

**Performance Standards for the Handling and Payment of  
Commercial Claims by Servicing Carriers**

**Summary of Approved Changes  
September 6, 2011**

III. No-Fault Personal Injury Protection Benefits Handling

C. Medical Management (Page 16 of 24)

- Language has been changed in 1 and 2 to conform to previous changes made on the Private Passenger Performance Standards on November 13, 2009.
- It reflects that carriers must have a plan for medical management and should use time tested techniques but that the various medical management techniques used are up to the individual carrier.

IV. Voluntary/Ceded Claim Handling Differential (Page 17 of 24)

- Changes *annual* audit to *biennial* audit to reflect the new schedule of reviews.

Measurements & Penalties

- *Limited* was eliminated to reflect the current name of the Commercial Servicing Carrier Program.
- *Claims* Department was changed to Compliance Audit Department.

Appendices

- Appendices B, C, D, E, F, G, H, I, M, and O apply to both Private Passenger and Commercial business. With the elimination of Appendix E - Regulation 211 CMR 93.00 that was repealed, the subsequent appendices have been re-lettered.
- In Appendix A, K, L, and N, Section 2 was added to differentiate between the Private Passenger Performance Standards Appendices approved on May 13, 2011 and the proposed Commercial Performance Standards. It is recommended that the appendices approved for commercial business on June 10, 2009 be retained and modified where necessary.

**Appendix A - Special Investigative Unit Standards: Section 2 Commercial**

- The recommendation is that Appendix A approved on June 10, 2009 be retained for the Commercial pool.

**Appendix J - CAR Compliance Audit Claim Review Process: Section 2. Commercial**

- The sample size of 220 claims as reflected in the NAIC guidelines has been added.
- Additionally, an explanation is included that the random sample of ceded and voluntary claims is in proportion to the total claim population.

**Appendix K - CAR SIU File Review Process: Section 2. Commercial**

- The recommendation is that the SIU File Review Process that was approved for

commercial business on June 10, 2009 be retained and modified to show the change from an annual review to a biennial review.

- Additionally with the revised SIU Quarterly Activity Log, a random sample of 25 referrals will be selected and savings verified directly from the carriers' log.

#### **Appendix L – Questionnaire: Section 2. Commercial**

- The recommendation is that the Questionnaire that was approved for commercial business on June 10, 2009 be retained.

#### **Appendix N - NAIC Standards - CAR Rule 10 & Performance Standards: Section 2 Commercial**

- The recommendation is that Appendix N approved on June 10, 2009 be retained for the Commercial pool. Section 1 references Rule 32 and Section 2 Rule 10.