

**COMMENTS ON PROPOSED REGULATION TEXT
REG-2008-00020**

**Made on behalf of the Association of California Insurance Companies
("ACIC") and the Personal Insurance Federation of California
("PIFC")**

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Introduction

My name is Shawna Ackerman and I am a principal and consulting actuary of Pinnacle Actuarial Resources, Inc., (Pinnacle). My business address is 50 California Street, San Francisco, California 94111. My firm has been retained by the Association of California Insurance Companies (ACIC) and the Personal Insurance Federation of California (PIFC) to provide actuarial consulting services and comments on the proposed regulation text REG-2008-00020.

I am a Fellow of the Casualty Actuarial Society (“CAS”) and a member of the American Academy of Actuaries. I am experienced in matters of insurance ratemaking, including working for the California Department of Insurance (“Department” or “CDI”) for eight years from September 1989 to February 1998. My positions at the Department included Insurance Rate Analyst, Associate Insurance Rate Analyst, Associate Casualty Actuary and Senior Casualty Actuary, all of which I served in the Rate Regulation Division. As an Insurance Rate Analyst, I was responsible for reviewing insurer rate filings for all lines of property and casualty insurance subject to California’s Proposition 103 (Cal. Ins. Code §1861.01 *et seq.*) When I was promoted to Associate Insurance Rate Analyst I was assigned to the Deputy Commissioner of Rate Regulation to assist with special projects including assisting in the drafting of regulations necessary to implement Proposition 103. When I attained my Associate designation from the CAS and was promoted to Associate Casualty Actuary in 1994, I also become responsible for representing the Department in rate and rollback hearings as an expert witness. I assisted in the drafting of the auto rating factor regulations and was responsible for the review of the class plan submissions of the top ten insurance carriers when the auto rating factor regulations were initially implemented in 1997. I was also part of a team responsible for training Rate Regulation staff on the review of class plan filings. I left the CDI as a Senior Casualty Actuary in 1998. Since 1998, I have been a consulting actuary and have continued working on projects involving ratemaking and classification plan design. I participated in each of the technical workshops leading to the adoption of the 2006 revisions to the auto rating factor regulations. I have assisted a number of insurance companies with their class plan submissions under the revised regulations.

Comments on Proposed Changes

The September 5 Notice states that the policy objective of the proposed change is as follows:

“The Commissioner’s objective in amending CCR Section 2632.5 is to more fully implement the secondary mandatory auto rating factor and make automobile premiums more closely reflect the actual number of miles an insured drives annually. The Commissioner’s further policy objective is to make automobile premiums more accurately reflect the risk associated with providing insurance to a particular individual.”

In designing, reviewing or changing risk classification systems, actuaries are guided by the *Actuarial Standards of Practice No. 12, Risk Classification (for All Practice Areas)* (“ASOP 12”).¹

According to ASOP 12, considerations in the selection of risk characteristics include objectivity, practicality and the relationship of the risk characteristics to the expected outcomes. Specifically, ASOP 12 Section 3.2.3 states:

Objectivity—The actuary should select risk characteristics that are capable of being objectively determined. A risk characteristic is objectively determinable if it is based on readily verifiable observable facts that cannot be easily manipulated. For example, a risk classification of “blindness” is not objective, whereas a risk classification of “vision corrected to no better than 20/100” is objective.

The proposed regulatory changes allow an insurer, subject to the policyholder’s agreement, to use verified actual mileage rather than estimated mileage for the Second Mandatory Factor. Using actual miles driven is an improvement over estimated miles driven and will improve the measurement between accident propensity and the actual number of miles an insured drives. The proposed change is a significant improvement over the current version when considering the objectivity of the risk characteristic.

In regards to practicality, ASOP 12 Section 3.2.4 states:

¹ Available at http://www.actuarialstandardsboard.org/pdf/asops/asop012_101.pdf

Practicality—The actuary’s selection of a risk characteristic should reflect the tradeoffs between practical and other relevant considerations. Practical considerations that may be relevant include, but are not limited to, the cost, time, and effort needed to evaluate the risk characteristic, the ongoing cost of administration, the acceptability of the usage of the characteristic, and the potential usage of different characteristics that would produce equivalent results.

The proposed regulatory change allows the insurer several options to obtain the actual mileage of the insured vehicle. Additionally, because capturing and using actual miles is voluntary, those insurers that have systems in place and are willing to incur the cost to capture the information and evaluate actual miles may do so.

The proposed risk characteristic is practical. The ongoing administration of capturing and analyzing actual mileage as a rating variable will be more costly than using estimated mileage. This will be discussed below in the section entitled Cost Implications.

The first consideration listed in ASOP 12 is the relationship of the selected risk characteristic and the expected outcomes. Section 3.2.1 states:

Relationship of Risk Characteristics and Expected Outcomes -- The actuary should select risk characteristics that are related to expected outcomes. A relationship between a risk characteristic and an expected outcome, such as cost, is demonstrated if it can be shown that the variation in actual or reasonably anticipated experience correlates to the risk characteristic. In demonstrating a relationship, the actuary may use relevant information from any reliable source, including statistical or other mathematical analysis of available data. The actuary may also use clinical experience and expert opinion.

Rates within a risk classification system would be considered equitable if differences in rates reflect material differences in expected cost for risk characteristics. In the context of rates, the word *fair* is often used in place of the word *equitable*.

The actuary should consider the interdependence of risk characteristics. To the extent the actuary expects the interdependence to have a material impact on the operation of the risk classification system, the actuary should make appropriate adjustments.

Sometimes it is appropriate for the actuary to make inferences without specific demonstration. For example, it might not be necessary to demonstrate that persons with seriously impaired, uncorrected vision would represent higher risks as operators of motor vehicles.

This consideration is consistent with the Commissioner’s stated policy objective that the characteristic (actual miles driven) accurately reflect the risk associated with providing insurance to an individual. Clearly, using actual miles is an accurate and objective measurement. The challenge that annual mileage presents is how accurately it is allowed to reflect the risk associated with providing insurance to an individual.

As the Second Mandatory Factor, the regulations require annual mileage to have the second highest weight as calculated in accordance with Section 2632.8. While there is no dispute that annual mileage generally correlates to the risk of loss (and every hope that actual annual mileage will improve the correlation) the weight of Years Licensed, as we understand it to be currently measured under Section 2632.8 and 2632.5 (e), often has more weight than the Second Mandatory Factor. When this is the case, the ability of annual mileage, whether actual or estimated, to accurately reflect the risk associated with providing insurance to an individual risk, is compromised by the required pumping or tempering of the rate relativities associated with the annual mileage categories. The tension between Annual Mileage and Years Licensed will be discussed in the section entitled §2632.5 (e). An additional solution to mitigating this tension is also proposed below.

A proposal to strengthen the relationship between the risk of loss and annual mileage and potentially give it more weight is to consider more than simply the pure number of miles driven. It seems logical that a mile driven on a deserted rural road does not present the same risk of loss as a mile driven in downtown San Francisco. In fact, the California Department of Motor Vehicles notes that there is significantly more risk driving on non-freeways than on freeways.² Allowing insurers to consider when, how and on what types of roads the miles are put on the car would more accurately reflect the risk associated with providing insurance to a particular individual. It benefits insureds by

² “At least after merging onto the highway has been accomplished, the driving task on these ‘freeways’ is simpler (less exposure to risk), and the accident rate per mile is lower. Janke cited data from the California Business, Transportation and Housing Agency (1985) which indicated that there were 2.75 times as many accidents per mile driven on non-freeways as on freeways.” Janke, M.K, Masten, S.V., McKenzie, D. M., Gerbers, M.A. & Kelsey, S.L. (2003). *Teen and Senior Drivers* (Report No. 194), California Department of Motor Vehicles, Page 13. Available at <http://www.dmv.ca.gov>.

giving them the choice to be rated on their driving behavior as they put miles on the car, rather than the sheer number of miles that they put on the car. This means rates could be based more on how the driver drives, and less on where the driver lives.

Implementation Concerns

The rating relativities for the actual annual mileage categories when first implemented will necessarily be based, to some extent, on judgment. It is effectively a new rating factor and will lack historical California data. This raises the question of how the annual mileage factor weight will be calculated. Section 2632.8 (b) allows the insurer one of three choices to calculate weight:

1. all of the subject company's currently insured vehicles;
2. the same data set used to perform the sequential analysis in Section 2632.7; or
3. the set of insured vehicles that may be published by the Department of Insurance.

Few, if any, insurers capture actual mileage on their current insured vehicles. The CDI dataset contains estimated annual mileage. As noted above, there is a lack of historical California data to perform the sequential analysis. Thus, there is no dataset over which to measure the weight of the actual annual mileage unless the CDI allows insurers to assume an exposure distribution.

Because there is a lack of historical insurance data for California for this new option to the annual mileage rating factor, there should be no expectation of the magnitude of specific discount levels. Each company will implement the rating relativities differently and monitor their experience. Going forward, each company's experience will be different. One intended hope of the regulation is to get people to drive fewer miles which is an overall benefit that extends well beyond the insurance mechanism. However, it should be recognized that the benefit to an individual insured in the form of a premium reduction may be little or none at all.³

³ An insured selecting verified annual mileage who subsequently drives more than she expected may see a higher premium than if she had selected estimated annual miles.

Cost Implications

As noted above one of the considerations in selecting a risk characteristic under ASOP 12 Section 3.2.4 - Practicality is the cost and effort of obtaining and evaluating the characteristic and the ongoing cost of administration. Because the insurers have yet to implement the procedures to capture actual mileage there are no specific data to establish the amount of the additional cost. However, it is evident that there will be increased costs relative to using estimated mileage. A system to capture and maintain the actual mileage driven will need to be established. Agents and/or employee time will be utilized to record the actual mileage or a technological device may be employed. Additional premium billings may be necessary if the insurer decides to retrospectively adjust premiums based on actual mileage as is allowed under the proposed section 2632.5 (C) (2) (E) (2). The increased costs will eventually be recorded on the insurers' annual statements and make their way to the calculation of the efficiency standard pursuant to Section 2644.12 which acts as a limit on the amount of expense an insurer is allowed to reflect in the rates. Two immediate issues arise. First, there is the lag between when the additional expenses will begin and when the efficiency standard will reflect it. Since the efficiency standard is a three year average, the full effect will not be considered for at least three years. Second, insurers will undoubtedly choose to implement the new sections of the regulations differently. Insurers that invest in new systems to capture actual mileage will incur the additional expenses, other insurers may wait. Since the efficiency standard is an industry average by distribution system, all insurers within the distribution system will be assumed to have implemented the new regulations at the same cost. There does not appear to be a variance in the prior approval regulations that would allow relief from the efficiency standard for this situation.

Comments on Additional Matters

The Commissioners September 5, 2008 Notice of Proposed Action and Notice of Public Hearing indicates that the Commissioner may consider additional changes relating to the auto rating factors in this rulemaking. We offer the several comments below in that regard.

§2632.5 (e).

Section 2632.5 (e) places a limitation on combining mandatory and optional factors, by stating the following:

2632.5 (e) The three mandatory factors may not be combined with any other factor, except Percent Use, Academic Standing, Gender, Marital Status, and Driver Training may be combined with number of years of driving experience. *If an insurer elects to combine number of years of driving experience with any other optional factor as provided in this Section, the insurer shall demonstrate in its class plan that the rating factors used in combination, when considered individually, comply with the weight ordering requirements of Section 2632.8.* (Emphasis added.)

Prior to July 2006, this section of the regulations did not contain the italicized sentence above.

The first part of Section 2632.5(e) was implemented in January 1997 in recognition of two key facts. First, it was commonplace for insurers to combine years licensed with the optional factors listed above because there is an interaction between the factors. For example, the ISO class plan differentiates between drivers' gender, marital status and percent use up to 16 years licensed and thereafter makes no distinction between drivers of a different gender or marital status. Without the first part of 2632.5(e) this type of classification plan could not exist as every factor would have to have a uniform relationship across any other factor, that is, interactions would not be possible.

The second purpose of the original Section 2632.5(e) was to allow the weight between years licensed and annual mileage to more accurately reflect the relationship between the two mandatory rating factors. It was, and continues to be, true that estimated annual mileage is not generally as powerful a predictor of future loss as is years of driving experience. By allowing years licensed to be combined with the specified optional factors, the weight of years licensed as a stand-alone variable is below the weight of annual mileage. The addition of the new sentence to 2632.5(e), as it is being applied, eliminates the ability to consider the combination of years licensed with another optional factor as weight to the optional factor. An example is attached to clarify this issue.

The attached Exhibit 1 shows a portion of a class plan analysis under the old Section 2632.5 (e). The example starts with the Insurance Services Office, Inc. (ISO) classification plan which was filed in 2006, CDI file #06-4900. The ISO plan was approved for compliance based on ISO's exposure distribution. For the example here, we use the CDI weighting file because we need more refined exposure information than was contained in the ISO filing. Because we are using a different exposure distribution, at the outset some adjustments must be made to put the rating factor weights in the proper order.⁴ Exhibit 1, page 1 shows the initially selected annual mileage factors. Exhibit 1, page 2 shows the same for years licensed. Because the years licensed weight is greater than the initial annual mileage weight, the annual mileage rating relativities are pumped.⁵ Exhibit 1, page 3, shows the initial weight for the combined gender - years licensed factor as well as the correction factor to temper the rating relativities to achieve weight compliance for the combined factor. Exhibit 1, page 4 shows the optional factor marital status combined with years licensed.

The attached Exhibit 2 shows a portion of a class plan analysis under how we understand the new Section 2632.5(e) is being implemented by the CDI. In this case for the purpose of calculating weights, the years licensed factor is expanded from its original categories to have as many categories as the gender – years licensed factor. Once the years licensed factor is expanded and the rating relativities are reclassified as emanating from years licensed, the weight of the newly defined years licensed factor significantly exceeds the annual mileage factor and additional pumping or tempering will be required to achieve weight order compliance between the two mandatory factors.

The second sentence to 2632.5(e) was added in the last round of revisions on April 26, 2006. In the Final Statement of Reasons issued June 2, 2006, the following was stated in regards to the change:

⁴ The use of the ISO Class Plan is a convenient starting point to demonstrate the effect of the additional sentence in 2632.5 (e). It is not meant in any way to imply that the ISO plan is not in compliance. We are using a different weighting set than did ISO as is stated above. Additionally, we are looking at a subset of the rating factors.

⁵ The regulations also allow that the annual mileage be tempered. We chose to pump the factor because that was the approach that ISO took in reaching compliance for annual mileage.

“The second change notifies the affected public that, under the limited circumstances in which insurers are permitted to combine optional factors with the mandatory factor of years of driving experience, *each optional factor must still comply with the weight ordering requirements*. Thus, the mandatory factors of driving safety record, annual mileage driven and years of driving experience *cannot be outweighed by any individual optional rating factor – even when an optional factor is lawfully combined with years of driving experience*. This revision represents a clarifying change and is reasonably necessary to uphold the requirement of Proposition 103 that the mandatory factors must be given greater importance than the optional rating factors adopted by the Commissioner.” (Emphasis added)

The change and explanation of the change, at the time, seemed to indicate a concern that a stand-alone optional factor could outweigh a mandatory factor. However, the interpretation or application of the second sentence is not causing stand-alone optional factors to weigh more than a mandatory factor, it is creating a tension between years licensed and annual mileage, two mandatory factors.

The proposed revision is to remove the second sentence. Additionally the limitation on combining mandatory and optional factors should be removed and insurers allowed to use interactions between factors where they can demonstrate a substantial relationship to the risk of loss.⁶

The suggested change is as follows:

2632.5 (e) The three mandatory factors may be combined with any other factor, except Claims Frequency and Claims Severity. No optional factor may yield a weight that is higher than the third mandatory factor.

⁶ There is evidence that interactions beyond those currently allowed in the regulations exist. For example, driving safety record and years licensed are already allowed a limited interaction in the form of the Good Driver Discount which depends on both. Research from the California Department of Motor Vehicles further supports that there is an interaction between accident /citation activity and age when estimating future accident involvement. See *An Inventory of California Driver Accident Risk Factors*, October 2003, page 60. Available at http://www.dmv.ca.gov/about/profile/rd/r_d_report/Section%204/144-Accident%20Risk%20Factors.pdf.

§2632.8 (a).

The current regulations require that weights for six coverages be calculated: bodily injury, property damage, medical payments, uninsured motorists, comprehensive and collision. Bodily injury and property damage are allowed to be combined for the purpose of calculating the required weights. Comprehensive and collision can also be combined to measure the weights.

The first mandatory factor driving safety record does not have the significant predictive ability for uninsured motorists or comprehensive coverages as it does for bodily injury and property damage liability. A good driver is no less likely to be hit by a bird than is a non-good driver. Because the mandatory factors lack predictive ability, the indications from the sequential analysis must often be abandoned and companies either select factors that will achieve weight compliance or pump and/or temper their rating relativities in order to align the weights of the rating factors in the order required by Section 2632.8 (d).

Additionally, medical payments, uninsured motorists, comprehensive and collision coverages are optional coverages. California motorists are only required to purchase bodily injury and property damage coverage. Therefore, the proposed revision is to focus the weighting requirement on mandatory coverages.

The suggested change to Section 2632.8 (a) is as follows:

(a) For bodily injury and property damage, factor weights shall be calculated for each of the three mandatory factors listed in Section 2632.5(c)(1) through (3) and for each of the optional factors the insurer elects to utilize in its class plan (from Section 2632.5(d)). Solely for the purpose of calculating factor weights, bodily injury coverage may be combined with property damage coverage.

Conclusion

The proposed regulations are an improvement to the current regulations because they will allow insurers to use actual annual mileage in rating at the policyholder's discretion.

This should increase the objectivity of the second mandatory factor. However, because of the weighting requirements the benefit of the change may not actually be realized. If years licensed continues to be measured under the new methodology from 2632.5 (e), there will be a tension in the weighting order such that many insurers will have to artificially pump mileage or temper years licensed. In either case, the accuracy of the insurance premium to an individual insured will be compromised.

EXHIBIT 1

Page 1

Annual Mileage - Mandatory Factor

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Category	CDI Exposures	Exposure Distribution	Normalized Indication	Initial Selected	Balanced Factors	Initial Weight
< 3,500	1,358	13.6%	-0.305	-0.15	-0.15	1.99
3,500 - 6,499	1,616	16.2%	-0.208	-0.10	-0.10	1.56
6,500 - 7,499	679	6.8%	-0.060	-0.05	-0.05	0.31
7,500 - 8,499	1,009	10.1%	0.008	0.00	0.00	0.04
8,500 - 12,499	3,660	36.6%	0.094	0.05	0.05	1.97
12,500 - 15,499	991	9.9%	0.139	0.10	0.10	1.03
15,500 - 20,499	486	4.9%	0.069	0.10	0.10	0.50
20,500 - 34,999	184	1.8%	0.137	0.15	0.15	0.28
35,000+	18	0.2%	-0.040	0.20	0.20	0.04
TOTAL	10,000	100.0%	-0.024	-0.004	0.000	7.71

(8)	(9)	(10)
Category	Correction Factor	Factor after Pumping
< 3,500	1.3638	-0.20
3,500 - 6,499		-0.13
6,500 - 7,499		-0.06
7,500 - 8,499		0.01
8,500 - 12,499		0.07
12,500 - 15,499		0.14
15,500 - 20,499		0.14
20,500 - 34,999		0.21
35,000+		0.28
		0.000
		10.516

Notes:

- (1), (4), (5) CDI File #06-4900, Insurance Services Office, Inc. Section C, Exhibit 1
- (2), (3) CDI Weighting File
- (6) Column (5) - Total Column (5)
- (7) Absolute value of (6) multiplied by (3) and a Base Rate of \$100
- (8) Correction factor to achieve weight alignment
- (9) Pumped factor in accordance with algorithm in 2632.8 (d)
- (10) Absolute value of (9) multiplied by (3) and a Base Rate of \$100

EXHIBIT 1**Page 2****Years Licensed - Mandatory factor**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Category	Exposures	Exposure Distribution	Normalized Indication	Selected	Balanced Factors	Weight
0 - 15	2,266	22.7%	0.305	0.25	0.23	5.26
16+	6,661	66.6%	-0.085	-0.05	-0.07	4.53
Extra Car	1,073	10.7%		-0.05	-0.07	0.73
TOTAL	10,000	89.3%	0.014	0.018	0.000	10.515

Notes:

(1), (4), (5) CDI File #06-4900, Insurance Services Office, Inc. Section C, Exhibit 1

(2), (3) CDI Weighting File

(6) Column (5) - Total Column (5)

(7) Absolute value of (6) multiplied by (3) and a Base Rate of \$100

EXHIBIT 1

Page 3

Gender - Years Licensed

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Category	Exposures	Exposure Distribution	Normalized Indication	Selected	Balanced Factors	Initial Weight
0-1, F	183	1.8%	1.643	1.70	1.65	3.03
0-1, M	125	1.3%	1.868	2.00	1.95	2.44
2-3, F	74	0.7%	0.211	0.75	0.70	0.52
2-3, M	87	0.9%	0.432	0.95	0.90	0.79
4-5, F	98	1.0%	0.153	0.30	0.25	0.25
4-5, M	87	0.9%	0.209	0.40	0.35	0.31
6-7, F	133	1.3%	-0.045	0.00	-0.05	0.06
6-7, M	132	1.3%	0.049	0.05	0.00	0.00
8-9, F	141	1.4%	-0.194	-0.15	-0.20	0.28
8-9, M	131	1.3%	-0.070	-0.10	-0.15	0.19
10 - 15, F/M	1,075	10.8%	-0.096	-0.25	-0.30	3.19
16+, F/M	6,661	66.6%	-0.028	0.00	-0.05	3.11
Extra Car	1,073	10.7%		0.00	-0.05	0.50
TOTAL	10,000	100.0%	0.033	0.047	0.000	14.17

(8)	(9)	(10)
Category	Correction Factor	Factor after Tempering Weight
0-1, F	0.7169	1.19 2.17
0-1, M		1.40 1.75
2-3, F		0.50 0.37
2-3, M		0.65 0.56
4-5, F		0.18 0.18
4-5, M		0.25 0.22
6-7, F		-0.03 0.04
6-7, M		0.00 0.00
8-9, F		-0.14 0.20
8-9, M		-0.11 0.14
10 - 15, F/M		-0.21 2.29
16+, F/M		-0.03 2.23
Extra Car		-0.03 0.36

See Page 1 Notes for description of calculations and data sources.

0.000

10.514

EXHIBIT 1

Page 4

Marital Status - Years Licensed

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Category	Exposures	Exposure Distribution	Normalized Indication	Selected	Balanced Factors	Weight
0-1, M	100	1.0%	-2.188	-0.60	-0.59	0.58
0-1, S	208	2.1%	0.072	0.05	0.06	0.14
2-3, M	37	0.4%	-1.232	-0.45	-0.44	0.16
2-3, S	124	1.2%	-0.413	0.10	0.11	0.15
4-5, M	55	0.6%	-0.660	-0.35	-0.34	0.18
4-5, S	130	1.3%	-0.068	0.05	0.06	0.09
6-7, M	87	0.9%	-0.295	-0.20	-0.19	0.16
6-7, S	178	1.8%	0.077	0.05	0.06	0.12
8-9, M	122	1.2%	-0.063	-0.10	-0.09	0.10
8-9, S	150	1.5%	0.049	0.05	0.06	0.10
10 - 15, M/S	1,075	10.8%	0.177	0.00	0.01	0.21
16+, M/S	6,661	66.6%	-0.005	0.00	0.01	1.29
Extra Car	1,073	10.7%		0.00	0.01	0.21
TOTAL	10,000	89.3%	-0.023	-0.008	-0.011	3.29

See Page 2 Notes for description of calculations and data sources.

EXHIBIT 2

Combined Driver Class Factor

	(1) Combined Categories		(2) Exposure		(3) Weighted Relativity	
	Single	Married	Single	Married	Single	Married
0-1, F	1.48	0.83	1.4%	0.5%	0.0199	0.0040
0-1, M	1.69	1.04	0.7%	0.5%	0.0123	0.0054
2-3, F	0.84	0.29	0.6%	0.2%	0.0050	0.0004
2-3, M	0.99	0.44	0.7%	0.2%	0.0064	0.0010
4-5, F	0.47	0.07	0.7%	0.3%	0.0033	0.0002
4-5, M	0.54	0.14	0.6%	0.3%	0.0033	0.0004
6-7, F	0.26	0.01	0.9%	0.4%	0.0023	0.0000
6-7, M	0.29	0.04	0.9%	0.4%	0.0026	0.0002
8-9, F	0.15	0.00	0.8%	0.6%	0.0011	0.0000
8-9, M	0.18	0.03	0.7%	0.6%	0.0013	0.0002
10 - 15, F/M	0.03	0.03	4.1%	6.7%	0.0011	0.0018
16+, F/M	-0.09	-0.09	19.6%	47.0%	-0.0183	-0.0440
Extra Car	-0.09	-0.09	10.7%		-0.0100	
TOTALS	0.00		42.3%	57.7%		

(4) Expanded Year Licensed Categories	(5) Exposure Distribution	(6) Weighted Restated Relativity	(7) Restated Weight
0-1	3.1%	1.3514	4.16
2-3	1.6%	0.7952	1.28
4-5	1.9%	0.3864	0.71
6-7	2.7%	0.1923	0.51
8-9	2.7%	0.0990	0.27
10-15	10.8%	0.0273	0.29
16+	66.6%	-0.0935	6.23
Extra Car	10.7%	-0.0935	1.00
Total	100.0%	0.000	14.46

Notes:

(1) Combined Years Licensed factor with Gender -Year Licensed and Marital Status - Year Licensed

(2), (5) CDI Weighting File

(3) Column (1) x Columnn (2)

(6) Column (3) summed across each restated years licensed category divided by Column (5)

(7) Absolute value of (6) multiplied by (5) and a Base Rate of \$100