

Lesson 15 Rating Basics

15.1 Requirements

In this exercise, you will work with a rate book.

15.2 Work with a rate book



Activity

In this exercise, you will create a new rate book and make changes.

1. **Create a new rate book for the Commercial Property policy line**
 - a) Navigate to the Rating user interface in PolicyCenter **Administration** → **Rating** → **Rate Book**
 - b) In the dropdown labeled “Policy Line”, select Commercial Property Line
2. **Enter the following details:**
 - a) Code: rate_cp_cov_XX (code names are all lower case)
 - b) Name: Rate CP Coverages XX
 - c) Policy Criteria: Commercial Property Line
 - d) Enter the current date as the Effective Date and Renewal Effective Date for the rate book.
 - e) For the Jurisdiction, Underwriting Company, and Offering, select <apply to all>.
3. **Toward the bottom of the screen, click the tab titled Rate Tables**
 - a) Select all the tables listed to the right (“Available Rate Tables”)
 - b) Select “Add to Rate Book”
4. **Click the tab titled Rate Routines**
 - a) Select all the listed routines (“Available Rate Routines”)
 - b) Select “Add to Rate Book”
5. **In the upper right corner, select Update**

This updates the rate book to include the selected tables and routines. Now, edit an existing rate table by changing the base rate (table name, BaseRate) for the rate with Deductible Factor Name, “cpDeductGrp1”.

- a) Select BaseRate
- b) Select Edit
- c) Change the Base Rate value to 0.10 (initially 0.15)
- d) Select Update



Stop

15.3 Solutions

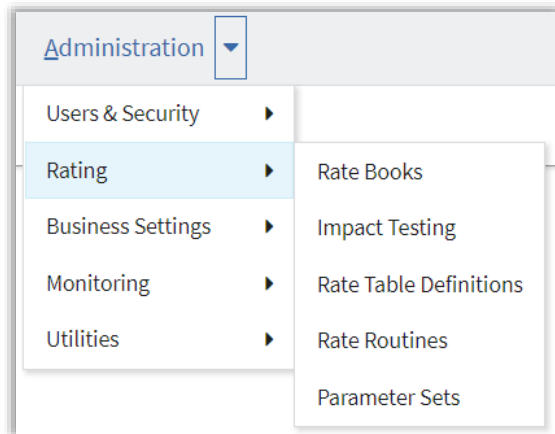


Solution

Adding rate tables, rate routines, and editing a base rate for the Commercial Property line.

1. Create a new rate book for the Commercial Property policy line

- a) Select Administration → Rating → Rate Books



- b) Search on Commercial Property Line

The screenshot shows a web application interface for 'Rate Books'. At the top, there is a header 'Rate Books'. Below the header, there is a search form. The form has a dropdown menu labeled 'Policy Line' which is currently set to 'Commercial Property Line'. Below this, there are several input fields: 'Code', 'Name', 'Jurisdiction', 'Underwriting Company', 'Offering', 'Status', 'Policy Effective or Coverage Reference Date', and 'Activation Date'. The 'Policy Effective or Coverage Reference Date' and 'Activation Date' fields have date pickers. Below the 'Activation Date' field, there are two radio buttons: 'As Of' (selected) and 'Later Than'. At the bottom of the form, there are two buttons: 'Search' and 'Reset'. The 'Search' button is highlighted with a red box.

c) Click New Rate Book

Rate Books

Policy Line: <not specified>

Code:

Name:

Jurisdiction: <not specified>

Underwriting Company: <not specified>

Offering: <not specified>

Status: <not specified>

Policy Effective or Coverage Reference Date: MM/dd/yyyy

Activation Date: MM/dd/yyyy

☒ As Of ☐ Later Than

Search Results

| <input type="checkbox"/> | Name | Code | Edition | Status |
|--------------------------|-------------------------|--------------------|---------|--------|
| <input type="checkbox"/> | Generic RTM Demo Rating | gx_rtm_demo_rating | 1 | Active |

2. Enter the following details (replace XX with the student login number you are using, or 01 if you have your own instance of PolicyCenter):

- a) Code: rate_cp_cov_XX (code names are all lower case)
- b) Name: Rate CP Coverages XX
- c) Policy Criteria: Commercial Property Line
- d) Enter the current date as the Effective Date and Renewal Effective Date for the rate book

3. Toward the bottom of the screen, click the tab titled, "Rate Tables"

Rate Tables **Rate Routines**

Included Rate Tables

- a) Select all the tables listed to the right ("Available Rate Tables")

b) Select “Add to Rate Book”

| | Name |
|-------------------------------------|------------------------|
| <input checked="" type="checkbox"/> | BaseRate |
| <input checked="" type="checkbox"/> | DeductibleFactor |
| <input checked="" type="checkbox"/> | FireProtectClassFactor |
| <input checked="" type="checkbox"/> | GenericStateTax |
| <input checked="" type="checkbox"/> | UWCompanyFactor |

4. Click the tab title, “Rate Routines”

Rate Tables **Rate Routines**

a) Select all the listed routines (“Available Rate Routines”)

b) Select “Add to Rate Book”

| | Code |
|-------------------------------------|-------------------|
| <input checked="" type="checkbox"/> | cp_cov_premium_rr |
| <input checked="" type="checkbox"/> | gx_state_tax_rr |

5. Now, edit an existing rate table by changing the base rate (table name, BaseRate) for the rate with Deductible Factor Name, "cpDeductGrp1"

- a) Select BaseRate
- b) Select Edit
- c) Change the Base Rate value to 0.10 (initially 0.15)

Rate Table Content

AddRemoveUpdateCancel

<<<1/2>>>

| | Coverage | Cause of Loss | Deductible Factor Name | * Base Rate |
|--------------------------|---|---------------|------------------------|-------------|
| <input type="checkbox"/> | Building/Contents Category - Business Personal Pr | Basic | cpDeductBroad | 0 |
| <input type="checkbox"/> | Building/Contents Category - Business Personal Pr | Basic | cpDeductGrp1 | 0.15 |

- d) Select Update

EditImportExport to Spreadsheet

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| | Coverage | Cause of Loss | Deductible Factor Name | * Base Rate |
|--|--|---------------|------------------------|-------------|
| | Building/Contents Category - Business Personal Property Coverage | Basic | cpDeductBroad | 0 |
| | Building/Contents Category - Business Personal Property Coverage | Basic | cpDeductGrp1 | 0.1 |