

G.L. c.175, §113H requires that Commonwealth Automobile Reinsurers (CAR) establish Performance Standards for claim handling for Massachusetts Private Passenger motor vehicle insurance policies. These Performance Standards are designed to contain costs, ensure prompt customer service and timely payment of legitimate claims, and prevent the payment of inflated, fraudulent, and unwarranted claims. Periodic audits of Plan Members are conducted to maintain consistency of claims handling for policies insured voluntarily and those written through the residual market.

The Performance Standards documented in this manual are developed to establish a benchmark for the handling of private passenger motor vehicle insurance claims. Also, these standards are designed to ensure compliance with Massachusetts laws and regulations regarding motor vehicle insurance and the CAR Rules of Operation.

The Appendices are an integral part of the Performance Standards. These document audit and SIU procedures are designed to verify compliance with the Performance Standards and contain copies of statutes and regulations that are referenced in the Performance Standards. Revisions to existing laws or regulations are incorporated into the Appendices as these are promulgated.