



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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NOTICE OF MEETING

JOINT ACTUARIAL COMMERCIAL LINES COMMITTEE

A meeting of the Joint Actuarial Commercial Lines Committee will be held at the Automobile Insurers Bureau Conference Center at 101 Arch Street, 7th Floor, Boston, on

THURSDAY, AUGUST 8, 2019 AT 1:00 P.M.

MEMBERS OF THE COMMITTEE

Mr. Glenn Hiltpold – Chair
Safety Insurance Company

Ms. Sarah Clemens
Ms. Sheila Doherty
Mr. James French
Mr. Coleman Johnson
Ms. Lynellen Ramirez
Mr. Thomas Skelly, Jr.
Mr. Barry Tagen

MAPFRE U.S.A. Corporation
Doherty Insurance Agency, Inc.
Quincy Mutual Group
The Hanover Insurance Company
Arbella Insurance Group
Deland, Gibson Insurance Associates, Inc.
Pilgrim Insurance Company

AGENDA

JACL

19.01 Records of Previous Meeting

The records of the Joint Actuarial Commercial Lines Committee meeting of July 9, 2019 should be read and approved.

JACL

19.03 CAR Conflict of Interest Policy

The Chair will read a statement relative to CAR's Conflict of Interest Policy.

JACL

19.05 CAR Commercial Residual Market Rate Study

The Joint Actuarial Commercial Lines Committee will continue discussions relative to the oversight of a comprehensive study of the CAR Commercial Automobile Rating Plan. The Committee should be prepared to comment on the attached draft Request for Proposal (RFP) in order to finalize the document. The Committee should also compile a list of firms to which we should direct the RFP. (Docket #JACL19.05, Exhibit #6)

Other Business

To transact any other business that may properly come before this Committee.

Executive Session

The Joint Actuarial Commercial Lines Committee may convene in Executive Session in accordance with the provisions of G.L. c. 30A, § 21.

KATY PROCTOR
Actuarial/Statistical Analyst

Attachment

Boston, Massachusetts
July 26, 2019



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REQUEST FOR PROPOSAL

COMMERCIAL AUTOMOBILE RESIDUAL MARKET RATE STUDY

Draft - 8/8/2019

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Draft - 8/8/2019

Section 1 – Background

1.1 Description of CAR

Commonwealth Automobile Reinsurers (CAR) is the industry operated-residual market administrator and the statistical agent for motor vehicle insurance in the Commonwealth of Massachusetts. Organized in 1983 under a Plan of Operation pursuant to the directive of M.G.L.c.175 §113H (CAR's enabling statute), CAR provides access to motor vehicle insurance for those eligible risks unable to obtain coverage in the Massachusetts voluntary market. The private passenger residual market is administered as an assigned risk plan whereby applicants are assigned to Assigned Risk Companies in rotation based on a quota share formula. The commercial residual market is administered as a pooling mechanism. As such, ceded risks are written directly by the Servicing Carrier and the associated premiums, losses, and expenses are pooled. Any gain or loss resulting from the operation of the commercial pooling mechanism is passed on to the Member Companies through CAR's Settlement of Balances process.

1.2 Commercial Automobile Programs

CAR employs a specialized program to handle ceded commercial risks in order to control the size of the residual market and to establish equitable access to the residual market for all classes of commercial automobile business. The program is designed to enhance the effectiveness of loss control and underwriting practices by assigning each producer to one Servicing Carrier. The program consolidates the servicing of this business to a limited number of Servicing Carriers each appointed for a specific term. CAR contracts with two carriers to service taxi, limousine, and car service classifications, and with four carriers to service all other commercial classifications.

1.3 Current Status of Commercial Underwriting Results

During recent years, CAR has observed an increase in the volume of commercial risks ceded to the pool, and an increasing residual market deficit. Appendix 1 includes several exhibits which identify the source of the underwriting results by classification. CAR committees have recognized several factors contributing to the deteriorating results that will be addressed in upcoming rate filings. Appendix 2 provides additional information relative to these issues as itemized below.

- Operations outside of Massachusetts
 - Long distance radius classifications (zone rated risks)
 - Intermediate radius classifications
- Zone rated base rates
- Increased Limit Factors
- Large losses
- Non-Massachusetts PIP exposure
- Experience rating
- Non-fleet private passenger type classification
- Miscellaneous classifications and coverages

Section 2 – Description of Engagement

2.1 Description of Engagement

CAR is soliciting proposals for actuarial services from qualified firms for a comprehensive study of CAR's commercial residual market rating plan in order to identify all sources of rate need and to develop a blueprint to achieve rate adequacy. Note that due to restrictions set forth in CAR's enabling statute, CAR does not file a residual market rate for use in rating ceded non-fleet private passenger type classifications. The study will include a review of Servicing Carrier voluntary rates for this classification in order to evaluate the impact to the residual market.

The study will be overseen by CAR's Joint Actuarial Commercial Lines Committee (JACLC). The successful proposer will attend periodic meetings of the committee at appropriate intervals in the project in order to apprise the committee of the status of the review, discuss alternative solutions for consideration, and recommend corrective action. The successful proposer will take into account those issues identified in Appendix 2, and will identify other factors contributing additional rate need.

2.2 Project Deliverables

The successful bidder will present its report which will deliver an analysis of each of the items discussed in section 1.3, as well as any others identified during the study. The report will include the following components for each area of rate need:

- Quantify the specific rate need
- Discuss alternative approaches to address the rate need
- Recommend an optimal approach
- Identify steps required to implement the solution, i.e. manual rule amendments, long term data reporting needs, etc.
- Develop an implementation plan addressing each step

2.3 CAR's Actuarial Services Provider

CAR contracts with the Automobile Insurers Bureau of Massachusetts (AIB) to prepare its residual market rate filings. As such, the successful proposer will leverage resources of AIB and CAR staff for data needs as well as insight into the current known issues and the efforts to date to address those issues. The results of the study will be implemented by CAR through future rate filings in accordance with the recommended transition plan.

Section 3 – Engagement Schedule

3.1 Request for Proposal Distribution

September 18, 2019: CAR will distribute its request for proposal.

3.2 Pre-Response Conference

October 9, 2019: All prospective bidders will be required to attend a pre-response conference conducted by CAR staff in order to allow bidders opportunity to request further clarification of the engagement scope and request additional information as may be necessary to prepare a proposal.

3.3 Proposal Submissions Due

October 30, 2019: Bidders will submit their proposals no later than 4:00 p.m. Eastern Standard Time to Mr. Timothy Galligan, CAR Director of Actuarial & Statistical Services, at tgalligan@commauto.com.

3.3 Selection Committee Meeting(s)

November 12, 2019: The JACLC will interview responders and deliberate in order to prepare a recommendation to the Governing Committee. Additional meeting(s) will be scheduled as needed depending upon the number of proposals submitted.

3.4 Governing Committee Consideration:

November 20, 2019: The Governing Committee will consider the recommendation of the JACLC.

3.5 Commencement of Engagement

December 2, 2019: Based on direction of the Governing Committee, CAR's President will engage with the selected proposer, employing the resources of outside counsel to review contract terms. The project will then proceed in according with the schedule outlined in the successful bidder's proposal, recognizing the priority placed by CAR's Governing Committee on commercial residual market improvement.

Section 4 – General RFP Information

4.1 Security/Privacy Requirements

The successful bidder will be responsible for administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the protected information provided by CAR and/or AIB in cooperation of the study.

4.2 Costs for RFP Responses

CAR will not be responsible for any costs or expenses incurred by bidders to respond to this RFP.

CAR retains the right to cancel this RFP. If this RFP is cancelled, all responses received will be rejected. In the event of cancellation of this RFP, all expenses related to the preparation of responses to this RFP will remain the responsibility of the bidder.

4.3 Submitted Responses

CAR shall be under no obligation to return any responses or materials submitted by a bidder in response to this RFP. All materials submitted by bidders become the property of CAR, and will not be returned to the bidder.

4.4 Right of Rejection

CAR reserves the right of rejection of personnel assigned by the bidder's firm to perform any portion of CAR's engagement.

Section 5 – Submission of Responses

5.1 Additional Information Requests

Bidders may submit written inquiries via email concerning any part of this RFP to:

Mr. Timothy Galligan
Director of Actuarial and Statistical Services
tgalligan@commauto.com

5.1 Submission of Proposal

Each proposal shall include a letter of transmittal, which bears the signature of an authorized representative of the proposing firm, and designates by name not more than two individuals authorized to represent the proposing firm with binding authority.

The proposer shall provide one electronic copy of its proposal to Mr. Galligan to the email address above.

5.2 Response Deadline

The electronic copy of the proposal shall be submitted no later than the response deadline indicated in Section 3.3 of this RFP.

5.3 Proposal Content

5.3.1 Industry Knowledge

- Demonstrate the teams' understanding of residual market mechanisms.
- Describe relevant experience of the team.

5.3.2 Project Approach

- Describe the firm's proposed approach to the project, demonstrating the firm's ability to ensure a comprehensive, cost effective engagement within the specified timeline.
- Describe the team's proposed approach to leverage the resources of CAR and AIB to ensure a comprehensive, cost effective engagement within the specified timeline.
- Indicate the types of productivity tools and metrics used in the firm's project approach.
- Describe the availability of the engagement principal, identifying normal response time for telephone inquiries from the client.
- Provide additional information deemed useful by the bidder to the JALC in its selection of the firm.

5.3.3 Professional Background of Engagement Team

- Provide the name and contact information for the engagement principal.
- Provide resumes for each engagement team member.
- Describe the number of actuarial, data science, and/or statistician full time authorizations at the team's disposal for the project
- Describe the experience of the engagement team members with commercial automobile residual markets of Massachusetts as well as those of other states.
- Identify the number of years of actuarial, data science, and/or statistical modeling experience of each of the engagement team members, including an estimate of the percentage of experience working on commercial automobile issues, working on residual market issues of Massachusetts, and working of residual market issues of other states.
- Describe disciplines and experience of other individuals who will be involved in the performance of the study.
- Describe the engagements that each team member has worked on in the last year.

5.3.4 Price Quotation

- Provide fee quotations and hours by staff classification to perform the engagement. Include an estimate of out-of-pocket expenses, as well as your firm's invoicing procedures for engagements.
- Provide an explanation of what is included in the fee quotation (i.e. hours of impromptu research and consultation, business advisory support, education, etc.) In addition, provide some examples of services that would and would not accrue additional charges under the quoted fee structure.

5.3.5 References

- List references and provide contact information from engagements performed in the past year.

Section 6 – Evaluation of Responses

6.1 CAR Staff Review

CAR Staff will review the responses to identify qualified applicants for consideration by the Joint Actuarial and Commercial Lines Committee. Staff may schedule a conference call with the bidder to gather additional information or clarification, as necessary.

6.2 Joint Actuarial Commercial Lines Committee Evaluation

The JACLC will meet in October, 2019 and will conduct its review in accordance with the Open Meeting Law. Bidders will be given an opportunity to present their proposal at the meeting. The JACLC will apply the following criteria in its evaluation:

6.2.1 Qualifications and Experience

- General suitability of the bidder including size of firm and location
- Biographical summaries of the engagement team
- Relevant professional designations
- Familiarity and knowledge of residual market mechanisms
- Knowledge of national trends and techniques.
- The types of engagements successfully completed by the bidder
- Ability to produce clear, timely reports

6.2.2 Methodology and Deliverables

- Bidder's proposed approach and methodology
- Evidence that the bidder uses a comprehensive methodology which depicts a logical approach
- The manner by which the bidder achieves deliverables

6.2.3 References

- References' satisfaction with the bidder's history of work performance
- References' satisfaction with the bidders history of timely performance
- References' satisfaction with overall performance

6.2.4 Cost Competitiveness

- Bidder's price quotation together with the JACLC's evaluation of the above four criteria

6.3 Governing Committee Approval

The JACLC Chair will present the committee's recommendation to the CAR Governing Committee at its meeting scheduled for November 20, 2019.



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Commonwealth Automobile Reinsurers Commercial Automobile Rate Study RFP Appendix 1

Commercial Residual Market Results by Major Vehicle Type

The following reports are included:

1. Stat Reported Undeveloped Deficit By Vehicle Type (Exhibit #6 Page 12)
2. Loss Reserving Committee Historical Deficit By Year (Exhibit #6 Page 13)

A. Residual Market (Ceded) Profile Data

3. PDL Exposures, Exposure Based Cession Rate, Written Premium, Premium Based Cession Rate, Incurred Loss, Incurred Loss Ratio (Exhibit #6 Pages 14-16)

The reports include Industry Profile data for Policy Years 2016-2018, using statistically reported data as of December, 2018. The data is also categorized into major vehicles type groups, as follows:

<u>Vehicle Type Group</u>	<u>Class Types</u>
Regular TTT and Regular TTT – Fleet	21,23
Zone Rated TTT and Zone Rated TTT – Fleet	22,24
Commercial Buses and Commercial Buses - Fleet	32,37
Zone Rated Buses and Zone Rated Buses - Fleet	34,38
Limo/PPT Buses and Limo/PPT Buses – Fleet	35,39
Garages - Premises and Garages Not Subject to Compulsory Law	42,43
Garages Subject to Compulsory Law	41
Van Pools	33
Private Passenger Types - Non Fleet	81
Private Passenger Types – Fleet	82
Special Types and Motorcycles	51,52
Non-Owned, Special Rating and Gross Receipts and Mileage	61,62,71,72

B. Frequency and Severity Data Reports

4. Frequency By Coverage, PDL Exposure-Based, Per 100 Exposures (Pages 17-21)
5. Claim Counts and Severity By Coverage (Pages 22-26)

Frequency and Severity data is reflected for Policy Years 2016-2018, using statistically reported data as of December, 2018. The data is also categorized into major class type groups as noted above.

C. Other Data Reports

6. Exposures By Liability Limit (Pages 27-29)
7. Exposures By Class Type Group and Liability Limit (Pages 30-31)
8. Summary of Large Loss By Policy Year (Exhibit #6 Page 32)
9. Change in Large Loss By Policy Year (Exhibit #6 Page 33)

D. Rate Filing Summary Reports

10. A summary of prior year rate filings by major vehicle type (Pages 34-53)

Additional Data Specifications

Losses

Losses include ALAE and are based on statistically reported data only, with no loss development/IBNR. Incurred losses include paid losses plus reported loss reserves.

Exposures

Exposures are shown on a per car basis, as the number of car years. A car year is equivalent to one car insured for twelve months.

Cession Rate

Cession Rate = Ceded Data / Total Market Data. Cession Rate is provided using PDL exposures and Written Premium by class type group/policy year.

Claim Counts

The Commercial Statistical Plan requires companies to report separate claim-ids for individual claimants involved in one accident. Therefore, the derived claim count will assign separate claim counts for each of the claimants.

Commonwealth Automobile Reinsurers
Unprojected Deficit By Policy Year (Reported Data Only)
Data Through December, 2018

<u>ClsTyp</u>	<u>Description</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
21	TTT	2,561,067	4,716,696	1,345,952	4,030,074	12,999,038
22	ZONE RATED TTT	706,105	1,302,685	(422,797)	(837,989)	2,615,963
23	TTT - FLEET	(73,988)	(17,687)	1,861,969	2,841,363	2,362,413
24	ZONE RATED TTT - FLEET	1,433,148	1,258,093	110,257	1,586,396	3,667,925
28	LIMOUSINES	482,629	122,582	705,286	36,091	896,057
29	LIMOUSINES - FLEET	(402,683)	(57,747)	(1,639,820)	(711,958)	643,700
31	TAXIS	847,000	1,240,142	568,145	520,178	527,435
32	COMMERCIAL BUSES	1,289,555	1,663,035	456,019	1,738,408	2,519,247
33	VAN POOLS	(19,624)	46,591	81,342	(83,281)	507,977
34	ZONE RATED BUSES	(2,406,484)	(5,817,168)	531,485	(1,391,735)	524,045
35	LIMOUSINES AND PPT BUSES	(689,849)	(1,463,728)	(1,264,760)	426,261	657,776
36	TAXIS - FLEET	(44,813)	373,616	244,278	460,159	(153,655)
37	COMMERCIAL BUSES - FLEET	1,838,410	2,025,542	(15,511,001)	3,795,717	7,202,917
38	ZONE RATED BUSES - FLEET	(336,768)	(7,762,582)	(4,780,739)	967,604	(7,456,935)
39	LIMOUSINES AND PPT BUSES - FLEET	(535,832)	(2,221,026)	(524,034)	262,323	2,830,983
41	GARAGES SUBJECT TO COMPULSORY LAW	(601,285)	658,577	(3,467,359)	(563,425)	4,031,998
42	GARAGES - PREMISES	(226,377)	(270,854)	55,288	49,679	(137,861)
51	SPECIAL TYPES	760,480	2,523,188	2,398,172	2,485,796	2,221,501
52	COMMERCIAL MOTORCYCLES	55,048	(17,081)	32,056	1,273	56,115
61	NON-OWNED	(1,468,091)	(5,514,944)	(1,122,432)	(684,216)	681,355
62	NON-OWNED	(1,605,389)	65,454	(1,756,405)	141,712	877,138
71	SPECIAL RATING AND ADJUSTMENT	882,227	(596,305)	1,126,767	8,676	14,733
81	PPT	(8,750,294)	(12,074,094)	(10,967,569)	(10,989,477)	(6,677,605)
82	PPT - FLEET	661,349	(297,285)	(1,239,319)	745,162	928,148
Total		(5,644,460)	(20,114,300)	(33,179,222)	4,834,792	32,340,408

Deficit = Written Premium - ((Undeveloped Losses / (Earned Premium * Written Premium)) - Expenses

As of 3Q 2018	(5,299,215)	(21,056,821)	(28,530,760)	10,703,733	24,692,923
LRC as of Dec, 2018	(6,639,000)	(25,494,000)	(48,728,000)	(33,430,000)	(35,658,000)

COMMONWEALTH AUTOMOBILE REINSURERS
Post-Meeting Ultimate Underwriting Results Deficits (\$000s)
Through Quarter Ending December, 2018

*****Other Than Private Passenger*****

	PY 2014		PY 2015		PY 2016		PY 2017		PY 2018	
	<u>Deficit</u>	<u>Loss Ratio</u>	<u>Deficit</u>	<u>Loss Ratio</u>	<u>Deficit</u>	<u>Loss Ratio</u>	<u>Deficit</u>	<u>Loss Ratio</u>	<u>Deficit</u>	<u>Loss Ratio</u>
Valued as of:										
September 30, 2014	4,026	76.6%								
December 31, 2014	7,674	79.4%								
March 31, 2015	10,352	81.5%								
June 30, 2015	8,946	80.4%								
September 30, 2015	8,380	80.4%	10,391	81.2%						
December 31, 2015	11,459	82.8%	7,695	79.5%						
March 31, 2016	12,088	83.3%	7,898	79.6%						
June 30, 2016	10,935	82.4%	4,849	77.6%						
September 30, 2016	11,189	82.6%	10,743	81.5%	30,748	92.5%				
December 31, 2016	10,415	82.0%	11,817	82.2%	29,868	91.9%				
March 31, 2017	9,635	81.4%	13,635	83.4%	30,232	92.3%				
June 30, 2017	11,064	82.5%	13,484	83.3%	33,096	94.0%				
September 30, 2017	11,851	83.1%	13,636	83.4%	35,066	95.2%	27,678	90.2%		
December 31, 2017	12,152	83.4%	13,939	83.6%	41,605	99.1%	31,434	92.2%		
March 31, 2018	8,646	80.6%	17,867	86.2%	42,814	99.8%	34,618	93.9%		
June 30, 2018	7,642	79.8%	25,362	91.1%	47,040	102.3%	39,945	96.8%		
September 30, 2018	6,355	78.8%	27,756	92.7%	49,055	103.5%	33,410	93.4%	39,316	96.3%
December 31, 2018	6,639	79.0%	25,494	91.2%	48,728	103.3%	33,430	93.4%	35,658	94.2%

PDL Exposures

Class Type Group	2016	2017	2018
Regular TTT and Regular TTT - Fleet	20,017	21,415	23,621
Zone Rated TTT and Zone Rated TTT - Fleet	3,011	3,427	3,861
Commercial Buses and Commercial Buses - Fleet	3,362	4,052	3,918
Zone Rated Buses and Zone Rated Buses - Fleet	891	1,176	1,185
Limo/PPT Buses and Limo/PPT Buses - Fleet	4,406	4,496	4,543
Garages - Premises and Garages Not Subject to Compulsory Law *	0	0	0
Garages Subject to Compulsory Law	3,397	3,476	3,542
Van Pools	154	166	199
Private Passenger Types - Non Fleet	14,435	12,305	10,751
Private Passenger Types - Fleet	1,269	1,271	1,367
Special Types and Motorcycles	2,135	2,063	2,112
Non-Owned, Special Rating and Gross Receipts and Mileage*	0	0	0
Total	53,078	53,846	55,099

Exposure Based Cession Rate

Class Type Group	2016	2017	2018
Regular TTT and Regular TTT - Fleet	7.90%	8.30%	8.70%
Zone Rated TTT and Zone Rated TTT - Fleet	85.70%	90.20%	92.70%
Commercial Buses and Commercial Buses - Fleet	32.70%	35.50%	33.90%
Zone Rated Buses and Zone Rated Buses - Fleet	95.30%	96.60%	95.40%
Limo/PPT Buses and Limo/PPT Buses - Fleet	38.30%	40.90%	41.50%
Garages - Premises and Garages Not Subject to Compulsory Law *	0.00%	0.00%	0.00%
Garages Subject to Compulsory Law	25.60%	23.80%	47.60%
Van Pools	70.20%	81.50%	83.30%
Private Passenger Types - Non Fleet	28.70%	26.60%	23.90%
Private Passenger Types - Fleet	5.20%	5.20%	5.50%
Special Types and Motorcycles	6.70%	7.50%	8.20%
Non-Owned, Special Rating and Gross Receipts and Mileage*	0.00%	0.00%	0.00%
Total	13.30%	13.50%	13.70%

Written Premium

Class Type Group	2016	2017	2018
Regular TTT and Regular TTT - Fleet	58,281,534	67,790,995	79,211,737
Zone Rated TTT and Zone Rated TTT - Fleet	14,414,199	16,571,772	19,288,012
Commercial Buses and Commercial Buses - Fleet	15,702,210	17,861,586	18,639,473
Zone Rated Buses and Zone Rated Buses - Fleet	7,024,688	9,464,608	10,632,533
Limo/PPT Buses and Limo/PPT Buses - Fleet	14,991,513	15,916,019	18,229,964
Garages - Premises and Garages Not Subject to Compulsory Law	100,652	79,596	78,768
Garages Subject to Compulsory Law	9,872,386	10,092,094	11,123,022
Van Pools	647,539	734,758	839,203
Private Passenger Types - Non Fleet	20,207,609	19,352,834	18,353,029
Private Passenger Types - Fleet	3,348,608	3,557,172	4,529,954
Special Types and Motorcycles	7,270,867	6,657,823	7,374,195
Non-Owned, Special Rating and Gross Receipts and Mileage	7,121,420	3,498,497	3,728,354
Total	158,983,225	171,577,754	192,028,244

Premium Based Cession Rate

Class Type Group	2016	2017	2018
Regular TTT and Regular TTT - Fleet	15.60%	16.80%	18.40%
Zone Rated TTT and Zone Rated TTT - Fleet	84.20%	88.20%	91.90%
Commercial Buses and Commercial Buses - Fleet	45.50%	48.00%	48.80%
Zone Rated Buses and Zone Rated Buses - Fleet	95.10%	96.90%	95.60%
Limo/PPT Buses and Limo/PPT Buses - Fleet	46.30%	50.30%	52.90%
Garages - Premises and Garages Not Subject to Compulsory Law	4.50%	3.20%	3.20%
Garages Subject to Compulsory Law	27.60%	27.40%	28.00%
Van Pools	72.80%	80.60%	83.60%
Private Passenger Types - Non Fleet	28.60%	27.00%	24.90%
Private Passenger Types - Fleet	8.90%	8.90%	10.70%
Special Types and Motorcycles	20.50%	18.90%	20.30%
Non-Owned, Special Rating and Gross Receipts and Mileage	5.80%	2.60%	2.80%
Total	20.60%	20.90%	22.20%

Statistically Reported Incurred Losses at December, 2018 (No IBNR or Loss Development)

Class Type Group	2016	2017	2018
Regular TTT and Regular TTT - Fleet	40,211,797	44,039,600	21,525,144
Zone Rated TTT and Zone Rated TTT - Fleet	11,051,119	11,696,994	4,038,810
Commercial Buses and Commercial Buses - Fleet	26,753,129	7,879,926	1,817,339
Zone Rated Buses and Zone Rated Buses - Fleet	9,482,646	7,532,051	8,029,669
Limo/PPT Buses and Limo/PPT Buses - Fleet	12,957,471	11,264,347	4,302,714
Garages - Premises and Garages Not Subject to Compulsory Law	19,698	10,098	106,545
Garages Subject to Compulsory Law	10,822,287	8,151,295	2,341,060
Van Pools	401,075	635,084	68,552
Private Passenger Types - Non Fleet	26,022,238	25,523,455	11,128,086
Private Passenger Types - Fleet	3,734,032	1,926,274	1,066,838
Special Types and Motorcycles	2,986,568	2,512,956	1,666,775
Non-Owned, Special Rating and Gross Receipts and Mileage	7,057,529	3,161,199	910,293
Total	151,499,589	124,333,279	57,001,825

Incurred Loss Ratio at December, 2018 (No IBNR or Loss Development)

Class Type Group	2016	2017	2018
Regular TTT and Regular TTT - Fleet	69.00%	64.96%	56.40%
Zone Rated TTT and Zone Rated TTT - Fleet	76.67%	70.58%	43.77%
Commercial Buses and Commercial Buses - Fleet	170.38%	44.12%	23.30%
Zone Rated Buses and Zone Rated Buses - Fleet	134.99%	79.58%	139.05%
Limo/PPT Buses and Limo/PPT Buses - Fleet	86.43%	70.77%	57.14%
Garages - Premises and Garages Not Subject to Compulsory Law	19.57%	12.69%	251.21%
Garages Subject to Compulsory Law	109.62%	80.77%	39.95%
Van Pools	61.94%	86.43%	15.67%
Private Passenger Types - Non Fleet	128.77%	131.88%	112.59%
Private Passenger Types - Fleet	111.51%	54.15%	55.72%
Special Types and Motorcycles	41.08%	37.74%	45.22%
Non-Owned, Special Rating and Gross Receipts and Mileage	99.10%	90.36%	40.74%
Total	95.29%	72.46%	61.59%

Bodily Injury Frequency (Claim Count / Exposure) per 100

Industry	Earned Exposure @ Dec, 2018					Incurred Claim Counts					Frequency (Claims/Exposure)				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
1 TTT (Fleet and Non-Fleet)	16,253	18,068	20,022	21,420	11,604	449	508	562	624	347	2.76	2.81	2.81	2.91	2.99
2 TTT Zone Rated	2,790	2,995	3,011	3,427	1,903	98	97	111	112	56	3.51	3.24	3.69	3.27	2.94
4 Limo/PPT Buses	2,877	3,745	4,407	4,496	1,885	243	337	382	302	141	8.45	9.00	8.67	6.72	7.48
5 Garage Premises	-	-	-	-	-	5	6	1	-	1	-	-	-	-	-
6 Special Types and Motorcycles	2,497	2,526	2,425	2,507	1,366	92	88	72	61	35	3.68	3.48	2.97	2.43	2.56
7 PPT NF	10,563	13,061	14,435	12,305	5,869	416	550	555	537	190	3.94	4.21	3.84	4.36	3.24
8 PPT Fleet	1,053	1,027	1,260	1,271	603	20	40	39	42	23	1.90	3.90	3.10	3.30	3.81
9 Non-Owned, Special Rating	-	-	-	-	-	75	80	75	47	29	-	-	-	-	-
13 Zone Rated Buses	630	808	891	1,176	655	73	162	126	126	68	11.58	20.06	14.13	10.72	10.39
14 Garage Subject to Compulsory Law	3,257	3,295	3,421	3,477	1,899	101	93	126	116	50	3.10	2.82	3.68	3.34	2.63
16 Commercial Buses	3,146	3,173	3,362	4,052	1,505	172	163	174	178	41	5.47	5.14	5.17	4.39	2.72
17 Van Pools	170	138	154	166	98	15	12	14	13	1	8.81	8.70	9.12	7.84	1.02
Total Industry	43,238	48,835	53,388	54,297	27,386	1,759	2,136	2,237	2,158	982	4.07	4.37	4.19	3.97	3.59

Property Damage Liability Frequency (Claim Count / Exposure) per 100

Industry	Earned Exposure @ Dec, 2018					Incurred Claim Counts					Frequency (Claims/Exposure)				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
1 TTT (Fleet and Non-Fleet)	16,190	18,107	20,017	21,415	11,567	2,281	2,464	2,622	2,991	1,463	14.09	13.61	13.10	13.97	12.65
2 TTT Zone Rated	2,790	2,996	3,011	3,427	1,908	411	432	427	461	233	14.73	14.42	14.18	13.45	12.21
4 Limo/PPT Buses	2,875	3,744	4,406	4,496	1,886	580	745	948	797	373	20.18	19.90	21.52	17.73	19.77
5 Garage Premises	-	-	-	-	-	5	5	2	2	1	-	-	-	-	-
6 Special Types and Motorcycles	2,174	2,210	2,135	2,063	1,060	293	262	238	192	99	13.47	11.85	11.15	9.31	9.34
7 PPT NF	10,559	13,057	14,435	12,305	5,871	1,290	1,643	1,754	1,687	730	12.22	12.58	12.15	13.71	12.43
8 PPT Fleet	1,053	1,028	1,269	1,271	605	92	123	131	122	46	8.73	11.96	10.32	9.60	7.60
9 Non-Owned, Special Rating	-	-	-	-	-	297	238	279	171	99	-	-	-	-	-
13 Zone Rated Buses	630	808	891	1,176	655	126	199	202	254	116	19.99	24.64	22.66	21.61	17.72
14 Garage Subject to Compulsory Law	3,242	3,293	3,397	3,476	1,903	439	384	337	436	189	13.54	11.66	9.92	12.54	9.93
16 Commercial Buses	3,145	3,173	3,362	4,052	1,507	545	496	502	565	174	17.33	15.63	14.93	13.94	11.55
17 Van Pools	169	138	154	166	99	19	28	29	33	11	11.23	20.29	18.88	19.89	11.07
Total Industry	42,829	48,555	53,078	53,846	27,061	6,378	7,019	7,471	7,711	3,534	14.89	14.46	14.08	14.32	13.06

PIP Frequency (Claim Count / Exposure) per 100

Industry	Earned Exposure @ Dec, 2018					Incurred Claim Counts					Frequency (Claims/Exposure)				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
1 TTT (Fleet and Non-Fleet)	16,224	18,114	20,028	21,430	11,555	62	70	79	110	87	0.38	0.39	0.39	0.51	0.75
2 TTT Zone Rated	2,789	2,998	3,010	3,434	1,907	14	9	16	12	13	0.50	0.30	0.53	0.35	0.68
4 Limo/PPT Buses	2,884	3,746	4,406	4,477	1,868	150	197	234	235	136	5.20	5.26	5.31	5.25	7.28
5 Garage Premises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Special Types and Motorcycles	2,499	2,521	2,441	2,497	1,367	26	27	30	29	31	1.04	1.07	1.23	1.16	2.27
7 PPT NF	10,571	13,064	14,443	12,307	5,869	202	255	309	293	235	1.91	1.95	2.14	2.38	4.00
8 PPT Fleet	1,055	1,028	1,270	1,274	605	3	19	17	17	11	0.28	1.85	1.34	1.33	1.82
9 Non-Owned, Special Rating	-	-	-	-	-	12	17	13	-	1	-	-	-	-	-
13 Zone Rated Buses	630	808	892	1,176	655	28	133	50	98	57	4.44	16.46	5.60	8.34	8.71
14 Garage Subject to Compulsory Law	3,261	3,273	3,375	3,487	1,886	17	29	29	38	12	0.52	0.89	0.86	1.09	0.64
16 Commercial Buses	3,146	3,173	3,362	4,053	1,497	121	88	98	125	59	3.85	2.77	2.91	3.08	3.94
17 Van Pools	171	138	154	166	99	13	3	3	8	3	7.59	2.17	1.95	4.82	3.02
Total Industry	43,230	48,862	53,382	54,301	27,308	648	847	878	965	645	1.50	1.73	1.64	1.78	2.36

Collision Frequency (Claim Count / Exposure) per 100

Industry	Earned Exposure @ Dec, 2018					Paid Claim Counts					Frequency (Claims/Exposure)				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
1 TTT (Fleet and Non-Fleet)	11,842	13,260	14,865	16,174	8,886	860	955	1,119	1,198	589	7.26	7.20	7.53	7.41	6.63
2 TTT Zone Rated	1,920	2,112	2,112	2,552	1,400	125	145	144	188	121	6.51	6.86	6.82	7.37	8.64
4 Limo/PPT Buses	2,014	2,579	3,104	3,275	1,322	425	575	669	517	230	21.10	22.30	21.56	15.78	17.40
5 Garage Premises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Special Types and Motorcycles	1,329	1,318	1,217	1,214	581	164	161	130	119	61	12.34	12.22	10.68	9.80	10.49
7 PPT NF	7,826	10,039	11,386	10,018	4,795	1,511	2,086	2,383	2,173	940	19.31	20.78	20.93	21.69	19.60
8 PPT Fleet	892	864	1,010	1,043	495	88	111	102	122	40	9.86	12.85	10.10	11.70	8.09
9 Non-Owned, Special Rating	-	-	-	-	-	114	116	83	30	8	-	-	-	-	-
13 Zone Rated Buses	480	646	683	940	513	25	39	36	44	15	5.21	6.03	5.27	4.68	2.93
14 Garage Subject to Compulsory Law	-	-	-	-	-	175	314	240	643	269	-	-	-	-	-
16 Commercial Buses	2,424	2,369	2,664	3,408	1,163	140	136	183	202	57	5.77	5.74	6.87	5.93	4.90
17 Van Pools	158	126	136	146	89	5	15	21	13	5	3.17	11.93	15.40	8.90	5.62
Total Industry	28,887	33,312	37,177	38,770	19,244	3,632	4,653	5,110	5,249	2,335	12.57	13.97	13.75	13.54	12.13

Other Than Collision Frequency (Claim Count / Exposure) per 100

Industry	Earned Exposure @ Dec, 2018					Paid Claim Counts					Frequency (Claims/Exposure)				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
1 TTT (Fleet and Non-Fleet)	12,790	14,261	15,915	17,324	9,476	2,099	2,093	2,175	2,189	919	16.41	14.68	13.67	12.64	9.70
2 TTT Zone Rated	1,985	2,159	2,146	2,586	1,431	280	304	260	305	105	14.11	14.08	12.12	11.79	7.34
4 Limo/PPT Buses	2,130	2,708	3,228	3,445	1,394	359	447	478	512	197	16.85	16.51	14.81	14.86	14.13
5 Garage Premises*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Special Types and Motorcycles	1,406	1,389	1,333	1,323	656	200	164	127	118	40	14.22	11.80	9.53	8.92	6.10
7 PPT NF	8,109	10,327	11,637	10,231	4,902	1,821	2,490	2,590	2,279	898	22.46	24.11	22.26	22.28	18.32
8 PPT Fleet	918	885	1,039	1,104	530	126	126	118	153	38	13.72	14.23	11.35	13.85	7.17
9 Non-Owned, Special Rating*	-	-	-	-	-	30	12	18	7	2	-	-	-	-	-
13 Zone Rated Buses	595	736	771	1,054	568	58	49	38	32	27	9.74	6.66	4.93	3.04	4.76
14 Garage Subject to Compulsory Law	-	-	-	-	-	1,078	1,057	1,040	705	160	-	-	-	-	-
16 Commercial Buses	2,610	2,569	2,827	3,601	1,261	260	234	227	248	70	9.96	9.11	8.03	6.89	5.55
17 Van Pools	168	136	147	158	93	35	26	39	37	19	20.85	19.06	26.55	23.39	20.47
Total Industry	30,712	35,172	39,043	40,826	20,309	6,346	7,002	7,110	6,585	2,475	20.66	19.91	18.21	16.13	12.19

Bodily Injury Severity (Incurred Losses / Claim Count)

Industry	Incurred Losses @ Dec, 2018					Incurred Claim Counts					Severity (Losses / Claims)				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
1 TTT (Fleet and Non-Fleet)	10,964,232	13,170,632	16,570,315	16,589,768	7,867,804	449	508	562	624	347	24,419	25,926	29,485	26,586	22,674
2 TTT Zone Rated	2,776,244	3,351,798	5,024,771	4,976,353	766,673	98	97	111	112	56	28,329	34,555	45,268	44,432	13,691
4 Limo/PPT Buses	3,526,997	6,853,109	6,251,803	5,180,927	1,731,617	243	337	382	302	141	14,514	20,336	16,366	17,155	12,281
5 Garage Premises	239,099	322,451	15,815	-	103,000	5	6	1	-	1	47,820	53,742	15,815	-	103,000
6 Special Types and Motorcycles	2,331,396	1,374,335	1,302,654	1,344,496	706,283	92	88	72	61	35	25,341	15,617	18,092	22,041	20,180
7 PPT NF	6,261,725	6,282,043	6,208,574	5,494,958	2,338,660	416	550	555	537	190	15,052	11,422	11,187	10,233	12,309
8 PPT Fleet	352,953	448,525	2,565,289	531,960	629,714	20	40	39	42	23	17,648	11,213	65,777	12,666	27,379
9 Non-Owned, Special Rating	4,659,954	8,417,805	5,294,124	2,148,236	484,934	75	80	75	47	29	62,133	105,223	70,588	45,707	16,722
13 Zone Rated Buses	5,297,463	15,980,520	6,968,460	4,470,318	6,584,384	73	162	126	126	68	72,568	98,645	55,305	35,479	96,829
14 Garage Subject to Compulsory Law	3,244,252	2,333,108	6,150,726	3,186,130	566,997	101	93	126	116	50	32,121	25,087	48,815	27,467	11,340
16 Commercial Buses	3,842,215	4,019,976	22,500,007	4,405,787	793,367	172	163	174	178	41	22,338	24,662	129,310	24,752	19,350
17 Van Pools	301,681	237,242	173,564	389,025	4,500	15	12	14	13	1	20,112	19,770	12,397	29,925	4,500
Total Industry	43,798,211	62,791,544	79,026,102	48,717,958	22,577,933	1,759	2,136	2,237	2,158	982	24,899	29,397	35,327	22,576	22,992

Property Damage Liability Severity (Incurred Losses / Claim Count)

Industry	Incurred Losses @ Dec, 2018					Incurred Claim Counts					Severity (Losses / Claims)				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
1 TTT (Fleet and Non-Fleet)	9,314,774	10,188,268	11,949,672	13,686,515	6,602,378	2,281	2,464	2,622	2,991	1,463	4,084	4,135	4,557	4,576	4,513
2 TTT Zone Rated	2,010,975	2,249,203	3,046,790	3,422,881	1,204,345	411	432	427	461	233	4,893	5,206	7,135	7,425	5,169
4 Limo/PPT Buses	1,793,386	2,448,485	3,113,858	2,654,205	1,078,886	580	745	948	797	373	3,092	3,287	3,285	3,330	2,892
5 Garage Premises	47,575	11,422	3,883	10,098	3,545	5	5	2	2	1	9,515	2,284	1,942	5,049	3,545
6 Special Types and Motorcycles	953,951	986,737	816,728	572,927	540,263	293	262	238	192	99	3,256	3,766	3,432	2,984	5,457
7 PPT NF	4,483,724	6,295,451	6,192,575	6,228,017	2,523,070	1,290	1,643	1,754	1,687	730	3,476	3,832	3,531	3,692	3,456
8 PPT Fleet	307,096	545,060	512,783	489,179	171,076	92	123	131	122	46	3,338	4,431	3,914	4,010	3,719
9 Non-Owned, Special Rating	1,048,387	941,052	891,302	672,454	295,724	297	238	279	171	99	3,530	3,954	3,195	3,932	2,987
13 Zone Rated Buses	406,600	731,932	1,114,861	972,940	387,616	126	199	202	254	116	3,227	3,678	5,519	3,830	3,342
14 Garage Subject to Compulsory Law	1,797,799	1,573,733	1,604,469	1,914,721	717,791	439	384	337	436	189	4,095	4,098	4,761	4,392	3,798
16 Commercial Buses	1,461,497	1,379,743	1,866,919	1,678,576	486,544	545	496	502	565	174	2,682	2,782	3,719	2,971	2,796
17 Van Pools	35,102	93,298	130,474	125,760	29,302	19	28	29	33	11	1,847	3,332	4,499	3,811	2,664
Total Industry	23,660,866	27,444,384	31,244,314	32,428,273	14,040,540	6,378	7,019	7,471	7,711	3,534	3,710	3,910	4,182	4,205	3,973

PIP Severity (Incurred Losses / Claim Count)

Industry	Incurred Losses @ Dec, 2018					Incurred Claim Counts					Severity (Losses / Claims)				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
1 TTT (Fleet and Non-Fleet)	357,043	374,943	349,612	521,966	340,416	62	70	79	110	87	5,759	5,356	4,425	4,745	3,913
2 TTT Zone Rated	104,726	60,614	93,759	43,711	45,056	14	9	16	12	13	7,480	6,735	5,860	3,643	3,466
4 Limo/PPT Buses	629,617	887,233	1,008,329	1,128,818	489,513	150	197	234	235	136	4,197	4,504	4,309	4,803	3,599
5 Garage Premises											-	-	-	-	-
6 Special Types and Motorcycles	107,532	112,788	157,176	124,173	128,087	26	27	30	29	31	4,136	4,177	5,239	4,282	4,132
7 PPT NF	937,066	1,130,795	1,407,007	1,225,887	900,661	202	255	309	293	235	4,639	4,434	4,553	4,184	3,833
8 PPT Fleet	21,703	64,607	109,998	65,595	25,933	3	19	17	17	11	7,234	3,400	6,470	3,859	2,358
9 Non-Owned, Special Rating	39,227	51,446	76,129	8,167		12	17	13		1	3,269	3,026	5,856	-	8,167
13 Zone Rated Buses	371,165	857,996	471,875	759,157	372,726	28	133	50	98	57	13,256	6,451	9,438	7,747	6,539
14 Garage Subject to Compulsory Law	72,931	121,851	146,173	197,219	54,725	17	29	29	38	12	4,290	4,202	5,040	5,190	4,560
16 Commercial Buses	473,234	532,609	701,100	491,836	186,470	121	88	98	125	59	3,911	6,052	7,154	3,935	3,161
17 Van Pools	54,755	20,704	22,967	36,851	13,149	13	3	3	8	3	4,212	6,901	7,656	4,606	4,383
Total Industry	3,168,999	4,215,586	4,544,125	4,595,213	2,564,903	648	847	878	965	645	4,890	4,977	5,176	4,762	3,977

Collision Severity (Paid Losses / Claim Count)

Industry	Paid Losses @ Dec, 2018					Paid Claim Counts					Severity (Losses / Claims)				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
1 TTT (Fleet and Non-Fleet)	5,586,923	7,377,090	8,877,952	10,304,504	5,244,349	860	955	1,119	1,198	589	6,496	7,725	7,934	8,601	8,904
2 TTT Zone Rated	1,772,779	2,010,902	2,058,880	2,680,251	1,680,976	125	145	144	188	121	14,182	13,868	14,298	14,257	13,892
4 Limo/PPT Buses	1,127,353	1,949,461	2,238,642	1,843,432	846,372	425	575	669	517	230	2,653	3,390	3,346	3,566	3,680
5 Garage Premises											-	-	-	-	-
6 Special Types and Motorcycles	576,548	568,050	562,033	354,895	269,295	164	161	130	119	61	3,516	3,528	4,323	2,982	4,415
7 PPT NF	5,509,558	8,751,375	9,642,013	9,922,805	4,351,068	1,511	2,086	2,383	2,173	940	3,646	4,195	4,046	4,566	4,629
8 PPT Fleet	371,962	1,056,684	417,267	662,344	200,093	88	111	102	122	40	4,227	9,520	4,091	5,429	5,002
9 Non-Owned, Special Rating	360,218	636,758	720,474	294,986	119,768	114	116	83	30	8	3,160	5,489	8,680	9,833	14,971
13 Zone Rated Buses	165,945	588,501	460,876	671,910	140,735	25	39	36	44	15	6,638	15,090	12,802	15,271	9,382
14 Garage Subject to Compulsory Law	622,782	724,082	946,429	1,419,464	662,278	175	314	240	643	269	3,559	2,306	3,943	2,208	2,462
16 Commercial Buses	639,679	657,311	1,456,763	1,148,784	287,489	140	136	183	202	57	4,569	4,833	7,960	5,687	5,044
17 Van Pools	49,692	54,713	53,794	28,482	9,254	5	15	21	13	5	9,938	3,648	2,562	2,191	1,851
Total Industry	16,783,439	24,374,927	27,435,123	29,331,857	13,811,677	3,632	4,653	5,110	5,249	2,335	4,621	5,239	5,369	5,588	5,915

Other Than Collision Severity (Paid Losses / Claim Count)

Industry	Paid Losses @ Dec, 2018					Paid Claim Counts					Severity (Losses / Claims)				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
1 TTT (Fleet and Non-Fleet)	1,964,446	1,815,727	2,464,270	2,936,847	1,470,197	2,099	2,093	2,175	2,189	919	936	868	1,133	1,342	1,600
2 TTT Zone Rated	374,693	556,459	826,919	573,798	341,760	280	304	260	305	105	1,338	1,830	3,180	1,881	3,255
4 Limo/PPT Buses	280,576	309,978	344,839	456,965	156,326	359	447	478	512	197	782	693	721	893	794
5 Garage Premises											-	-	-	-	-
6 Special Types and Motorcycles	116,502	81,649	147,977	116,465	22,847	200	164	127	118	40	583	498	1,165	987	571
7 PPT NF	1,695,352	2,616,940	2,572,069	2,651,788	1,014,627	1,821	2,490	2,590	2,279	898	931	1,051	993	1,164	1,130
8 PPT Fleet	197,962	132,846	128,695	177,196	40,022	126	126	118	153	38	1,571	1,054	1,091	1,158	1,053
9 Non-Owned, Special Rating	204,362	105,459	75,500	45,523	1,700	30	12	18	7	2	6,812	8,788	4,194	6,503	850
13 Zone Rated Buses	148,799	315,004	466,574	657,726	544,208	58	49	38	32	27	2,566	6,429	12,278	20,554	20,156
14 Garage Subject to Compulsory Law	1,984,488	1,800,552	1,974,490	1,425,054	339,269	1,078	1,057	1,040	705	160	1,841	1,703	1,899	2,021	2,120
16 Commercial Buses	178,890	400,261	228,340	154,943	63,469	260	234	227	248	70	688	1,711	1,006	625	907
17 Van Pools	21,130	16,427	20,276	54,966	12,347	35	26	39	37	19	604	632	520	1,486	650
Total Industry	7,167,200	8,151,302	9,249,949	9,251,271	4,006,772	6,346	7,002	7,110	6,585	2,475	1,129	1,164	1,301	1,405	1,619

**Commonwealth Automobile Reinsurers
Commercial Servicing Carrier Exposure Distribution By Liability Limit Code
Policy Year 2018 Reported Through 12/2018 MAS**

Combined Single Limit - Liability	Industry	
	Exposure	Percent
\$45,000	6	0.02%
\$50,000	6	0.02%
\$75,000	0	0.00%
\$100,000	149	0.47%
\$150,000	0	0.00%
\$200,000	11	0.03%
\$250,000	16	0.05%
\$300,000	193	0.61%
\$400,000	1	0.00%
\$500,000	1,193	3.74%
\$750,000	264	0.83%
\$1,000,000	26,147	81.97%
\$1,500,000	901	2.82%
\$2,000,000	0	0.00%
\$2,500,000	0	0.00%
\$3,000,000	0	0.00%
\$5,000,000	3,011	9.44%
\$7,500,000	0	0.00%
\$10,000,000	0	0.00%
\$15,000,000	0	0.00%
\$20,000,000	0	0.00%
\$30,000,000	0	0.00%
\$50,000,000	0	0.00%
Invalid	0	0.00%
Total	31,898	

Bodily Injury - Split Limit	Industry	
	Exposure	Percent
20/40	46	0.18%
20/40	7,867	30.86%
20/50	1,524	5.98%
25/50	1,115	4.37%
25/60	18	0.07%
30/70	1	0.00%
35/80	562	2.20%
50/100	3,564	13.98%
100/300	6,830	26.79%
250/500	2,968	11.64%
500/500	169	0.66%
500/1000	327	1.28%
1000/1000	373	1.46%
All Other	130	0.51%
Invalid	0	0.00%
Total	25,494	

**Commonwealth Automobile Reinsurers
Commercial Servicing Carrier Exposure Distribution By Liability Limit Code
Policy Year 2018 Reported Through 12/2018 MAS**

	<u>Industry</u>	
Property Damage Liability - Split Limit	Exposure	Percent
\$5,000	503	1.97%
\$10,000	57	0.22%
\$15,000	7	0.03%
\$25,000	211	0.83%
\$35,000	4	0.02%
\$50,000	1,574	6.18%
\$100,000	20,263	79.55%
\$250,000	2,238	8.79%
\$500,000	320	1.26%
\$750,000	4	0.02%
\$1,000,000	17	0.07%
Property Damage Deductible	0	0.00%
All Other	274	1.08%
Invalid	0	0.00%
Total	25,472	

	<u>Industry</u>	
Med Pay Limit	Exposure	Percent
\$500	0	0.00%
\$750	0	0.00%
\$1,000	13	0.04%
\$2,000	10	0.03%
\$5,000	30,041	81.83%
\$10,000	4,496	12.25%
\$15,000	54	0.15%
\$20,000	318	0.87%
\$25,000	1,779	4.85%
\$50,000	0	0.00%
\$100,000	0	0.00%
Invalid	0	0.00%
Total	36,711	

**Commonwealth Automobile Reinsurers
Commercial Servicing Carrier Exposure Distribution By Liability Limit Code
Policy Year 2018 Reported Through 12/2018 MAS**

	<u>Industry</u>	
Uninsured Limit	Exposure	Percent
20/40	25,220	43.89%
20/50	1,613	2.81%
25/50	1,699	2.96%
25/60	19	0.03%
30/70	1	0.00%
35/80	1,054	1.83%
50/100	5,561	9.68%
100/300	16,316	28.39%
250/500	3,728	6.49%
500/500	2,020	3.52%
500/1000	91	0.16%
1000/1000	1	0.00%
All Other	140	0.24%
Invalid	0	0.00%
Total	57,463	

	<u>Industry</u>	
Underinsured Limit	Exposure	Percent
20/40	24,736	43.44%
20/50	1,617	2.84%
25/50	1,693	2.97%
25/60	19	0.03%
30/70	1	0.00%
35/80	1,050	1.84%
50/100	5,567	9.78%
100/300	16,287	28.60%
250/500	3,740	6.57%
500/500	2,005	3.52%
500/1000	91	0.16%
1000/1000	1	0.00%
All Other	138	0.24%
Invalid	0	0.00%
Total	56,945	

Commonwealth Automobile Reinsurers
 Commercial Ceded Exposures by Class Type and Limit
 Policy Year 2018

Data Reported Through December, 2018

	TTT	ZR TTT	AO Buses	ZR Buses	PPT Buses	Van Pools	Garages	PPT NF	PP Fleet	Special Types
CSL										
45,000	2	0	2	0	0	0	0	1	0	0
50,000	2	0	0	0	0	0	2	2	0	0
75,000	0	0	0	0	0	0	0	0	0	0
100,000	39	0	8	0	62	0	17	5	0	17
150,000	4	0	0	0	1	0	5	1	0	0
200,000	9	0	0	0	0	0	3	4	0	0
300,000	120	0	2	0	14	4	17	25	2	9
400,000	0	0	0	0	0	0	1	0	0	0
500,000	422	4	65	1	403	1	67	127	39	40
750,000	195	15	0	0	0	0	39	7	2	6
1,000,000	12,690	3,553	1,341	22	1,948	114	1,882	1,682	840	1,714
1,500,000	7	0	382	42	459	0	0	0	1	0
3,000,000	0	0	0	0	0	0	0	0	0	0
5,000,000	65	258	1,556	1,116	15	0	0	0	2	0
7,500,000	0	0	0	0	0	0	0	0	0	0
Total	13,554	3,830	3,357	1,181	2,902	118	2,033	1,854	886	1,787
BI Single Limit										
20/40	19	0	1	0	2	0	3	11	5	4
20/40 w/optional BI	2,639	4	76	1	264	15	266	3,536	118	195
20/50	473	1	0	0	0	0	5	990	12	11
25/60	5	0	0	0	0	0	1	12	0	0
25/50	542	1	8	0	8	5	48	433	14	24
30/70	1	0	0	0	0	0	0	0	0	0
35/80	316	0	12	0	0	1	12	194	19	4
50/100	1,715	0	58	0	57	5	229	1,237	73	65
100/300	3,156	14	253	2	292	24	653	1,747	143	288
250/500	961	3	84	1	783	19	208	611	81	108
500/500	58	0	6	0	9	0	33	45	1	18
500/1000	75	0	35	0	93	1	24	30	8	20
1000/1000	88	4	11	0	118	6	11	29	5	74
All Other	55	0	16	0	14	3	13	21	0	8
No BI	7	0	0	0	0	0	0	0	0	0
Total	10,110	25	560	4	1,639	79	1,505	8,897	477	819
PDL Single Limit										
5,000	170	1	3	0	5	0	40	123	2	106
10,000	10	0	3	0	0	0	10	8	0	4
15,000	2	0	0	0	0	0	0	5	0	0
25,000	63	0	1	0	1	0	22	117	2	4
35,000	0	1	0	0	0	0	0	1	0	2
50,000	178	1	18	0	31	4	53	617	2	25
100,000	8,286	21	437	2	1,440	57	1,118	7,403	411	462
250,000	1,098	0	72	2	130	19	188	529	57	113
500,000	134	1	12	0	30	1	56	40	3	33
750,000	3	0	0	0	0	0	0	1	0	0
1,000,000	16	0	0	0	0	0	0	1	0	0
All Other	145	0	15	0	3	0	22	52	4	32
Property Damage Deductible	0	0	0	0	0	0	0	0	0	0
Total	10,104	25	562	4	1,641	81	1,509	8,897	481	781

*Garage Premises, Non-Owned, Special Rating and Gross Receipts and Mileage are excluded

Commonwealth Automobile Reinsurers
Commercial Ceded Exposures Percent to Total
By Class Type and Limit
Policy Year 2018
Data Reported Through December, 2018

	TTT	ZR TTT	AO Buses	ZR Buses	PPT Buses	Van Pools	Garages	PPT NF	PP Fleet	Special Types
CSL										
45,000	0.02%	0.00%	0.07%	0.00%	0.00%	0.00%	0.00%	0.05%	0.00%	0.00%
50,000	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.11%	0.00%	0.02%
75,000	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
100,000	0.29%	0.00%	0.23%	0.00%	2.15%	0.00%	0.82%	0.29%	0.03%	0.95%
150,000	0.03%	0.00%	0.00%	0.00%	0.03%	0.00%	0.25%	0.05%	0.00%	0.00%
200,000	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.14%	0.22%	0.00%	0.00%
300,000	0.88%	0.00%	0.07%	0.00%	0.47%	3.03%	0.84%	1.34%	0.20%	0.53%
400,000	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.00%	0.00%	0.00%
500,000	3.11%	0.10%	1.94%	0.08%	13.89%	0.85%	3.31%	6.85%	4.41%	2.26%
750,000	1.44%	0.39%	0.00%	0.00%	0.00%	0.00%	1.93%	0.36%	0.24%	0.34%
1,000,000	93.62%	92.76%	39.96%	1.86%	67.13%	96.12%	92.56%	90.73%	94.78%	95.92%
1,500,000	0.05%	0.00%	11.37%	3.57%	15.82%	0.00%	0.00%	0.00%	0.11%	0.00%
3,000,000	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
5,000,000	0.48%	6.74%	46.35%	94.49%	0.51%	0.00%	0.00%	0.00%	0.23%	0.00%
7,500,000	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
BI Single Limit										
20/40	0.19%	0.00%	0.12%	0.00%	0.11%	0.00%	0.20%	0.13%	1.05%	0.52%
20/40 w/optional BI	26.11%	15.10%	13.63%	25.00%	16.09%	19.12%	17.68%	39.74%	24.66%	23.79%
20/50	4.68%	2.01%	0.00%	0.00%	0.00%	0.00%	0.33%	11.13%	2.43%	1.33%
25/60	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	0.13%	0.00%	0.00%
25/50	5.36%	2.01%	1.47%	0.00%	0.47%	6.30%	3.21%	4.87%	2.83%	2.97%
30/70	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
35/80	3.12%	0.00%	2.11%	0.00%	0.02%	1.26%	0.78%	2.18%	4.03%	0.51%
50/100	16.96%	0.00%	10.44%	0.00%	3.46%	6.83%	15.21%	13.91%	15.21%	7.95%
100/300	31.22%	54.70%	45.29%	50.00%	17.79%	29.83%	43.38%	19.64%	29.95%	35.17%
250/500	9.51%	10.07%	14.92%	25.00%	47.75%	24.05%	13.79%	6.86%	16.92%	13.20%
500/500	0.57%	0.00%	1.03%	0.00%	0.52%	0.00%	2.19%	0.51%	0.21%	2.21%
500/1000	0.75%	0.00%	6.21%	0.00%	5.69%	1.26%	1.57%	0.33%	1.68%	2.40%
1000/1000	0.87%	16.11%	2.00%	0.00%	7.22%	7.56%	0.73%	0.33%	1.05%	9.04%
All Other	0.54%	0.00%	2.78%	0.00%	0.87%	3.78%	0.86%	0.23%	0.00%	0.92%
No BI	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
PDL Single Limit										
5,000	1.68%	4.03%	0.56%	0.00%	0.33%	0.00%	2.64%	1.38%	0.35%	13.57%
10,000	0.10%	0.00%	0.52%	0.00%	0.00%	0.00%	0.66%	0.09%	0.00%	0.51%
15,000	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.06%	0.00%	0.00%
25,000	0.62%	0.00%	0.18%	0.00%	0.06%	0.00%	1.46%	1.31%	0.45%	0.48%
35,000	0.00%	2.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.26%
50,000	1.76%	4.03%	3.26%	0.00%	1.86%	4.82%	3.53%	6.93%	0.38%	3.26%
100,000	82.01%	85.91%	77.76%	50.00%	87.77%	70.59%	74.07%	83.22%	85.39%	59.18%
250,000	10.87%	0.00%	12.87%	50.00%	7.95%	23.36%	12.49%	5.94%	11.81%	14.46%
500,000	1.32%	4.03%	2.18%	0.00%	1.85%	1.23%	3.68%	0.45%	0.71%	4.23%
750,000	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%
1,000,000	0.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%
All Other	1.43%	0.00%	2.67%	0.00%	0.18%	0.00%	1.46%	0.58%	0.92%	4.06%
Property Damage Deductible	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*Garage Premises, Non-Owned, Special Rating and Gross Receipts and Mileage are excluded

**Commonwealth Automobile Reinsurers
Large Loss Policy Summary By Policy Year
Data Reported Through December, 2018
(Large Losses \$300,000 or Greater)**

		2009			2010			2011			2012		
≥	≤	Policies	Inc Loss	% TOT ⁽¹⁾	Policies	Inc Loss	% TOT	Policies	Inc Loss	% TOT	Policies	Inc Loss	% TOT
5.0 M	+	-	-	0.0%	-	-	0.0%	1	5,358,341	7.4%	-	-	0.0%
2.5 M	5.0 M	-	-	0.0%	-	-	0.0%	-	-	0.0%	2	8,812,961	11.4%
2.0 M	2.5 M	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%
1.5 M	2.0 M	-	-	0.0%	-	-	0.0%	-	-	0.0%	1	1,520,410	2.0%
1.0 M	1.5 M	5	5,471,622	7.5%	5	5,548,626	8.2%	4	4,326,299	6.0%	3	3,420,272	4.4%
Policies > 1.0 M		5	5,471,622	7.5%	5	5,548,626	8.2%	5	9,684,640	13.4%	6	13,753,643	17.7%
500,000	1.0 M	12	9,402,210	12.9%	7	4,946,202	7.3%	10	7,439,633	10.3%	7	4,476,441	5.8%
300,000	500,000	13	4,816,189	6.6%	10	3,736,802	5.5%	6	2,262,500	3.1%	12	4,990,504	6.4%
Sum of Large Losses		30	19,690,021	27.0%	22	14,231,630	20.9%	21	19,386,773	26.8%	25	23,220,588	29.9%
Total Incurred Losses			72,991,555			68,025,571			72,398,378			77,635,943	
		2013			2014			2015			2016		
≥	≤	Policies	Inc Loss	% TOT	Policies	Inc Loss	% TOT	Policies	Inc Loss	% TOT	Policies	Inc Loss	% TOT
5.0 M	+	-	-	0.0%	-	-	0.0%	2	11,796,437	8.9%	2	11,590,870	7.3%
2.5 M	5.0 M	2	6,216,079	6.3%	-	-	0.0%	1	3,826,288	2.9%	1	3,185,000	2.0%
2.0 M	2.5 M	-	-	0.0%	-	-	0.0%	-	-	0.0%	1	2,096,109	1.3%
1.5 M	2.0 M	3	4,869,302	4.9%	1	1,719,986	1.7%	2	3,619,426	2.7%	2	3,332,354	2.1%
1.0 M	1.5 M	4	4,626,975	4.7%	5	5,822,604	5.8%	4	4,176,061	3.1%	11	11,946,373	7.5%
Policies > 1.0 M		9	15,712,356	16.0%	6	7,542,590	7.5%	9	23,418,212	17.6%	17	32,150,706	20.2%
500,000	1.0 M	12	8,304,204	8.4%	7	4,909,413	4.9%	12	7,846,352	5.9%	18	12,937,612	8.1%
300,000	500,000	15	5,244,100	5.3%	14	5,405,740	5.4%	9	3,453,876	2.6%	22	8,209,150	5.2%
Sum of Large Losses		36	29,260,660	29.7%	27	17,857,743	17.8%	30	34,718,440	26.2%	57	53,297,468	33.5%
Total Incurred Losses			98,477,840			100,198,317			132,724,616			159,186,995	
		2017			2018			Total All Years					
≥	≤	Policies	Inc Loss	% TOT	Policies	Inc Loss	% TOT	Policies	Inc Loss	% TOT			
5.0 M	+	-	-	0.0%	1	5,305,014	8.9%	6	34,050,662	3.5%			
2.5 M	5.0 M	-	-	0.0%	-	-	0.0%	6	22,040,328	2.3%			
2.0 M	2.5 M	-	-	0.0%	-	-	0.0%	1	2,096,109	0.2%			
1.5 M	2.0 M	-	-	0.0%	-	-	0.0%	9	15,061,478	1.5%			
1.0 M	1.5 M	9	9,723,642	7.3%	3	3,243,566	5.5%	53	58,306,040	6.0%			
Policies > 1.0 M		9	9,723,642	7.3%	4	8,548,580	14.4%	75	131,554,617	13.5%			
500,000	1.0 M	13	8,622,187	6.5%	3	1,994,518	3.4%	101	70,878,772	7.3%			
300,000	500,000	14	4,920,786	3.7%	7	2,690,387	4.5%	122	45,730,034	4.7%			
Sum of Large Losses		36	23,266,615	17.6%	14	13,233,485	22.3%	298	248,163,423	25.5%			
Total Incurred Losses			132,324,308			59,464,274			973,427,797				

⁽¹⁾ % TOT = Large Loss / Total Incurred Losses

Change in Large Losses By Policy Year

Summary of Losses Over 1.0 Million:

<u>Policy Year</u>	<u># Claims</u>	<u>Current Reserves</u>	<u>Current Incurred Losses</u>	<u>Prior Incurred Losses</u>	<u>Change in losses</u>
2018	4	8,004,181	8,548,580	5,138,761	3,409,819
2017	9	6,994,413	9,723,642	6,160,695	3,562,947
2016	17	23,894,309	32,150,706	26,981,531	5,169,175
2015	9	6,628,334	23,418,212	22,622,015	796,197
2014	6	1,000,000	7,542,590	7,543,042	(452)
2013	9	1,009,813	15,712,356	15,709,509	2,847
2012	6	4,750,000	13,753,643	13,753,643	0
2011	5	1,000,000	9,684,640	9,641,320	43,320
2010	5	0	5,548,626	5,548,626	0
2009	<u>5</u>	<u>0</u>	<u>5,471,622</u>	<u>5,471,622</u>	<u>0</u>
Subtotal	75	53,281,050	131,554,617	118,570,764	12,983,853

Losses that went under 1.0 Million (Remain on Report):

<u>Policy Year</u>	<u># Claims</u>	<u>Current Reserves</u>	<u>Current Incurred Losses</u>	<u>Prior Incurred Losses</u>	<u>Change in losses</u>
2018	1	500,000	511,271	1,075,000	(563,729)
2016	1	0	25,109	1,083,501	(1,058,392)
2015	<u>1</u>	<u>550,000</u>	<u>608,798</u>	<u>1,558,608</u>	<u>(949,810)</u>
Subtotal	3	1,050,000	1,145,178	3,717,109	(2,571,931)
Total All	78	54,331,050	132,699,795	122,287,873	10,411,922

New To Report: Incurred Losses Over 1.0 Million:

<u>Policy Year</u>	<u># Claims</u>	<u>Current Reserves</u>	<u>Current Incurred Losses</u>	<u>Prior Incurred Losses</u>	<u>Change in losses</u>
2018	3	2,975,091	3,243,566		3,243,566
2017	4	3,993,000	4,382,185	836,319	3,545,866
2016	3	5,931,279	6,464,528	1,879,702	4,584,826
2015	<u>1</u>	<u>80,000</u>	<u>1,110,459</u>	<u>995,086</u>	<u>115,373</u>
	11	12,979,370	15,200,738	3,711,107	11,489,631

**Commonwealth Automobile Reinsurers
Joint Actuarial Commercial Lines Committee
Rate Filing Summary March 1, 2019**

<u>Class</u>	<u>Original Filing 2.1.2019</u>		<u>Approved Filing 3.1.2019</u>	
	<u>Percent</u>	<u>\$ (mills)</u>	<u>Percent</u>	<u>\$ (mills)</u>
TTT	8.2%	\$3.7	7.0%	\$3.1
PPT Fleet	7.3%	\$0.2	6.1%	\$0.2
Garages	6.6%	\$0.4	4.7%	\$0.3
Major Types	8.0%	\$4.2	6.7%	\$3.5
Special Types	7.6%	\$0.5	7.0%	\$0.5
Non-Owned	7.6%	\$0.2	7.0%	\$0.2
Miscellaneous	8.3%	\$0.8	8.2%	\$0.8
Garage Physical	8.4%	\$0.3	8.4%	\$0.3
Zone Rated	17.9%	\$3.2	7.6%	\$1.4
Subtotal Public	9.9%	\$9.3	7.1%	\$6.6
Taxis	-0.5%	-\$0.02	-0.8%	-\$0.04
Limos	17.6%	\$0.15	16.3%	\$0.15
Car Service	11.2%	\$0.46	10.9%	\$0.48
Public Buses	9.4%	\$2.49	11.3%	\$3.44
Van Pools	34.4%	\$0.15	36.9%	\$0.18
Subtotal Public	8.7%	\$3.2	10.2%	\$4.2
Grand Total	9.6%	\$12.5	8.1%	\$10.8

Highlights of March 1, 2019 Commercial Residual Market Rate Filing

- Proposed a large loss load spread across all classes to recognize rate need generated by predictably high volume of large losses among various classes from year to year.
 - Expected to generate \$1.3 M
 - Disapproved
- Proposed a substantial increase for zone-rated charter and sightseeing buses
 - 9.9% increase in the base rate reflective of overall experience of buses and TTTs
 - 30% increase to primary rating factor, as CAR’s 2nd request to begin a transition to the ISO factors
 - 10.25% and 4.6% increases to BI and PDL increased limit factors, respectively, reflective of loss experience for vehicles purchasing these limits.
 - Approved 30% increase expected to generate \$1.7M
 - Approval of ILF changes to generate additional rate for other classes requiring limits higher than \$1M
- Proposed 27% increase for zone-rated intercity buses
 - Approved
- Proposed amendments to Experience Rating Plan
 - Second phase of 4-year transition to eliminate experience rating for physical damage
 - Additional change to liability adjustment factor to address plan revenue imbalance
 - Expected to generate \$1.9M

CAR SERVICING CARRIERS
TOTAL RESIDUAL MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES

TTT	<u>Exposure</u>	Current Average Rate	Indicated Average Rate	%
<u>Coverage</u>				<u>Change</u>
A-1 & B (20/40)	19,095.6	576.19	595.62	3.4%
A-2 (PIP)	19,095.6	36.65	36.29	- 1.0%
B, Excess Limits	13,785.1	415.34	465.79	12.1%
PDL, Basic	19,095.6	593.93	626.75	5.5%
PDL, Excess Limits	18,797.7	368.28	431.98	17.3%
Collision , All Deductibles	7,641.6	782.53	896.31	14.5%
D, Med. Payments	13,723.5	25.00	30.00	20.0%
Comprehensive, All Deductibles	8,777.9	229.88	216.18	- 6.0%
U-1 (20/40)	19,095.6	5.00	4.00	-20.0%
U-1, Excess	11,592.9	2.95	2.36	-20.0%
U-2,TOTAL	15,352.9	15.73	14.24	- 9.5%
Average		2,325.37	2,516.65	8.2%

Excess Limits Factors & Average Deductible Relativities

B, Excess Limits	0.721	0.782
PDL, Excess Limits	0.620	0.689
U-1, Excess	0.591	0.591
Collision , Average Deductible	0.981	0.986
Comprehensive , Average Deductible	0.978	0.978

PPT FLEET

PPT FLEET	<u>Exposure</u>	Current Average Rate	Indicated Average Rate	%
<u>Coverage</u>				<u>Change</u>
A-1 & B (20/40)	1,142.9	611.33	603.26	- 1.3%
A-2 (PIP)	1,142.9	95.33	129.55	35.9%
B, Excess Limits	680.8	408.50	434.38	6.3%
PDL, Basic	1,142.9	450.82	467.52	3.7%
PDL, Excess Limits	1,131.2	170.86	204.77	19.8%
Collision , All Deductibles	571.0	1,106.57	1,274.53	15.2%
D, Med. Payments	908.4	25.00	30.00	20.0%
Comprehensive, All Deductibles	600.7	303.34	289.77	- 4.5%
U-1 (20/40)	1,142.9	5.00	4.00	-20.0%
U-1, Excess	651.7	2.78	2.22	-20.1%
U-2,TOTAL	979.5	14.36	13.02	- 9.3%
Average		2,320.99	2,491.10	7.3%

PPT NON-FLEET

PPT NON-FLEET	<u>Exposure</u>	Current Average Rate	Indicated Average Rate	%
<u>Coverage</u>				<u>Change</u>
A-1 & B (20/40)	14,095.4	654.45	638.68	- 2.4%
A-2 (PIP)	14,095.4	173.88	197.28	13.5%
B, Excess Limits	8,396.6	437.31	459.88	5.2%
PDL, Basic	14,095.4	496.98	542.69	9.2%
PDL, Excess Limits	13,951.6	188.36	237.70	26.2%
Collision , All Deductibles	10,258.7	1,366.71	1,483.37	8.5%
D, Med. Payments	11,344.7	25.00	30.00	20.0%
Comprehensive, All Deductibles	10,634.8	280.60	292.31	4.2%
U-1 (20/40)	14,095.4	5.00	4.00	-20.0%
U-1, Excess	8,037.2	2.78	2.22	-20.1%
U-2,TOTAL	12,079.8	14.36	13.02	- 9.3%
Average		3,017.67	3,228.59	7.0%

Excess Limits Factors & Average Deductible Relativities

B, Excess Limits	0.668	0.720
PDL, Excess Limits	0.379	0.438
U-1, Excess	0.556	0.556
Collision , Average Deductible	1.017	1.018
Comprehensive , Average Deductible	0.998	0.998

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MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS
TOTAL CEDED MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES

GARAGES		Current	Indicated	
Coverage	Exposure	Average	Average	%
		Rate	Rate	Change
A-1 & B (20/40)	3,380.9	528.92	557.78	5.5%
A-2 (PIP)	3,380.9	60.07	75.96	26.5%
B, Excess Limits	2,771.7	419.68	486.35	15.9%
PDL, Basic	3,380.9	511.37	498.94	- 2.4%
PDL, Excess Limits	3,292.3	193.30	218.04	12.8%
U-1 (20/40)	3,380.9	5.00	4.00	-20.0%
U-1, Excess	1,939.3	2.93	2.35	-19.8%
U-2	3,005.6	14.24	12.87	- 9.6%
Average		1,651.99	1,760.51	6.6%

Excess Limits Factors

B, Excess Limits	0.793	0.872
U-1, Excess	0.587	0.587
PDL, Excess Limits	0.378	0.437

TAXIS

TAXIS		Current	Indicated	
Coverage	Exposure	Average	Average	%
		Rate	Rate	Change
A-1 & B (20/40)	703.1	3,087.97	2,819.09	- 8.7%
A-2 (PIP)	703.1	1,121.87	1,071.57	- 4.5%
B, Excess Limits	197.4	1,857.00	2,079.43	12.0%
PDL, Basic	703.1	1,663.17	1,752.36	5.4%
PDL, Excess Limits	689.0	612.05	732.49	19.7%
U-1 (20/40)	703.1	31.00	46.00	48.4%
U-1, Excess	41.5	13.74	20.39	48.4%
U-2	686.2	0.87	0.79	- 9.2%
Average		7,026.86	6,992.66	- 0.5%

Excess Limits Factors

B, Excess Limits	0.601	0.738
U-1, Excess	0.443	0.443
PDL, Excess Limits	0.368	0.418

LIMOUSINES

LIMOUSINES		Current	Indicated	
Coverage	Exposure	Average	Average	%
		Rate	Rate	Change
A-1 & B (20/40)	203.5	1,118.31	1,187.71	6.2%
A-2 (PIP)	203.5	289.53	347.98	20.2%
B, Excess Limits	146.9	1,036.18	1,366.08	31.8%
PDL, Basic	203.5	712.16	897.82	26.1%
PDL, Excess Limits	193.4	267.77	389.65	45.5%
U-1 (20/40)	203.5	5.00	4.00	-20.0%
U-1, Excess	100.6	3.36	2.69	-19.9%
U-2	200.0	15.30	13.95	- 8.8%
Average		3,144.16	3,808.99	21.1%

Excess Limits Factors

B, Excess Limits	0.927	1.150
U-1, Excess	0.673	0.673
PDL, Excess Limits	0.376	0.434

CAR SERVICE

CAR SERVICE		Current	Indicated	
Coverage	Exposure	Average	Average	%
		Rate	Rate	Change
A-1 & B (20/40)	763.4	1,687.81	1,773.41	5.1%
A-2 (PIP)	763.4	518.19	555.41	7.2%
B, Excess Limits	551.0	1,563.86	2,039.74	30.4%
PDL, Basic	763.4	971.41	996.49	2.6%
PDL, Excess Limits	725.7	365.25	432.48	18.4%
U-1 (20/40)	763.4	5.00	4.00	-20.0%
U-1, Excess	377.3	3.36	2.69	-19.9%
U-2	750.4	15.12	13.82	- 8.6%
Average		4,674.93	5,227.62	11.8%

Excess Limits Factors

B, Excess Limits	0.927	1.150
U-1, Excess	0.673	0.673
PDL, Excess Limits	0.376	0.434

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MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS
TOTAL CEDED MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES

SCHOOL and CHURCH BUSES

<u>Coverage</u>	<u>Exposure</u>	Current Average Rate	Indicated Average Rate	% Change
A-1 & B (20/40)	2,128.9	767.78	712.19	- 7.2%
A-2 (PIP)	2,128.9	109.81	109.85	0.0%
B, Excess Limits	2,030.5	803.22	833.42	3.8%
PDL, Basic	2,128.9	563.11	528.06	- 6.2%
PDL, Excess Limits	2,114.8	207.79	226.54	9.0%
U-1 (20/40)	2,128.9	5.00	4.00	-20.0%
U-1, Excess	1,196.4	3.10	2.48	-20.0%
U-2	1,877.7	16.33	14.82	- 9.2%
Average		2,434.38	2,388.53	- 1.9%

Excess Limits Factors

B, Excess Limits	1.046	1.170
U-1, Excess	0.619	0.619
PDL, Excess Limits	0.369	0.429

OTHER BUSES

<u>Coverage</u>	<u>Exposure</u>	Current Average Rate	Indicated Average Rate	% Change
A-1 & B (20/40)	1,342.6	994.38	952.25	- 4.2%
A-2 (PIP)	1,342.6	399.07	293.52	-26.4%
B, Excess Limits	1,166.5	1,172.50	1,221.57	4.2%
PDL, Basic	1,342.6	569.70	595.47	4.5%
PDL, Excess Limits	1,330.1	210.79	256.05	21.5%
U-1 (20/40)	1,342.6	5.00	4.00	-20.0%
U-1, Excess	569.3	3.41	2.73	-19.9%
U-2	1,107.6	15.29	13.93	- 8.9%
Average		3,209.71	3,172.86	- 1.1%

Excess Limits Factors

B, Excess Limits	1.179	1.283
U-1, Excess	0.682	0.682
PDL, Excess Limits	0.370	0.430

BUSES - SOCIAL SERVICE AND N.O.C

<u>Coverage</u>	<u>Exposure</u>	Current Average Rate	Indicated Average Rate	% Change
A-1 & B (20/40)	3,722.6	1,194.88	1,372.54	14.9%
A-2 (PIP)	3,722.6	355.75	389.27	9.4%
B, Excess Limits	3,234.2	1,408.92	1,760.73	25.0%
PDL, Basic	3,722.6	691.90	743.06	7.4%
PDL, Excess Limits	3,688.0	256.00	319.52	24.8%
U-1 (20/40)	3,722.6	5.00	4.00	-20.0%
U-1, Excess	1,578.4	3.41	2.73	-19.9%
U-2	3,149.3	15.29	13.93	- 8.9%
Average		3,739.60	4,368.08	16.8%

Excess Limits Factors

B, Excess Limits	1.179	1.283
U-1, Excess	0.682	0.682
PDL, Excess Limits	0.370	0.430

VAN POOLS

<u>Coverage</u>	<u>Exposure</u>	Current Average Rate	Indicated Average Rate	% Change
A-1 & B (20/40)	147.5	810.03	1,141.83	41.0%
A-2 (PIP)	147.5	238.86	236.18	- 1.1%
B, Excess Limits	144.7	786.54	1,262.12	60.5%
PDL, Basic	147.5	520.05	622.73	19.7%
PDL, Excess Limits	147.5	192.94	268.40	39.1%
Collision, \$500 Ded.	60.4	647.63	748.80	15.6%
Comprehensive, \$500 Ded.	70.2	195.07	190.68	- 2.3%
U-1 (20/40)	147.5	5.00	4.00	-20.0%
U-1, Excess	126.7	3.70	2.96	-20.0%
U-2	130.1	39.52	36.18	- 8.5%
Average		2,934.55	3,943.11	34.4%

Excess Limits Factors

B, Excess Limits	0.971	1.105
U-1, Excess	0.741	0.741
PDL, Excess Limits	0.371	0.431

**Commonwealth Automobile Reinsurers
Joint Actuarial Commercial Lines Committee
Rate Filing Summary February 1, 2018**

<u>Class</u>	<u>Original Filing 7.1.2017</u>		<u>Approved Filing 2.1.2018</u>	
	<u>Percent</u>	<u>\$ (mills)</u>	<u>Percent</u>	<u>\$ (mills)</u>
TTT	8.8%	\$3.2	8.8%	\$3.2
PPT Fleet	19.9%	\$0.4	19.9%	\$0.4
Garages	10.4%	\$0.5	10.4%	\$0.5
Major Types	9.5%	\$4.1	9.5%	\$4.1
Special Types	10.2%	\$0.5	10.2%	\$0.5
Non-Owned	10.2%	\$0.2	10.2%	\$0.2
Miscellaneous	6.4%	\$0.6	6.4%	\$0.6
Garage Physical Damage	8.6%	\$0.3	8.6%	\$0.3
Zone Rated	19.6%	\$3.2	7.2%	\$1.2
Subtotal Public Vehicles	11.2%	\$8.9	8.7%	\$6.9
Taxis	-11.4%	-\$0.68	-11.4%	-\$0.68
Limos	23.2%	\$0.14	23.2%	\$0.14
Car Service	10.3%	\$0.32	10.3%	\$0.32
Public Buses	4.7%	\$1.06	4.7%	\$1.06
Van Pools	-14.7%	-\$0.07	-14.7%	-\$0.07
Subtotal Public Vehicles	2.4%	\$0.8	2.4%	\$0.8
Grand Total	8.6%	\$9.7	6.8%	\$7.7

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MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS

TOTAL RESIDUAL MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES

TTT	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected % Change
Coverage						
A-1 & B (20/40)	16,990.2	545.77	570.72	4.6%	570.72	4.6%
A-2 (PIP)	16,990.2	36.55	36.32	- 0.6%	36.32	- 0.6%
B, Excess Limits	12,136.1	400.39	418.70	4.6%	418.70	4.6%
PDL, Basic	16,990.2	546.47	588.59	7.7%	588.59	7.7%
PDL, Excess Limits	16,747.2	294.90	365.37	23.9%	365.37	23.9%
Collision , All Deductibles	6,696.5	677.19	762.30	12.6%	762.30	12.6%
D, Med. Payments	8,229.8	19.00	25.00	31.6%	25.00	31.6%
Comprehensive, All Deductibles	7,772.4	219.86	226.74	3.1%	226.74	3.1%
U-1 (20/40)	16,990.2	6.00	5.00	-16.7%	5.00	-16.7%
U-1, Excess	10,190.7	2.88	2.96	2.8%	2.96	2.8%
U-2,TOTAL	13,660.1	18.47	15.71	-14.9%	15.71	-14.9%
Average		2104.74	2290.55	8.8%	2290.55	8.8%

Excess Limits Factors & Average Deductible Relativities

B, Excess Limits	0.734	0.734
PDL, Excess Limits	0.540	0.621
U-1, Excess	0.480	0.592
Collision , Average Deductible	0.970	0.979
Comprehensive , Average Deductible	0.978	0.978

PPT FLEET

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected % Change
A-1 & B (20/40)	1,046.7	502.69	591.81	17.7%	591.81	17.7%
A-2 (PIP)	1,046.7	78.71	92.61	17.7%	92.61	17.7%
B, Excess Limits	659.7	339.80	400.04	17.7%	400.04	17.7%
PDL, Basic	1,046.7	352.53	436.53	23.8%	436.53	23.8%
PDL, Excess Limits	1,038.5	106.11	165.88	56.3%	165.88	56.3%
Collision , All Deductibles	548.9	971.19	1057.19	8.9%	1057.19	8.9%
D, Med. Payments	593.6	19.00	25.00	31.6%	25.00	31.6%
Comprehensive, All Deductibles	572.7	201.03	293.28	45.9%	293.28	45.9%
U-1 (20/40)	1,046.7	6.00	5.00	-16.7%	5.00	-16.7%
U-1, Excess	650.0	2.74	2.82	2.9%	2.82	2.9%
U-2,TOTAL	897.0	19.23	16.33	-15.1%	16.33	-15.1%
Average		1907.64	2287.47	19.9%	2287.47	19.9%

PPT NON-FLEET

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected % Change
A-1 & B (20/40)	11,587.4	589.68	641.12	8.7%	641.12	8.7%
A-2 (PIP)	11,587.4	130.58	170.27	30.4%	170.27	30.4%
B, Excess Limits	7,303.5	398.61	433.38	8.7%	433.38	8.7%
PDL, Basic	11,587.4	440.00	487.09	10.7%	487.09	10.7%
PDL, Excess Limits	11,497.0	132.44	185.09	39.8%	185.09	39.8%
Collision , All Deductibles	8,174.6	1229.49	1329.05	8.1%	1329.05	8.1%
D, Med. Payments	5,879.4	19.00	25.00	31.6%	25.00	31.6%
Comprehensive, All Deductibles	8,523.6	263.16	276.68	5.1%	276.68	5.1%
U-1 (20/40)	11,587.4	6.00	5.00	-16.7%	5.00	-16.7%
U-1, Excess	7,195.8	2.74	2.82	2.9%	2.82	2.9%
U-2,TOTAL	9,930.4	19.23	16.33	-15.1%	16.33	-15.1%
Average		2637.68	2929.85	11.1%	2929.85	11.1%

Excess Limits Factors & Average Deductible Relativities

B, Excess Limits	0.676	0.676
PDL, Excess Limits	0.301	0.380
U-1, Excess	0.457	0.564
Collision , Average Deductible	1.015	1.016
Comprehensive , Average Deductible	0.999	0.998

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MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS
TOTAL CEDED MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES

GARAGES		Current	Indicated	%	Selected	Selected
Coverage	Exposure	Average	Average	Change	Average	%
		Rate	Rate		Rate	Change
A-1 & B (20/40)	3,247.3	500.47	525.18	4.9%	525.18	4.9%
A-2 (PIP)	3,247.3	60.17	59.72	- 0.7%	59.72	- 0.7%
B, Excess Limits	2,654.7	406.23	426.28	4.9%	426.28	4.9%
PDL, Basic	3,247.3	445.87	507.25	13.8%	507.25	13.8%
PDL, Excess Limits	3,149.6	134.21	191.74	42.9%	191.74	42.9%
U-1 (20/40)	3,247.3	6.00	5.00	-16.7%	5.00	-16.7%
U-1, Excess	1,820.4	2.86	2.94	2.8%	2.94	2.8%
U-2	2,886.8	16.81	14.29	-15.0%	14.29	-15.0%
Average		1491.32	1645.95	10.4%	1645.95	10.4%

Excess Limits Factors

B, Excess Limits	0.812	0.812
U-1, Excess	0.476	0.588
PDL, Excess Limits	0.301	0.378

TAXIS

TAXIS		Current	Indicated	%	Selected	Selected
Coverage	Exposure	Average	Average	Change	Average	%
		Rate	Rate		Rate	Change
A-1 & B (20/40)	749.7	3895.43	3094.77	-20.6%	3094.77	-20.6%
A-2 (PIP)	749.7	1150.42	1125.55	- 2.2%	1125.55	- 2.2%
B, Excess Limits	200.8	2394.55	1902.38	-20.6%	1902.38	-20.6%
PDL, Basic	749.7	1728.78	1667.05	- 3.6%	1667.05	- 3.6%
PDL, Excess Limits	738.6	497.89	613.47	23.2%	613.47	23.2%
U-1 (20/40)	749.7	38.00	31.00	-18.4%	31.00	-18.4%
U-1, Excess	45.6	12.46	12.39	- 0.6%	12.39	- 0.6%
U-2	731.7	0.94	0.77	-18.1%	0.77	-18.1%
Average		7946.33	7033.91	-11.5%	7033.91	-11.5%

Excess Limits Factors

B, Excess Limits	0.615	0.615
U-1, Excess	0.328	0.400
PDL, Excess Limits	0.288	0.368

LIMOUSINES

LIMOUSINES		Current	Indicated	%	Selected	Selected
Coverage	Exposure	Average	Average	Change	Average	%
		Rate	Rate		Rate	Change
A-1 & B (20/40)	176.2	936.02	1235.62	32.0%	1216.83	30.0%
A-2 (PIP)	176.2	305.61	315.16	3.1%	315.16	3.1%
B, Excess Limits	108.7	868.08	1145.93	32.0%	1128.51	30.0%
PDL, Basic	176.2	599.29	872.04	45.5%	779.08	30.0%
PDL, Excess Limits	164.6	177.99	327.89	84.2%	292.93	64.6%
U-1 (20/40)	176.2	6.00	5.00	-16.7%	5.00	-16.7%
U-1, Excess	78.0	3.37	3.49	3.6%	3.49	3.6%
U-2	173.2	18.73	16.19	-13.6%	16.19	-13.6%
Average		2568.73	3458.67	34.6%	3303.51	28.6%

Excess Limits Factors

B, Excess Limits	0.927	0.927
U-1, Excess	0.561	0.698
PDL, Excess Limits	0.297	0.376

CAR SERVICE

CAR SERVICE		Current	Indicated	%	Selected	Selected
Coverage	Exposure	Average	Average	Change	Average	%
		Rate	Rate		Rate	Change
A-1 & B (20/40)	663.2	1558.04	1721.92	10.5%	1721.92	10.5%
A-2 (PIP)	663.2	514.45	526.45	2.3%	526.45	2.3%
B, Excess Limits	409.2	1444.95	1596.94	10.5%	1596.94	10.5%
PDL, Basic	663.2	907.84	987.36	8.8%	987.36	8.8%
PDL, Excess Limits	619.6	269.63	371.25	37.7%	371.25	37.7%
U-1 (20/40)	663.2	6.00	5.00	-16.7%	5.00	-16.7%
U-1, Excess	293.7	3.37	3.49	3.6%	3.49	3.6%
U-2	651.9	18.36	15.99	-12.9%	15.99	-12.9%
Average		4149.32	4590.16	10.6%	4590.16	10.6%

Excess Limits Factors

B, Excess Limits	0.927	0.927
U-1, Excess	0.561	0.698
PDL, Excess Limits	0.297	0.376

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MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS

TOTAL CEDED MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES

SCHOOL and CHURCH BUSES

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected % Change
A-1 & B (20/40)	2,172.7	660.61	780.86	18.2%	780.86	18.2%
A-2 (PIP)	2,172.7	140.00	111.29	-20.5%	111.29	-20.5%
B, Excess Limits	2,062.3	706.09	834.61	18.2%	834.61	18.2%
PDL, Basic	2,172.7	496.20	572.61	15.4%	572.61	15.4%
PDL, Excess Limits	2,159.0	149.85	211.87	41.4%	211.87	41.4%
U-1 (20/40)	2,172.7	6.00	5.00	-16.7%	5.00	-16.7%
U-1, Excess	1,140.7	2.98	3.07	3.0%	3.07	3.0%
U-2	1,916.3	17.37	14.82	-14.7%	14.82	-14.7%
Average		2138.82	2487.19	16.3%	2487.19	16.3%

Excess Limits Factors

B, Excess Limits	1.069	1.069
U-1, Excess	0.497	0.614
PDL, Excess Limits	0.302	0.370

OTHER BUSES

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected % Change
A-1 & B (20/40)	1,113.0	1006.64	1031.52	2.5%	1031.52	2.5%
A-2 (PIP)	1,113.0	334.11	414.89	24.2%	414.89	24.2%
B, Excess Limits	962.1	1153.21	1181.71	2.5%	1181.71	2.5%
PDL, Basic	1,113.0	622.83	590.06	- 5.3%	590.06	- 5.3%
PDL, Excess Limits	1,113.0	187.47	218.32	16.5%	218.32	16.5%
U-1 (20/40)	1,113.0	6.00	5.00	-16.7%	5.00	-16.7%
U-1, Excess	455.2	3.30	3.42	3.6%	3.42	3.6%
U-2	918.2	17.22	14.88	-13.6%	14.88	-13.6%
Average		3169.44	3294.93	4.0%	3294.93	4.0%

Excess Limits Factors

B, Excess Limits	1.146	1.146
U-1, Excess	0.551	0.685
PDL, Excess Limits	0.301	0.370

BUSES - SOCIAL SERVICE AND N.O.C

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected % Change
A-1 & B (20/40)	3,195.0	1267.87	1213.69	- 4.3%	1213.69	- 4.3%
A-2 (PIP)	3,195.0	386.54	360.99	- 6.6%	360.99	- 6.6%
B, Excess Limits	2,761.8	1452.47	1390.41	- 4.3%	1390.41	- 4.3%
PDL, Basic	3,195.0	654.42	702.71	7.4%	702.71	7.4%
PDL, Excess Limits	3,195.0	196.98	260.00	32.0%	260.00	32.0%
U-1 (20/40)	3,195.0	6.00	5.00	-16.7%	5.00	-16.7%
U-1, Excess	1,306.8	3.30	3.42	3.6%	3.42	3.6%
U-2	2,703.0	17.22	14.88	-13.6%	14.88	-13.6%
Average		3783.24	3758.25	- 0.7%	3758.25	- 0.7%

Excess Limits Factors

B, Excess Limits	1.146	1.146
U-1, Excess	0.551	0.685
PDL, Excess Limits	0.301	0.370

VAN POOLS

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected % Change
A-1 & B (20/40)	134.5	1144.99	800.99	-30.0%	800.99	-30.0%
A-2 (PIP)	134.5	99.32	234.56	136.2%	234.56	136.2%
B, Excess Limits	133.4	1129.46	790.13	-30.0%	790.13	-30.0%
PDL, Basic	134.5	556.20	516.77	- 7.1%	516.77	- 7.1%
PDL, Excess Limits	134.5	169.08	191.72	13.4%	191.72	13.4%
Collision, \$500 Ded.	50.8	414.29	605.13	46.1%	605.13	46.1%
Comprehensive, \$500 Ded.	60.8	191.19	187.33	- 2.0%	187.33	- 2.0%
U-1 (20/40)	134.5	6.00	5.00	-16.7%	5.00	-16.7%
U-1, Excess	104.8	3.64	3.79	4.1%	3.79	4.1%
U-2	118.6	42.21	36.81	-12.8%	36.81	-12.8%
Average		3378.87	2881.42	-14.7%	2881.42	-14.7%

Excess Limits Factors

B, Excess Limits	0.986	0.986
U-1, Excess	0.606	0.759
PDL, Excess Limits	0.304	0.371

**Commonwealth Automobile Reinsurers
Joint Actuarial Commercial Lines Committee
Rate Filing Summary June 1, 2016**

<u>Class</u>	<u>Original Filing 5.1.2016</u>		<u>Approved Filing 6.1.2016</u>	
	<u>Percent</u>	<u>\$ (mills)</u>	<u>Percent</u>	<u>\$ (mills)</u>
TTT	3.4%	\$1.0	3.4%	\$1.0
PPT Fleet	3.1%	\$0.1	3.1%	\$0.1
Garages	-1.8%	-\$0.1	-1.8%	-\$0.1
<hr/> Major Types	<hr/> 2.7%	<hr/> \$1.0	<hr/> 2.7%	<hr/> \$1.0
Special Types	1.7%	\$0.1	1.7%	\$0.1
Non-Owned	1.7%	\$0.0	1.7%	\$0.0
Miscellaneous	6.4%	\$0.5	6.4%	\$0.5
Garage Physical Damage	-3.9%	-\$0.2	-3.9%	-\$0.2
Zone Rated	0.0%	\$0.0	0.0%	\$0.0
<hr/> Subtotal Public Vehicles	<hr/> 2.1%	<hr/> \$1.5	<hr/> 2.1%	<hr/> \$1.5
Taxis	5.8%	\$0.30	5.8%	\$0.30
Limos	17.6%	\$0.08	17.6%	\$0.08
Car Service	3.6%	\$0.09	3.6%	\$0.09
Public Buses	15.2%	\$2.56	15.2%	\$2.56
Van Pools	70.0%	\$0.00	0.7%	\$0.00
<hr/> Subtotal Public Vehicles	<hr/> 11.9%	<hr/> \$3.0	<hr/> 11.9%	<hr/> \$3.0
<hr/> Grand Total	<hr/> 4.7%	<hr/> \$4.5	<hr/> 4.7%	<hr/> \$4.5

**MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS
TOTAL RESIDUAL MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES**

TTT	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
Coverage						
A-1 & B (20/40)	15,248.6	503.15	536.84	6.7%	536.84	6.7%
A-2 (PIP)	15,248.6	37.23	36.12	- 3.0%	36.12	- 3.0%
B, Excess Limits	11,020.2	381.16	406.68	6.7%	406.68	6.7%
PDL, Basic	15,248.6	527.09	538.83	2.2%	538.83	2.2%
PDL, Excess Limits	15,056.5	282.59	288.88	2.2%	288.88	2.2%
Collision, All Deductibles	5,945.7	677.25	646.98	- 4.5%	646.98	- 4.5%
D, Med. Payments	8,229.8	18.00	19.00	5.6%	19.00	5.6%
Comprehensive, All Deductibles	6,900.0	196.99	215.78	9.5%	215.78	9.5%
U-1 (20/40)	15,248.6	4.00	6.00	50.0%	6.00	50.0%
U-1, Excess	8,957.0	1.92	2.88	50.0%	2.88	50.0%
U-2,TOTAL	12,259.9	19.00	18.49	- 2.7%	18.49	- 2.7%
Average		2005.29	2073.66	3.4%	2073.66	3.4%

Excess Limits Factors & Average Deductible Relativities

B, Excess Limits	0.758	0.758
PDL, Excess Limits	0.536	0.536
U-1, Excess	0.481	0.481
Collision, Average Deductible	0.972	0.972
Comprehensive, Average Deductible	0.980	0.980

PPT FLEET	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
Coverage						
A-1 & B (20/40)	1,020.2	471.26	497.25	5.5%	497.25	5.5%
A-2 (PIP)	1,020.2	67.01	77.98	16.4%	77.98	16.4%
B, Excess Limits	678.5	326.52	344.53	5.5%	344.53	5.5%
PDL, Basic	1,020.2	338.51	348.99	3.1%	348.99	3.1%
PDL, Excess Limits	1,012.0	101.89	105.05	3.1%	105.05	3.1%
Collision, All Deductibles	527.0	891.60	861.86	- 3.3%	861.86	- 3.3%
D, Med. Payments	593.6	18.00	19.00	5.6%	19.00	5.6%
Comprehensive, All Deductibles	562.7	182.08	192.27	5.6%	192.27	5.6%
U-1 (20/40)	1,020.2	4.00	6.00	50.0%	6.00	50.0%
U-1, Excess	649.1	1.84	2.77	50.5%	2.77	50.5%
U-2,TOTAL	874.3	20.96	20.39	- 2.7%	20.39	- 2.7%
Average		1789.63	1845.12	3.1%	1845.12	3.1%

PPT NON-FLEET	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
Coverage						
A-1 & B (20/40)	9,741.0	559.56	580.86	3.8%	580.86	3.8%
A-2 (PIP)	9,741.0	125.06	128.67	2.9%	128.67	2.9%
B, Excess Limits	6,478.7	387.70	402.46	3.8%	402.46	3.8%
PDL, Basic	9,741.0	429.47	434.06	1.1%	434.06	1.1%
PDL, Excess Limits	9,663.1	129.27	130.65	1.1%	130.65	1.1%
Collision, All Deductibles	6,489.9	1168.39	1092.36	- 6.5%	1092.36	- 6.5%
D, Med. Payments	5,879.4	18.00	19.00	5.6%	19.00	5.6%
Comprehensive, All Deductibles	6,868.7	260.77	253.32	- 2.9%	253.32	- 2.9%
U-1 (20/40)	9,741.0	4.00	6.00	50.0%	6.00	50.0%
U-1, Excess	6,197.2	1.84	2.77	50.5%	2.77	50.5%
U-2,TOTAL	8,348.0	20.96	20.39	- 2.7%	20.39	- 2.7%
Average		2496.50	2483.98	- 0.5%	2483.98	- 0.5%

Excess Limits Factors & Average Deductible Relativities

B, Excess Limits	0.693	0.693
PDL, Excess Limits	0.301	0.301
U-1, Excess	0.461	0.461
Collision, Average Deductible	1.017	1.017
Comprehensive, Average Deductible	1.000	1.000

**MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS
TOTAL CEDED MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES**

GARAGES	Exposure	Current	Indicated	%	Selected	Selected
		Average Rate	Average Rate		Average Rate	Average Rate
<u>Coverage</u>						
A-1 & B (20/40)	3,274.2	512.32	498.40	- 2.7%	498.40	- 2.7%
A-2 (PIP)	3,274.2	64.34	60.05	- 6.7%	60.05	- 6.7%
B, Excess Limits	2,695.6	413.41	402.17	- 2.7%	402.17	- 2.7%
PDL, Basic	3,274.2	445.14	444.25	- 0.2%	444.25	- 0.2%
PDL, Excess Limits	3,196.9	134.43	134.16	- 0.2%	134.16	- 0.2%
U-1 (20/40)	3,274.2	4.00	6.00	50.0%	6.00	50.0%
U-1, Excess	1,827.7	1.84	2.76	50.0%	2.76	50.0%
U-2	2,910.8	16.44	15.99	- 2.7%	15.99	- 2.7%
Average		1513.06	1486.56	- 1.8%	1486.56	- 1.8%

Excess Limits Factors

B, Excess Limits	0.807	0.807
U-1, Excess	0.460	0.460
PDL, Excess Limits	0.302	0.302

TAXIS

TAXIS	Exposure	Current	Indicated	%	Selected	Selected
		Average Rate	Average Rate		Average Rate	Average Rate
<u>Coverage</u>						
A-1 & B (20/40)	686.3	3883.16	3911.51	0.7%	3911.51	0.7%
A-2 (PIP)	686.3	1047.60	1155.34	10.3%	1155.34	10.3%
B, Excess Limits	152.9	2232.95	2249.25	0.7%	2249.25	0.7%
PDL, Basic	686.3	1505.04	1736.08	15.4%	1736.08	15.4%
PDL, Excess Limits	677.2	433.45	499.99	15.4%	499.99	15.4%
U-1 (20/40)	686.3	41.00	38.00	- 7.3%	38.00	- 7.3%
U-1, Excess	59.2	14.75	13.67	- 7.3%	13.67	- 7.3%
U-2	669.8	1.48	1.44	- 2.7%	1.44	- 2.7%
Average		7404.70	7837.99	5.9%	7837.99	5.9%

Excess Limits Factors

B, Excess Limits	0.575	0.575
U-1, Excess	0.360	0.360
PDL, Excess Limits	0.288	0.288

LIMOUSINES

LIMOUSINES	Exposure	Current	Indicated	%	Selected	Selected
		Average Rate	Average Rate		Average Rate	Average Rate
<u>Coverage</u>						
A-1 & B (20/40)	157.6	745.97	1175.37	57.6%	969.76	30.0%
A-2 (PIP)	157.6	283.35	315.51	11.3%	315.51	11.3%
B, Excess Limits	95.8	698.63	1100.78	57.6%	908.22	30.0%
PDL, Basic	157.6	476.76	729.57	53.0%	619.79	30.0%
PDL, Excess Limits	148.9	141.60	216.68	53.0%	184.08	30.0%
U-1 (20/40)	157.6	4.00	6.00	50.0%	6.00	50.0%
U-1, Excess	64.5	2.19	3.29	50.2%	3.29	50.2%
U-2	154.9	16.34	15.79	- 3.4%	15.79	- 3.4%
Average		2085.31	3116.87	49.5%	2653.68	27.3%

Excess Limits Factors

B, Excess Limits	0.937	0.937
U-1, Excess	0.548	0.548
PDL, Excess Limits	0.297	0.297

CAR SERVICE

CAR SERVICE	Exposure	Current	Indicated	%	Selected	Selected
		Average Rate	Average Rate		Average Rate	Average Rate
<u>Coverage</u>						
A-1 & B (20/40)	529.7	1622.07	1622.00	0.0%	1622.00	0.0%
A-2 (PIP)	529.7	531.45	535.89	0.8%	535.89	0.8%
B, Excess Limits	321.8	1519.13	1519.07	0.0%	1519.07	0.0%
PDL, Basic	529.7	808.36	945.69	17.0%	945.69	17.0%
PDL, Excess Limits	500.5	240.08	280.87	17.0%	280.87	17.0%
U-1 (20/40)	529.7	4.00	6.00	50.0%	6.00	50.0%
U-1, Excess	216.9	2.19	3.29	50.2%	3.29	50.2%
U-2	520.7	15.81	15.47	- 2.2%	15.47	- 2.2%
Average		4132.17	4314.49	4.4%	4314.49	4.4%

Excess Limits Factors

B, Excess Limits	0.937	0.937
U-1, Excess	0.548	0.548
PDL, Excess Limits	0.297	0.297

**MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS
TOTAL CEDED MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES**

SCHOOL and CHURCH BUSES

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
A-1 & B (20/40)	1,926.9	562.73	663.51	17.9%	663.51	17.9%
A-2 (PIP)	1,926.9	124.92	141.31	13.1%	141.31	13.1%
B, Excess Limits	1,812.2	561.38	661.92	17.9%	661.92	17.9%
PDL, Basic	1,926.9	409.16	497.63	21.6%	497.63	21.6%
PDL, Excess Limits	1,913.0	122.75	149.29	21.6%	149.29	21.6%
U-1 (20/40)	1,926.9	4.00	6.00	50.0%	6.00	50.0%
U-1, Excess	1,096.4	1.99	2.99	50.3%	2.99	50.3%
U-2	1,699.5	19.41	18.88	- 2.7%	18.88	- 2.7%
Average		1768.91	2097.55	18.6%	2097.55	18.6%

Excess Limits Factors

B, Excess Limits	0.998	0.998
U-1, Excess	0.498	0.498
PDL, Excess Limits	0.300	0.300

OTHER BUSES

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
A-1 & B (20/40)	851.6	988.01	1108.30	12.2%	1108.30	12.2%
A-2 (PIP)	851.6	303.75	370.07	21.8%	370.07	21.8%
B, Excess Limits	719.5	1150.36	1290.41	12.2%	1290.41	12.2%
PDL, Basic	851.6	601.21	683.17	13.6%	683.17	13.6%
PDL, Excess Limits	841.2	181.57	206.32	13.6%	206.32	13.6%
U-1 (20/40)	851.6	4.00	6.00	50.0%	6.00	50.0%
U-1, Excess	350.0	2.26	3.39	50.0%	3.39	50.0%
U-2	702.6	19.19	18.67	- 2.7%	18.67	- 2.7%
Average		3065.02	3478.41	13.5%	3478.41	13.5%

Excess Limits Factors

B, Excess Limits	1.164	1.164
U-1, Excess	0.565	0.565
PDL, Excess Limits	0.302	0.302

BUSES - SOCIAL SERVICE AND N.O.C

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
A-1 & B (20/40)	2,661.4	1091.01	1308.76	20.0%	1308.76	20.0%
A-2 (PIP)	2,661.4	372.98	399.62	7.1%	399.62	7.1%
B, Excess Limits	2,248.6	1270.28	1523.81	20.0%	1523.81	20.0%
PDL, Basic	2,661.4	570.22	675.26	18.4%	675.26	18.4%
PDL, Excess Limits	2,628.9	172.21	203.93	18.4%	203.93	18.4%
U-1 (20/40)	2,661.4	4.00	6.00	50.0%	6.00	50.0%
U-1, Excess	1,093.8	2.26	3.39	50.0%	3.39	50.0%
U-2	2,251.5	19.19	18.67	- 2.7%	18.67	- 2.7%
Average		3298.74	3895.74	18.1%	3895.74	18.1%

Excess Limits Factors

B, Excess Limits	1.164	1.164
U-1, Excess	0.565	0.565
PDL, Excess Limits	0.302	0.302

VAN POOLS

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
A-1 & B (20/40)	168.4	1264.37	424.72	-66.4%	1264.37	0.0%
A-2 (PIP)	168.4	84.93	164.13	93.3%	110.41	30.0%
B, Excess Limits	166.3	1259.84	423.20	-66.4%	1259.84	0.0%
PDL, Basic	168.4	614.74	463.09	-24.7%	614.74	0.0%
PDL, Excess Limits	166.4	186.88	140.78	-24.7%	186.88	0.0%
Collision, \$500 Ded.	73.1	495.29	429.05	-13.4%	495.29	0.0%
Comprehensive, \$500 Ded.	79.1	222.98	137.59	-38.3%	222.98	0.0%
U-1 (20/40)	168.4	4.00	6.00	50.0%	6.00	50.0%
U-1, Excess	91.8	2.31	3.46	49.8%	3.46	49.8%
U-2	148.5	27.60	26.85	- 2.7%	26.85	- 2.7%
Average		3742.29	1891.47	-49.5%	3769.73	0.7%

Excess Limits Factors

B, Excess Limits	0.996	0.996
U-1, Excess	0.577	0.577
PDL, Excess Limits	0.304	0.304

**Commonwealth Automobile Reinsurers
Joint Actuarial Commercial Lines Committee
Rate Filing Summary September 1, 2014**

<u>Class</u>	<u>Original Filing 4.1.2014</u>		<u>Approved Filing 9.1.2014</u>	
	<u>Percent</u>	<u>\$ (mills)</u>	<u>Percent</u>	<u>\$ (mills)</u>
TTT	13.1%	\$3.1	6.3%	\$1.5
PPT Fleet	11.9%	\$0.2	12.5%	\$0.2
Garages	-3.8%	-\$0.2	-3.3%	-\$0.2
Major Types	10.1%	\$3.0	5.0%	\$1.5
Special Types	8.7%	\$0.7	5.3%	\$0.4
Non-Owned	8.7%	\$0.1	5.3%	\$0.1
Miscellaneous	11.4%	\$0.8	4.5%	\$0.3
Garage Physical Damage	6.7%	\$0.3	7.3%	\$0.3
Zone Rated	0.0%	\$0.0	0.0%	\$0.0
Subtotal Public Vehicles	8.4%	\$4.9	4.4%	\$2.6
Taxis	3.5%	\$0.13	3.5%	\$0.13
Limos	-4.6%	-\$0.01	-4.5%	-\$0.01
Car Service	-4.6%	-\$0.10	-4.6%	-\$0.10
Public Buses	20.7%	\$2.48	5.8%	\$0.69
Van Pools	0.0%	\$0.00	0.0%	\$0.00
Subtotal Public Vehicles	13.4%	\$2.5	3.8%	\$0.7
Grand Total	9.6%	\$7.4	4.3%	\$3.3

**MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS
TOTAL RESIDUAL MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES**

TTT	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
Coverage						
A-1 & B (20/40)	12,621.9	477.95	491.03	2.7%	491.03	2.7%
A-2 (PIP)	12,621.9	35.70	36.15	1.3%	36.15	1.3%
B, Excess Limits	9,354.1	375.09	385.36	2.7%	385.36	2.7%
PDL, Basic	12,621.9	507.24	496.13	- 2.2%	496.13	- 2.2%
PDL, Excess Limits	12,370.7	220.72	429.49	94.6%	429.49	94.6%
Collision , All Deductibles	4,982.1	534.98	608.48	13.7%	608.48	13.7%
D, Med. Payments	8,229.8	13.00	18.00	38.5%	18.00	38.5%
Comprehensive, All Deductibles	5,755.1	200.98	187.39	- 6.8%	187.39	- 6.8%
U-1 (20/40)	12,621.9	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	7,001.4	1.92	1.92	0.0%	1.92	0.0%
U-2,TOTAL	10,148.0	19.20	20.36	6.0%	20.36	6.0%
Average		1846.98	2088.64	13.1%	2088.64	13.1%

Excess Limits Factors & Average Deductible Relativities

B, Excess Limits	0.785	0.785
PDL, Excess Limits	0.435	0.866
U-1, Excess	0.481	0.481
Collision , Average Deductible	0.972	0.972
Comprehensive , Average Deductible	0.980	0.980

PPT FLEET

	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
Coverage						
A-1 & B (20/40)	862.0	371.39	479.71	29.2%	479.71	29.2%
A-2 (PIP)	862.0	73.65	68.08	- 7.6%	68.08	- 7.6%
B, Excess Limits	583.7	278.48	359.70	29.2%	359.70	29.2%
PDL, Basic	862.0	341.51	344.16	0.8%	344.16	0.8%
PDL, Excess Limits	834.3	102.32	103.10	0.8%	103.10	0.8%
Collision , All Deductibles	481.3	755.81	809.16	7.1%	809.16	7.1%
D, Med. Payments	593.6	13.00	18.00	38.5%	18.00	38.5%
Comprehensive, All Deductibles	500.6	172.01	155.49	- 9.6%	172.01	0.0%
U-1 (20/40)	862.0	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	533.8	1.93	1.93	0.0%	1.93	0.0%
U-2,TOTAL	738.7	22.64	24.01	6.1%	24.01	6.1%
Average		1629.63	1815.59	11.4%	1825.19	12.0%

PPT NON-FLEET

	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
Coverage						
A-1 & B (20/40)	7,790.1	540.82	553.17	2.3%	553.17	2.3%
A-2 (PIP)	7,790.1	103.33	123.64	19.7%	123.64	19.7%
B, Excess Limits	5,275.5	405.52	414.78	2.3%	414.78	2.3%
PDL, Basic	7,790.1	445.39	424.55	- 4.7%	424.55	- 4.7%
PDL, Excess Limits	7,540.0	133.44	127.18	- 4.7%	127.18	- 4.7%
Collision , All Deductibles	4,699.7	976.16	1025.11	5.0%	1025.11	5.0%
D, Med. Payments	5,879.4	13.00	18.00	38.5%	18.00	38.5%
Comprehensive, All Deductibles	5,022.8	216.37	239.14	10.5%	239.14	10.5%
U-1 (20/40)	7,790.1	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	4,823.6	1.93	1.93	0.0%	1.93	0.0%
U-2,TOTAL	6,676.1	22.64	24.01	6.1%	24.01	6.1%
Average		2256.14	2317.33	2.7%	2317.33	2.7%

Excess Limits Factors & Average Deductible Relativities

B, Excess Limits	0.750	0.750
PDL, Excess Limits	0.300	0.300
U-1, Excess	0.482	0.482
Collision , Average Deductible	1.017	1.017
Comprehensive , Average Deductible	1.000	1.000

**MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS
TOTAL CEDED MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES**

GARAGES		Current	Indicated		Selected	Selected
		Average	Average	%	Average	%
<u>Coverage</u>	<u>Exposure</u>	<u>Rate</u>	<u>Rate</u>	<u>Change</u>	<u>Rate</u>	<u>Change</u>
A-1 & B (20/40)	3,264.7	519.22	518.85	- 0.1%	518.85	- 0.1%
A-2 (PIP)	3,264.7	60.64	65.05	7.3%	65.05	7.3%
B, Excess Limits	2,693.1	415.72	415.42	- 0.1%	415.42	- 0.1%
PDL, Basic	3,264.7	500.92	450.92	-10.0%	450.92	-10.0%
PDL, Excess Limits	3,173.3	150.40	135.39	-10.0%	135.39	-10.0%
U-1 (20/40)	3,264.7	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	1,779.6	1.77	1.77	0.0%	1.77	0.0%
U-2	2,902.3	15.97	16.94	6.1%	16.94	6.1%
Average		1589.06	1529.12	- 3.8%	1529.12	- 3.8%

Excess Limits Factors

B, Excess Limits	0.801	0.801
U-1, Excess	0.443	0.443
PDL, Excess Limits	0.300	0.300

TAXIS		Current	Indicated		Selected	Selected
		Average	Average	%	Average	%
<u>Coverage</u>	<u>Exposure</u>	<u>Rate</u>	<u>Rate</u>	<u>Change</u>	<u>Rate</u>	<u>Change</u>
A-1 & B (20/40)	553.4	3818.01	3857.09	1.0%	3857.09	1.0%
A-2 (PIP)	553.4	989.33	1040.46	5.2%	1040.46	5.2%
B, Excess Limits	93.9	2050.21	2071.20	1.0%	2071.20	1.0%
PDL, Basic	553.4	1382.14	1495.06	8.2%	1495.06	8.2%
PDL, Excess Limits	538.6	396.67	429.08	8.2%	429.08	8.2%
U-1 (20/40)	553.4	38.00	41.00	7.9%	41.00	7.9%
U-1, Excess	21.3	11.65	12.57	7.9%	12.57	7.9%
U-2	540.1	0.80	0.85	6.3%	0.85	6.3%
Average		6962.50	7203.82	3.5%	7203.82	3.5%

Excess Limits Factors

B, Excess Limits	0.537	0.537
U-1, Excess	0.307	0.307
PDL, Excess Limits	0.287	0.287

LIMOUSINES		Current	Indicated		Selected	Selected
		Average	Average	%	Average	%
<u>Coverage</u>	<u>Exposure</u>	<u>Rate</u>	<u>Rate</u>	<u>Change</u>	<u>Rate</u>	<u>Change</u>
A-1 & B (20/40)	77.1	841.33	717.44	-14.7%	717.44	-14.7%
A-2 (PIP)	77.1	229.76	271.38	18.1%	271.38	18.1%
B, Excess Limits	51.8	728.83	621.51	-14.7%	621.51	-14.7%
PDL, Basic	77.1	459.88	456.87	- 0.7%	456.87	- 0.7%
PDL, Excess Limits	74.3	131.45	130.59	- 0.7%	130.59	- 0.7%
U-1 (20/40)	77.1	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	39.3	2.12	2.12	0.0%	2.12	0.0%
U-2	75.8	16.48	17.51	6.3%	17.51	6.3%
Average		2169.00	2011.73	- 7.3%	2011.73	- 7.3%

Excess Limits Factors

B, Excess Limits	0.866	0.866
U-1, Excess	0.529	0.529
PDL, Excess Limits	0.286	0.286

CAR SERVICE		Current	Indicated		Selected	Selected
		Average	Average	%	Average	%
<u>Coverage</u>	<u>Exposure</u>	<u>Rate</u>	<u>Rate</u>	<u>Change</u>	<u>Rate</u>	<u>Change</u>
A-1 & B (20/40)	456.7	1791.34	1677.22	- 6.4%	1677.22	- 6.4%
A-2 (PIP)	456.7	561.56	549.19	- 2.2%	549.19	- 2.2%
B, Excess Limits	307.1	1551.82	1452.96	- 6.4%	1452.96	- 6.4%
PDL, Basic	456.7	870.84	836.44	- 4.0%	836.44	- 4.0%
PDL, Excess Limits	439.9	248.92	239.08	- 4.0%	239.08	- 4.0%
U-1 (20/40)	456.7	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	233.0	2.12	2.12	0.0%	2.12	0.0%
U-2	448.9	16.04	16.88	5.2%	16.88	5.2%
Average		4527.95	4291.92	- 5.2%	4291.92	- 5.2%

Excess Limits Factors

B, Excess Limits	0.866	0.866
U-1, Excess	0.529	0.529
PDL, Excess Limits	0.286	0.286

**MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS
TOTAL CEDED MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES**

SCHOOL and CHURCH BUSES

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
A-1 & B (20/40)	1,358.8	626.50	470.38	-24.9%	563.85	-10.0%
A-2 (PIP)	1,358.8	107.83	124.11	15.1%	124.11	15.1%
B, Excess Limits	1,241.8	616.43	742.78	20.5%	890.38	44.4%
PDL, Basic	1,358.8	423.67	389.19	- 8.1%	389.19	- 8.1%
PDL, Excess Limits	1,331.9	126.37	116.09	- 8.1%	116.09	- 8.1%
U-1 (20/40)	1,358.8	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	847.9	2.10	2.10	0.0%	2.10	0.0%
U-2	1,198.5	25.07	26.59	6.1%	26.59	6.1%
Average		1872.65	1805.06	- 3.6%	2033.42	8.6%

Excess Limits Factors

B, Excess Limits	0.984	1.579
U-1, Excess	0.524	0.524
PDL, Excess Limits	0.298	0.298

OTHER BUSES

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
A-1 & B (20/40)	609.3	1284.75	1165.02	- 9.3%	1165.02	- 9.3%
A-2 (PIP)	609.3	383.52	360.82	- 5.9%	360.82	- 5.9%
B, Excess Limits	501.8	1489.28	2105.14	41.4%	2105.14	41.4%
PDL, Basic	609.3	668.25	684.62	2.4%	684.62	2.4%
PDL, Excess Limits	603.3	202.06	207.01	2.4%	207.01	2.4%
U-1 (20/40)	609.3	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	259.0	2.27	2.27	0.0%	2.27	0.0%
U-2	502.7	22.50	23.86	6.0%	23.86	6.0%
Average		3786.70	4173.88	10.2%	4173.88	10.2%

Excess Limits Factors

B, Excess Limits	1.159	1.807
U-1, Excess	0.568	0.568
PDL, Excess Limits	0.302	0.302

BUSES - SOCIAL SERVICE AND N.O.C

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
A-1 & B (20/40)	1,872.6	976.01	1141.45	17.0%	1141.45	17.0%
A-2 (PIP)	1,872.6	340.95	390.79	14.6%	390.79	14.6%
B, Excess Limits	1,542.3	1131.39	2062.55	82.3%	2062.55	82.3%
PDL, Basic	1,872.6	551.23	580.69	5.3%	580.69	5.3%
PDL, Excess Limits	1,854.2	166.68	175.59	5.3%	175.59	5.3%
U-1 (20/40)	1,872.6	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	795.9	2.27	2.27	0.0%	2.27	0.0%
U-2	1,584.2	22.50	23.86	6.0%	23.86	6.0%
Average		2989.05	4010.67	34.2%	4010.67	34.2%

Excess Limits Factors

B, Excess Limits	1.159	1.807
U-1, Excess	0.568	0.568
PDL, Excess Limits	0.302	0.302

VAN POOLS

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected %
A-1 & B (20/40)	136.2	1110.42	477.04	-57.0%	1110.42	0.0%
A-2 (PIP)	136.2	74.43	64.08	-13.9%	74.43	0.0%
B, Excess Limits	126.9	993.45	426.79	-57.0%	993.45	0.0%
PDL, Basic	136.2	539.65	427.42	-20.8%	539.65	0.0%
PDL, Excess Limits	133.5	161.71	128.08	-20.8%	161.71	0.0%
Collision, \$500 Ded.	86.0	493.89	558.82	13.1%	493.89	0.0%
Comprehensive, \$500 Ded.	98.8	230.62	155.44	-32.6%	230.62	0.0%
U-1 (20/40)	136.2	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	86.9	2.18	2.18	0.0%	2.18	0.0%
U-2	120.1	28.16	29.87	6.1%	28.16	0.0%
Average		3317.95	1989.04	-40.1%	3317.95	0.0%

Excess Limits Factors

B, Excess Limits	0.895	0.895
U-1, Excess	0.544	0.544
PDL, Excess Limits	0.300	0.300

**Commonwealth Automobile Reinsurers
Joint Actuarial Commercial Lines Committee
Rate Filing Summary April 1, 2013**

<u>Class</u>	<u>Original Filing 4.1.2013</u>		<u>Approved Filing 4.1.2013</u>	
	<u>Percent</u>	<u>\$ (mills)</u>	<u>Percent</u>	<u>\$ (mills)</u>
TTT	14.7%	\$2.9	13.5%	\$2.7
PPT Fleet	1.6%	\$0.0	0.6%	\$0.0
Garages	-1.9%	-\$0.1	-6.5%	-\$0.4
<hr/> Major Types	<hr/> 10.5%	<hr/> \$2.8	<hr/> 8.6%	<hr/> \$2.3
Special Types	8.5%	\$0.8	7.4%	\$0.7
Non-Owned	8.5%	\$0.1	7.4%	\$0.1
Miscellaneous	6.2%	\$0.5	4.4%	\$0.4
Garage Physical Damage	2.5%	\$0.1	1.4%	\$0.0
Zone Rated	0.0%	\$0.0	0.0%	\$0.0
<hr/> Subtotal Public Vehicles	<hr/> 7.3%	<hr/> \$4.3	<hr/> 5.9%	<hr/> \$3.5
Taxis	-8.6%	-\$0.37	-9.5%	-\$0.41
Limos	-0.1%	\$0.00	-6.2%	-\$0.01
Car Service	-0.5%	-\$0.01	-6.8%	-\$0.17
Public Buses	4.0%	\$0.39	2.9%	\$0.29
Van Pools	15.0%	-\$0.06	-15.0%	-\$0.06
<hr/> Subtotal Public Vehicles	<hr/> -0.3%	<hr/> \$0.0	<hr/> -2.2%	<hr/> -\$0.4
<hr/> Grand Total	<hr/> 5.6%	<hr/> \$4.3	<hr/> 4.1%	<hr/> \$3.1

MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS

TOTAL RESIDUAL MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES

TTT		Current	Indicated	%	Selected	Selected
Coverage	Exposure	Average	Average	Change	Average	%
		Rate	Rate		Rate	Change
A-1 & B (20/40)	11,978.0	521.16	487.00	- 6.6%	487.00	- 6.6%
A-2 (PIP)	11,978.0	27.44	36.38	32.6%	36.38	32.6%
B, Excess Limits	8,966.5	337.82	389.31	15.2%	389.31	15.2%
PDL, Basic	11,978.0	414.83	516.76	24.6%	516.76	24.6%
PDL, Excess Limits	11,729.9	155.71	225.06	44.5%	225.06	44.5%
Collision, All Deductibles	4,860.0	377.62	539.38	42.8%	539.38	42.8%
D, Med. Payments	7,418.4	3.00	13.00	333.3%	13.00	333.3%
Comprehensive, All Deductibles	5,672.5	228.50	203.97	-10.7%	203.97	-10.7%
U-1 (20/40)	11,978.0	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	6,666.0	1.81	1.91	5.5%	1.91	5.5%
U-2,TOTAL	9,630.3	21.62	20.44	- 5.5%	20.44	- 5.5%
Average		1654.48	1896.96	14.7%	1896.96	14.7%

Excess Limits Factors & Average Deductible Relativities

B, Excess Limits	0.648	0.799
PDL, Excess Limits	0.375	0.436
U-1, Excess	0.451	0.478
Collision, Average Deductible	0.965	0.972
Comprehensive, Average Deductible	0.981	0.981

PPT FLEET

Coverage	Exposure	Current	Indicated	%	Selected	Selected
		Average	Average	Change	Average	%
		Rate	Rate		Rate	Change
A-1 & B (20/40)	817.4	435.29	377.15	-13.4%	377.15	-13.4%
A-2 (PIP)	817.4	48.23	74.76	55.0%	74.76	55.0%
B, Excess Limits	555.8	271.75	291.17	7.1%	291.17	7.1%
PDL, Basic	817.4	347.58	346.54	- 0.3%	346.54	- 0.3%
PDL, Excess Limits	795.2	90.54	104.12	15.0%	104.12	15.0%
Collision, All Deductibles	470.7	678.45	754.01	11.1%	754.01	11.1%
D, Med. Payments	567.3	6.00	13.00	116.7%	13.00	116.7%
Comprehensive, All Deductibles	498.0	203.15	143.71	-29.3%	177.96	-12.4%
U-1 (20/40)	817.4	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	502.2	1.90	1.95	2.6%	1.95	2.6%
U-2,TOTAL	700.5	26.17	25.23	- 3.6%	25.23	- 3.6%
Average		1650.18	1655.32	0.3%	1676.19	1.6%

PPT NON-FLEET

Coverage	Exposure	Current	Indicated	%	Selected	Selected
		Average	Average	Change	Average	%
		Rate	Rate		Rate	Change
A-1 & B (20/40)	7,280.2	543.60	545.80	0.4%	545.80	0.4%
A-2 (PIP)	7,280.2	97.39	104.29	7.1%	104.29	7.1%
B, Excess Limits	4,950.2	339.37	421.38	24.2%	421.38	24.2%
PDL, Basic	7,280.2	442.66	449.15	1.5%	449.15	1.5%
PDL, Excess Limits	7,082.9	115.31	134.96	17.0%	134.96	17.0%
Collision, All Deductibles	4,247.1	1011.01	963.70	- 4.7%	963.70	- 4.7%
D, Med. Payments	5,448.1	6.00	13.00	116.7%	13.00	116.7%
Comprehensive, All Deductibles	4,590.4	279.13	226.05	-19.0%	226.05	-19.0%
U-1 (20/40)	7,280.2	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	4,472.9	1.90	1.95	2.6%	1.95	2.6%
U-2,TOTAL	6,239.1	26.17	25.23	- 3.6%	25.23	- 3.6%
Average		2224.48	2258.34	1.5%	2258.34	1.5%

Excess Limits Factors & Average Deductible Relativities

B, Excess Limits	0.624	0.772
PDL, Excess Limits	0.261	0.300
U-1, Excess	0.476	0.487
Collision, Average Deductible	1.019	1.015
Comprehensive, Average Deductible	1.000	1.000

**MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS
TOTAL CEDED MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES**

GARAGES		Current	Indicated	%	Selected	Selected
Coverage	Exposure	Average	Average	Change	Average	%
		Rate	Rate		Rate	Change
A-1 & B (20/40)	3,420.5	576.44	573.09	- 0.6%	573.09	- 0.6%
A-2 (PIP)	3,420.5	59.75	66.75	11.7%	66.75	11.7%
B, Excess Limits	2,813.3	385.09	460.34	19.5%	460.34	19.5%
PDL, Basic	3,420.5	567.38	475.62	-16.2%	475.62	-16.2%
PDL, Excess Limits	3,323.6	147.34	142.50	- 3.3%	142.50	- 3.3%
U-1 (20/40)	3,420.5	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	1,827.6	1.64	1.77	7.9%	1.77	7.9%
U-2	3,040.8	17.89	16.68	- 6.8%	16.68	- 6.8%
Average		1684.25	1652.32	- 1.9%	1652.32	- 1.9%

Excess Limits Factors

B, Excess Limits	0.668	0.803
U-1, Excess	0.410	0.444
PDL, Excess Limits	0.260	0.300

TAXIS

TAXIS		Current	Indicated	%	Selected	Selected
Coverage	Exposure	Average	Average	Change	Average	%
		Rate	Rate		Rate	Change
A-1 & B (20/40)	571.4	4293.07	3763.53	-12.3%	3763.53	-12.3%
A-2 (PIP)	571.4	1112.68	854.95	-23.2%	854.95	-23.2%
B, Excess Limits	105.9	1712.77	1928.07	12.6%	1928.07	12.6%
PDL, Basic	571.4	1429.35	1501.19	5.0%	1501.19	5.0%
PDL, Excess Limits	553.0	353.05	430.84	22.0%	430.84	22.0%
U-1 (20/40)	571.4	88.00	38.00	-56.8%	38.00	-56.8%
U-1, Excess	26.3	25.03	11.71	-53.2%	11.71	-53.2%
U-2	557.7	1.12	1.04	- 7.1%	1.04	- 7.1%
Average		7584.57	6933.65	- 8.6%	6933.65	- 8.6%

Excess Limits Factors

B, Excess Limits	0.399	0.512
U-1, Excess	0.284	0.308
PDL, Excess Limits	0.247	0.287

LIMOUSINES

LIMOUSINES		Current	Indicated	%	Selected	Selected
Coverage	Exposure	Average	Average	Change	Average	%
		Rate	Rate		Rate	Change
A-1 & B (20/40)	77.3	941.13	956.15	1.6%	956.15	1.6%
A-2 (PIP)	77.3	271.32	258.33	- 4.8%	258.33	- 4.8%
B, Excess Limits	43.8	587.77	736.15	25.2%	736.15	25.2%
PDL, Basic	77.3	541.53	498.59	- 7.9%	498.59	- 7.9%
PDL, Excess Limits	72.7	139.85	148.99	6.5%	148.99	6.5%
U-1 (20/40)	77.3	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	43.4	2.00	2.15	7.5%	2.15	7.5%
U-2	76.0	22.38	20.85	- 6.8%	20.85	- 6.8%
Average		2245.53	2295.83	2.2%	2295.83	2.2%

Excess Limits Factors

B, Excess Limits	0.625	0.770
U-1, Excess	0.500	0.538
PDL, Excess Limits	0.258	0.299

CAR SERVICE

CAR SERVICE		Current	Indicated	%	Selected	Selected
Coverage	Exposure	Average	Average	Change	Average	%
		Rate	Rate		Rate	Change
A-1 & B (20/40)	521.7	2078.47	1970.32	- 5.2%	1970.32	- 5.2%
A-2 (PIP)	521.7	554.19	631.73	14.0%	631.73	14.0%
B, Excess Limits	295.5	1298.07	1516.96	16.9%	1516.96	16.9%
PDL, Basic	521.7	1011.06	904.34	-10.6%	904.34	-10.6%
PDL, Excess Limits	490.6	261.10	270.23	3.5%	270.23	3.5%
U-1 (20/40)	521.7	4.00	4.00	0.0%	4.00	0.0%
U-1, Excess	292.7	2.00	2.15	7.5%	2.15	7.5%
U-2	512.8	21.83	20.21	- 7.4%	20.21	- 7.4%
Average		4651.06	4644.79	- 0.1%	4644.79	- 0.1%

Excess Limits Factors

B, Excess Limits	0.625	0.770
U-1, Excess	0.500	0.538
PDL, Excess Limits	0.258	0.299

**MASSACHUSETTS COMMERCIAL AUTOMOBILE
CAR SERVICING CARRIERS
TOTAL CEDED MARKET, FLEET AND NON-FLEET COMBINED
SUMMARY OF RATE CHANGES**

SCHOOL and CHURCH BUSES

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected Average Rate	% Change
A-1 & B (20/40)	1,452.4	707.40	618.12	-12.6%	618.12	618.12	-12.6%
A-2 (PIP)	1,452.4	112.60	106.00	- 5.9%	106.00	106.00	- 5.9%
B, Excess Limits	822.6	589.69	608.83	3.2%	608.83	608.83	3.2%
PDL, Basic	1,452.4	489.31	418.93	-14.4%	418.93	418.93	-14.4%
PDL, Excess Limits	1,365.8	121.68	124.81	2.6%	124.81	124.81	2.6%
U-1 (20/40)	1,452.4	4.00	4.00	0.0%	4.00	4.00	0.0%
U-1, Excess	814.8	2.11	2.19	3.8%	2.19	2.19	3.8%
U-2	1,281.0	36.43	34.90	- 4.2%	34.90	34.90	- 4.2%
Average		1795.05	1641.27	- 8.6%	1641.27	1641.27	- 8.6%

Excess Limits Factors

B, Excess Limits	0.834	0.985
U-1, Excess	0.528	0.547
PDL, Excess Limits	0.249	0.298

OTHER BUSES

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected Average Rate	% Change
A-1 & B (20/40)	497.3	1358.06	1140.74	-16.0%	1140.74	1140.74	-16.0%
A-2 (PIP)	497.3	288.75	337.28	16.8%	337.28	337.28	16.8%
B, Excess Limits	281.7	1330.63	1232.62	- 7.4%	1232.62	1232.62	- 7.4%
PDL, Basic	497.3	824.18	597.11	-27.6%	597.11	597.11	-27.6%
PDL, Excess Limits	467.7	209.07	180.31	-13.8%	180.31	180.31	-13.8%
U-1 (20/40)	497.3	4.00	4.00	0.0%	4.00	4.00	0.0%
U-1, Excess	279.0	2.50	2.41	- 3.6%	2.41	2.41	- 3.6%
U-2	410.3	43.89	43.54	- 0.8%	43.54	43.54	- 0.8%
Average		3462.88	2984.12	-13.8%	2984.12	2984.12	-13.8%

Excess Limits Factors

B, Excess Limits	0.980	1.081
U-1, Excess	0.624	0.603
PDL, Excess Limits	0.254	0.302

BUSES - SOCIAL SERVICE AND N.O.C

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected Average Rate	% Change
A-1 & B (20/40)	1,734.3	991.78	1009.23	1.8%	1009.23	1009.23	1.8%
A-2 (PIP)	1,734.3	187.61	351.70	87.5%	351.70	351.70	87.5%
B, Excess Limits	982.3	971.74	1090.52	12.2%	1090.52	1090.52	12.2%
PDL, Basic	1,734.3	523.86	569.28	8.7%	569.28	569.28	8.7%
PDL, Excess Limits	1,630.9	132.43	171.74	29.7%	171.74	171.74	29.7%
U-1 (20/40)	1,734.3	4.00	4.00	0.0%	4.00	4.00	0.0%
U-1, Excess	972.9	2.30	2.27	- 1.3%	2.27	2.27	- 1.3%
U-2	1,467.2	35.90	35.33	- 1.6%	35.33	35.33	- 1.6%
Average		2413.84	2744.54	13.7%	2744.54	2744.54	13.7%

Excess Limits Factors

B, Excess Limits	0.980	1.081
U-1, Excess	0.575	0.568
PDL, Excess Limits	0.253	0.302

VAN POOLS

Coverage	Exposure	Current Average Rate	Indicated Average Rate	% Change	Selected Average Rate	Selected Average Rate	% Change
A-1 & B (20/40)	122.1	1108.50	574.56	-48.2%	1108.50	1108.50	0.0%
A-2 (PIP)	122.1	74.21	60.57	-18.4%	74.21	74.21	0.0%
B, Excess Limits	69.2	818.59	507.31	-38.0%	978.75	978.75	19.6%
PDL, Basic	122.1	841.70	460.13	-45.3%	536.52	536.52	-36.3%
PDL, Excess Limits	114.8	211.24	137.93	-34.7%	160.83	160.83	-23.9%
Collision, \$500 Ded.	83.8	772.72	532.74	-31.1%	532.74	532.74	-31.1%
Comprehensive, \$500 Ded.	94.1	369.16	191.41	-48.1%	235.31	235.31	-36.3%
U-1 (20/40)	122.1	4.00	4.00	0.0%	4.00	4.00	0.0%
U-1, Excess	68.5	2.15	2.21	2.8%	2.21	2.21	2.8%
U-2	107.7	36.91	35.55	- 3.7%	35.55	35.55	- 3.7%
Average		3539.31	2062.05	-41.7%	3008.41	3008.41	-15.0%

Excess Limits Factors

B, Excess Limits	0.738	0.883
U-1, Excess	0.538	0.551
PDL, Excess Limits	0.251	0.300

**Commonwealth Automobile Reinsurers
Commercial Automobile Rate Study RFP
Appendix 2**

Commercial Residual Market Rating and Rate Development Issues

Following is a description of the substantive issues that CAR has been considering with respect to its commercial residual market rate need. The commercial residual market rate study will include, but not be limited to, a review of these issues.

1. Operations Outside of Massachusetts

Issue:

Rating procedures for the Truck, Tractor, Trailer (TTT) and Public Automobile classifications do not address operations outside of Massachusetts. Discussion of the Commercial Automobile Committee indicate that the study should consider experience not only of zone rated vehicles, but also intermediate radius classes.

Long Distance Radius Classifications – Zone Rated Risks

Summary:

The Massachusetts residual market plan defines eligibility for placement in the plan in a manner that is consistent with other states’ definitions with regard to risks with multi-state operations, ensuring that all risks have access to insurance regardless of the state in which the business is located. That is, if the risk’s principal place of business is in MA, the risk is eligible for cession to CAR. However, the MA Commercial Residual Market Automobile Manual (the CAR Manual) does not appropriately address rating for operations outside of MA. That is, in other states’ plans, vehicles classified as TTT and Public Auto used in multi-state operations are rated using the residual market rates on file in the state where the vehicle is principally garaged. In MA all such risks are rated from the CAR Manual. Within the scope of the rate study, the JALC will consider alternatives to address operations outside of MA.

Discussions to Date:

CAR staff has considered an initial approach that compares the base rates of other states’ plans and proposes a rating relativity factor to be applied to the rate calculation for vehicles garaged outside of MA in order to recognize the residual market experience as reflected in other states’ rates. The table below identifies the combined BI and PDL base rates of several states and MA. The base rate differences, as well as differentials in ILFs and primary rating factors, produce rates significantly lower in MA than other states, and have provided substantial financial incentive for many risks to migrate to MA in order to take advantage of the favorable rates.

Zone Rates by State				
BI + PDL Base Rates Combined				
State	Metropolitan Garaging		Regional Garaging	
	Minimum Rate	Maximum Rate	Minimum Rate	Maximum Rate
Massachusetts	2,231	2,946	1,874	2,946
New York	6,647	8,176	3,883	8,176
New Jersey	7,005	9,350	4,084	9,350
Connecticut	2,975	4,428	3,054	4,541
North Carolina	1,601	2,347	1,642	2,407
Rhode Island	N/A	N/A	1,992	5,845
D.C.	3,407	5,139	N/A	N/A

The North Carolina residual market rates were similarly attractive and their plan likewise experienced an influx of risks to that state. North Carolina took a similar approach as CAR has considered, and has addressed operations outside of their state by implementing base rate differentials. The table below is an excerpt from the North Carolina Manual and identifies the base rate differentials by state for the other bus classification.

State		Bodily Injury Limit \$30/60	Property Damage Limit \$25	Medical Payments Limit		
				\$500	\$1,000	\$2,000
Georgia	Nonfleet	\$ 7,195	\$2,692	\$ 957	\$1,115	\$1,259
	Fleet	7,915	2,961			
Florida	Nonfleet	11,739	2,515	1,561	1,820	2,054
	Fleet	12,913	2,767			
New Jersey	Nonfleet	16,565	9,035	2,203	2,568	2,899
	Fleet	18,222	9,939			
New York	Nonfleet	17,627	4,790	2,344	2,732	3,085
	Fleet	19,390	5,269			
South Carolina	Nonfleet	2,419	1,320	322	375	423
	Fleet	2,661	1,452			
Tennessee	Nonfleet	3,186	2,169	424	494	558
	Fleet	3,505	2,386			
Virginia	Nonfleet	14,006	7,982	1,863	2,171	2,451
	Fleet	15,407	8,780			
All Other States	Nonfleet	6,733	2,888	895	1,044	1,178
	Fleet	7,406	3,177			

To address the issue in MA, the selected approach will need to take into consideration impacts to statistical reporting requirements and rating systems. CAR's Commercial Statistical Plan does not capture data identifying out of state operations. The zone combination code is intended for this purpose, but current reporting instructions do not address that appropriately. Rather, the data indicates whether a vehicle is garaged in a metropolitan zone or a regional zone, but does not accurately identify the actual zones in which the vehicles are operated. Temporarily, in order to calculate offset factors for an initial filing, the JALC and its consulting actuary will ascertain whether a special data call to Servicing Carriers is feasible. Ultimately, to support ongoing rate making needs, statistical plan changes will be needed. The Committee will consider alternatives based upon the selected rating solution.

Intermediate Radius Classifications

Members of the Commercial Auto Committee have indicated that some risks with little or no operations within MA also include vehicles rated with the intermediate radius class. The JALC and its consulting actuary should consider whether a rating factor should be introduced to appropriately rate this risk.

Zone Rates

Issue:

Notwithstanding the need to address operations outside of MA described above, the zone rates set forth in the CAR Manual have not been reviewed based on the MA loss experience for a number of years. Because of the influx of risks to MA from other states, CAR has experienced a significant increase in incidents involving zone rated trucks and buses. The study should include not only a detailed review of MA zone rated experience, but also a review of the rating methodology in order to develop a comprehensive approach to achieve rate adequacy for these classes.

Summary:

In addition to studying the MA experience, a number of rating methodology factors should be considered. For example, with its March 2019 effective date filing, CAR successfully filed for an increase to the primary rating factor for certain bus classes. This represents a first step in a planned transition to the ISO rating factors. The transition plan developed as a result of this study should continue this transition. In addition, the JALC and its consulting actuary should consider whether a move to the rating methodology implemented by ISO, and adopted by AIB in 2008, should be adopted by CAR. Finally, the study should include a review of rating relativities for all coverages and physical damage rates for vehicles valued over \$90,000.

2. Increased Limit Factors (ILFs)

Issue:

The study should consider CAR's calculation of increased limit factors to determine whether residual market experience is best incorporated into the indicated result.

Complement to credibility:

ILFs are currently calculated using total market data. In most instances, residual market data does not include a credible volume of experience to support indications. The study should consider the current methodologies and determine whether alternative approaches for complements to credibility would better capture residual market experience, such as evaluation of the feasibility of substituting external data sources to obtain experience of countrywide residual market results for MA total market as a complement for credibility.

Large losses:

The study should consider whether there is opportunity to better capture large loss experience within CAR's rate filing. The increasing population of buses carrying high limits of coverage has been observed in the MA residual market. As in other states, CAR's Rules of Operation provide for coverage limits in excess of the maximum cedable limits if required by state or federal regulation or other financial responsibility laws. For example, according to the Federal Motor Carrier Safety Administration (FMCSA), buses carrying fewer than 15 passengers must carry a minimum of \$1.5M CSL limits, while buses carrying 15 or more passengers must carry \$5M CSL limits.

During recent years CAR has consistently experienced a high volume of losses in excess of \$1M among various classes. These losses are difficult to capture in the ILF calculations. Accordingly, with its March 2019 rate filing, CAR proposed a large loss load, similar to a catastrophe load, to apply across several classes in order to recognize rate need generated by predictably high volume of large losses among

various classes. CAR’s proposal was not approved for this filing due to concerns that the load should be targeted to apply to more specific classifications. The study should consider alternative approaches to successfully capture the impact of large losses to the residual market rate need.

3. Non-Massachusetts Personal Injury Protection (PIP) Exposure

Accidents occurring in other states and Canada are subject to PIP coverage limits applying in the jurisdiction in which the accident occurs. Further, in some provinces of Canada, the required PIP coverage limits are \$1M per person. The Governing Committee has indicated that CAR should research the extent of the PIP exposure to the MA residual market and whether the CAR rating methodology appropriately addresses this exposure.

Non-MA PIP losses reported in excess of the MA \$8,000 statutory coverage are reflected in the table below. In total for policy years 2015-2018, PIP losses in excess of the MA limit include approximately 7.25% of the total reported PIP losses.

PIP Losses Reported in Excess of MA \$8,000 Coverage Limit

Policy Year	State	Incurred PIP Loss	# Claimants	Loss Over MA \$8K Coverage
15	CONNECTICUT	144,025	17	8,025
15	MAINE	8,124	1	124
15	NEW YORK	410,304	18	266,304
15	OUT OF STATE	130,702	15	10,702
15	RHODE ISLAND	16,040	2	40
15 Total		709,195	53	285,195
Total PY 2015 PIP Losses	All	4,904,587		
16	CONNECTICUT	33,992	4	1,992
16	NEW HAMPSHIRE	8,002	1	2
16	NEW YORK	634,258	20	474,258
16	OUT OF STATE	124,222	13	20,222
16	RHODE ISLAND	8,035	1	35
16 Total		808,509	39	496,509
Total PY 2016 PIP Losses	All	5,295,377		
17	CONNECTICUT	32,864	4	864
17	NEW HAMPSHIRE	8,010	1	10
17	NEW YORK	281,710	13	177,710
17	OUT OF STATE	253,996	7	197,996
17	RHODE ISLAND	16,367	2	367
17 Total		592,947	27	376,947
Total PY 2017 PIP Losses	All	5,295,250		
18	NEW YORK	196,393	11	108,393
18	OUT OF STATE	388,223	23	204,223
18	RHODE ISLAND	8,125	1	125
18 Total		592,741	35	312,741
Total PY 2018 PIP Losses	All	4,785,912		

4. Experience Rating Plan

CAR has consistently observed a significant net credit experience rating modification for several years. When rates appear to be inadequate as reflected by the growing residual market deficit, this result is not expected. To address the liability plan imbalance, CAR recalibrated the expected loss ratio and maximum single loss calculation. In addition, CAR began a phase-out of the physical damage plan. Meanwhile, CAR and AIB continue to research the underlying cause of the issue. Factors considered include the use of voluntary experience from affiliated risks as well as difficulty in accumulating prior loss experience due to risks changing business entities to pursue favorable rates. The study should continue to research this issue and propose potential solutions.

5. Non-Owned Classification

CAR has observed a deterioration in underwriting results attributed to the non-owned classification. Specifically, significant losses have been incurred for stand-alone policies, although the rating anticipates companion coverage. Research identifies a growing trend in small businesses hiring employees using their personal vehicles to deliver goods and services. The rating methodology should develop an appropriate approach to adequately price these stand-alone risks.

6. Miscellaneous Classifications and Coverages

Several miscellaneous classes and coverages are reviewed only from time to time to consider whether the current rates adequately reflect loss experience. Although these risks represent little premium volume, the study should include a comprehensive review of each class and coverage to consider whether rate need exists.