



NATALIE A. HUBLEY  
PRESIDENT

## COMMONWEALTH AUTOMOBILE REINSURERS

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

November 26, 2024

### ACCOUNTING AND STATISTICAL NOTICE NO. 711

#### Proposed Revisions to the Massachusetts Commercial Statistical Plan

CAR's Governing Committee, at its November 19, 2024 meeting, recommended modifications to the Massachusetts Commercial Statistical Plan. The impacted pages have been forwarded to the Division of Insurance for promulgation pursuant to the provisions of G.L. c. 175A, §15. A copy of the filing letter is attached. The following summary table describes recommended modifications and proposed effective dates.

#### Commercial Statistical Plan

Proposed Effective Date	Description	Pages Impacted	Records Impacted
January 1, 2025	In order to match the language used in the policy forms, the definition to Coverage Code 087 has been updated to: Audio, Visual, or Data Electronic Equipment (excluding Police Vehicles, Fire Vehicles, and Garagekeepers).	VI:50	Physical Damage Premium and Loss Records
January 1, 2027 (Optional January 1, 2026)	As a result of the recently approved commercial rate filing relative to the updated manual rule, policy form, and endorsement form changes for use with ceded policies effective 1-1-2027, there is a need for additional classification codes to identify changes to Rule 27 – Non Ownership Liability. The changes to non-ownership liability include different risk designations including auto service, partnership/LLC, and all other. The new classification codes will enable the introduction of rating differentials based on detailed premium and loss experience.	VI:24-25	All
January 1, 2027	With the recently approved rate filing, there is additional coverage in the residual market for towing and labor, substitute transportation, and on-hook coverage that was previously available for voluntary business only.	VI:50	Physical Damage Premium and Loss Records

The Commercial Statistical Plan pages pertaining to the noted proposed modifications are also available on CAR's website. To access these pages, select Manuals, Commercial Statistical Plan, and Proposed Pages.

If you have any questions concerning these proposed revisions, please contact the undersigned at [rosenberg@commauto.com](mailto:rosenberg@commauto.com).

LYNNE ROSENBERG  
Director of Operations and Residual Market Services

Attachment



NATALIE A. HUBLEY  
PRESIDENT

## COMMONWEALTH AUTOMOBILE REINSURERS

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

November 25, 2024

Honorable Michael T. Caljouw  
Commissioner of Insurance  
Massachusetts Division of Insurance  
1000 Washington Street, Suite 810  
Boston, MA 02118-6200

Re: Massachusetts Commercial Statistical Plan Modifications

Dear Commissioner Caljouw:

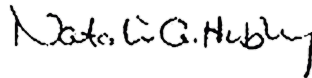
CAR's Governing Committee, at its November 19, 2024 meeting, approved modifications to the Massachusetts Commercial Statistical Plan. The modifications are recommended to conform with updated commercial policy coverage forms and endorsements placed on file July 11, 2024 for use in the residual market for policies effective January 1, 2027 (SERFF tracking number CARI-134030396). A summary of the proposed changes and the pages impacted are attached. The proposed modifications include the following:

- To match language used in the policy forms, the definition of Coverage Code 087 has been updated to: Audio, Visual, or Data Electronic Equipment (excluding Policy Vehicles, Fire Vehicles, and Garagekeepers). Because this is an update to the definition only, the proposed effective date for this modification is for policies effective January 1, 2025 and subsequent.
- Classification codes have been added to reflect changes to Rule 27 – Non-Ownership Liability of CAR's Commercial Automobile Insurance Manual. The changes add description of coverage for risk designations including auto service, partnership/LLC, and all other. The new classification codes will enable the introduction of rating differentials based on loss experience. The additional codes are proposed for policies effective January 1, 2027 and subsequent. An optional reporting date for policies effective January 1, 2026 is proposed for those voluntary companies that choose to implement this change sooner than the mandatory reporting date.
- The updated forms and endorsements allow for additional coverage in the residual market for towing and labor, substitute transportation, and on-hook coverage that was previously available for voluntary business only. Accordingly, the note relating to coverage for voluntary business only has been deleted with a proposed effective date for policies effective January 1, 2027 and subsequent.

Your promulgation of these modifications, pursuant to the provisions of G.L. c. 175A, §15, is respectfully requested.

If you have any questions relative to these modifications, please contact Ms. Lynne Rosenberg, Director of Operations and Residual Market Services at 617-880-7237 or via email at [lrosenberg@commauto.com](mailto:lrosenberg@commauto.com).

Very Truly Yours,

A handwritten signature in black ink that reads "Natalie A. Hubley". The signature is written in a cursive, flowing style.

Natalie A. Hubley  
President

Attachment

cc: Ms. Yuan Li  
State Rating Bureau

Mr. Matthew Mancini  
State Rating Bureau

Ms. Mary Ellen Thompson  
Division of Insurance

Ms. Edith Wendell  
Automobile Insurers Bureau of Massachusetts

## Proposed Modifications to the Commercial Statistical Plan

<b>Proposed Effective Date</b>	<b>Description</b>	<b>Pages Impacted</b>	<b>Records Impacted</b>
January 1, 2025	In order to match the language used in the policy forms, the definition to Coverage Code 087 has been updated to: Audio, Visual, or Data Electronic Equipment (excluding Police Vehicles, Fire Vehicles, and Garagekeepers).	VI:50	Physical Damage Premium and Loss Records
January 1, 2027 (Optional January 1, 2026)	As a result of the recently approved commercial rate filing relative to the updated manual rule, policy form, and endorsement form changes for use with ceded policies effective 1-1-2027, there is a need for additional classification codes to identify changes to Rule 27 – Non Ownership Liability. The changes to non-ownership liability include different risk designations including, auto service, partnership/LLC, and all other. The new classification codes will enable the introduction of rating differentials based on detailed premium and loss experience.	VI:24-25	All
January 1, 2027	With the recently approved rate filing, there is additional coverage in the residual market for towing and labor, substitute transportation, and on-hook coverage that was previously available for voluntary business only.	VI:50	Physical Damage Premium and Loss Records

**Massachusetts Commercial Automobile  
Statistical Plan  
Part VI - Coding Section**

**CLASSIFICATION CODE**

**NON-OWNED AUTOMOBILES**

Description <u>(For Policy Effective Years 2026 and prior)</u>	Code	
	Liability	Physical Damage
<b>Non-Ownership Liability</b> (Exposure Basis: Employee Months)		
Risks with 0 – 25 Employees	660100	--
Risks with 26 – 100 Employees	660200	--
Risks with 101 – 500 Employees	660300	--
Risks with 501 – 1,000 Employees	660400	--
Risks with over 1,000 Employees	660500	--
Individual Liability of Employees (including Social Service Agency Risks)	667100	--
<b>Non-Ownership Liability</b> (Exposure Basis: Volunteer Months)		
Volunteers (Social Service Agency Risks Only)	667000	--
Individual Liability of Volunteers (Social Service Agency Risks Only)	667200	--
Volunteers (Other Than Social Service Agency Risks) (Voluntary Business Only)	667400	
Individual Liability of Volunteers (Other Than Social Service Agency Risks) (Voluntary Business Only)	667600	
<b>Hired Automobiles</b> (Exposure Basis: Cost of Hire)		
Private Passenger and Commercial Vehicles (excluding Truckers)	661100	661100
Truckers	661300	661300
Truckers – Without Hold Harmless Agreements (Voluntary Business Only)	662600	662600
Truckers – With Hold Harmless Agreements (Voluntary Business Only)	662800	662800
Public Transportation Automobiles	500000	500000
On a Minimum or an “If Any” Premium Basis	661900	--
<b>Other Non-Owned Automobiles</b>		
Drive Other Car Coverage	902000	902000
Partnership as the Named Insured – Non-Ownership Liability	700000	--
All Other	700000	700000

**Massachusetts Commercial Automobile  
Statistical Plan  
Part VI - Coding Section**

**CLASSIFICATION CODE**

**NON-OWNED AUTOMOBILES (continued)**

<b><u>Description (For Policy Effective Years 2027 and Subsequent)</u></b>	<b><u>Code</u></b>	
	<b><u>Liability</u></b>	<b><u>Physical Damage</u></b>
<b><u>Non-Ownership Liability</u></b> (Exposure Basis: <u>Employee Months</u> )		
<b><u>All Other</u></b>		
<u>Risks with 0 – 25 Employees</u>	<u>660100</u>	<u>--</u>
<u>Risks with 26 – 100 Employees</u>	<u>660200</u>	<u>--</u>
<u>Risks with 101 – 500 Employees</u>	<u>660300</u>	<u>--</u>
<u>Risks with 501 – 1,000 Employees</u>	<u>660400</u>	<u>--</u>
<u>Risks with over 1,000 Employees</u>	<u>660500</u>	<u>--</u>
<u>Individual Liability of Employees</u>	<u>667100</u>	<u>--</u>
<b><u>Auto-Service</u></b>		
<u>Risks with 0 – 25 Employees</u>	<u>663100</u>	<u>--</u>
<u>Risks with 26 – 100 Employees</u>	<u>663200</u>	<u>--</u>
<u>Risks with 101 – 500 Employees</u>	<u>663300</u>	<u>--</u>
<u>Risks with 501 – 1,000 Employees</u>	<u>663400</u>	<u>--</u>
<u>Risks with over 1,000 Employees</u>	<u>663500</u>	<u>--</u>
<u>Individual Liability of Employees</u>	<u>667300</u>	<u>--</u>
<b><u>Partnership/LLC</u></b>		
<u>Risks with 0 – 25 Employees</u>	<u>664100</u>	<u>--</u>
<u>Risks with 26 – 100 Employees</u>	<u>664200</u>	<u>--</u>
<u>Risks with 101 – 500 Employees</u>	<u>664300</u>	<u>--</u>
<u>Risks with 501 – 1,000 Employees</u>	<u>664400</u>	<u>--</u>
<u>Risks with over 1,000 Employees</u>	<u>664500</u>	<u>--</u>
<u>Individual Liability of Employees</u>	<u>667500</u>	<u>--</u>

**Massachusetts Commercial Automobile  
Statistical Plan  
Part VI - Coding Section**

**CLASSIFICATION CODE**

**NON-OWNED AUTOMOBILES (continued)**



<b><u>Description (For Policy Effective Years 2027 and Subsequent)</u></b>	<b><u>Code</u></b>	
	<b><u>Liability</u></b>	<b><u>Physical Damage</u></b>
<b><u>Non-Ownership Liability (Exposure Basis: Volunteer Months)</u></b>		
<b><u>All Other</u></b>		
<u>Volunteers</u>	667400	
<u>Individual Liability of Volunteers</u>	667600	
<b><u>Auto-Service</u></b>		
<u>Volunteers</u>	667700	
<u>Individual Liability of Volunteers</u>	667900	
<b><u>Partnership/LLC</u></b>		
<u>Volunteers</u>	667800	
<u>Individual Liability of Volunteers</u>	668000	
<b><u>Non-Ownership Liability (Exposure Basis: Partnership/LLC Months)</u></b>		
<b><u>Auto-Service</u></b>		
<u>Active or Inactive Partners or LLC Members</u>	663600	
<b><u>Partnership/LLC</u></b>		
<u>Active or Inactive Partners or LLC Members</u>	664600	
<b><u>Hired Automobiles (Exposure Basis: Cost of Hire)</u></b>		
Private Passenger and Commercial Vehicles (excluding Truckers)	661100	661100
Truckers	661300	661300
Truckers – Without Hold Harmless Agreements (Voluntary Business Only)	662600	662600
Truckers – With Hold Harmless Agreements (Voluntary Business Only)	662800	662800
Public Transportation Automobiles	500000	500000
On a Minimum or an “If Any” Premium Basis	661900	--
<b><u>Other Non-Owned Automobiles</u></b>		
Drive Other Car Coverage	902000	902000
Partnership as the Named Insured – Non-Ownership Liability	700000	--
All Other	700000	700000



**Massachusetts Commercial Automobile  
Statistical Plan  
Part VI - Coding Section**

**OTHER THAN COLLISION COVERAGE CODE (Continued)**

**MISCELLANEOUS COVERAGES**

Description	Code
Trailer Interchange Legal Liability (Class Code 993200)	050
Single Interest – Fire and Theft (Class Code 998000)	051
Single Interest – Conversion, Embezzlement or Secretion (Class Code 998000)	052
Dealers Wholesale Floor Plan (Class Code 998000)	054
Composite Rated Risks (Class Code 999000)	059
Towing and Labor Cost – \$100 per disablement • No other Comprehensive coverage afforded	080
Towing and Labor Cost – \$25 per disablement • No other Comprehensive coverage afforded	081
Towing and Labor Cost – \$50 per disablement • No other Comprehensive coverage afforded	082
Rental Reimbursement	083
Automobile Dealers False Pretense Coverage	084
★ <del>Sound Receiving and Transmitting Equipment</del> Audio, Visual, or Data Electronic Equipment (excluding Police vehicles, Fire vehicles, and Garagekeepers)	087
★ On Hook Coverage ( <del>Voluntary Business Only</del> )	088
Retrospective Rating Plan D premium adjustment only (Report Retrospective Rating Plan D premium, other than adjustments, with applicable class and coverage)	089
All Other Coverages – excluding Collision	089
★ Towing and Labor Cost – Greater Than \$100 per disablement • Must be reported as a separate record from underlying OTC coverage • Optional for policies effective 1/1/2023 – 12/31/2023. Mandatory for policies effective 1/1/2024 and subsequent ( <del>Voluntary Business Only</del> )	180
★ Roadside Assistance Coverage • Optional for policies effective 1/1/2023 – 12/31/2023. Mandatory for policies effective 1/1/2024 and subsequent ( <del>Voluntary Business Only</del> )	181