



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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RECORDS OF MEETING

AD HOC P&C INSURANCE COMMITTEE – MAY 12, 2022

Members Present

Mr. Kenneth Olivieri – Chair
Mr. Thomas DePaulo
Ms. Trudy Lawler
Mr. David McCormick

J.K. Olivieri Insurance Agency, Inc.
Cabot Risk Strategies, LLC
Michaud Insurance Agency, Inc.
McCormick & Sons Insurance Agency, Inc.

Substituted for:
N/A

Not in Attendance:
N/A

22.01 Records of Previous Meeting

The Committee unanimously voted to approve the Records of the Ad Hoc P&C Insurance Committee meeting of April 12, 2022. The Records have been distributed and are on file.

22.04 Property and Casualty Insurance Review

At its previous meeting, the Committee asked staff to reach out to a second agency, which currently writes CAR's cyber security insurance, in an attempt to secure fresh policy quotes for comparison to all of its current in-force policies. The Committee preferred to utilize that approach at the outset of its evaluation, rather than engaging in an RFP process.

The Committee's initial discussion centered around the importance of changing policy renewal dates to achieve concurrent terms for the portfolio and agreed that should be a priority for the upcoming renewal cycle. There was general discussion about CAR's cyber security insurance, with the Committee mindful of avoiding detailed discussion regarding specific policy characteristics or strategy.

Staff provided a status of its efforts to secure policy quotes from the second agency and actions taken by its current broker to provide loss runs, its own alternative quotes and to synchronize renewal dates for the entire portfolio. The Committee was advised that the second agency preferred to conduct a full risk assessment of CAR before attempting to provide policy quotes, thereby assuring that coverage recommendations and associated pricing would be more thorough and accurate. Given the short window of time preceding upcoming policy renewals and the Committee's desire to focus on securing concurrent policy renewals, that effort was not pursued at this time.

While a full risk assessment is not being performed at this time and efforts to secure concurrent policy renewal dates remain the top short-term priority, the Committee discussed the value of an annual portfolio review to identify changing coverage needs and to reassess premium levels. The Committee agreed that with certain policy types experiencing evolving market conditions, changes in underwriting guidelines and premium fluctuations, a review and risk assessment with CAR's broker should be an annual exercise. To that end, the Committee agreed that a risk assessment should be initiated early in 2023 to accommodate any changes necessary for next year's concurrent August renewal cycle. This Committee would then reconvene, if necessary, to consider the results of the risk assessment.

Following further discussion, the Committee voted unanimously to direct staff to continue working with CAR's current broker to change CAR's EPLI and Workers Compensation policy effective dates to coincide with its BOP and Umbrella renewals.

The Committee then voted unanimously to direct staff to contact the agency currently writing CAR's cyber security policy to request that it be renewed in November 2022 with the expectation that it will subsequently be rewritten to coincide with the other policy renewals in August 2023.

TIMOTHY COSTAIN
Chief of Staff

Boston, Massachusetts
May 20, 2022

ATTACHMENT LISTING

Docket #AHIC22.02, Exhibit #2

Attendance Listing

**AD HOC P & C INSURANCE COMMITTEE MEETING
MEETING ATTENDEES
MAY 12, 2022**

Individual's Name

Company / Agency

PLEASE PRINT

Kenneth Olivieri	J.K. Olivieri Insurance Agency, Inc.
Thomas DePaulo	Cabot Risk Strategies, LLC
Trudy Lawler	Michaud Insurance Agency, Inc.
David McCormick	McCormick & Sons Insurance Agency, Inc.
Benjamin Hincks	TSH & D – CAR Counsel
Steven Torres	TSH & D – CAR Counsel
Charles Boynton, III	Provider Group
Timothy Costain	CAR Staff
Steven Gautieri	CAR Staff
Robin Tigges	CAR Staff