

Transparency and Readability of  
Consumer (C) Information  
Working Group

# Hear a Presentation on the Washington Rule



# Premium Change Transparency

[Chapter 284-30A of the Washington Administrative Code \(WAC\)](#)

*NAIC Transparency & Readability of Consumer Information (C) Working Group – Presentation*

*Senior Policy Analyst, Michael Walker*



OFFICE of the  
**INSURANCE  
COMMISSIONER**  
WASHINGTON STATE

August 31, 2023

# Premium Change Transparency Rulemaking

## NAIC Presentation Agenda

### Rulemaking History & Context (Current State)

- Agency Data
- Transparency Authorities – WA
- Other States & National Efforts

### Rulemaking Process

- Complexity and Timeline
- Enhanced Outreach & Coordination

### Pivotal Points

- Overview – Major Developments
- OIC's Mission & Industry Feedback

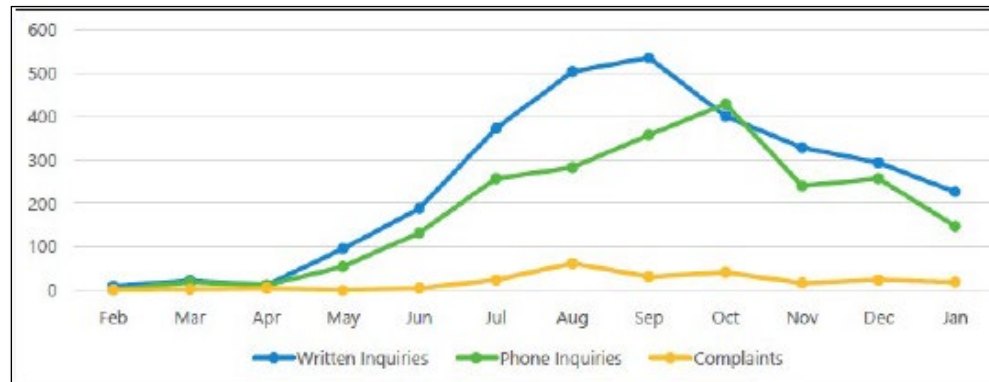
### Adoption and Implementation (Future State)

- Rule Effectiveness
- Potential Benefits

# Rulemaking History & Context (Current State)

## Agency Data

- Consumer complaints to the OIC have been numerous and trending upward in recent years. Under the existing regulatory framework thousands of consumers are contacting the OIC to inquire about their premium increases, learn about consumer protections, and submit related consumer complaints.
- For example, in 2019, 2020, and 2021, OIC processed 6,015, 6,678, and 7,705 consumer complaints respectively (see OIC Annual Reports for [2019](#), [2020](#), and [2021](#)).
- The lack of premium change transparency from insurers to policyholders, as it pertains to premium increases caused but not explained by insurers at renewal, is contributing to these trends.
- Feb. 2021 to Jan. 2022 OIC received over 5,000 consumer inquiries and complaints on the topics of credit scoring and underwriting transparency.



Contact Type	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Written email/Ask Mike/ Inquiries	10	24	13	96	189	373	503	535	401	329	294	227
Phone Inquiries	2	20	13	55	133	258	283	358	429	241	258	148
Complaints	2	3	5	1	6	25	63	32	42	18	25	20

# **Transparency Authorities (Current State - WA)**

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## Effective Authorities

### **Renewal Notices**

- [RCW 48.18.2901\(1\)\(b\)](#)
- [RCW 48.18.2901\(2\)](#)

### **Unfair Trade Practices**

- [WAC 284-30-360\(2\)](#)
- [WAC 284-30-590\(1\)](#)

### **Adverse Actions and Notification Requirements**

- [RCW 48.18.545](#)
- [WAC 284-30-770](#)

# Other States & National Efforts

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- [Conditional Renewal Notice Requirements](#) – Other Jurisdictions
- National Council of Insurance Legislators – [Insurance Underwriting Transparency Model Act](#)
- [NAIC Transparency and Readability of Consumer Information \(C\) Working Group – Consumer Guides for Personal Auto and Homeowners Insurance](#)

# Rulemaking Process – Complexity and Timeline

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## Issues Identified

- Consumers contacting and complaining to OIC for their insurer to provide premium change transparency.
- Complaints centered on premium increases and not decreases.
- Complaints identified certain lines and types of insurance.
- Conditional renewal notice requirements varied by state and insurance classification.
- Premium change transparency can be complex, confusing, or even frustrating having experienced increased costs and waiting for delayed insurer responses (i.e., confusing composite rating variables, technologically advanced industry systems, and intricacies inherent to insurance).

## Potential Solutions

- Achieving increased premium change transparency between insurer and insured (without a consumer complaint).
- Upholding the public interest in the business of insurance, while avoiding unfair trade practices.

## Initiating Rulemaking

- Preproposal Statement of Inquiry (CR-101) – Complex Rulemaking
- Adaptive Timeline
- Rulemaking Team - Educated, Experienced, Diverse, and Professional
- Enhanced Outreach and Coordination (Written Comment Periods, Draft Rules, IP Meetings, Continued Correspondence, and Industry Surveys)



# Rulemaking Notice – CR-101



## PREPROPOSAL STATEMENT OF INQUIRY

**CR-101 (October 2017)**  
**(Implements RCW 34.05.310)**  
Do **NOT** use for expedited rule making

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

DATE: February 01, 2022

TIME: 8:04 AM

WSR 22-04-091

**Agency:** Office of the Insurance Commissioner

**Subject of possible rule making:** Insurance Underwriting Transparency

Insurance Commissioner Matter R 2022-01

**Statutes authorizing the agency to adopt rules on this subject:** RCW 48.02.060 for the Commissioner's general rulemaking authority to implement RCW 48.01.030, RCW 48.18.180, RCW 48.18.2901, RCW 48.18.292, RCW 48.18.480, RCW 48.18.545, RCW 48.19.020, RCW 48.19.035, and RCW 48.30.010.

**Reasons why rules on this subject may be needed and what they might accomplish:** Insurance consumers are not provided with full disclosure and complete transparency from insurers for adverse actions, rate changes, or the factors that insurers consider in determining premiums. This prevents the insurance consumer from making informed decisions on their insurance policies, renewals, coverages, and pricing. This also causes the consumer to experience unfairness and deception

# Enhanced Outreach and Coordination

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- Enhanced outreach and coordination efforts (beyond APA)
- Increased opportunities to participate in rulemaking
  - Four prepublication drafts
  - Five interested party meetings
- Industry survey
- Agency and rule team meetings with interested parties, individual insurers, industry trade representatives, producer advisory committees, and NAIC.

# Pivotal Points

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- Scope of Applicability
- Timelines
- Communication Standards
- Notice – Distribution
- Notice – Form/Medium & Contents
- Requests for Additional Information
- Penalties

# Overview of Major Developments

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**Title (Improved)** – Insurance Underwriting Transparency to Premium Change Transparency. Premium Change Transparency is more specific to the rulemaking scope and goals. This also improves the optics for all parties.

The name of the form has also been changed from Premium Change Disclosure to Premium Change Notice.

**Scope (Narrowly Tailored)** – The scope of applicability has been revised to apply solely to authorized insurers with private passenger automobile coverage, homeowner's & renter's coverage, and dwelling property coverage. This removes the rule's scope of coverage for surplus lines, earthquake coverage, personal liability and theft coverage, personal inland marine coverage, and mechanical breakdown coverage for personal auto or home appliances. This is a data-driven decision based on agency and consumer contacts/complaints.

**Exemptions (Expanded)** – The exemptions have been expanded for the following: boats, motorcycles, off-road vehicles, recreational vehicles, antique or collector vehicles, classic vehicles, and specialty vehicles.

# Overview of Major Developments

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**Threshold (Optimized)** – Previously required premium change notices in response to *any premium change*. This could have been interpreted to require notices in response to premium *increases and decreases*.

**Threshold (Updated)** – The legal standard triggering the notice requirement has been updated to an 'upon request' threshold beginning in Phase 1 and then automatically transitions to '10% premium increases' three years later in Phase 2. The legal threshold triggering the Premium Change Notice requirement also now requires requests to be in writing.

**Timelines (Extended)** – The rules now apply to policies renewed on or after **June 1, 2024**. This means the timeline for implementation and compliance has been extended when compared to earlier versions. *Earlier drafts applied to policies renewed on or after January 1, 2024.*

# Overview of Major Developments

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**Disclaimer Requirements (Revised)** – The rules now only require disclaimers to be published on renewal notices and renewal billing statements. This removes the requirement for the disclaimer to be posted on insurer websites, declaration pages, and applications. The revisions reduce regulatory burdens while still achieving additional consumer protections.

**Communication Standards (Optimized)** – The communication standards have been phased.

This will require insurers to include a *reasonable explanations* in their Premium Change Notices, for insurance policies renewed on or after **June 1, 2024**.

For insurance policies renewed on or after **June 1, 2027**, insurers shall provide Premium Change Notices with a *reasonable explanation and the primary factors* applicable to the premium increase.

The 100% itemization of premium change has been removed and replaced with the narrative approach.

# Adoption and Implementation

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- Differences in drafts and official rules:
  - Limited Scope
  - Exemptions and Exceptions
  - Limited Thresholds
  - Phased Implementation Timeline
  - Phased Communication Standards
  - Notice Distribution
  - Notice Template
- Data and feedback driven decisions that align with the agency's mission.

# Future State – Tracking Effectiveness

- Consumer Contacts and Complaints
- Agency Investigations and Enforcement Actions

An insurance market with more transparent insurers and better educated consumers who can make informed decisions on their insurance.

Premium change transparency has been shown to achieve consumer protections, as well as maintained profitability and increased customer loyalty/retention.



# Questions?

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# Hear a Presentation on the Indiana Rule

# INDIANA DEPARTMENT OF INSURANCE (IDOI)

Patrick O'Connor, Assistant Director of  
Property and Casualty  
September 26<sup>th</sup>, 2023





# HEA 1329 Insurance Matters

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## Background

Indiana House Representative Matt Lehman has been working on a data transparency bill for a few years in Indiana and at the National Council of Insurance Legislators (NCOIL). While work on an NCOIL data transparency model continues in earnest, the Indiana legislature past HEA 1329 that included compromised language from his original proposal that included ten (10) of the most heavily weighted factors

- Additionally, HEA 1329 also includes changes to the producer continuing education, public adjusters, stop loss coverage, anti-rebating, HMO, and Medicare eligibility statutes



# HEA 1329 Insurance Matters (Pub. L. 226-2023)

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## **SECTION 20. IC 27-2-28 Notice of Material Change**

Applies to personal automobile or homeowners policies issued after June 30, 2024

Material change

- An increase of more than 10% over the expiring premium; or another adverse or unfavorable change in the terms of coverage or amount of insurance in connection with a personal auto or homeowners' policy
- Does not include:
  - Increase in insurer's filed rate plan and automatic inflationary increases
  - An additional premium due to a change initiated by the insured
  - An additional premium due to a change in risk exposure as a result of insured's participation in a usage based or telematics program
  - Changes resulting from a property inspection



# HEA 1329 Insurance Matters

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## **SECTION 20. IC 27-2-28 Notice of Material Change**

### Insurer requirements

- Insurer making a material change shall provide written notice to insured that:
  - Explains the principal factors for the material change; or
  - States the insured has a right to request and obtain an explanation of the principal factors for the material change
- Insurer shall provide a copy of a written notice to (1) insurance producer (if any) who represented insured in obtaining coverage or insurer regarding providing of coverage to insured and is not an employee, executive agent, or captive agent of insurer, and (2) insurer's reporting portal for agent communications



# HEA 1329 Insurance Matters

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## **SECTION 20. IC 27-2-28 Notice of Material Change**

### Written notice

- May be provided by mail or electronically
- Must be sufficiently clear and use language sufficiently specific to enable the insured to identify basis for insurer's decision to make the material change
- Must include a description of the principal factors most heavily weighed by insurer in making a material change, listed in no order
- May provide a point of contact where the insured may discuss the reasons for the material change
- Disclosure of factors otherwise disclosed to insured are not required

### Statements that do not meet written notice requirements

- Material change is based on insurer's internal policies, standards or models
- Insured failed to achieve a particular score on insurer's scoring system
- Statement containing generalized terms
- Poor credit history, poor credit rating, poor insurance score



# HEA 1329 Insurance Matters

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## **SECTION 20. IC 27-2-28 Notice of Material Change**

IDOI requirements

- Commissioner shall adopt rules to implement chapter
- Monetary penalties for a violation
- Commissioner solely responsible for enforcement of chapter

## **Status of implementation**

Law effective July 1, 2023

- Chapter not effective until after June 30, 2024
- Requirements are heavily insurer-focused
- Chapter does not require any IDOI interpretations

IDOI has not begun the rulemaking process





## HEA 1329 Insurance Matters

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Questions?

Discuss the Comparison of the  
Washington Rule and the  
Working Group's Document

<b>NAIC DISCLOSURE TEXT</b>	<b>WASHINGTON'S REGULATION (Final)</b>
	<b>WAC 284-30A-010 Purpose</b>
	Numerous consumer complaints and industry responses provided to the Washington State Office of the Insurance Commissioner demonstrate a need for insurers to provide transparency to policyholders for premium increases imposed at renewal.
	The rule aims to achieve transparency by defining the scope of insurer responsibility to explain the specific rate and rating factors that cause premiums to increase for consumers at renewal.
	Insurers shall provide the premium change transparency required by this chapter to their policyholders indicating the premium increases occurring at renewal. Failure to provide the premium change transparency required by this chapter is hereby defined as an unfair and deceptive practice in the business of insurance under chapters 284-30 WAC and 48.30 RCW.
<b>Renewal Premium that is a result of a capping procedure employed by the insured</b>	
Does not address	<b>WAC 284-30A-010 Scope of Applicability</b>
	(1) This chapter applies to policies renewed on or after June 1, 2024.
	(2) This chapter applies to authorized insurers with the following types of personal insurance policies: (a) Private passenger automobile coverage; and (b) Homeowner's coverage, including mobile homeowners, manufactured homeowners, condominium owners, and renter's coverage. (c) Dwelling property coverage
	(2) These rules apply to property and casualty insurance policies in effect of the at the time a premium change.
	(3) This chapter applies to renewals of policies and will not apply to the purchase of new policies or new insurance applications.
	(4) Exemptions
	(a) This chapter does not apply to personal insurance policies for coverage of boats, motorcycles, off-road vehicles, recreational vehicles, antique or collector vehicles, classic vehicles, and specialty vehicles.
	(b) Insurers of health, disability, life, and long-term care are exempt from compliance with this chapter. Health care services contractors and health maintenance organizations are also exempt from compliance with this chapter.
	(c) Nothing in this chapter requires insurers to disclose the contents of credit-based insurance scoring models, company placement criteria or eligibility rules, and strictly confidential insurance company trade secrets, as defined by chapter 19.108 RCW (Uniform Trade Secrets Act). However, insurers may need to provide information specific to the policyholder that has been produced through or resulting from these sources to comply with this chapter.
	(d) Information in a filing on "usage-based insurance" and about the usage-based component of the rate is confidential and exempt from this chapter, pursuant to RCW 48.19.040.
	(e) This chapter does not apply to policyholder-initiated changes to insurance coverages, policies, or premiums.
	(f) This chapter does not apply to personal umbrella policies.
	(5) This chapter is not intended to contradict or conflict with the Fair Credit Reporting Act (15 U.S.C. Sec. 1681).
	(6) This chapter, and the associated premium change transparency requirements, are in addition to and separate from the disclosure requirements contained in chapter 284-24A WAC.
	(7) Violation of this regulation is not a violation for purposes of RCW 48.30.015(5).
	<b>WAC 284-30A-030 Definitions.</b>
	Definitions for: "Insurance," "Insurance policy or policy or insurance contract or contract," "Insurer," "Policyholder," "Premium," "Policy period," "Premium change transparency Change Notice," "Written or in writing," "Antique or collector vehicle," "Classic vehicle,"
	<b>WAC 284-30A-040 Premium change transparency thresholds.</b>
<b>Each insured receiving at least a 10% premium increase at renewal must receive a Disclosure Notice.</b>	(1) Beginning June 1, 2024, and effective until June 1, 2027, insurers shall provide reasonable explanations, for insurance policies as described in WAC 284-30A-020, upon written request by the policyholder, for any premium increase occurring at renewal.
	(2) Beginning June 1, 2027, insurers shall provide premium change notices, with reasonable explanations and primary factors, disclosing the causes of premium increases for insurance policies as described in WAC 284-30A-020. Insurers shall provide premium change notices automatically when a renewal will result in a 10 percent premium increase or more, or upon written request by the policyholder for any premium increase occurring at renewal.
	<b>WAC 284-30A-050 Premium change transparency administrative requirements.</b>
	(1) Insurer premium change transparency disclaimer: Beginning June 1, 2024, insurers shall include a prominent disclaimer on the first page or view of renewal notices and renewal billing statements indicating, in at least 12-point type bold font, substantially similar language as the following: "Policyholders receiving an increase to their premiums at renewal can request an explanation by contacting their insurer in writing. Please see Chapter 284-30A WAC for additional information on your right to an explanation for your rate increase."
	(2) Insurers shall include their contact information in all premium change transparency to policyholders, and may include the producer's (if any), contact

NAIC DISCLOSURE TEXT	WASHINGTON'S REGULATION (Final)
	(3) Consumers' written requests, and insurers' premium change transparency, are deemed to be requested and responded to at the date indicated by either postmark or electronic timestamp for delivery. In the event of duplicate requests or responses, for delivery by both mail and email, then this date will be <u>determined as the earlier of either postmark or electronic timestamp for delivery.</u>
This notice must be sent to the insured at least 30 days prior to the renewal date.	(4) Insurers shall provide premium change transparency to the policyholder, and their producer (if any), according to the following: (a) If upon written request, then no later than 20 calendar days <u>from the receipt of the written request</u> ; and (b) If upon renewal, due to a 10 percent premium increase or more, <u>then automatically and no less than 20 calendar days prior to the effective date of the renewed policy.</u>
	(5) Insurers shall include a statement in all premium change transparency that the policyholder may contact their insurer to request additional information <u>about the policyholder's premium increases.</u>
	(6) Insurers shall respond to and provide additional information for policyholder's subsequent requests for premium change transparency, no later than <u>20 calendar days from the receipt of any subsequent requests.</u>
It may be included with the renewal notice or may be sent in a separate mailing or by email if the insured has elected to receive email notifications.	(7) Insurers shall send <u>premium change transparency</u> to policyholders in writing, and may send either explanations or notices via postal mail, or may deliver either in email or electronic format, if the policyholder has consented to receive notifications electronically. All electronic correspondence, notices, and <u>deliveries must comply with chapter 48.185 RCW.</u>
	(8) Insurers may send <u>premium change transparency</u> to the policyholder individually or with renewal notices.
	(9) Insurers may provide policyholders with access to a language translation service specific to the premium change transparency. This can include either <u>written or telephonic translation services. If an insurer translates premium change transparency, then the translations must comply with WAC 284-20B-150.</u>
	(10) Insurers' records related to premium change transparency are subject to RCW 48.05.280. Insurers' records must be retrievable and made accessible to the commissioner during the retention period.
If an insurer already has a notification process acceptable to the State's regulator, the insurer could be allowed to continue to use the process that is in place.	<b>WAC 284-30A-060 Premium change transparency notice requirements.</b> (1) Beginning January 1, 2027, insurers shall file the <u>premium change notice</u> with the commissioner, whether using the premium change notice provided in WAC 284-30A-080, or using an alternative version of the premium change notice. Insurers shall file any alternative premium change notice with the commissioner, so the premium change notice can be reviewed for sufficiently meeting or exceeding the standards outlined in this chapter.
	(2) Insurers' failure to use the premium change notice in WAC 284-30A-080, or obtain commissioner approval to use alternative insurer premium change notices, <u>when notice is required under this chapter, is a violation of this chapter.</u>
	(3) Insurers' <u>premium change notice filings</u> and requests to use alternative premium change notices shall be submitted electronically in the system for electronic rate and form filings (SERFF).
All rating factors/characteristics listed must be such that the insured can understand its content and determine if they have the ability to mitigate the increase caused by that rating factor.	<b>WAC 284-30A-070 Insurer communication standards.</b> (1) Reasonable explanation is a communication standard that requires insurers to provide sufficient information, in terms that are understandable to an <u>average policyholder, which enable the policyholder to figure out the basic nature of any premium increase.</u>
The Disclosure Notice must include a listing of the rating factors/characteristics, and the dollar impact of each rating factor/characteristic on the premium increase, such that at least 80% of the uncapped premium increase is explained.	(2) Primary factors is a communication standard that requires insurers to provide the specific rate and rating factors that caused the premium increase. The primary factors are the following: (a) Auto-related factors (car garaging location, driving record, miles driven, number of drivers, and number of vehicles), claims history, discounts, fees and surcharges, demographic factors (age, credit history, education, gender, marital status, and occupation), property related factors (age, location, and value), premium capping, and rate changes (including those subject to rate stability rules, transition rules, or premium-capping rules, as referenced in WAC 284-24-130). (b) Insurers shall include the primary factors in the premium change notice, if applicable to the premium increase, with any premium change notices processed for renewals effective <u>on or after June 1, 2027.</u> Factors not listed above as primary are considered as optional factors. Insurers may include <u>additional optional factors not listed in this section, if applicable to the premium increase.</u>
Note that a "change in underwriting tier" is not acceptable as a rating factor to be listed. All rating factors/characteristics listed must be such that the insured can understand its content and determine if they have the ability to mitigate the increase caused by that rating factor. If multiple rating characteristics define the underwriting tier, <u>then the premium increase caused by each of those rating characteristics must</u>	(3) <u>Insurers may include composite rating variables</u> in premium change transparency to inform policyholders of premium increases. However, if insurers include composite rating variables in their premium change transparency, then insurers shall explain the premium increase attributed to the composite rating variables.
	(4) Insurers may include the use of estimated dollars in premium change transparency, if a reasonable explanation is provided by the insurers to the <u>policyholders on the degree of accuracy estimated dollars achieve, as specifically applied to that policy and premium increase.</u>
	(5) Insurers may show separate impacts by the different perils or risks being covered and the type of coverage for each.
	(6) This chapter does not prohibit insurers from sending premium change transparency for all premium increases beyond those required in this section.
	<b>WAC284-30A-040 Premium-Change Notice Instructions</b>
	Premium-Change-Notice-
	(6) Premium-Change-Notice-Instructions-to-Insurers:
	— (a) <b>Instructions to Insurers:</b> Insurers must provide a Premium-Change Notice to each policyholder receiving a premium increase of ten percent or more, <u>or upon the policyholder's request.</u>
	— (i) The insurer must send the notice to the policyholder <u>at least 20 days</u> prior to the effective date of the premium change.

NAIC DISCLOSURE TEXT	WASHINGTON'S REGULATION (Final)
	(ii) The insurer may send the notice individually or with renewal notices.
	(iii) The insurer must send the notice in writing, and can send the notice via postal mail, if proof of mailing is maintained, or may deliver the notice in email or electronic format, if the policyholder has consented to receive notifications electronically. All electronic notices and deliveries must comply with chapter
	(iv) This notice must include an itemized list of all rates, coverages, and rating components that have changed when compared to the previous policy term, and contain the dollar or percentage impact each revised variable has on the overall premium, so that one hundred percent of the premium change is clearly explained in certain and listed terms. All rates, coverages, and rating variables must be listed in descending order of dollar or percentage impact.
	(v) The insurer must communicate rates, coverages, and rating variables in terms that are understandable to an average policyholder.
	(vi) Insurers may show separate impacts by the different risks being covered and the type of coverage for each. These impacts must also be listed in descending order of dollar or percentage impact.
	(vii) Insurers must add or remove rows and explanations as necessary to improve transparency with the policyholder, so that all impacts of a premium change are identified and explained in the Premium Change Notice.
	(viii) Note that underwriting tier, driver class, risk score, household composition, or any other composite rating variable on their own are not acceptable as sufficient descriptions in the Premium Change Notice. If multiple rating variables define the underwriting tier, then the premium change caused by each of those rating variables must be considered and explained separately. All rating variables listed must be sufficiently explained so that the policyholder can understand each and determine if steps can be taken to limit the impact of their premium change.
	(ix) The records related to Premium Change Notices are subject to RCW 48.05.280. These records must be retrievable and made accessible to the Commissioner during the retention period.
	(x) These rules do not prohibit an insurer from sending disclosures for all premium increases beyond those disclosures required in this section.
	<b>WAC 284-30A-08050 Premium Change Notice Contents.</b>
The following Disclosure Notice is the minimum required notice. Insurers are permitted to provide additional information if so desired.	(1) This section outlines the explanation require and minimum amount of information to include in the contents of the Premium Change Notice. Insurers are permitted to provide additional information beyond these requirements.
• The Disclosure Notice must include a listing of the rating factors/characteristics, and the dollar impact of each rating factor/characteristic on the premium increase, such that at least 80% of the uncapped premium increase is explained.	[Does not mandate dollar impact must be for each rating factor/characteristic. Mandates overall premium change, factors for change, and reasons for each factor.]
• The rating factors should be listed in descending order of dollar impact.	
• Note that a "change in underwriting tier" is not acceptable as a rating factor to be listed. All rating factors/characteristics listed must be such that the insured can understand its content and determine if they have the ability to mitigate the increase caused by that rating factor. If multiple rating characteristics define the underwriting tier, then the premium increase caused by each of those rating characteristics must	[Phase 1: "reasonable explanation" (i.e. general statements) for premium increases Phase 2: both reasonable explanations and the primary factors affecting the premium increase]
• If an insurer already has a notification process acceptable to the State's regulator, the insurer could be allowed to continue to use the process that is in place.	
<p><b>Auto Insurance Premium Increase Notice</b> Your auto insurance premium is increasing.</p> <p>Your current auto insurance premium [for what period] is \$1,175 [how often].</p> <p>Each insurer files a rating plan with the state insurance department for their approval. According to the rating plan we filed with your state, your premium would be increased to \$2,121 the next time you renew your policy, which is scheduled for [date].</p> <p>However, the next time you renew your policy your premium will increase by \$88 to \$1,257. Your premium will continue to increase with each of the next [how many] renewals until it reaches \$2,121</p> <p>Here are the major reasons for this increase in your premium, along with the dollar impact of each of those reasons:</p> <p>Reasons for your premium increase and the dollar impact</p> <ul style="list-style-type: none"> <li>• Reason 1 raised your premium \$A</li> <li>• Reason 2 raised your premium \$B</li> <li>• Reason 2 raised your premium \$C</li> <li>• Reason 2 raised your premium \$D</li> </ul>	<p>(2) Premium change notice.</p> <p>LICENSED INSURANCE COMPANY – NAME, ADDRESS, NAIC Number, &amp; Notice Date Policyholder Name, Policy Type, Covered Risks, Policy Number, Policy Period, and Effective Date</p> <ul style="list-style-type: none"> <li>• We are notifying you of a premium increase to your insurance policy. Your premium for this insurance policy has increased from (Total Amount) to (Total Amount) (insurers insert amounts).</li> <li>• Your premium is impacted by (insurers insert primary factors such as auto-related factors, demographics, discounts, rates, and property related factors), which will cause the price of your insurance to increase at renewal.</li> <li>• Here is an explanation for each reason of your premium increase (insurers shall communicate the reasons for the premium increases along with a corresponding explanation; insurers' explanations must include the percentage or dollar change occurring to the policyholder's premium at renewal):</li> </ul>

NAIC DISCLOSURE TEXT	WASHINGTON'S REGULATION (Final)
Remember that there also are other reasons your auto insurance premium could change in the future. For example, if you change your coverage, or if your personal characteristics change, (such as your number of accidents or violations), your premium could increase or decrease.	*Please note: Your future premiums may increase or decrease if you change your coverage, if there are changes in your risk characteristics that occur during this time frame, or by future rate change filings made by our company in your state.
Please call your agent or our Customer Service Representative at (xxx) xxx-xxxx with any questions.	If you have any questions, please contact your insurance company via telephone ( ), email ( ), postal mail ( ), or visit our website ( ).
	<p>WAC 284-30A-090 Penalties for noncompliance.</p> <p>(1) Insurers who fail to adhere to this chapter, including the provisions on content requirements, timing, notice, and retention, are considered to have committed unfair and deceptive practices, and will be subject to the applicable remedies and penalties contained in chapters 284-30 WAC and 48.30 RCW.</p> <p>(2) Insurers shall not enter into any agreement, arrangement, scheme, or understanding, or in any other manner pursue any course of conduct, designed or intended to avoid compliance with this chapter.</p> <p>(3) Insurers are responsible for compliance with this chapter and cannot avoid liability by delegating premium change transparency requirements to third parties.</p>
	<p>WAC 284-30A-100 Severability clause.</p> <p>If any section or portion of a section of this chapter or the applicability thereof to any person or circumstance is held invalid by a court, the remainder of this chapter or the applicability of the provision to other persons or circumstances shall not be affected.</p>

[NCOIL Insurance Underwriting Transparency Model Act](#)

[Link to Washington Rule Information](#)