



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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RECORDS OF MEETING

COMMERCIAL AUTOMOBILE COMMITTEE – SEPTEMBER 15, 2022

Members Present

Mr. Thomas DePaulo – Chair	Cabot Risk Strategies, LLC
Mr. Donald Bredberg	Norfolk and Dedham Group
Ms. Kristina Broskey	MAPFRE U.S.A. Corporation
Ms. Annmarie Castonguay	The Hanover Insurance Company
Ms. Sheila Doherty	Doherty Insurance Agency, Inc.
Ms. Mary McConnell	Safety Insurance Company
Mr. John Olivieri, Jr.	J.K. Olivieri Insurance Agency, Inc.
Mr. Thomas Skelly, Jr.	Deland, Gibson Insurance Associates, Inc.
Mr. Barry Tagen	Pilgrim Insurance Company
Mr. Mark Winiker	A-Affordable Insurance Agency, Inc.
Mr. David Zawilinski	Arbella Insurance Group

Substituted for:
N/A

Not in Attendance:
Ms. Sharon Murphy, Acadia Insurance Company

22.01 Records of Previous Meeting

On a roll call vote, the Committee unanimously voted to approve the Records of the Commercial Automobile Committee meeting of August 4, 2022. The Records have been distributed and are on file.

22.05 AIB Commercial Automobile Insurance Manual and Endorsement Changes

Ms. Natalie Hubley summarized the status of the Committee's discussion to date, noting that the Committee had reviewed several ISO commercial endorsements that were placed on file by the AIB and concluded that some forms warranted further consideration for the Massachusetts commercial residual market. However, the Committee acknowledged that the more recent endorsement forms are not written to conform with the older policy forms on file for CAR. At the last meeting, staff advised that CAR's role in developing policy forms should be limited to only address unique circumstances of the MA residual market. Therefore, she suggested that it is now appropriate to consider transition to the newer ISO forms.

Ms. Hubley noted that three options were identified to implement such a transition. That is, the Committee could consider:

1. Adopt the newer ISO coverage forms as filed by AIB, which would include:
 - a. Upgrading the business auto policy to the newer version
 - b. Replacing the truckers policy with the motor carrier policy
 - c. Replacing the garage policy with the auto dealers policy
2. Adopt the method employed in other states' residual markets, which would include:
 - a. Withdrawing the truckers policy, and instead use the business auto policy for trucking risks
 - b. Upgrading the business auto policy to the newer version
 - c. And subsequently replacing the garage policy with the auto dealers policy
3. Make no change at this time.

Ms. Hubley noted that a question was raised relative to certain physical damage coverage under trailer interchange agreements. Specifically, whether coverage would be extended to trailers owned by the insured while in the possession of anyone else under a written trailer interchange agreement. Ms. Hubley advised that CAR's rating manual provides only for coverage of trailers in the possession of the insured. Accordingly, as the rating manual does not provide for coverage of trailers owned by the insured while in the possession of others under a trailer interchange agreement, this issue should not preclude the adoption of the new policy forms.

Ms. Hubley noted that option 2 is currently an approach that is employed in other states' residual markets, it is used widely in the voluntary market, it is more efficient and cost effective to implement and maintain, and it ensures consistent procedures among all Servicing Carriers. Ms. Hubley explained that a transition as described in option 2 is recommended at this time to enable the Committee to consider enhancements afforded through the newer policy forms and related endorsements. That is, the Committee has previously commented that endorsements addressing on-hook tow coverage and non-owned and hired auto coverage for volunteers, partners and LLC members, as well as certain exclusions relating to auto dealers general liability merit further consideration.

Finally, Ms. Hubley advised that staff is looking for direction from the Committee as to which option to pursue in order to further evaluate implementation needs such as impacts to underwriting and claims processes, specifications for form replacement and associated endorsements, manual rule amendments addressing the newer forms, and identification of rating impacts. Subsequently, staff will provide the Committee with additional information to enable the Committee to establish an appropriate implementation schedule.

Committee discussion noted that option 1 would be prohibitive at this time due to the extensive resources required and the associated implementation costs. It was suggested that such a change would more appropriately be considered at the start of a Servicing Carrier appointment term. Furthermore, making no change would become more problematic over time as it would become increasingly difficult to react to changes in the market. Accordingly, the Committee unanimously voted to adopt option 2 and directed staff to prepare the analysis needed to enable further discussion of an implementation schedule.

22.07 Taxi/Limo/Car Service Underwriting Inspection Forms

Ms. Tiffany Manning presented a draft underwriting inspection form for use by Servicing Carriers in performing required inspections of taxi, limousine, and car service vehicles. She reviewed the changes made to the form to incorporate revisions suggested by the Committee at its last meeting. Committee members provided additional feedback, including the collection of information involving additional contact information, a description of the business, whether the vehicle is operated out of state, the nature of a risk's failure to comply with the inspection requirement, and an ability to include multiple vehicles on the inspection form.

After discussion, staff advised that a final draft of the inspection form will be presented at a subsequent meeting, incorporating the changes into the Manual of Administrative Procedures.

TIMOTHY GALLIGAN
Director of Actuarial and Statistical Services

Boston, Massachusetts
September 16, 2022

ATTACHMENT LISTING

Docket #CAC22.02, Exhibit #4

Attendance Listing

**COMMERCIAL AUTOMOBILE COMMITTEE MEETING
 MEETING ATTENDEES
 SEPTEMBER 15, 2022**

Individual's Name

Company / Agency

PLEASE PRINT

Mr. Thomas DePaulo	Cabot Risk Strategies, LLC
Mr. Donald Bredberg	Norfolk and Dedham Group
Ms. Kristina Broskey	MAPFRE U. S. A. Corporation
Ms. Annmarie Castonguay	The Hanover Insurance Company
Ms. Sheila Doherty	Doherty Insurance Agency, Inc.
Ms. Mary McConnell	Safety Insurance Company
Mr. M. John Olivieri, Jr.	J.K. Olivieri Insurance Agency, Inc.
Mr. Thomas Skelly, Jr	Deland, Gibson Insurance Associates, Inc.
Mr. Barry Tagen	Pilgrim Insurance Company
Mr. Mark Winiker	A-Affordable Insurance Agency, Inc.
Mr. David Zawilinski	Arbella Insurance Group
Ms. Monique Miller	AIB
Mr. John Magadieu	Arbella Insurance Group
Ms. Linda Zarella	Arbella Insurance Group
Mr. Benjamin Hincks	TSH & D – CAR Counsel
Mr. Steven Torres	TSH & D – CAR Counsel
Ms. Mary Ellen Thompson	Division of Insurance
Ms. Paula Gold	Plymouth Rock Assurance Corporation
Mr. Mark Alves	CAR Staff
Ms. Wendy Browne	CAR Staff
Ms. Shannon Chiu	CAR Staff
Mr. Richard Dalton	CAR Staff
Mr. Timothy Galligan	CAR Staff

**COMMERCIAL AUTOMOBILE COMMITTEE MEETING
MEETING ATTENDEES
SEPTEMBER 15, 2022**

Individual's Name

Company / Agency

PLEASE PRINT

Mr. Matthew Hirsh	CAR Staff
Ms. Natalie Hubley	CAR Staff
Ms. Tiffany Manning	CAR Staff
Mr. John Metcalfe	CAR Staff
Ms. Katy Proctor	CAR Staff
Mr. James Robery	CAR Staff
Ms. Lynne Rosenburg	CAR Staff
Ms. Alison Ruggiero	CAR Staff
Ms. Robin Tigges	CAR Staff
Mr. Jacob Vieira	CAR Staff