



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

101 Arch Street, Suite 400 Boston, Massachusetts 02110
www.commauto.com 617-338-4000

ADDITIONAL INFORMATION

TO MEMBERS OF THE GOVERNING COMMITTEE

FOR THE MEETING OF:

Wednesday, September 21, 2022, at 10:30 a.m.

**GC
22.06 Compliance and Operations Committee**

Minor clarifications to the proposed amendments to the Private Passenger Statistical Plan, identified after the September 7, 2022 meeting, were required to distinguish the separate reporting requirements for 4-wheel Limited Use Vehicles and those of Limited Use Motorcycles. (Docket #GC22.06, Exhibit #5)

**GC
22.07 Commercial Automobile Committee**

The Records of the Commercial Automobile Committee meeting of September 15, 2022 are attached. (Docket #GC22.07, Exhibit #4)

The Records of the Commercial Automobile Committee meeting of September 15, 2022 have been distributed and are on file.

NATALIE A. HUBLEY
President

Attachments

Boston, Massachusetts
September 16, 2022

Proposed Modifications to the Private Passenger Statistical Plan

Proposed Effective Date	Description	Pages Impacted	Records Impacted
January 1, 2024 (Optional January 1, 2023)	<p>In order to properly identify vehicles that are classified as Limited Use Vehicles, a new classification code 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>	VI:12,13 A:2	All
	<p>In order to capture more company-specific enhancements to physical damage coverage, new miscellaneous other than collision coverage codes have been added to the Private Passenger Statistical Plan. These new codes identify additional towing and labor coverage, roadside assistance coverage, and additional substitute transportation coverage and are applicable to voluntary business only.</p> <p>Appendix A – Coverage Code Decision Table has been updated to include these new codes.</p>	VI:41 A:3	Physical Damage Premium and Loss Records

**Massachusetts Private Passenger Automobile
 Statistical Plan
 Part VI - Coding Section**

CLASSIFICATION CODE

MISCELLANEOUS RATED AS PRIVATE PASSENGER DEFINITION

Description (Merit Rating does not apply)	Code	
	Liability	Physical Damage
Snowmobiles	042600	042600
Antique Motor Cars and Antique Motorcycles	048300	048300
★ Specialty and Classic Motor Cars and Specialty and Classic Motorcycles <ul style="list-style-type: none"> • Qualifies as an Antique Motor Car, except for the age and registration requirements for such motor vehicles • Includes motorcycles meeting such qualifications 	048500	048500
Golfmobiles (motorized)	049500	049500
Lawnmowers (motorized)	049500	049500
All Other – Miscellaneous Rated as Private Passenger	049900	049900

Description: First Four Positions (Merit Rating does apply)	Code	
	Liability	Physical Damage
Trailers designed for use with Private Passenger Motor Vehicles	----	0453
Travel Trailers – Including Mobile Home Trailers not on an enclosed foundation	----	0459
Motor Homes (Self Propelled) – Not including Camping Trailers, Travel Trailers and Mobile Homes	0455	0455
Low Speed Vehicles	0460	0460
<u>Limited Use Vehicles (four-wheeled only)</u>	<u>0461</u>	<u>0461</u>
Vehicles Carrying School Children (Seating 0-9 passengers) Not registered for Carrying Passengers for hire	0539	0539

Description: Fifth and Sixth Positions (Merit Rating Status)	Code
Premium, Loss and Outstanding Loss Records	
No merit rating credit or points apply	00
Rated operator incident free for a period of at least 6 years	99
Rated operator incident free for a period of at least 5 years but less than 6	98
Merit rating points apply	01 – 45

**Massachusetts Private Passenger Automobile
 Statistical Plan
 Part VI - Coding Section**

CLASSIFICATION CODE

PRIVATE PASSENGER MOTORCYCLE DEFINITION

- Motorcycles (including Motorbikes)
- Motorscooters (including Scootmobiles, Safticycles, Motorglides)
- Mopeds
- Similar Motor Vehicles (including two and three-wheeled Limited Use Vehicles)

Description: First Four Positions (Statistical Class)		Code		
Rating Group	Cubic Centimeter Engine Displacement	Standard Class		Age sixty-five (65) or more
		Experienced Operator	Inexperienced Operator	
★ Electric	N/A	0401	0501	0601
Group A	C.C. Displacement to 70	0408	0508	0608
	C.C. Displacement 71 – 100	0409	0509	0609
Group B	C.C. Displacement 101 – 125	0410	0510	0610
	C.C. Displacement 126 – 200	0411	0511	0611
	C.C. Displacement 201 – 275	0412	0512	0612
	C.C. Displacement 276 – 350	0413	0513	0613
Group C	C.C. Displacement 351 – 500	0414	0514	0614
	C.C. Displacement 501 – 650	0415	0515	0615
Group D	C.C. Displacement 651 – 750	0416	0516	0616
	C.C. Displacement 751 – 850	0417	0517	0617
	C.C. Displacement 851 - 950	0418	0518	0618
	C.C. Displacement 951 – 1050	0419	0519	0619
	C.C. Displacement 1051 – 1150	0420	0520	0620
	C.C. Displacement 1151 – 1250	0421	0521	0621
	C.C. Displacement 1251 – 1350	0422	0522	0622
	C.C. Displacement 1351 – 1450	0423	0523	0623
	C.C. Displacement 1451 – 1550	0424	0524	0624
	C.C. Displacement 1551 – 1650	0425	0525	0625
	C.C. Displacement 1651 – 1750	0427	0527	0627
	C.C. Displacement 1751 – 1850	0428	0528	0628
	C.C. Displacement 1851 – 1950	0429	0529	0629
	C.C. Displacement 1951 – 2050	0430	0530	0630
C.C. Displacement over 2050	0431	0531	0631	

Massachusetts Private Passenger Automobile Statistical Plan Part VI - Coding Section

OTHER THAN COLLISION COVERAGE CODE

MISCELLANEOUS COVERAGES

Description	Code
Non-Owned Automobiles – Broad Form	056
Non-Owned Automobiles – Limited Form	057
★ Towing and Labor – \$100 per disablement <ul style="list-style-type: none"> • No other comprehensive coverage afforded • Optional for policies effective 1/1/2002 – 12/31/2002. Mandatory for policies effective 1/1/2003 and subsequent 	080
Towing and Labor – \$50 per disablement <ul style="list-style-type: none"> • No other comprehensive coverage afforded 	082
Substitute Transportation - \$15 per day/ \$450 maximum	083
Substitute Transportation - \$45 per day/\$1,350 maximum <ul style="list-style-type: none"> • Optional for policies effective 1/1/2001 – 12/31/2001. Mandatory for policies effective 1/1/2002 and subsequent 	084
Substitute Transportation - \$30 per day/ \$900 maximum	085
Substitute Transportation - \$100 per day/ \$3,000 maximum	086
Sound Receiving and Transmitting Equipment	087
All Other Coverages – excluding Collision	089
<u>Towing and Labor – Greater than \$100 per disablement</u> <ul style="list-style-type: none"> • <u>Must be reported as a separate record from underlying OTC coverage</u> • <u>Optional for policies effective 1/1/2023 – 12/31/2023. Mandatory for policies effective 1/1/2024 and subsequent (Voluntary Business Only)</u> 	<u>180</u>
<u>Roadside Assistance Coverage</u> <ul style="list-style-type: none"> • <u>Optional for policies effective 1/1/2023 – 12/31/2023. Mandatory for policies effective 1/1/2024 and subsequent (Voluntary Business Only)</u> 	<u>181</u>
<u>Substitute Transportation – Greater than \$100 per day/ greater than \$3,000 maximum</u> <ul style="list-style-type: none"> • <u>Optional for policies effective 1/1/2023 – 12/31/2023. Mandatory for policies effective 1/1/2024 and subsequent (Voluntary Business Only)</u> 	<u>182</u>

**Massachusetts Private Passenger Automobile
 Statistical Plan
 Appendix A - Classification and Coverage Code Decision Tables**

CLASSIFICATION CODE DECISION TABLE

Classification Code	Rating Class	Decision Table Columns																					
		Anti-Theft Device ID Code	Coverage Code (Phys. Dam.)	Continuous Cov.	Discount	Annual Mileage Code	Exposure	Extra-Risk Rating Codes	High-Theft Vehicle Code	Limits Codes (Liability)	Low Frequency Discount	Model Year Century Code	Model Year Code	OEM Coverage Code	Partial/Total Loss Indicator	Passive Restraint Device	Territory Code	Type of Risk Code	Value Code	Vehicle Identification No.	ZIP Code	Producer Code	Subline
###1##	10	M	Y	M	Y	O	Y	M	M	Y	M	Y	Y	O	O	O	Y	Y	N	Y	Y	O	O
###2##	15	M	Y	M	Y	O	Y	M	M	Y	M	Y	Y	O	O	O	Y	Y	N	Y	Y	O	O
###3##	17	M	Y	M	Y	O	Y	M	M	Y	M	Y	Y	O	O	O	Y	Y	N	Y	Y	O	O
###4##	18	M	Y	M	Y	O	Y	M	M	Y	M	Y	Y	O	O	O	Y	Y	N	Y	Y	O	O
###5##	30	M	Y	M	Y	O	Y	M	M	Y	M	Y	Y	O	O	O	Y	Y	N	Y	Y	O	O
###6##	20	M	Y	M	Y	O	Y	M	M	Y	M	Y	Y	O	O	O	Y	Y	N	Y	Y	O	O
###7##	21	M	Y	M	Y	O	Y	M	M	Y	M	Y	Y	O	O	O	Y	Y	N	Y	Y	O	O
###8##	25	M	Y	M	Y	O	Y	M	M	Y	M	Y	Y	O	O	O	Y	Y	N	Y	Y	O	O
###9##	26	M	Y	M	Y	O	Y	M	M	Y	M	Y	Y	O	O	O	Y	Y	N	Y	Y	O	O
0401##, 0408## 0409##, 041### 0420## - 0425## 0427## - 0429## 043###, 0501## 0508##, 0509##, 051###, 052###, 0530##, 0531##, 0601##, 0608## 0609##, 061### 062###, 063###		M	Y	N	Y	N	Y	M	M	Y	N	Y	Y	N	O	N	Y	Y	Y	Y	Y	O	O
042600		N	Y	N	N	N	Y	N	N	Y	N	N	N	N	N	N	Y	Y	N	N	Y	O	O
0453##		N	Y	N	N	N	Y	N	N	N	N	N	N	N	N	N	Y	Y	N	Y	Y	O	O
0455##		M	Y	N	N	N	Y	M	M	Y	N	Y	Y	N	O	N	Y	Y	N	Y	Y	O	O
0459##		N	Y	N	N	N	Y	N	N	N	N	N	N	N	N	N	Y	Y	N	Y	Y	O	O
0460##, 0461##		M	Y	M	Y	O	Y	M	M	Y	M	Y	Y	O	O	O	Y	Y	N	Y	Y	O	O
048300, 048500		N	Y	N	N	N	Y	N	N	Y	N	N	N	N	O	N	Y	Y	N	Y	Y	O	O
049500		N	Y	N	N	N	Y	N	N	Y	N	N	N	N	N	N	Y	Y	N	N	Y	O	O
049900		N	Y	N	N	N	Y	N	N	Y	N	N	N	N	N	N	Y	Y	N	N	Y	O	O
0539##		M	Y	N	N	N	Y	M	M	Y	N	Y	Y	O	O	O	Y	Y	N	Y	Y	O	O
190000		N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	O	O
700000		N	Y	N	N	N	N	N	N	Y	N	N	N	N	N	N	N	Y	N	N	N	O	O
800000		N	Y	N	N	N	N	N	N	Y	N	N	N	N	N	N	N	Y	N	N	N	O	O
900000		N	Y	N	N	N	N	N	N	Y	N	N	N	N	N	N	N	Y	N	N	N	O	O
902000		N	Y	N	N	N	N	N	N	Y	N	N	N	N	N	N	N	Y	N	N	N	O	O
998000		N	Y	N	N	N	N	N	N	N	N	N	N	N	N	N	N	Y	N	N	N	O	O



Massachusetts Private Passenger Automobile Statistical Plan

Appendix A - Classification and Coverage Code Decision Tables

COVERAGE CODE DECISION TABLE

- For all shaded areas, refer to the Classification Code Decision Table
- Applicable to Physical Damage records

Coverage Code	★ Anti-Theft Device ID Code	Classification Code	Discount Code	Annual Mileage	Exposure	Extra-Risk Rating Code	High-Theft Vehicle Code	Model Year Century Code	Model Year Code	OEM Coverage Code	Partial/Total Loss Indicator	Territory Code	Type of Risk	Value Code	Vehicle Identification Number	ZIP Code	Producer Code	Subline
056,057	N	Y	N	N	N	N	N	N	N	N	N	N	Y	N	N	N	O	O
060,063		Y						N	N				Y					
080 - 082,180	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	O	O
083-087,182	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	O	O
089,181	N	Y	N	N	N	N	N	N	N	N	N	N	N	N	N	N	O	O
Other OTC Cov.		Y											Y					

Coverage Code	★ Anti-Theft Device ID Code	Classification Code	Discount Code	Annual Mileage	Exposure	Extra Risk-Rating Code	High-Theft Vehicle Code	Model Year Century Code	Model Year Code	OEM Coverage Code	Partial/Total Loss Indicator	Territory Code	Type of Risk	Value Code	Vehicle Identification Number	ZIP Code	Producer Code	Subline
012-019	N	Y											Y					
041	N	Y				N		N	N				Y					
040, 042- 049	N	Y				N							Y					
072-079	N	Y											Y					
092	N	Y						N	N				Y					
096,097	N	Y	N	N	N	N	N	N	N	N	N	N	Y	N	N	N	O	O
099	N	Y	N	N	N	N	N	N	N	N	N	N	N	N	N	N	O	O



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

101 Arch Street, Suite 400 Boston, Massachusetts 02110

www.commauto.com

617-338-4000

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