



COMMONWEALTH AUTOMOBILE REINSURERS

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RALPH A. IANNACO
PRESIDENT

January 8, 2010

ACCOUNTING AND STATISTICAL NOTICE NO. 508

Promulgated Revisions

Massachusetts Private Passenger and Commercial Automobile Statistical Plans

Disapproved Revision

Massachusetts Private Passenger Automobile Statistical Plan

The following revisions to the Statistical Data Quality Program of the Massachusetts Private Passenger Automobile Statistical Plan, effective January 1, 2010, were promulgated by the Division of Insurance on December 31, 2009, pursuant to the provisions of G.L. c. 175A, § 15 (see attached). The promulgated Statistical Plan modifications are summarized below.

Description	Pages Impacted	Records Impacted
<ul style="list-style-type: none"> • The majority of the penalty amounts contained in the Statistical Data Quality Program have not been updated since their inception in 1989. These penalties have been increased for inflationary changes and adjusted for reasonability as warranted. • In order to further ensure that complete and accurate statistical data is reported to CAR, the Annual Statement program has been expanded to monitor the receipt of Statutory Page 14s for Massachusetts on a quarterly basis, including any corresponding out-of-balance explanations. This program will be administered in a similar manner to the program currently in place for monitoring the year-end receipt of company Annual Statements. • Wording has been clarified, obsolete language has been eliminated, and sections have been renumbered as necessary. <p><u>The implementation date of these modifications is January 1, 2010, impacting the January 2010 and subsequent monthly accounting/statistical shipments.</u></p>	VII:1, 3, 5-9	All

The following revision to the Massachusetts Private Passenger Automobile Statistical Plan **was disapproved** by the Division of Insurance on December 31, 2009.

Description	Pages Impacted	Records Impacted
The addition of Interim Summary Data penalties to the Private Passenger Statistical Data Quality Program <u>was disapproved</u> by the Division of Insurance.	N/A	N/A

Commercial Statistical Plan

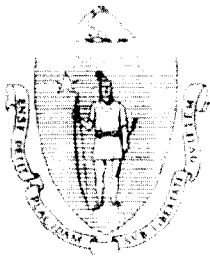
The following revisions to the Statistical Data Quality Program of the Massachusetts Commercial Automobile Statistical Plan, effective January 1, 2010, were promulgated by the Division of Insurance on December 31, 2009, pursuant to the provisions of G.L. c. 175A, § 15 (see attached). The promulgated Statistical Plan modifications are summarized below.

Description	Pages Impacted	Records Impacted
<ul style="list-style-type: none"> • The majority of the penalty amounts contained in the Statistical Data Quality Program have not been updated since their inception in 1989. These penalties have been increased for inflationary changes and adjusted for reasonability as warranted. • In order to further assure that complete and accurate statistical data is reported to CAR, the Annual Statement program has been expanded to monitor the receipt of Statutory Page 14s for Massachusetts on a quarterly basis, including any corresponding out-of-balance explanations. This program will be administered in a similar manner to the program currently in place for monitoring the year-end receipt of company Annual Statements. • Wording has been clarified, obsolete language has been eliminated, and sections have been renumbered as necessary. <p><u>The implementation date of these modifications is January 1, 2010, impacting the January 2010 and subsequent monthly accounting/statistical shipments.</u></p>	VII:1-3, 6-10	All

The revised Private Passenger and Commercial Automobile Statistical Plan pages pertaining to the noted approved modifications are available on CAR's website. To access these pages, select Manuals, Private Passenger or Commercial Statistical Plan, and Approved Pages for the date 12/31/09. These modifications have also been incorporated into the 2010 Private Passenger and Commercial Automobile Statistical Plans, which are also available on CAR's website.

If you have any questions concerning these approved revisions, please contact the undersigned at 617-880-7231 or at madgate@commauto.com.

MARIAN S. ADGATE
Staff Analyst



COMMONWEALTH OF MASSACHUSETTS

Office of Consumer Affairs and Business Regulation

DIVISION OF INSURANCE

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AND BUSINESS REGULATION

JOSEPH G. MURPHY
ACTING COMMISSIONER OF INSURANCE

December 31, 2009

Mr. Ralph A. Iannaco
President
Commonwealth Automobile Reinsurers
225 Franklin Street
Boston, MA 02110

RE: Proposed Changes to the Private Passenger Automobile Statistical Plan and the Commercial Automobile Statistical Plan Dated November 18, 2009

Dear Mr. Iannaco:

Thank you for CAR's submission of the proposed changes to the statistical plans for commercial and private passenger automobile. I will promulgate the proposed changes to the commercial automobile statistical plan in their entirety for an effective date of January 1, 2010. I also will promulgate the proposed changes to the private passenger automobile statistical plan for an effective date of January 1, 2010, except for the following proposed changes:

- Part VII, Section A.1.a (caption only), page VII:1
- Part VII, Section A.1.a.2), page VII:2
- Part VII, Section A.1.e (third paragraph only), page VII:3
- Part VII, Section B.1.a (caption only), page VII:7
- Part VII, Section B.i.a.2), page VII:8
- Part VII, Section B.1.c (caption only), page VII:8

I decline to promulgate these proposed changes because they exceed the scope of the statistical plan. Any newly writing company, as defined in CAR Rule 22, that fails to comply timely and in good faith with the interim data reporting requirements detailed in CAR Rule 29.C shall be subject to the provisions and procedures in CAR Rule 40.

Sincerely,


Joseph G. Murphy
Acting Insurance Commissioner