

Proposed Modifications to the Commercial Statistical Plan

Proposed Effective Date	Description	Status	Pages Impacted	Records Impacted
January 1, 2010	<p>The Commercial Statistical Plan has been updated to include proposed modifications to the Statistical Data Quality Program as follows:</p> <ul style="list-style-type: none"> • The majority of the penalty amounts contained in the Statistical Data Quality Program have not been updated since their inception in 1989. It is recommended that these penalties be increased for inflationary changes and adjusted for reasonability as warranted. • In order to further assure that complete and accurate statistical data is reported to CAR, it is recommended that a program be added to the Commercial Statistical Data Quality Program: <ul style="list-style-type: none"> • Expand the Annual Statement program to monitor the receipt of Statutory Page 14s for Massachusetts on a quarterly basis, including any corresponding out-of-balance explanations. This program will be administered in a similar manner to the program currently in place for monitoring the year-end receipt of company Annual Statements. • Wording clarification, elimination of obsolete language and the renumbering of sections as necessary. <p>The proposed implementation date of these modifications is January 1, 2010, impacting the January 2010 and subsequent monthly accounting/statistical shipments.</p>	Forwarded to Division of Insurance for approval	VII:1-3, 6 -10	All

Modifications to the Commercial Statistical Plan

Effective Date	Description	Page(s) Impacted	Records Impacted
Disapproved	All proposed modifications to the Statistical Data Quality Program previously identified in Accounting and Statistical Notice No. 472 dated November 19, 2007 <u>have been disapproved</u> by the Commissioner of Insurance per her letter dated January 30, 2008. For additional information, please refer to Accounting and Statistical Notice No. 473 dated January 31, 2008.	VII:2,4,7,8,11	All

Approved Modifications to the Commercial Statistical Plan

Approved Effective Date	Description	Status	Page(s) Impacted	Records Impacted
<p>January 1, 2008</p>	<p>The Terrorism Code language has been clarified to reflect that the exclusion for terrorism coverage applies only to coverage in excess of the minimum statutory limits as provided in the Commercial Automobile Policy.</p> <p>Also, for terrorism coverage provided on the underlying policy at no additional charge, the description has been clarified to note that the reference to the underlying policy means at total policy limits.</p>	<p>Approved by the Division of Insurance on June 29, 2007</p>	<p>VI:31</p>	<p>For clarification only</p>

Approved Modifications to the Commercial Statistical Plan

Approved Effective Date	Description	Status	Pages Impacted	Records Impacted
January 1, 2008	For consistency with the recent modifications made to the Private Passenger Statistical Plan and in order to specifically identify Bodily Injury, Uninsured and Underinsured Liability Limits of 500,000/500,000, code 15 has been added to the appropriate limits tables.	Approved by the Division of Insurance on May 7, 2007.	VI:43	All Premium and Loss Records

Approved Modifications to the Commercial Statistical Plan

Effective Date	Description	Status	Pages Impacted	Records Impacted
<p style="text-align: center;">Optional July 1 – December 31, 2006</p> <p style="text-align: center;">Mandatory January 1, 2007</p>	<p>On December 22, 2005, the Terrorism Risk Insurance Act of 2005 was extended for two years, until December 31, 2007. However, certain commercial lines of business were specifically not renewed under the extension legislation and effective January 1, 2006, the Terrorism Risk Insurance Act (TRIA) no longer applies to Commercial Automobile business. Accordingly, the existing Terrorism Coverage Code values no longer apply to this business. These codes have been replaced by new values that identify whether terrorism coverage exists on the underlying policy (at no charge or for an additional premium charge) and identify any premium associated with terrorism coverage on a separate terrorism coverage record. The approved codes are similar to those added to the ISO Commercial Automobile Statistical Plan.</p>	<p>Approved by Division of Insurance on April 19, 2006.</p>	<p>VI:31</p>	<p>All Premium Records</p>
	<p>References to “certified” Type of Loss Codes have been removed from the Statistical Plan. The existing “all other terrorism” and “not certified” Type of Loss Codes will now be referred to as “Terrorism” losses.</p>		<p>VI:46,48,59</p>	<p>All Loss Records</p>

Approved Modifications to the Commercial Statistical Plan

Approved Effective Date	Description	Pages Impacted	Records Impacted	Status	
January 1, 2005	The General Reporting Requirements have been clarified to identify that it is valid for a company to code the existence of a Property Damage deductible (PD Limit = 08) on single limit policies.	III:1	Clarification	Approved by the Division of Insurance on September 6, 2005.	The 2005 Private Passenger Statistical Plan has been updated to include this modification.
January 1, 2006	To further clarify the definition of CAR Identification Codes 1 and 5 relative to the Limited Servicing Carrier program, additional language has been added to these definitions.	VI:3 Note that the CAR ID Code definitions for policy effective years 1994 and prior have been moved to the following page (page VI:4) and all subsequent pages in Part VI have been renumbered accordingly.	Clarification		The 2006 Private Passenger Statistical Plan has been updated to include this modification.
January 1, 2006 (Optional 1/1/05 – 12/31/05)	Medical Payments Limits of \$3,000 and \$4,000 are available for Classification Code 902000 (Drive Other Car Coverage), but no corresponding statistical codes exist. An “all other” code 49 has been added to the Medical Payments Limits Code table to provide for the statistical reporting of limits for which no specific limit code value currently exists.	VI:43 (Note that this page (formerly VI:42) has been renumbered as VI:43 – see above)	All		The 2005 and 2006 Private Passenger Statistical Plans have been updated to include this modification.

Massachusetts Commercial Statistical Plan

Approved Modifications

Effective Date	Description	Status	Records Impacted	Pages Impacted
January 1, 2004	The Public vehicle Secondary Classification Code (fourth position) table has been clarified to note that Code 9 may only apply to Zone Rated Buses.	Approved by the Division of Insurance on September 13, 2004. 2004 Commercial Statistical Plan has been updated to include these modifications.	None. Clarification Only	VI:13,14
	The Age and Symbol Code Commercial Statistical Plan pages have been clarified to indicate that both Age and Symbol apply to certain Special Types vehicles as noted in the Classification Code Decision Table.			VI:25 VI:53
	The Table of Required Commercial Fields has been updated to indicate that Type of Claimant Code does not apply to Commercial Loss Records. Type of Claimant is only reported on Private Passenger records.			A:1
	The Commercial Exposure Basis Table has been updated in conjunction with the recently approved changes to the Garage Policy.			A:4

Massachusetts Commercial Statistical Plan

Summary of Approved Modifications

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

Massachusetts Commercial Statistical Plan

Approved Modifications

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1/1/2004	The Nil Submission penalty has not been utilized by CAR in many years. Rather, the Late and Unacceptable Shipments penalty has been used to penalize those companies that do not report required statistical data to CAR on a timely basis. Accordingly, the Nil Submission penalty has been eliminated and all wording pertaining to Nil Submissions has been removed from the Statistical Plan.	Approved by the Division of Insurance on February 10, 2004. 2004 Commercial Statistical Plan has been updated to include these modifications.	For clarification only	II:1 VII:2,7
	The Annual Statement Reconciliation language contained in the Statistical Plan has been updated to reflect CAR's current collection and reconciliation procedures.		For clarification only	II:2 VII:6,10

Commercial Automobile Statistical Plan

Summary of Approved Modifications

Effective Date	Description	Records Impacted	Status	Pages Impacted
<p>Optional for policies effective 1/1/2003 – 6/30/2003</p> <p>Mandatory for policies effective 7/1/2003 and subsequent</p>	<p>In response to the enactment of the Terrorism Risk Insurance Act of 2002 (TRIA), the Commercial Automobile Statistical Plan has been modified. The approved modifications will provide CAR and the industry with the ability to capture and report terrorism coverage information and identify those losses attributed to acts of terrorism. Note the following important information regarding the approved modifications:</p> <ol style="list-style-type: none"> 1. If a separate premium is charged for terrorism coverage (either for acts of terrorism certified under the Act or all other acts of terrorism not certified under the Act), then a separate premium record must be reported. 2. If the terrorism coverage premium has been determined on a policy level basis, for reporting purposes, the premium may be split in proportion to the underlying coverage on the policy. 3. The terrorism coverage premium record must be coded using the statistical codes required for the Classification reported on the record, as indicated in Appendix A – Classification Decision Table. 4. The reporting of the Terrorism Coverage Code and the new Type of Loss Codes are optional for policies effective January 1, 2003 – June 30, 2003 and mandatory for policies effective July 1, 2003 and subsequent. However, if a company has filed a rate for terrorism coverage with an effective date prior to July 1, 2003, then the company will be required to report the new terrorism coverage code information as of the effective date of its rate filing. <p>The approved modifications are as follows:</p> <ul style="list-style-type: none"> • Add a new one-digit Terrorism Coverage Code field to the Liability, No-Fault and Physical Damage premium record layouts. A value must be reported in this field for both underlying policy premium records and the separately reported premium records that identify the additional premium charge for terrorism coverage. Specific values are described on page VI:29 of the Coding Section. • Add new values to the Liability, No-Fault and Physical Damage (Other than Collision) Type of Loss fields. The new values will identify losses due to acts of terrorism certified under the Terrorism Risk Insurance Act (TRIA) and all other terrorism losses not certified under the Act. Specific values are described on pages VI:44, 46 and 57 of the Coding Section. 	<p>All Premium and Loss</p>	<p>Approved by Division of Insurance on 3/14/03. 2003 Statistical Plan has been updated.</p>	<p>III:6 IV:4,10,15 VI:29,44,46,57 VIII:1,2,4,6 A:1 C:3</p>

Commercial Statistical Plan
Summary of Approved Modifications

Effective Date	Description	Records Impacted	Status	Pages Impacted
1/1/2003	On 10/18/02, the Division of Insurance approved several new Commercial OTC codes representing a \$100 towing and labor limit of coverage. These coverages have been added to the Coverage Code Decision Table. Note that the coverage groupings have been simplified by adding an All Other category and each of the new \$100 coverage codes (except 465 and 565) will fall into the All Other category.	Physical Damage Premium and Loss	Approved by Division of Insurance on 3/14/03. 2003 Statistical Plan has been updated.	A:3
Optional 1/1/2003- 12/31/2003 Mandatory 1/1/2004	The Division of Insurance has approved a revision to Rule 44 (Motorcycles, Motorscooters, Mopeds, etc.) of the AIB's Private Passenger Rating Manual to allow a discount in the comprehensive premium charge for motorcycles equipped with a Category IV vehicle recovery system. Accordingly, the Classification Decision Table has been modified to require companies to report an Anti-Theft Device Discount Code on records reported with a motorcycle classification code. Note that the reporting of Anti-Theft Code on motorcycles is optional for policies effective 1/1/2003-12/31/2003 and mandatory for policies effective 1/1/2004 and subsequent.	Physical Damage Premium and Loss		A:2
1/1/2003	The Reporting Method section of Part II – General Rules has been updated to identify that commencing with the 2003 accounting/statistical shipments CAR will accept records reported via File Transfer Protocol (FTP) transmission.	All Records		II:2
Optional 1/1/2003- 12/31/2003 Mandatory 1/1/2004	Currently, there is no Rating ID Code value to represent the situation where a policy was neither experience rated, nor all other rated. When this situation occurs, companies have to determine which existing Rating ID Code value is the most appropriate to code. Accordingly, a new code of 0 (Not Experience Rated, Not All Other Rated Basis) is being added to the valid Rating ID values.	All Records		VI:28