



COMMONWEALTH AUTOMOBILE REINSURERS

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ACCOUNTING AND STATISTICAL NOTICE NO. 406

Proposed Revisions to the Massachusetts Private Passenger and Commercial Automobile Statistical Plans

At its February 11, 2004 meeting, CAR's Governing Committee recommended modifications to the Massachusetts Private Passenger and Commercial Automobile Statistical Plans. The recommended pages were forwarded to the Division of Insurance on February 13, 2004, for promulgation by the Commissioner of Insurance, pursuant to the provisions of General Laws, Chapter 175A, Section 15. Attached are summary tables that describe the proposed Statistical Plan modifications.

The revised Private Passenger and Commercial Statistical Plan pages pertaining to the noted modifications are available on CAR's website (select Manuals, select either the Private Passenger or Commercial Statistical Plan and then select Proposed Pages).

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

MARIAN S. ADGATE
Staff Analyst

Attachments

Massachusetts Private Passenger Statistical Plan

Proposed Modifications

Proposed Effective Date	Description	Status	Records Impacted	Pages Impacted
<p style="text-align: center;">Optional 1/1/2004 - 6/30/2004</p> <p style="text-align: center;">Mandatory 7/1/2004</p>	<p>Effective 8/1/2003, the Division of Insurance has amended the Anti-Theft Device Discount regulation. An additional discount category has been created for a signal-activated vehicle recovery system with unauthorized movement notification. This device will be eligible for a 25% discount and up to a 36% discount when used in combination with other qualifying devices. Accordingly four new codes have been added to the Anti-Theft Device Discount table to identify the new categories of discount.</p>	<p>Approved by CAR's Governing Committee on February 11, 2004. Proposed modifications filed with Division of Insurance on February 13, 2004.</p>	<p>Physical Damage</p>	<p>IV: 15 V:16 VI: 40, 42</p>

Massachusetts Commercial Statistical Plan Proposed Modifications

Proposed Effective Date	Description	Status	Records Impacted	Pages Impacted
<p style="text-align: center;">Optional 1/1/2004 - 6/30/2004</p> <p style="text-align: center;">Mandatory 7/1/2004</p>	<p>Effective 8/1/2003, the Division of Insurance has amended the Anti-Theft Device Discount regulation. An additional discount category has been created for a signal-activated vehicle recovery system with unauthorized movement notification. This device will be eligible for a 25% discount and up to a 36% discount when used in combination with other qualifying devices. Accordingly four new codes have been added to the Anti-Theft Device Discount table to identify the new categories of discount.</p>		Physical Damage	<p>IV: 15 V:17 VI: 57</p>
<p style="text-align: center;">Optional 1/1/2004 - 6/30/2004</p> <p style="text-align: center;">Mandatory 7/1/2004</p>	<p>As of January 1, 2004, changes in the Garage Policy resulted in the Garage Policy Forms being available for dealer operations only. Repair and service plates will now be written on a Business Auto Coverage Form and premises coverage will be written on a Comprehensive General Liability (CGL) form.</p> <p>Since a company may elect not to adopt the modified Garage Policy for their voluntary business, the class codes applicable to Repair Shops, Service Stations, Storage Garages and Public Parking Places classification codes are now listed in both the Garage and Special Types Classification Code Tables. If the company has not elected to adopt the modified Garage Policy, the Repair Shops, Service Stations and Storage Garages and Public Parking Places will continue to be written on a Garage Policy. If the modifications have been adopted, these classes should be classified as Special Types and written on the Business Auto Coverage Form. Note that the classifications codes that should be reported are the same whether or not a company has adopted the revised Garage Policy.</p> <p>Also, since CAR has adopted the revised Garage Policy with an effective date of July 1, 2004, premises coverage classifications for service operations can no longer be ceded to CAR as of that date.</p>	<p>Approved by CAR's Governing Committee on February 11, 2004. Proposed modifications filed with Division of Insurance on February 13, 2004.</p>	All	<p>VI: 18, 20, 21 A:2</p>