

CAR Commercial Rate – Effective October 1, 2024
Implementation Procedures and Summary of Changes

Below is a description of procedures used to develop rates effective October 1, 2024 including a summary of the changes implemented this year. The filing includes updated liability rates for Taxi, Limousine, Car Service, Public Bus, and Van Pool classifications only with no proposed change to uninsured (U-1), underinsured (U-2), and Med-Pay rates.

The filing also includes updated zone rates. For all other vehicle types, the rates remain unchanged.

Please note that the approved rates included a change to the effective date from July 1, 2024 to October 1, 2024. There were no other changes made upon approval.

1. Commission Schedule

For all classes, commissions will be 8.34 % of premiums written.

2. CAR Commercial Automobile Insurance Manual – Manual Rules

No Manual Rule changes are included with this filing.

3. CAR Commercial Automobile Policy Forms and Endorsements

No Policy Form or Endorsement changes are included with this filing.

4. Experience Rating Plan

Due to the limited filing, the CAR Experience Rating Plan was not updated.

5. Rate Implementation

a. Territory Schedule

The territory definitions to be used for policies effective with this filing are unchanged.

Territory relativities have been updated for Taxis, Limos/Car Service, and Buses/Van Pools.

b. Increased Limit Factors (ILF)

ILF's remain unchanged for all non-zone rates and motorcycles. Refer to Schedule 107 for complete tables of increased limit factors.

c. Deductible Relativities

Physical Damage Deductible Rate Relativities were not updated in this filing.

d. Age-Symbol Relativities

Age-Symbol Relativities were not updated in this filing.

6. Zone Rates

a. Base Rates

CAR's liability and physical damage base rate tables are updated. The physical damage rate structure displays base rates by zone (pages R-58 and R-59), and applies the Original Cost New (OCN)/Age Group relativities, and deductible relativities for the non-zone rated TTTs to those base rates.

- Physical damage rates for zone rated, and trailers under a trailer interchange agreement (daily per trailer rates) have been updated.
- Fire, and Fire/Theft charges were added for clarification to the Zone Rating premium development section on page R-56

b. State Rating Factor

CAR maintains a 20% rating differential for vehicles garaged outside of MA, NH, VT, and ME.

c. Zone Rated Primary Rating Factors

The primary rating factors for zone rated buses and TTT's are unchanged.

d. Increased Limit Factors

BI ILF tables for the zone-rated classifications have been updated. There are no changes proposed for zone-rated PDL ILFs.

e. Trailer Interchange Agreement Physical Damage Factors

The zone rating factors used to calculate the physical damage premiums for coverage afforded with a trailer interchange agreement remain unchanged from the prior year.

7. Schedule 107 and Rates

a. Trucks, Tractors, and Trailers

The rates were not updated in this filing.

b. Private Passenger Types

The rates were not updated in this filing.

c. Public Vehicle Types

• Taxi

Schedule 107-3 contains the information necessary for the calculation of taxi liability rates. The methodology for the calculation of these rates remains unchanged. For collision and limited collision rates, charge 5 times the private

passenger type collision or limited collision rate. For comprehensive rates, charge 6 times the private passenger type rate.

- **Limousine**

The rates have been updated. Schedule 107-4 contains the information necessary for the calculation of the limousine liability rates. The methodology for the calculation of these rates remains unchanged. The physical damage rates are developed by applying a factor of 1.5 times the private passenger type rate.

- **Car Service**

The rates have been updated. Schedule 107-5 contains the information necessary for the calculation of the car service liability rates. The methodology for the calculation of these rates remains unchanged. The physical damage rates are developed by applying a factor of 1.5 times the private passenger type rate.

- **Public Buses**

The rates have been updated. Schedule 107-6 contains the information necessary for the calculation of the public bus liability rates. The methodology for the calculation of these rates remains unchanged. The physical damage rates are developed by applying a factor of 1.25 times the TTT rate.

- **Van Pools**

The liability rates have been updated. Schedule 107-7 contains the information necessary for the calculation of the van pool rates. The methodology for the calculation of these rates remains unchanged.

d. Garages

The rates were not updated in this filing.

e. Special Types

The rates were not updated in this filing.

f. Motorcycles

The motorcycle rates have been updated, including the base rates, increased limit factors, and the deductibles. The age rate factors, substitute transportation, and towing and labor rates are unchanged.