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Updates to the Manual of Administrative Procedures

Chapter III – Servicing Carrier Responsibilities

Chapter IV – Cession Rules and Procedures

Chapter V – Premium

Chapter VIII – Data Reporting, Accounting Edit and Correction Procedures

At its meeting of September 8, 2021, the Governing Committee approved modifications to the following chapters of the Manual of Administrative Procedures:

Chapter III – Servicing Carrier Responsibilities

Updates were made to the Coverage Selections Page of the Taxi, Limousine, and Car Service application to better clarify optional coverages that are only applicable to Limousine and Car Service vehicles.

Chapter IV – Cession Rules and Procedures

In conjunction with the implementation of the new website application specific to the conversion of the CAR Accounting application from a mainframe platform, Sections A, C, and D of this chapter were updated to reflect the new navigation of the website screens. Also, grammatical errors were fixed, obsolete language was removed relative to Private Passenger business, and an unneeded reference to Risk Indicator was eliminated.

Chapter V – Premium

The Limits and Coverages section has been reorganized to better clarify the coverages that are applicable to Taxicabs versus the coverages that are applicable to all other commercial classes.

In conjunction with the implementation of the new website application specific to the conversion of the CAR Accounting application from a mainframe platform, Section C of this chapter was updated to reflect the new website screens, to eliminate the distinction between critical and non-critical accounting errors, and to remove the reference to non-critical error code 5 as it is no longer applicable.

Chapter VIII – Data Reporting, Accounting Edit and Correction Procedures

This entire chapter was rewritten to reflect the following changes to the CAR Accounting system as a result of the implementation of the new website application from a mainframe platform:

- Eliminated the distinction between critical and non-critical errors instead to be referred to as accounting errors.

- Eliminated references to the following errors:

| | |
|---------------|---|
| Error Code 2 | Reserved for future use |
| Error Code 3 | Policy Effective and/or Expiration Date Inconsistency |
| Error Code 5 | Net Premium Not Positive |
| Error Code 8 | Accident Inconsistent Within Loss Records |
| Error Code 9 | Invalid Net Loss Amount |
| Error Code 10 | No Matching Claim for Subrogation |
| Error Code 11 | Invalid Expense Amounts |

- Combined Error Code 4 – Premium Not Found/Premium Record Date Discrepancy with Error Code 12 – Unmatched Reinstatements Records into one Error Code – Error Code 4.
- Updated all screen shots to reflect the new website screens and eliminated all references to CAR's Telecommunications System.
- Eliminated all references to processing a correction to an existing record using the application. Grid corrections made directly to ceded premium and loss records are no longer allowed and, instead, must be made using offset/reenter transactions in a Monthly Accounting/Statistical Submission.
- Eliminated all references to the Non-Critical Audit Review program. With the elimination of the non-critical edits, there is no longer a need for this program.
- Added a new loss screen named High Loss Policies that identifies policies that contain paid loss records the exceed \$1M or the combination of paid loss dollars and outstanding loss reserves reported in the current quarter that exceed \$1M. It also identifies policies where a loss occurrence exceeds the liability limits written on the policy. This screen replaces the Outstanding Loss Reserve listing in the Telecommunications System.

The updated chapters and the full Manual of Administrative Procedures are available on the Manuals page of CAR's website under the Administrative Procedures link.

If you have any questions regarding these updates, please contact the undersigned.

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