



NATALIE A. HUBLEY  
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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## NOTICE OF MEETING

### LOSS RESERVING COMMITTEE

A meeting of the Loss Reserving Committee will be held virtually via Zoom video conferencing software, on

**WEDNESDAY, DECEMBER 7, 2022, AT 11:00 A.M.**

If you plan to attend this meeting and are not a member of this Committee, please RSVP by completing the Visitor Security Form located in the Contact Us/Visitor Information section of CAR's website. CAR will then forward to you, via email, meeting access information. Please do not share access information provided by CAR but, refer others wishing to attend the meeting to CAR's Visitor Security Form.

### MEMBERS OF THE COMMITTEE

Ms. Lynellen Ramirez – Chair  
Arbella Insurance Group

Ms. Julie Ann Frechette  
Mr. Glenn Hiltbold  
Mr. Gavin Traverso

The Hanover Insurance Company  
Safety Insurance Company  
MAPFRE U.S.A. Corporation

### AGENDA

#### LR

#### 22.01 Records of Previous Meeting

The Records of the Loss Reserving Committee meeting of September 7, 2022 should be read and approved.

#### LR

#### 22.03 CAR Conflict of Interest Policy

The Chair will read a statement relative to CAR's Conflict of Interest Policy.

**LR**

**22.04 Quality of Current Quarter Reporting**

Staff will review quarterly adjustments to losses or premiums necessitated by data reporting problems.

Staff will also review newly reported large losses and historical large loss reports on an inception-to-date basis that were updated for the current quarter's activity.

**LR**

**22.05 Selection of Ultimate Losses**

The accident year loss reserve indications for the five loss development pools should be reviewed and finalized.

**LR**

**22.06 Policy Year Deficit and Loss Ratio Report**

The Committee should review and finalize the preliminary report to the Governing Committee for the quarter ending September 30, 2022.

**LR**

**22.07 Latest Valuation of Ultimate Projections**

The Committee should review the ultimate policy year projections valued at the quarter ending September 30, 2022.

**LR**

**22.08 Committee Membership Considerations**

The Loss Reserving Committee's charge requires a specialized skill set to establish loss reserves, including actuarial expertise and a familiarity with the Massachusetts commercial automobile insurance marketplace. In recent years, the Committee has undergone a reduction in membership and has experienced frequent turnover in representation due to staffing and retention challenges experienced throughout the industry.

Because of the Committee's significant and direct input into CAR's financial results and the quarterly Settlement of Balances/Member Participation process, the Committee's function is critical to CAR's operations. Accordingly, the Committee should be prepared to discuss the following:

- Committee membership:
  - Retention and engagement
  - Quorum thresholds
  
- Committee Structure Considerations:
  - Increase number of committee members
  - Delegate to CAR staff quarterly loss projections
  - Engage AIB or other consultant to perform quarterly loss projections

**Other Business**

To transact any other business that may properly come before this Committee.

**Executive Session**

The Loss Reserving Committee may convene in Executive Session in accordance with the provisions of G.L. c. 30A, § 21.

SHANNON CHIU  
Actuarial/Statistical Analyst

Boston, Massachusetts  
November 22, 2022