



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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ADDITIONAL INFORMATION

TO MEMBERS OF THE REINSURANCE COMMITTEE

FOR THE MEETING OF:

Wednesday, September 18, 2019 at 9:00 a.m.

RC

19.04 Commercial Residual Market Reinsurance Arrangement

Attached for the Committee's consideration is a report summarizing policy years 2014-2018 underwriting results including on-level premiums and projected and trended losses by statistically reported class type. (Docket #RC19.04, Exhibit #4)

SHANNON CHIU
Actuarial/Statistical Analyst

Attachment

Boston, Massachusetts
September 13, 2019

Commonwealth Automobile Reinsurers

Projected Deficit By Policy Year*

Data Through June, 2019

<u>ClsTyp</u>	<u>Description</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
21	TTT	4,481,940	7,254,872	3,183,233	2,660,305	12,917,300
22	ZONE RATED TTT	655,986	1,395,429	(537,099)	(1,761,736)	2,448,434
23	TTT - FLEET	4,752	(233,567)	3,226,057	(464,096)	882,109
24	ZONE RATED TTT - FLEET	1,352,955	1,088,887	(47,410)	311,913	1,721,402
28/29	LIMOUSINES / CAR SERVICES	634,471	935,752	(169,685)	337	1,461,184
31	TAXIS	502,978	840,035	147,325	(82,911)	390,219
32	COMMERCIAL BUSES	2,281,173	2,680,233	864,973	1,817,600	2,705,702
33	VAN POOLS	(12,968)	77,178	142,791	(376,220)	322,751
34	ZONE RATED BUSES	(2,371,367)	(6,426,738)	645,554	(2,228,213)	572,802
35	PPT BUSES	89,560	(852,494)	(731,177)	706,208	498,635
36	TAXIS - FLEET	(292,534)	83,304	(217,080)	(178,103)	207,711
37	COMMERCIAL BUSES - FLEET	4,623,569	4,852,579	(17,632,505)	3,246,469	7,192,245
38	ZONE RATED BUSES - FLEET	(334,993)	(14,206,956)	(5,102,555)	(898,437)	(27,768,725)
39	PPT BUSES - FLEET	410,037	(1,313,549)	(60,104)	(703,217)	2,281,244
41	GARAGES SUBJECT TO COMPULSORY LAW	(882,438)	711,062	(4,875,209)	(1,348,503)	1,363,609
42	GARAGES - PREMISES	(251,894)	(314,457)	66,872	56,273	(116,916)
51	SPECIAL TYPES	1,233,291	3,100,482	3,095,167	2,595,775	2,268,339
52	COMMERCIAL MOTORCYCLES	74,267	(18,806)	50,421	(2,297)	67,739
61	NON-OWNED	(1,880,698)	(398,063)	(1,225,041)	(1,302,531)	553,342
62	HIRED AUTO	(1,874,404)	88,203	(2,444,643)	(355,734)	(903,318)
71	SPECIAL RATING AND ADJUSTMENT	1,190,201	(674,105)	1,781,299	(243,891)	(488,761)
82	PPT - FLEET	1,293,117	(30,812)	(1,012,756)	1,175,019	1,352,709
SubTotal		10,927,001	(1,361,535)	(20,851,571)	2,624,010	9,929,754
81	PPT	(7,926,318)	(10,853,967)	(6,805,072)	(11,936,285)	(7,677,887)
Total		3,000,683	(12,215,502)	(27,656,643)	(9,312,274)	2,251,867

*Projected Deficit = On-Level Written Premium - Developed / Trended Losses - Trended Expenses

Deficit greater than \$1 million

Unprojected Deficit As of 4Q 2018	(5,644,460)	(20,114,300)	(33,179,222)	4,834,792	32,340,408
LRC as of June, 2019	(5,711,000)	(22,717,000)	(45,357,000)	(26,694,000)	(35,530,000)