



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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ADDITIONAL INFORMATION

TO MEMBERS OF THE COMMERCIAL PROGRAM OVERSIGHT COMMITTEE

FOR THE MEETING OF:

Wednesday, June 8, 2022, at 10:00 a.m.

CPOC

22.04 2021 Servicing Carrier Annual Report Review

Attached are reports, using data reported through December 2021, profiling the commercial residual market Servicing Carrier data and other general exhibits to assist the Committee in its review and discussion of the 2021 Servicing Carrier Annual Reports. (Docket #CPOC22.04, Exhibit #7)

RICHARD DALTON
Residual Market Liaison

Attachment

Boston, Massachusetts
June 2, 2022



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Commercial Residual Market Data

Attached are reports profiling the commercial residual market Servicing Carrier data and other general exhibits to assist the Committee in its review and discussion of the 2021 Servicing Carrier Annual Reports, using data reported through December, 2021. The following reports are included:

A. Residual Market (Ceded) Data Reports

1. Written Premium by Company/Year/Vehicle Type
2. PDL Exposures by Company/Year/Vehicle Type
3. Industry Cession Rate by Year/Vehicle Type
4. Incurred Loss Ratios by Company/Year/Vehicle Type
5. Statistically Reported Undeveloped Deficit by Vehicle Type/Year

B. Data Specifications

Written Premium

Written Premiums are based on statistically reported data for all coverages combined.

PDL Exposures

Property Damage Liability Exposures are shown on a per car basis, as the number of car years. A car year is equivalent to one car insured for twelve months. Exposure reports exclude Garage Premise, Not Subject to Compulsory Law, Non-Owned, Special Rating and Gross Receipts class type groupings that do not report exposures on a car year basis.

Incurred Losses

Losses include ALAE and are based on statistically reported data only, with no loss development/IBNR. Incurred losses include paid losses plus reported loss reserves for all coverages combined.

Cession Rate

Cession Rate = (Industry Ceded Data / Industry Total Market Data). Cession Rate is provided using PDL exposures by class type group/policy year.

Loss Ratios

Policy Year Loss Ratios = (Reported Incurred Losses / Earned Premium). Reported Incurred Losses include paid plus outstanding losses, with no projections or IBNR.

Class Type Group

The reports categorized Class Types into major Class Type Groups, as follows:

Class Type Group	Class Types
Regular TTT and Regular TTT – Fleet	21,23
Zone Rated TTT and Zone Rated TTT – Fleet	22,24
Commercial Buses and Commercial Buses - Fleet	32,37
Zone Rated Buses and Zone Rated Buses - Fleet	34,38
PPT Buses and PPT Buses – Fleet	35,39
Garages Subject to Compulsory Law	41
Garages Premises	42,43
Van Pools	33
Private Passenger Types - Non-Fleet	81
Private Passenger Types – Fleet	82
Special Types and Motorcycles	51,52
Non-Owned, Special Rating and Gross Receipts	61,62,71,72

If you have any questions concerning the data reports, or would like to request additional data, please contact Tim Galligan, CAR's Actuarial and Statistical Services Director, by e-mailing tgalligan@commauto.com, or directly at 617-880-7286.

**Oversight Committee Company Profile Data
Ceded Written Premium by Vehicle Type for Policy Years 2019-2021**

Written Premium (000)

Class Type Group	Arbella			MAPFRE			Pilgrim			Safety			Industry		
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Regular TTT and Regular TTT - Fleet	17,539	17,573	18,305	23,621	24,617	27,775	12,827	15,770	20,623	27,017	20,328	20,497	81,003	78,288	87,201
Zone Rated TTT and Zone Rated TTT - Fleet	5,154	5,493	6,118	3,320	3,428	3,737	7,102	8,381	8,259	4,913	4,707	5,351	20,489	22,009	23,466
Commercial Buses and Commercial Buses - Fleet	3,976	3,772	4,472	4,436	3,646	3,711	4,860	5,260	4,333	2,974	1,938	2,510	16,246	14,617	15,026
Zone Rated Buses and Zone Rated Buses - Fleet	1,367	181	219	246	183	357	2,092	1,206	1,183	4,561	1,210	2,272	8,265	2,780	4,031
PPT Buses and PPT Buses - Fleet	3,009	3,809	4,816	5,613	4,485	4,999	5,456	6,140	5,617	3,725	2,004	2,052	17,803	16,436	17,483
Garages Subject to Compulsory Law	2,294	2,369	2,236	3,327	3,452	3,969	2,263	2,376	2,652	3,229	2,934	3,083	11,113	11,132	11,940
Garages Premises	13	14	14	18	16	17	16	16	14	19	15	15	66	61	60
Van Pools	119	157	161	213	168	158	63	178	204	361	200	159	755	703	683
Private Passenger Types - Non Fleet	3,101	2,700	2,378	2,590	2,063	1,779	934	981	929	6,082	2,799	2,360	12,707	8,543	7,445
Private Passenger Types - Fleet	872	749	703	1,309	1,285	1,221	917	790	904	1,267	800	854	4,365	3,624	3,682
Special Types and Motorcycles	2,582	2,501	2,572	1,710	1,833	2,014	1,045	1,265	1,306	1,697	1,401	1,435	7,035	7,000	7,328
Non-Owned, Special Rating and Gross Receipts	738	810	847	1,137	990	1,099	500	604	718	728	668	683	3,103	3,072	3,347
Total	40,763	40,129	42,841	47,540	46,167	50,838	38,074	42,965	46,742	56,574	39,004	41,272	182,952	168,265	181,693

Change Year/Year

Class Type Group	Arbella		MAPFRE		Pilgrim		Safety		Industry	
	20/19	21/19	20/19	21/19	20/19	21/19	20/19	21/19	20/19	21/19
Regular TTT and Regular TTT - Fleet	0%	4%	4%	13%	23%	31%	-25%	1%	-3%	11%
Zone Rated TTT and Zone Rated TTT - Fleet	7%	11%	3%	9%	18%	-1%	-4%	14%	7%	7%
Commercial Buses and Commercial Buses - Fleet	-5%	19%	-18%	2%	8%	-18%	-35%	29%	-10%	3%
Zone Rated Buses and Zone Rated Buses - Fleet	-87%	21%	-26%	95%	-42%	-2%	-73%	88%	-66%	45%
PPT Buses and PPT Buses - Fleet	27%	26%	-20%	11%	13%	-9%	-46%	2%	-8%	6%
Garages Subject to Compulsory Law	3%	-6%	4%	15%	5%	12%	-9%	5%	0%	7%
Garages Premises	10%	0%	-8%	6%	-2%	-13%	-25%	6%	-8%	0%
Van Pools	31%	3%	-21%	-6%	185%	14%	-45%	-20%	-7%	-3%
Private Passenger Types - Non Fleet	-13%	-12%	-20%	-14%	5%	-5%	-54%	-16%	-33%	-13%
Private Passenger Types - Fleet	-14%	-6%	-2%	-5%	-14%	14%	-37%	7%	-17%	2%
Special Types and Motorcycles	-3%	3%	7%	10%	21%	3%	-17%	2%	0%	5%
Non-Owned, Special Rating and Gross Receipts	10%	5%	-13%	11%	21%	19%	-8%	2%	-1%	9%
Total	-2%	7%	-3%	10%	13%	9%	-31%	6%	-8%	8%

**Oversight Committee Company Profile Data
Ceded Written PDL Exposures by Vehicle Type for Policy Years 2019-2021**

Written PDL Exposures

Class Type Group	Arbella			MAPFRE			Pilgrim			Safety			Industry		
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Regular TTT and Regular TTT - Fleet	4,751	4,407	4,311	5,654	5,426	5,751	3,212	3,757	4,456	7,374	5,016	4,714	20,991	18,607	19,231
Zone Rated TTT and Zone Rated TTT - Fleet	1,008	892	836	699	649	621	1,330	1,381	1,132	974	807	835	4,012	3,729	3,424
Commercial Buses and Commercial Buses - Fleet	655	595	675	789	667	665	1,604	2,052	772	516	292	348	3,564	3,606	2,459
Zone Rated Buses and Zone Rated Buses - Fleet	106	11	13	23	16	28	228	143	107	389	98	114	746	268	262
PPT Buses and PPT Buses - Fleet	745	839	981	1,167	929	989	1,748	2,582	1,283	833	458	452	4,493	4,809	3,705
Garages Subject to Compulsory Law	732	685	589	1,037	1,069	1,150	702	711	740	887	791	820	3,358	3,255	3,299
Van Pools	25	29	27	45	33	31	11	32	40	73	41	32	154	135	130
Private Passenger Types - Non Fleet	1,867	1,495	1,261	1,055	620	508	429	427	413	3,225	1,351	1,100	6,576	3,894	3,283
Private Passenger Types - Fleet	230	200	185	337	297	293	278	246	254	373	210	219	1,218	952	951
Special Types and Motorcycles	480	466	451	512	494	477	389	433	423	398	319	315	1,779	1,713	1,666
Total	10,599	9,621	9,329	11,318	10,201	10,514	9,931	11,763	9,620	15,041	9,383	8,949	46,889	40,967	38,412

Change Year/Year

Class Type Group	Arbella		MAPFRE		Pilgrim		Safety		Industry	
	20/19	21/19	20/19	21/19	20/19	21/19	20/19	21/19	20/19	21/19
Regular TTT and Regular TTT - Fleet	-7%	-2%	-4%	6%	17%	19%	-32%	-6%	-11%	3%
Zone Rated TTT and Zone Rated TTT - Fleet	-12%	-6%	-7%	-4%	4%	-18%	-17%	4%	-7%	-8%
Commercial Buses and Commercial Buses - Fleet	-9%	13%	-15%	0%	28%	-62%	-43%	19%	1%	-32%
Zone Rated Buses and Zone Rated Buses - Fleet	-89%	12%	-29%	76%	-37%	-25%	-75%	17%	-64%	-2%
PPT Buses and PPT Buses - Fleet	13%	17%	-20%	6%	48%	-50%	-45%	-1%	7%	-23%
Garages Subject to Compulsory Law	-6%	-14%	3%	8%	1%	4%	-11%	4%	-3%	1%
Van Pools	17%	-6%	-26%	-6%	192%	26%	-44%	-22%	-12%	-3%
Private Passenger Types - Non Fleet	-20%	-16%	-41%	-18%	-1%	-3%	-58%	-19%	-41%	-16%
Private Passenger Types - Fleet	-13%	-8%	-12%	-1%	-12%	4%	-44%	4%	-22%	0%
Special Types and Motorcycles	-3%	-3%	-4%	-3%	11%	-2%	-20%	-1%	-4%	-3%
Total	-9%	-3%	-10%	3%	18%	-18%	-38%	-5%	-13%	-6%

Note: Excludes Garge Premise, Not Subject to Compulsory Law, Non-Owned, Special Rating and Gross Receipts that do not report exposures on a car year basis.

Oversight Committee Company Profile Data Industry Cession Rate By Policy Year/Vehicle Type

Exposure Based Cession Rate (PDL)

Class Type Group	Industry		
	PY 2019	PY 2020	PY 2021
Regular TTT and Regular TTT - Fleet	7.8%	6.8%	6.9%
Zone Rated TTT and Zone Rated TTT - Fleet	91.1%	88.9%	85.7%
Commercial Buses and Commercial Buses - Fleet	31.5%	32.2%	26.1%
Zone Rated Buses and Zone Rated Buses - Fleet	93.1%	88.2%	85.6%
PPT Buses and PPT Buses - Fleet	40.5%	40.9%	35.8%
Garages Subject to Compulsory Law	27.3%	27.9%	27.1%
Van Pools	77.0%	79.1%	80.0%
Private Passenger Types - Non Fleet	16.5%	10.5%	8.7%
Private Passenger Types - Fleet	4.9%	3.8%	3.9%
Special Types and Motorcycles	4.7%	5.3%	7.4%
Total	11.4%	10.0%	9.6%

Change Year/Year

Class Type Group	Industry	
	20/19	21/20
Regular TTT and Regular TTT - Fleet	-13.5%	1.5%
Zone Rated TTT and Zone Rated TTT - Fleet	-2.4%	-3.6%
Commercial Buses and Commercial Buses - Fleet	2.3%	-18.9%
Zone Rated Buses and Zone Rated Buses - Fleet	-5.3%	-2.9%
PPT Buses and PPT Buses - Fleet	1.2%	-12.6%
Garages Subject to Compulsory Law	2.1%	-2.8%
Van Pools	2.6%	1.2%
Private Passenger Types - Non Fleet	-36.4%	-17.1%
Private Passenger Types - Fleet	-21.8%	2.7%
Special Types and Motorcycles	14.2%	39.1%
Total	-12.0%	-4.5%

Note: Excludes Garge Premise, Not Subject to Compulsory Law, Non-Owned, Special Rating and Gross Receipts that do not report exposures on a car year basis.

**Oversight Committee Company Profile Data
Ceded Reported Loss Ratios by Vehicle Type for Policy Years 2019-2021
All Coverages Combined**

Class Type Group	Arbella			MAPFRE			Pilgrim		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
Regular TTT and Regular TTT - Fleet	49.9%	51.4%	27.0%	66.6%	46.1%	42.7%	49.4%	36.9%	27.5%
Zone Rated TTT and Zone Rated TTT - Fleet	82.7%	54.1%	24.7%	57.8%	139.1%	51.3%	45.1%	41.7%	39.1%
Commercial Buses and Commercial Buses - Fleet	17.3%	15.7%	16.3%	19.0%	15.3%	19.0%	17.9%	40.6%	20.2%
Zone Rated Buses and Zone Rated Buses - Fleet	11.4%	0.0%	0.0%	148.0%	47.5%	65.0%	8.0%	3.2%	13.7%
PPT Buses and PPT Buses - Fleet	69.1%	31.1%	26.3%	57.9%	54.2%	35.3%	65.8%	37.1%	31.7%
Garages Subject to Compulsory Law	62.5%	47.7%	20.1%	75.8%	60.2%	28.9%	38.2%	31.8%	48.1%
Garages - Premises	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Van Pools	100.3%	34.6%	75.0%	22.4%	6.4%	160.4%	12.4%	8.4%	13.9%
Private Passenger Types - Non Fleet	98.9%	73.9%	53.6%	73.4%	141.2%	53.9%	56.9%	46.5%	70.4%
Private Passenger Types - Fleet	28.9%	31.0%	55.0%	23.6%	97.6%	25.3%	20.3%	11.5%	40.9%
Special Types and Motorcycles	36.1%	35.5%	10.1%	20.9%	40.1%	35.9%	24.6%	23.4%	8.3%
Non-Owned, Special Rating and Gross Receipts	107.0%	113.5%	34.6%	101.7%	4.2%	2.2%	156.4%	219.7%	5.2%
Total	55.3%	47.3%	25.9%	59.8%	56.8%	39.2%	44.1%	38.9%	30.4%

Class Type Group	Safety			Industry		
	2019	2020	2021	2019	2020	2021
Regular TTT and Regular TTT - Fleet	82.6%	49.5%	51.7%	65.6%	46.3%	37.9%
Zone Rated TTT and Zone Rated TTT - Fleet	124.4%	95.1%	43.7%	75.6%	71.4%	38.5%
Commercial Buses and Commercial Buses - Fleet	62.3%	50.4%	20.1%	26.2%	29.2%	18.6%
Zone Rated Buses and Zone Rated Buses - Fleet	273.0%	90.6%	14.6%	159.0%	44.0%	17.7%
PPT Buses and PPT Buses - Fleet	55.8%	33.4%	49.0%	61.8%	39.9%	32.6%
Garages Subject to Compulsory Law	73.5%	121.7%	78.0%	64.7%	67.7%	43.8%
Garages - Premises	30.0%	0.0%	0.0%	8.8%	0.0%	0.0%
Van Pools	21.3%	27.1%	6.6%	33.4%	19.1%	63.4%
Private Passenger Types - Non Fleet	118.1%	83.2%	101.8%	99.8%	90.0%	71.4%
Private Passenger Types - Fleet	34.2%	32.8%	45.0%	27.1%	50.8%	39.5%
Special Types and Motorcycles	56.7%	57.5%	47.3%	35.7%	38.9%	23.0%
Non-Owned, Special Rating and Gross Receipts	86.7%	52.6%	28.3%	108.2%	86.0%	16.7%
Total	99.8%	63.2%	50.7%	67.9%	51.5%	36.3%

Commonwealth Automobile Reinsurers
Unprojected Deficit By Policy Year (Reported Data Only)
Data Through December, 2021

<u>Description</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
TTT	4,786,107	1,594,270	2,146,385	7,511,239	10,280,042	25,181,047
ZONE RATED RISKS	(13,455,649)	(4,060,041)	(3,864,221)	(29,002,063)	(6,123,480)	2,526,790
PUBLICS	1,641,984	390,705	750,338	1,247,622	2,421,243	1,877,041
BUSES	130,530	(21,010,573)	4,077,220	3,948,318	11,407,159	13,550,478
PPT	(12,047,858)	(11,864,758)	(9,488,857)	(6,596,904)	(498,564)	18,787
GARAGES	256,886	(7,452,819)	(1,134,166)	(2,114,487)	1,554,464	1,250,017
EMPLOYER NON OWNED	(1,171,799)	(3,340,955)	(975,911)	(1,429,689)	(500,213)	330,405
SUBTOTAL	(19,859,799)	(45,744,170)	(8,489,212)	(26,435,964)	18,540,651	44,734,566
SPECIAL TYPES	2,540,121	2,275,483	2,202,831	2,345,738	2,952,503	2,737,853
COMMERCIAL MOTORCYCLES	(17,081)	31,950	5,644	60,307	46,922	32,615
SPECIAL RATING AND ADJUSTMENT	(842,466)	1,383,403	(214,365)	(1,323,382)	(428,934)	(559,371)
SUBTOTAL	1,680,575	3,690,836	1,994,110	1,082,664	2,570,491	2,211,097
TOTAL ALL	(18,179,224)	(42,053,335)	(6,495,102)	(25,353,299)	21,111,142	46,945,662

(Deficit)/Surplus = Written Premium - Undeveloped Incurred Losses Including ALAE - Ceding Expenses

Note that Publics exclude buses. PPTs includes both fleet and non fleet. Zone rated combines buses and TTT zone rated