (primary)  
Disposition Date:  
Disposition Status:  
Effective Date (New):  
Effective Date (Renewal):  
  
State Filing Description:

**State:** Hawaii **Filing Company:** AIPSO  
**TOI/Sub-TOI:** 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)  
**Product Name:** Hawaii Model Year Filing  
**Project Name/Number:** Hawaii Model Year Filing/HI 13-01

## General Information

Project Name: Hawaii Model Year Filing Status of Filing in Domicile: Not Filed  
Project Number: HI 13-01 Domicile Status Comments:  
Reference Organization: Reference Number:  
Reference Title: Advisory Org. Circular:  
Filing Status Changed: 12/03/2013  
State Status Changed: Deemer Date:  
Created By: Lauren Singh Submitted By: Lauren Singh  
Corresponding Filing Tracking Number:

### Filing Description:

The reason for this revenue-neutral filing is to introduce physical damage rates for 2014 through 2015 model year vehicles in accordance with the approved Model Year Rating Program. Also, the base model year is being shifted from 2011 to 2013 for all model year vehicles, i.e., 1990/through 2015. Due to the shift in base model year, the following off-balance factors are applied to the latest available model year and symbol (Model Year 2013, Symbol 3) so that the revised rates are being introduced on-balance.

Comprehensive: 0.997

Collision: 1.028

## Company and Contact

### Filing Contact Information

Lauren McKenna, Actuarial Assistant lauren.mckenna@aipso.com  
302 Central Avenue 401-429-1566 [Phone]  
Johnston, RI 02919 401-528-1351 [FAX]

### Filing Company Information

(This filing was made by a third party - aipso)

AIPSO CoCode: State of Domicile: Rhode  
302 Central Avenue Group Code: Island  
Johnston, RI 02919 Group Name: Company Type:  
(401) 946-2310 ext. [Phone] FEIN Number: 13-2732270 State ID Number:

## Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

**SERFF Tracking #:**

APST-129263076

**State Tracking #:**

152138

**Company Tracking #:**

HI 13-01

**State:** Hawaii **Filing Company:** AIPSO  
**TOI/Sub-TOI:** 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)  
**Product Name:** Hawaii Model Year Filing  
**Project Name/Number:** Hawaii Model Year Filing/HI 13-01

## Correspondence Summary

### Objection Letters and Response Letters

#### Objection Letters

Status	Created By	Created On	Date Submitted
Abeyance	Rae Oda	11/27/2013	11/27/2013
Abeyance	Rae Oda	11/22/2013	11/22/2013

#### Response Letters

Responded By	Created On	Date Submitted
Lauren Singh	12/03/2013	12/03/2013
Lauren Singh	11/25/2013	11/25/2013

#### Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	Multistate Offset Factors for 2013 base	Lauren Singh	11/25/2013	11/25/2013
Supporting Document	HI Rates Excel Spreadsheet	Lauren Singh	11/25/2013	11/25/2013

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**State:** Hawaii **Filing Company:** AIPSO  
**TOI/Sub-TOI:** 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)  
**Product Name:** Hawaii Model Year Filing  
**Project Name/Number:** Hawaii Model Year Filing/HI 13-01

## Objection Letter

Objection Letter Status	Abeyance
Objection Letter Date	11/27/2013
Submitted Date	11/27/2013
Respond By Date	12/11/2013

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Dear Lauren McKenna,

**Introduction:**

This will acknowledge receipt of the filing. Your attention is directed to the following:

**Objection 1**

- HI PPNF physical damage rates, null (Rate)

Comments: Please clarify why the proposed comprehensive and collision model year factors for model year 1989 and Prior is set at 1.00. You would expect the factors for 1989 and Prior to be lower than 1990-2002.

**Conclusion:**

Pending your response, this filing shall not be deemed complete or filed nor available for use.

Pursuant to Hawaii Revised Statutes §431:14-104(d), if the requested information is not received by the Respond By Date, the filing will be returned as not filed and not available for use. To request an extension, please contact the Rate and Policy Analysis Branch Manager, Colin Hayashida, at (808) 586-2809.

Sincerely,  
Rae Oda

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**State:** Hawaii **Filing Company:** AIPSO  
**TOI/Sub-TOI:** 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)  
**Product Name:** Hawaii Model Year Filing  
**Project Name/Number:** Hawaii Model Year Filing/HI 13-01

## Objection Letter

Objection Letter Status Abeyance  
Objection Letter Date 11/22/2013  
Submitted Date 11/22/2013  
Respond By Date

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Dear Lauren McKenna,

**Introduction:**

*This will acknowledge receipt of the filing. Your attention is directed to the following:*

**Objection 1**

*Comments: To complete the filing, please provide documentation to support the calculation of the proposed off-balance factors.*

**Objection 2**

*- AUTO HI Rates Excel Spreadsheet (Supporting Document)*

*Comments: Your filing failed to include an Excel version of the required Hawaii Excel spreadsheet(s). Be advised that you are required to attach an Excel version of each spreadsheet in addition to the PDF version. Refer to the last paragraph of the Instructions-AutoSpreadsheet document and our Submission Requirements.*

**Conclusion:**

*Pending your response, this filing shall not be deemed complete or filed nor available for use.*

*Pursuant to Hawaii Revised Statutes §431:14-104(d), if the requested information is not received by the Respond By Date, the filing will be returned as not filed and not available for use. To request an extension, please contact the Rate and Policy Analysis Branch Manager, Colin Hayashida, at (808) 586-2809.*

*Sincerely,  
Rae Oda*

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**State:** Hawaii **Filing Company:** AIPSO  
**TOI/Sub-TOI:** 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)  
**Product Name:** Hawaii Model Year Filing  
**Project Name/Number:** Hawaii Model Year Filing/HI 13-01

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	12/03/2013
Submitted Date	12/03/2013

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Dear Rae Oda,

### **Introduction:**

### **Response 1**

#### **Comments:**

As shown on the bottom of page R-6 of the private passenger auto rate chapter, 1989 and prior model year vehicles utilize a different set of symbol relativites. These factors are significantly less than 1990 and subsequent symbol factors on pages R-5 and the top of R-6. In order to compare the 1989 and prior vehicle rates to the 1990 and subsequent, you must account for the different symbol relativites as well. This will produce the lower rates that you expect. For example, a symbol 3 model year 1989 vehicle uses a 0.32 relativity factor in lieu of the 2011 and subsequent 1.00 factor.

### **Related Objection 1**

Applies To:

- HI PPNF physical damage rates, null (Rate)

Comments: Please clarify why the proposed comprehensive and collision model year factors for model year 1989 and Prior is set at 1.00. You would expect the factors for 1989 and Prior to be lower than 1990-2002.

### **Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### **Conclusion:**

Sincerely,

Lauren Singh

**State:** Hawaii **Filing Company:** AIPSO  
**TOI/Sub-TOI:** 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)  
**Product Name:** Hawaii Model Year Filing  
**Project Name/Number:** Hawaii Model Year Filing/HI 13-01

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/25/2013
Submitted Date	11/25/2013

Dear Rae Oda,

### **Introduction:**

### **Response 1**

#### **Comments:**

Please see attached excel spreadsheet under supporting documents.

### **Related Objection 1**

*Comments:* To complete the filing, please provide documentation to support the calculation of the proposed off-balance factors.

### **Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### **Response 2**

#### **Comments:**

Please see attached excel spreadsheet under supporting documents.

### **Related Objection 2**

*Applies To:*

- AUTO HI Rates Excel Spreadsheet (Supporting Document)

*Comments:* Your filing failed to include an Excel version of the required Hawaii Excel spreadsheet(s). Be advised that you are required to attach an Excel version of each spreadsheet in addition to the PDF version. Refer to the last paragraph of the Instructions-AutoSpreadsheet document and our Submission Requirements.

### **Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### **Conclusion:**

Sincerely,

Lauren Singh

SERFF Tracking #:

APST-129263076

State Tracking #:

152138

Company Tracking #:

HI 13-01

**State:** Hawaii **Filing Company:** AIPSO  
**TOI/Sub-TOI:** 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)  
**Product Name:** Hawaii Model Year Filing  
**Project Name/Number:** Hawaii Model Year Filing/HI 13-01

## Amendment Letter

Submitted Date: 11/25/2013

Comments:

Please see the attached amendment regarding off balance factors.

Changed Items:

*No Form Schedule Items Changed.*

*No Rate Schedule Items Changed.*

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Multistate Offset Factors for 2013 base
<b>Comments:</b>	Due to the low countrywide volume we utilize ISO's Model Year off balance factors. Attached is a page from ISO Circular LI-PA-2012-111 which shows the factors utilized for a two year change in base (2011-2013).
<b>Attachment(s):</b>	offset factors 2013 base.pdf



SERFF Tracking #:

APST-129263076

State Tracking #:

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HI 13-01

**State:** Hawaii **Filing Company:** AIPSO  
**TOI/Sub-TOI:** 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)  
**Product Name:** Hawaii Model Year Filing  
**Project Name/Number:** Hawaii Model Year Filing/HI 13-01

## Amendment Letter

Submitted Date: 11/25/2013

Comments:

Please see attached excel spreadsheet under supporting documents.

Changed Items:

*No Form Schedule Items Changed.*

*No Rate Schedule Items Changed.*

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	HI Rates Excel Spreadsheet
<b>Comments:</b>	
<b>Attachment(s):</b>	Rate Schedule.xls

SERFF Tracking #:

APST-129263076

State Tracking #:

152138

Company Tracking #:

HI 13-01

**State:** *Hawaii* **Filing Company:** *AIPSO*  
**TOI/Sub-TOI:** *19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)*  
**Product Name:** *Hawaii Model Year Filing*  
**Project Name/Number:** *Hawaii Model Year Filing/HI 13-01*

### Rate Information

Rate data applies to filing.

**Filing Method:** Prior Approval  
**Rate Change Type:** Neutral  
**Overall Percentage of Last Rate Revision:** 0.000%  
**Effective Date of Last Rate Revision:** 05/01/2012  
**Filing Method of Last Filing:** prior approval

### Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
AIPSO	%	%				%	%

**SERFF Tracking #:**

APST-129263076

**State Tracking #:**

152138

**Company Tracking #:**

HI 13-01

**State:** Hawaii **Filing Company:** AIPSO  
**TOI/Sub-TOI:** 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)  
**Product Name:** Hawaii Model Year Filing  
**Project Name/Number:** Hawaii Model Year Filing/HI 13-01

## Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		HI PPNF physical damage rates		Replacement		Private Passenger Auto Rate Chapter_marked.pdf Private Passenger Auto Rate Chapter.pdf

HAWAII JOINT UNDERWRITING PLAN MANUAL

(Matter struck through—deleted; matter underscored—new)

**PHYSICAL DAMAGE BASE RATES**

<b>Territory</b>	<b>\$100 Deductible Comprehensive</b>	<b>\$250 Deductible Collision</b>
01	\$ <del>162</del> <u>177</u>	\$ <del>516</del> <u>584</u>
03	<del>65</del> <u>72</u>	<del>460</del> <u>520</u>
04	<del>92</del> <u>101</u>	<del>448</del> <u>507</u>
05	<del>75</del> <u>83</u>	<del>574</del> <u>649</u>

**MODEL YEAR FACTORS**

<b>Model Year</b>	<b>Comprehensive</b>	<b>Collision</b>
<del>2013</del> <u>2015</u>	1.10	1.10
<del>2012</del> <u>2014</u>	1.05	1.05
<del>2011</del> <u>2013</u>	1.00	1.00
<del>2010</del> <u>2012</u>	0.95	0.94
<del>2009</del> <u>2011</u>	0.90	0.88
<del>2008</del> <u>2010</u>	0.86	0.83
<del>2007</del> <u>2009</u>	0.81	0.76
<del>2006</del> <u>2008</u>	0.77	0.70
<del>2005</del> <u>2007</u>	0.74	0.66
<del>2004</del> <u>2006</u>	0.70	0.62
<del>2003</del> <u>2005</u>	0.66	0.58
<del>2002</del> <u>2004</u>	0.63	0.55
<del>2001</del> <u>2003</u>	0.60	0.51
1990– <del>2000</del> <u>2002</u>	0.57	0.48
1989 and Prior	1.00	1.00

HAWAII JOINT UNDERWRITING PLAN MANUAL  
**PRIVATE PASSENGER AUTO RATE CHAPTER**  
**PHYSICAL DAMAGE BASE RATES**

Territory	\$100 Deductible Comprehensive	\$250 Deductible Collision
01	\$177	\$584
03	72	520
04	101	507
05	83	649

**MODEL YEAR FACTORS**

Model Year	Comprehensive	Collision
2015	1.10	1.10
2014	1.05	1.05
2013	1.00	1.00
2012	0.95	0.94
2011	0.90	0.88
2010	0.86	0.83
2009	0.81	0.76
2008	0.77	0.70
2007	0.74	0.66
2006	0.70	0.62
2005	0.66	0.58
2004	0.63	0.55
2003	0.60	0.51
1990–2002	0.57	0.48
1989 and Prior	1.00	1.00

**State:** Hawaii  
**TOI/Sub-TOI:** 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)  
**Product Name:** Hawaii Model Year Filing  
**Project Name/Number:** Hawaii Model Year Filing/HI 13-01  
**Filing Company:** AIPSO

## Supporting Document Schedules

<b>Satisfied - Item:</b>	AUTO HI Rates Excel Spreadsheet
<b>Comments:</b>	
<b>Attachment(s):</b>	Rate Schedule.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Reference Filing Adoption Certification
<b>Bypass Reason:</b>	not applicable
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Third Party Authorization
<b>Bypass Reason:</b>	not applicable
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	HI 13-01
<b>Comments:</b>	please see attached filing.
<b>Attachment(s):</b>	HI Filing 13-01.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	HI Rates Excel Spreadsheet
<b>Comments:</b>	
<b>Attachment(s):</b>	Rate Schedule.xls
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Multistate Offset Factors for 2013 base
<b>Comments:</b>	Due to the low countrywide volume we utilize ISO's Model Year off balance factors. Attached is a page from ISO Circular LI-PA-2012-111 which shows the factors utilized for a two year change in base (2011-2013).
<b>Attachment(s):</b>	offset factors 2013 base.pdf
<b>Item Status:</b>	

**SERFF Tracking #:**

APST-129263076

**State Tracking #:**

152138

**Company Tracking #:**

HI 13-01

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**State:** *Hawaii* **Filing Company:** *AIPSO*  
**TOI/Sub-TOI:** *19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)*  
**Product Name:** *Hawaii Model Year Filing*  
**Project Name/Number:** *Hawaii Model Year Filing/HI 13-01*

**Status Date:**

**SERFF Tracking #:**

APST-129263076

**State Tracking #:**

152138

**Company Tracking #:**

HI 13-01

---

**State:** *Hawaii* **Filing Company:** *AIPSO*  
**TOI/Sub-TOI:** *19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)*  
**Product Name:** *Hawaii Model Year Filing*  
**Project Name/Number:** *Hawaii Model Year Filing/HI 13-01*

***Attachment Rate Schedule.xls is not a PDF document and cannot be reproduced here.***



**HAWAII RATE SCHEDULE - AUTO/MOTORCYCLE**

SERFF ID\*   
 Date Submitted\*   
 Company/Group Name\*   
 Type of Insurance (TOI)\*

Instructions: Enter the NAIC Co Code or Hawaii Entity ID for each filing insurer. Dark blue column/row headers indicate there is a drop-down selection box. **DO NOT USE COMMAS OR CARRIAGE RETURNS IN ANY OF THE FIELDS.**

\* required fields

**HAWAII RATE SCHEDULE - AUTO/MOTORCYCLE**

SERFF ID   
 Date Submitted   
 Company/Group Name AIPSO  
 Type of Insurance (TOI) AUTO PERS

**HAWAII RATE SCHEDULE - AUTO/MOTORCYCLE**

SERFF ID   
 Date Submitted   
 Company/Group Name AIPSO  
 Type of Insurance (TOI) AUTO PERS

Filing Insurer NAIC Co Code*	Hawaii Entity ID, if no NAIC Co Code	Select Rate Type Description*	Rate Type	Rate ID* (for LC use Rating Org Filing #)	Select Filing Code (STOI) Description*	Filing Code (STOI)	Base Rate	Min Prem	Max Prem	Base Rate Pct Change	Overall Pct Change	Min Pct Change	Max Pct Change	Loss Cost Mod Factor	Expected Loss Ratio (in decimal form)	Loss Cost Multiplier	Expense Constant	Previous State Filing Number	Withdrawn Date	
210010	Other		OTHER	comp	PP Auto Comp	21.1000OTC					0.00								HI 12-01	
210010	Other		OTHER	coll	PP Auto Collision	21.1000COL					0.00								HI 12-01	



October 23, 2013

Mr. Gordon Ito, Commissioner  
Hawaii Department of Commerce & Consumer Affairs  
Insurance Division

***Mailing Address:***

PO Box 3614  
Honolulu, HI 96811-3614

***Street/Express Mailing Address:***

335 Merchant Street, 2<sup>nd</sup> Floor, Room 213  
Honolulu, HI 96813

Attn.: Gordon Ito, Commissioner

**Hawaii Joint Underwriting Plan**  
**AIPSO Filing No. HI 13-01**

Dear Mr. Ito:

On behalf of the subscribers to the Hawaii Joint Underwriting Plan, we are filing the attached amendments at the request of the Board of Governors.

**Proposed Effective Date**

February 1, 2014 for New Business and Renewal Business

**ACTUARIAL MEMORANDUM**

The reason for this revenue-neutral filing is to introduce physical damage rates for 2014 through 2015 model year vehicles in accordance with the approved Model Year Rating Program. Also, the base model year is being shifted from 2011 to 2013 for all model year vehicles, i.e., 1990/through 2015. Due to the shift in base model year, the following off-balance factors are applied to the latest available model year and symbol (Model Year 2013, Symbol 3) so that the revised rates are being introduced on-balance.

**Comprehensive: 0.997**  
**Collision: 1.028**

Please contact the undersigned at (401) 429-1566 if you have any questions.

Sincerely,

Lauren M. Singh  
Actuarial Assistant  
Actuarial Services

pc: Mr. Tom Assad, AIPSO  
Ms. Amy Hicks, AIPSO  
Ms. Andrea Olson, AIPSO  
Mr. Robert Powers, AIPSO

HAWAII JOINT UNDERWRITING PLAN MANUAL  
**PRIVATE PASSENGER AUTO RATE CHAPTER**  
**PHYSICAL DAMAGE BASE RATES**

Territory	\$100 Deductible Comprehensive	\$250 Deductible Collision
01	\$177	\$584
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05	83	649

**MODEL YEAR FACTORS**

Model Year	Comprehensive	Collision
2015	1.10	1.10
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2013	1.00	1.00
2012	0.95	0.94
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2003	0.60	0.51
1990–2002	0.57	0.48
1989 and Prior	1.00	1.00

## Multistate Offset Factors for 2013 Base Model Year

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Below are the multistate 2013 Base Model Year offset factors which should be applied to the current loss costs for Model Year 2013, Symbol 11, if the multistate ISO Model Year Rating Program and the 14 Model Year Relativities are currently in effect.

Exhibits explaining the calculation of these offsets are provided on pages 12 - 25.

<u>Change In Base</u>	<u>Relativity Offset (a) (b)</u>	
	<u>Comprehensive</u>	<u>Collision</u>
Five Year (e.g. 2008-2013)	0.997	1.060
Four Year (e.g. 2009-2013)	0.995	1.049
Three Year (e.g. 2010-2013)	0.995	1.037
Two Year (e.g. 2011-2013)	0.997	1.028
One Year (e.g. 2012-2013)	0.997	1.013

(a) Offsets are to be applied to the current loss costs for model year 2013, base Symbol 11.

(b) These offsets do not apply to New York and Washington which have state-specific exceptions to the multistate program. Refer to Section 4 of this document for details.