



Coffee Break Training-Community Risk Reduction

What is ISO? Part 1

No. CR-2013-2 December 4, 2013

Learning Objective: The student will be able to define the role of ISO in emergency services.

We have all been told in our fire service career that almost every fire department in the United States is graded by ISO. In reality, that is not true! ISO actually grades and rates the entire city operations to anticipate the capability of the city or town to respond to and extinguish large fires. It reviews the fire department, water department, and the dispatch or communications centers to establish this rating or grade.

So, what is ISO? What gives it the right to “grade” cities? From its website, ISO states:

“ISO is a leading source of information about property/casualty insurance risk. For a broad spectrum of commercial and personal lines of insurance, we provide statistical, actuarial, underwriting, and claims data; policy language; information about specific locations; fraud-identification tools; consulting services; and information for marketing, loss control, and premium audit. ISO is an advisory organization, and insurers may use our information, modify it, or not use it, as they see fit. ISO is a member of the Verisk Analytics Family of Companies.”

Although it now just uses the acronym or letters, ISO was originally titled the Insurance Services Office. It was created in 1971 to allow insurance companies to use one site for a variety of rating and insurance services.

The ISO Mitigation section is the area concerned about public fire protection and building codes. It is under this section that Public Protection Classification (PPC), a trademarked name, is managed (<http://www.isomitigation.com/>).

The role of ISO is to provide services to insurance companies to allow them to assess the risk of potential fire savings and loss from public fire protection provided by fire protection districts in cities, towns and rural areas.

ISO works with municipal fire authorities and other community officials to administer the PPC program. The PPC program assesses a community’s ability to suppress fires, and those ratings directly affect property insurance values.

Communities strive to achieve “best in class.” It takes hard work, perseverance and constant diligence for communities to achieve the best status. ISO conducts detailed on-site assessments of municipal fire-protection capabilities and collects information for more than 45,000 fire protection areas across the U.S. ISO analyzes the relevant data and assigns a PPC from 1 to 10. Class 1 represents exemplary public protection, and Class 10 indicates that the area’s fire-suppression program doesn’t meet the minimum criteria to apply ISO’s Fire Suppression Rating Schedule.

Virtually all U.S. insurers of home and business property use ISO’s PPC program to assess property insurance policies because statistical data on insurance losses demonstrates the relationship between better fire protection and lower fire losses.

If you wish to get a class on ISO and how it operates, please contact the International Association of Fire Chiefs, Volunteer and Combination Officers Section at <http://www.isomitigation.com/vcos/>.

For more information on how the Roanoke Fire Department improved its training programs and ISO rating, follow this link: <http://www.usfa.fema.gov/pdf/efop/efo30512.pdf>.

For archived downloads, go to:

www.usfa.fema.gov/nfa/coffee-break/