



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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RECORDS OF MEETING

JOINT ACTUARIAL COMMERCIAL LINES COMMITTEE – NOVEMBER 12, 2020

Members Present

Mr. Glenn Hiltbold – Chair
Ms. Sarah Clemens
Ms. Sheila Doherty
Mr. James French
Mr. Levi Kamenetsky
Ms. Lisa Kendrick⁽¹⁾
Mr. Barry Tagen
Mr. Hugh Thai⁽²⁾

Safety Insurance Company
MAPFRE U.S.A. Corporation
Doherty Insurance Agency, Inc.
Quincy Mutual Group
The Hanover Insurance Company
Deland, Gibson Insurance Associates, Inc.
Pilgrim Insurance Company
Arbella Insurance Group

Substituted for:

Mr. Thomas Skelly Jr.⁽¹⁾
Ms. Lynellen Ramirez⁽²⁾

Not in Attendance:
N/A

20.01 Records of Previous Meeting

On a roll call vote, the Committee voted to approve the Records of the Joint Actuarial Commercial Lines Committee meeting of July 16, 2020. The Records have been distributed and are on file.

20.07 2021 CAR Commercial Rate Filing

At its June 10, 2020 meeting, the Joint Actuarial Commercial Lines Committee directed staff to file amendments to its rates to implement the proposed rating modifications described in the white paper over a period of two years. The Committee was advised that the AIB is nearing completion of its review of the current indications and in light of certain marketplace considerations, the Committee was provided with alternative scheduling options to assist in the development of a filing strategy.

Mr. Glenn Hiltbold, reviewed the different rate filing options that included indications related to CAR's "annual filings", and also highlighted alternative filing schedules for the zone rated components including the primary rating factors, increased limit factors, zone relativities, physical damage changes, and rates for vehicles garaged out of state.

The Committee discussed the different filing options that were presented. The Committee expressed an interest in filing the zone rated changes sooner, to address the significant rate need. It was noted that because some of the modifications to the rating factors involved significant system changes, it would be preferable to introduce those in 2022. Members were also concerned that too many segmented filings would cause an undue burden on resources and could cause delays due to an overlap in the approval process. After continued discussion, the Committee favored the two-filing approach described in option 2, introducing initial modifications to primary rating factors, increased limit factors, and zone relativities for zone-rated classes with the first filing to be effective July 1, 2021. The second filing, to be effective July 1, 2022, will propose final changes to the primary rating factors, increased limits factors, and zone relativities, and will introduce the physical damage rate changes and out-of-state relativities. The second filing will also propose modifications to non-owned rates and address short term leasing concerns.

The Committee unanimously voted to direct CAR to proceed with annual filings with zone rated vehicles addressed as described in Option 2.

KATY PROCTOR
Actuarial/Statistical Analyst

Boston, Massachusetts
November 24, 2020

ATTACHMENT LISTING

Docket #JACL20.02, Exhibit #4

Attendance Listing

**JOINT ACTUARIAL COMMERCIAL LINES COMMITTEE MEETING
 MEETING ATTENDEES
 NOVEMBER 12, 2020**

Individual's Name

Company / Agency

PLEASE PRINT

Glenn Hiltpold	Safety Insurance Company
Sarah Clemens	MAPFRE U.S.A. Corporation
Sheila Doherty	Doherty Insurance Agency, Inc.
James French	Quincy Mutual Insurance
Lev Kamenetsky	The Hanover Insurance Company
Lisa Kendrick	Deland, Gibson Insurance Associates, Inc.
Barry Tagen	Pilgrim Insurance Company
Hugh Thai	Arbella Insurance Group
Ben Hinks	Torres, Scammon, Hinks & Day, LLP
Steven Torres	Torres, Scammon, Hinks & Day, LLP
William Scully	AIB
Mary Ellen Thompson	Division of Insurance
Dennis Zalik	The Progressive Corporation
Natalie Hubley	CAR Staff
Wendy Browne	CAR Staff
Marian Adgate	CAR Staff
Timothy Galligan	CAR Staff
Cheryl Kopas	CAR Staff
Katy Proctor	CAR Staff
Shannon Chiu	CAR Staff
Lynne Rosenburg	CAR Staff
Timothy Costain	CAR Staff