

# Kentucky Automobile Insurance Plan – Rating and Processing Help Sheet – Trucks, Tractors, & Trailers

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1) The KAIP Manual and Commercial Rating Worksheets are located on the Commercial Auto section of the website.

a) Commercial Rating Worksheets

- i) Select **Truck, Tractors & Trailers** along the bottom tabs of the worksheet.
- ii) Fill in green shaded areas with the information you get from the Base Rate schedules and Rules (see process below).

2) **Rating Process (Per Rule 72) Using KAIP Manual – Truck, Tractor & Trailer**

a) **Eligibility (Truckers) - Rule 75**

- i) Page 126 of 169 (Page C-28 of PDF Manual).

b) The first step is to get the rating **territory** number where the insured resides.

- i) **Rule 19** General Rules on page 76 of 169 (Page G-8 of PDF Manual). Find the county and the territory number.

c) **Truck, Tractor and Trailer Section - Rule 71**

- i) Page 115 of 169 (Page C-17 of PDF Manual).
- ii) **Premium Development (Not Zone Rated) – Rule 72**
- iii) **Zone Rated Premium Development – Rule 73**

d) **Classifications - Rule 74**

- i) Page 122 of 169 (Page C-24 of PDF Manual).

e) **Base Rate Schedules** start with page 155 of 169 (Page CR-3 of the PDF Manual - use chart C).

f) **UM & UIM - Rule 58**

- i) Page 107 of 169 (Page C-9 of PDF Manual).
- ii) Rate is on page 108 of 169 (Page C-10 of PDF Manual).

g) **No-Fault - Rule 59**

- i) Page 108 of 169 (Page C-10 of PDF Manual).

h) **Increased Limits Factor - Rule 52**

- i) Page 101 of 169 (C-3 of PDF Manual).

i) **Pollution Liability Factor - Rule 53**

- i) Page 102 of 169 (Page C-4 of PDF Manual).

j) **Accident Prevention Discount – Rule 61**

- i) Page 110 of 169 (Page C-11 of PDF Manual)

k) **Additional Charges (Penalty Points) Rule 3**

- i) Page 71 of 169 (Page G-3 of PDF Manual).
- ii) Penalty points shall be applied first to the auto generating the highest premium subject to the maximum additional charge factor of 2.50.

l) **Experience Rating - Rule 54**

- i) Page 103 of 169 (Page C-5 of PDF Manual).

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- ii) Eligibility is determined by a credibility factor of at least .07 as determined from the tables contained in this rule.
  - iii) 4 years loss experience required on submission
- 3) **Important note:** – If the insured has an extended weight decal see **Rule 74.D for extended weight factor.**
- 4) The liability rates in the manual are for \$60,000. The maximum liability amount is \$350,000 unless State or Federal authorities require higher limits and this will require a filing.
- 5) **Submitting an Application**
  - a) Print the application and any supplemental pages required from the link on Commercial Auto page.
    - i) If there are filings a **KY Commercial Filing Supplement** must be completed and submitted with the application.
    - ii) For risks with **filings**, there is a **15-day waiting period** for the effective date beginning the date received by the KAIP office.
  - b) When submitting the annual **premium**, a money order, cashier check or bank check is required. **Guaranteed funds** are required and no agency or personal checks are accepted.
  - c) When completing the application make sure questions are answered. **Complete** every section **thoroughly** as incomplete sections may be returned as deficiencies and will **delay** issuance and may change the effective date of the policy.
- 6) The KAIP staff will be happy to assist however **the Producer is responsible for quoting.** The Producer should also be aware that the final premium is determined by the Servicing Carrier based on the completed application and supplements and any inspections that may be performed.