

**WAC 284-24A-055 Should an insurer submit actuarial data based on demographic factors with an insurance scoring model or with a rate filing?**

- (1) Insurers should not submit actuarial data based on demographic factors with their insurance scoring model.
- (2) Insurers must submit actuarial data based on demographic factors to support any difference in rates or premiums based on:
  - (a) **"No hit,"** which means the absence of credit history; or
  - (b) **"No score,"** which means the inability to determine the consumer's credit history.
- (3) The actuarial data must include:
  - (a) Loss history for an experience period acceptable to the commissioner. The length of the experience period will be determined by the amount of data available to the insurer.
  - (b) Earned exposures.
  - (c) Earned premiums.
  - (d) An analysis of the credibility of the data.
- (4) The actuarial data must be segmented by:
  - (a) Demographic factors, which may be grouped in broader categories in a manner acceptable to the commissioner;
  - (b) "No hit"; and
  - (c) "No score."
- (5) The actuarial data must show that the proposed rates, rating factors, rating rules, or risk classification plans relating to "no hit" and "no score" comply with RCW 48.19.020.
- (6) These filings are subject to prior approval by the commissioner under the provisions of RCW 48.19.040.

[Statutory Authority: RCW 48.02.060, 48.18.545, 48.19.035, and 48.30.010. WSR 05-02-026 (Matter No. R 2004-01), § 284-24A-055, filed 12/29/04, effective 7/1/05. Statutory Authority: RCW 48.02.060, 48.18.100, 48.18.120, 48.19.080, 48.19.370, 48.30.010, 49.60.178, 48.18.545(7), 48.19.035(5). WSR 02-19-013 (Matter No. R 2001-11), § 284-24A-055, filed 9/6/02, effective 10/7/02.]