



NATALIE A. HUBLEY  
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

101 Arch Street, Suite 400 Boston, Massachusetts 02110

[www.commauto.com](http://www.commauto.com)

617-338-4000

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### Reporting Requirements for SIU Underwriting Quarterly Activity Logs

CAR is pleased to announce enhancements to the Special Investigations Unit (SIU) System. This system is currently used by Member Companies to report Quarterly Activity Logs of claims referred to the SIU for investigation. Claim SIU referral activity has been reported to CAR using the upload process into the SIU System since 2018. Beginning with the quarter ending June 30, 2021, the underwriting referrals to the SIU will now also be uploaded using the same system. The underwriting referral upload process is consistent to the claims referral upload process including:

- The submission of a file in CSV format.
- Certain data fields include pre-set validated formats.
- Consistency between the SIU Referral Log data and the corresponding statistically reported data.

Recently approved updates to the Claims Performance Standards addressed the responsibilities of the SIU and audit procedures that measure adherence to statutory requirements referenced in both the Private Passenger and Commercial Performance Standards (the Standards). CAR Rules 10 and 32 require that the SIU investigate suspicious circumstances surrounding underwriting, rating, and premium issues. The Standards already allow for the inclusion of both claim and underwriting SIU investigation referrals into the data samples used to test adherence. Though only the claim referrals have been consistently reported to CAR, underwriting referrals to the SIU for possible fraud investigations are common and frequently important to the commercial cession eligibility.

An underwriting referral template consistent with the claim template has been developed and is available from the Reports page of CAR's website, under the Compliance Audit Reports link. A User ID and password are required for access. The SIU Quarterly Referrals Help Manual has also been updated to include instructions for the companies to correctly populate the underwriting log and then to successfully upload the data into the SIU System. All companies should continue to use the claim referral template to submit claim data and begin using the newly prescribed format for underwriting referrals for the quarter ending June 30, 2021 due no later than July 15, 2021. Staff will monitor uploads to identify any data problems and assist companies in the transition to the new underwriting SIU referral procedures. Staff will contact companies directly when necessary.

Benefits of the system upgrades include continued improvement in the quality of the SIU relevant data through an already standardized process using data definitions and formats. From these automated reports, additional delinquent or insufficient referrals can be determined and monitored. Consistent and uniform SIU Quarterly Activity Logs will improve CAR's ability to build historical data prospectively. In addition, the upgrade will enable CAR to include both claim and underwriting referrals into audit samples, audit control work papers, and quantified results to provide a more comprehensive review of the SIU activities. Also, note that the underwriting referrals will be used to satisfy the 25 annual referral minimum required for the audit sample.

Note that the recently approved Standards also include amendments to the Measurements and Penalties section to ensure Member Company compliance with the reporting of SIU referrals. Please reference the Standards for additional information.

Note also that the Standards now require that audits conducted by the SIU in compliance with CAR Rules 10.C. and 32.C. to verify garaging and policy facts shall also be sent to CAR annually. These audits are not included in the SIU Quarterly Activity Logs, and therefore must be submitted separately. Audits should be forwarded as an attachment to an email addressed to [siulog@commauto.com](mailto:siulog@commauto.com).

Please submit any questions regarding the new underwriting SIU Quarterly Activity Log reporting requirements to [siulog@commauto.com](mailto:siulog@commauto.com).

MARK ALVES  
Director – Compliance Audit