

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

Summary of Approved Changes

May 24, 2013

Commercial Appendices

Appendix J - CAR Compliance Audit Claim Review Process

Section 2. Commercial Policies

Scope and Sample

- Language has been added to update the current procedures for conducting the biennial Commercial Claims Review including the scope, sample, and compliance measurements.

Commercial Ceded Pool Run-off

- Updated procedures have been implemented to review samples of claims that remain open for those companies that are no longer Servicing Carriers but have active ceded losses in the commercial pool. The sample will be approximately 5 to 10 percent of the claims having reserves and/or payments during the accounting year of the audit.

Ad Hoc Reviews – Large Loss/Indemnity/Reserve Review

- Language has been added to document the current procedures for Large Losses.

Appendix K - CAR SIU File Review Process

- The commercial audit process pertaining to SIU has been added including the size of sample, types of claims, and the criteria for evaluation.