



COMMONWEALTH AUTOMOBILE REINSURERS

100 SUMMER STREET – BOSTON, MASSACHUSETTS 02110

TEL: 617-338-4000 FAX: 617-338-5422 www.commauto.com

RALPH A. IANNACO
President

MICHAEL J. TROVATO
Executive VP & Treasurer

Summary of Changes to Performance Standards For the Handling and Payment of Claims By Servicing Carriers

2002

Introduction

The Performance Standards are in addition to and require compliance with Massachusetts laws and regulations regarding automobile insurance and the CAR Rules of Operation. Any revisions to existing laws or regulations or any new laws or regulations will become part of the Performance Standards when they are promulgated.

Explanation: Clarifies that new or revised regulations are incorporated into the Performance Standards when they become effective.

V. No-Fault Personal Injury Protection Benefits Handling C. Medical Management

2. Any plan must include consideration for arranging timely independent medical examinations, medical bill reviews including but not limited to a determination of usual and customary charges, use of preferred provider organizations, managed care programs, and/or expert medical systems.

Explanation: Includes the practice of reviewing for usual and customary medical treatment charges in the list of cost containment methods.

Measurements and Penalties - Market Share

Explanation: The chart showing the market share and level has been updated to show 2002 calendar year market share.

Appendix K - CAR Claim Department File Review Process

Explanation: This section was revised to update the procedures followed since the implementation of the new **CAR Claims Review System**.

Appendix L - SIU File Review Process

Explanation: This section was revised to reflect the current procedures for the SIU File Reviews.

Appendix M - Questionnaire

Explanation: The Questionnaire was updated to incorporate changes in the Performance Standards since it was last completed by the Servicing Carriers. The revised Questionnaire will be distributed to the Servicing Carriers for completion.