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PRESIDENT

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November 9, 2022

ACCOUNTING AND STATISTICAL NOTICE NO. 681

Approved Revisions to the Massachusetts Private Passenger and Commercial Statistical Plans

Revisions to the Massachusetts Private Passenger and Commercial Statistical Plans were approved by the Division of Insurance on October 28, 2022, pursuant to the provisions of G.L. c. 175A, §15 (see attached). A summary of the Statistical Plan modifications and the approved effective dates are noted below.

Private Passenger Statistical Plan

Approved Effective Date	Description	Pages Impacted	Records Impacted
<p>January 1, 2024</p> <p>(Optional January 1, 2023)</p>	<p>In order to properly identify vehicles that are classified as four-wheeled Limited Use Vehicles, Miscellaneous Rated as Private Passenger classification code 0461 has been added to the Private Passenger Statistical Plan. Also, the Private Passenger Motorcycle Definition was updated to include two and three-wheeled Limited Use Vehicles.</p> <p>Appendix A – Classification Code Decision Table has been modified to identify those data elements that are required to be reported, not required to be reported, or may be optionally reported on records coded with the Limited Use Vehicles classification code.</p>	<p>VI:12,13 A:2</p>	<p>All</p>
<p>January 1, 2024</p> <p>(Optional January 1, 2023)</p>	<p>In order to capture company-specific enhancements to physical damage coverage, new Miscellaneous Other Than Collision Coverage Codes have been to the Private Passenger Statistical Plan. These new codes identify additional towing and labor coverage, roadside assistance coverage, and additional substitute transportation coverage and apply to voluntary business only. Additionally, references to older policy effective years which are no longer reportable to CAR have been deleted.</p> <p>Appendix A - Coverage Code Decision Table has been updated to include these new codes.</p>	<p>VI:41 A:3</p>	<p>Physical Damage Premium and Loss Records</p>

Commercial Statistical Plan (continued)

Approved Effective Date	Description	Pages Impacted	Records Impacted
<p>January 1, 2024</p> <p>(Optional July 1, 2023)</p>	<p>As a result of the recently approved commercial rate filing that introduces an out-of-state rating differential for zone-rated vehicles garaged outside of northern New England, the premium reporting instructions in the Commercial Statistical Plan have been updated to require the reporting of Premium Town Code for ceded zone-rated vehicles.</p> <p>Appendix A – Classification Code Decision Table has been updated to include this new code. Also, a note has been added to the Classification Code Decision Table indicating that Premium Town Code is required for ceded zone-rated vehicles.</p>	<p>IV:2,8,13 A:2</p>	<p>All</p>
<p>January 1, 2024</p>	<p>Currently, Symbol Code and Value Code are used to capture the value of a vehicle or motorcycle, respectively. These codes define ranges of values, and most reported codes are clustered in only a few codes. For vehicles and motorcycles valued greater than \$90,000, Original Cost New is reported.</p> <p>In order to efficiently and accurately capture the value of vehicles and motorcycles, the Commercial Statistical Plan has been updated to require reporting of Original Cost New on all eligible vehicles and motorcycles instead of only those valued at \$90,001 and above. With this change, the reporting of Symbol Code on the detail statistical record will be discontinued. Accordingly, the Reporting Instructions, Record Layouts, and Decision Tables have been updated to reflect that this field is Reserved For Future Use.</p>	<p>IV: 14 V:16 VI:54-55, 58 VIII:1, 6- 7 A:2-3</p>	<p>Physical Damage Premium and Loss Records</p>
<p>January 1, 2024</p> <p>(Optional January 1, 2023)</p>	<p>A new Classification Code, 915000, has been added to the Commercial Statistical Plan. The Transportation Network Services Use code is applicable to voluntary business only and will be used to identify primary coverage of the TNC to its clients for ride-sharing, ride-hailing, on-demand delivery and other transportation network services. The new code has also been added to the Classification Code Decision Table with required statistical coding.</p>	<p>VI:16 A:2</p>	<p>All</p>

Commercial Statistical Plan (continued)

Approved Effective Date	Description	Pages Impacted	Records Impacted
January 1, 2024 (Optional January 1, 2023)	As a result of the broadened definition of a volunteer eligible for non-owned coverage for other than social services, two new classification codes have been added to the Commercial Statistical Plan. Classification codes 667400 and 667600 are applicable to voluntary business only and will be used to identify Volunteers (Other than Social Service Agency Risks) and Individual Liability of Volunteers (Other than Social Service Agency Risks).	VI:23	Liability Premium and Loss Records
January 1, 2024 (Optional January 1, 2023)	<p>In order to capture company-specific enhancements to physical damage coverage, two new Miscellaneous Other Than Collision Coverage Codes have been added to the Commercial Statistical Plan. These new codes identify additional Towing and Labor Coverage and Roadside Assistance Coverage. The new codes are applicable to voluntary business only and have been added to the Coverage Code Decision Table with required statistical coding. Additionally, references to older policy effective years which are no longer reportable to CAR have been deleted.</p> <p>To identify On Hook coverage, Miscellaneous Other Than Collision Coverage Code 088 has been added to the Commercial Statistical Plan. The new code is applicable to voluntary business only and has been added to the Coverage Code Decision Table with the required statistical coding.</p>	VI:50 A:3	Physical Damage Premium and Loss Records

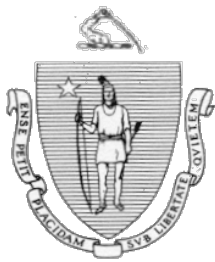
The approved Private Passenger and Commercial Statistical Plan pages pertaining to the noted modifications are available on CAR's website. To view the approved pages, select Manuals, Private Passenger or Commercial Statistical Plan, and the 10/28/2022 link under the Approved Pages heading.

Note that these modifications are mandatory for policies effective January 1, 2024 and subsequent, although companies may optionally commence reporting the modifications beginning with policies effective January 1, 2023 with the exception of the change to Symbol Code, Value Code, and Original Cost New. Please note the optional reporting date for Premium Town on ceded, zone-rated vehicles is July 1, 2023. The approved modifications will be incorporated in the 2024 versions of the Private Passenger and Commercial Statistical Plans which will be available on the Manuals page CAR's website in the near future.

If you have any questions concerning these proposed revisions, please contact the undersigned at rosenburg@commauto.com.

LYNNE ROSENBERG
Operations Services Manager

Attachment



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GARY D. ANDERSON
COMMISSIONER OF INSURANCE

October 28, 2022

Ms. Natalie A. Hubley
President
Commonwealth Automobile Reinsurers
101 Arch Street
Suite 400
Boston, MA 02110

RE: Proposed Private Passenger and Commercial Statistical Plan Changes Dated
September 22nd, 2022

Dear Ms. Hubley:

The above-captioned proposal is approved for the effective dates stated in the proposal.

Sincerely,

Spase Kace

Spase Kace
Research Analyst II

C: Matthew Mancini – State Rating Bureau
Yuan Li – State Rating Bureau
Mary Ellen Thompson – Division of Insurance
Edith Wendell – Automobile Insurers Bureau of Massachusetts
Lynne Rosenberg – Commonwealth Automobile Reinsurers