



**COMMONWEALTH OF MASSACHUSETTS**  
**Office of Consumer Affairs and Business Regulation**  
**DIVISION OF INSURANCE**

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**Property & Casualty Insurance**  
**Filing Guidance Notice 2008-H**

TO: Insurers Submitting Private Passenger Motor Vehicle Insurance  
Rate Filings For Policies Effective on or after April 1, 2008

FROM: Kevin Beagan, Deputy Commissioner and Director, State Rating Bureau

DATE: November 5, 2008

RE: Required Filing Documents for Private Passenger Motor Vehicle Rate/Rule Filings for  
Policies Effective on or after April 1, 2008

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The purpose of this notice is to inform insurance companies of special filing documents that must be submitted with private passenger motor vehicle insurance rate and rate filings for policies effective in the Commonwealth on or after April 1, 2008.

Rate/Rule Filings Affecting Policies with Effective Dates Between April 1, 2008 and March 31, 2009.

The insurer must include a certification as to whether or not the rate/rule filing complies with the 10% premium threshold described in Division of Insurance Bulletin 2007-07. Attachment 1 provides a sample of such certification, which should be signed by an officer of the insurer submitting the filing.

Rate/Rule Filings Affecting Policies with Effective Dates Between April 1, 2009 and March 31, 2010.

The insurer must include a certification as to whether or not the rate/rule filing complies with the residual market premium threshold described in Division of Insurance Bulletin 2008-11. Attachment 2 provides a sample of such certification, which should be signed by an officer of the insurer submitting the filing.

Rate/Rule Filings Affecting Policies with Effective Dates on or After April 1, 2008

All insurers must submit a premium comparison for the sample policies defined in Attachment 3. As detailed further in the attachment, the rate/rule filing should display the current and newly filed premium for each policy, as well as the percentage change in the premium. The premium comparison for each sample policy shall be submitted through SERFF in an excel file format.

If you have any questions regarding this Filing Guidance Notice, please contact Cara Blank at (617) 521-7344 or via email at [cara.blank@state.ma.us](mailto:cara.blank@state.ma.us).

Massachusetts Private Passenger Motor Vehicle Insurance  
Certification of Average Premium Changes Resulting from Proposed Rates for Policies with  
Effective Dates Between April 1, 2008 and March 31, 2009

[Insert Company Name]

Filing Effective Date: [Insert]

I hereby certify that the premiums generated from the rules, rates, and rating factors contained in this private passenger motor vehicle rate/rule filing will not increase premiums by more than [\_\_]% for any coverage listed in Division of Insurance Bulletin 2007-07. Validation of this is contained in this filing as an exhibit or has been submitted in electronic format as a Microsoft Access or Excel database.

Signed under the pains and penalties of perjury this [date] of [Month], [Year]

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Signature

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Title (Officer of Company)

Massachusetts Private Passenger Motor Vehicle Insurance  
Certification of Average Premium Changes Resulting from Proposed Rates for Policies with  
Effective Dates Between April 1, 2009 and March 31, 2010

[Insert Company Name]

Filing Effective Date: [Insert]

I hereby certify that the premiums generated from the rules, rates, and factors to be incorporated in the private passenger motor vehicle insurance rate manual as a result of this **rate/rule filing** shall not exceed the premium threshold applicable to the basic coverage package described in Division of Insurance Bulletin 2008-11.

I further certify that the requested changes to rating territory relativities described in Division of Insurance Bulletin 2008-11 are not more than 10% higher than the corresponding rating territory relativities in effect underlying the insurance rates for private passenger motor vehicles from January 1, 2007 through March 31, 2008.

Exhibit \_\_\_ of this rate filing demonstrates these facts.

Signed under the pains and penalties of perjury this [Day] of [Month], [Year].

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title (Officer of Company)

## Massachusetts Private Passenger Motor Vehicle Insurance Premium Change Expected From Rate Filings

The change in annual premium for each policy profiles described below must be submitted with the rate/rule filing. Premium changes must be calculated for each of 58 communities. The format of the premium change comparison and the communities for which premium changes are sought is shown on page 6 of this attachment.

### New Business Policy Premium Changes

Four policy profiles for changes in the premiums for a new policy must be submitted with the rate filing. Pages 2-5 of this attachment provide the new business policy profiles that describe the operators and vehicles and their specific risk attributes. The current and proposed premiums for the new business policy profiles are to be based on the assumption that the policy is new to the company for both the current and proposed rates.

### Renewal Policy Premium Changes

Four policy profiles for changes in the premiums for a renewal policy must also be submitted with the rate filing. For the purposes of estimating the premium change, the filer should use the premiums for the new business policy profiles based on the rates currently in effect. For the purposes of calculating proposed premium for renewal, filers should assume the following changes to the new business profiles:

1. All listed operators are licensed one additional year.
2. The policy has been in effect with the filer for one full year without a lapse in coverage.
3. All listed operators are assumed to have resided at their current residence for one additional year.
4. None of the vehicles on the policy have changed.
5. No new accidents, violations, or claims have been submitted in the past year. Each operator's driving record remains unchanged, and any accidents or violations have aged one year.
6. All other risk attributes remain the same, and for those that are time based, they have aged one year.

Massachusetts Private Passenger Motor Vehicle Insurance  
Expected Changes in Policy Premium From Rate Filing  
New Business Policy #1

Policy Coverage            20/40 Bodily Injury  
   20/40 Uninsured Motorists  
   20/40 Underinsured Motorists  
   \$25,000 Property Damage Liability  
   Basic PIP (\$0 Deductible)  
   No other optional endorsements w/ Premium > \$0

Driver/Vehicle Characteristics	Driver 1	
Number of Listed Drivers: 1		
Number of Vehicles: 1		
<u>Driver Characteristics</u>		
Years Licensed?	6	
Licensing jurisdiction	MA	
Accidents > \$1000 /Violations past 36 mo.?	0 Acc/0 Viol	
# Not at fault accidents past 36 mo.?	0	
# Comp claims > \$1,000 past 36 mo.?	0	
# Years No Accs/Viols Prior to Eff. Date?	5	
# Times coverage lapsed in past 36 mo?	0	
Date of last coverage lapse?	NA	
Total days coverage lapse in past 36 months?	0 days	
# Late Pays/ISF in past 36 months	0	
Vehicle Use?	Commute to work	
Years at Current Residence?	2	
Years with Current Agent?	3	
Years with Prior Company?	2	
Property Insurance?	N	
Life Insurance?	N	
# Days Application Precedes Policy Eff. Date?	10	
# Discrepancies Between Information on Application and Underwriting Verification?	0	
Purchases separate roadside assistance?	N	
Driver regularly uses public transit?	N	
Policy Eligible for Group Deviation?	N	
Qualifies for basic driver training discount?	N	
Qualifies for advance driver training discount?	N	
Qualifies for good student or student away discount?	N	
Premium paid in full at inception?	N	
<u>2003 Toyota Camry Sedan LE 6 cyl</u>		
Vehicle w/ Passive Restraint?	Y	
Annual Mileage for Vehicle?	15,000/Year	
Principal Operator?	Driver 1	
Occasional Operator?	N/A	

Massachusetts Private Passenger Motor Vehicle Insurance  
Expected Changes in Policy Premium From Rate Filing  
New Business Policy #2

<u>Policy Coverage</u>	100/300 Bodily Injury	\$500 Ded. Collision (W/Ded. Waiver)
	100/300 Uninsured Motorists	\$500 Ded. Comp (\$100 Glass Ded.)
	100/300 Underinsured Motorists	\$30/\$900 Substitute Transportation
	\$100,000 Property Damage Liability	No other optional endorsements
	Basic PIP (\$ 0 Deductible)	with premium > \$0

Driver/Vehicle Characteristics	Driver 1	Driver 2
Number of Listed Drivers: 2		
Number of Vehicles: 1		
<u>Driver Characteristics</u>		
Years Licensed?	50	52
Licensing Jurisdiction	MA	MA
Accidents > \$1000 /Violations past 36 mo.?	0 Acc/0 Viol	0 Acc/0 Viol
# Not at fault accidents past 36 mo.?	0	0
# Comp claims > \$1,000 past 36 mo.?	0	0
# Years No Accs/Viols Prior to Eff. Date?	20	15
# Times coverage lapsed in past 36 mo?	0	0
Date of last coverage lapse?	NA	NA
Total days coverage lapse in past 36 months?	0 days	0 days
# Late Pays/ISF in past 36 months	0	0
Vehicle Use?	Pleasure	Pleasure
Years at Current Residence?	15	15
Years with Current Agent?	20	20
Years with Prior Company?	5	5
Property Insurance?	HO-3 w/other co.	HO-3 w/other co.
Life Insurance?	N	N
# Days Application Precedes Policy Eff. Date?	20	20
# Discrepancies Between Information on Application and Underwriting Verification?	0	0
Purchases separate roadside assistance?	N	N
Driver regularly uses public transit?	N	N
Policy Eligible for Group Deviation?	N	N
Qualifies for basic driver training discount?	N	N
Qualifies for advance driver training discount?	N	N
Qualifies for good student or student away discount?	N	N
Premium paid in full at inception?	N	N
<u>2003 Toyota Camry Sedan LE 6 cyl</u>		
Vehicle w/ Passive Restraint?	Y	Y
Annual Mileage for Vehicle?	4,000/Year	4,000/Year
Principal Operator?	Driver 1	
Occasional Operator?		Driver 2

Massachusetts Private Passenger Motor Vehicle Insurance  
Expected Changes in Policy Premium From Rate Filing  
New Business Policy #3

<u>Policy Coverage</u>	100/300 Bodily Injury	\$500 Ded. Collision (W/Ded. Waiver)
	100/300 Uninsured Motorists	\$500 Ded. Comp (\$100 Glass Ded.)
	100/300 Underinsured Motorists	\$30/\$900 Substitute Transportation
	\$100,000 Property Damage Liability	No other optional endorsements
	Basic PIP (\$ 0 Deductible)	with premium > \$0

Driver/Vehicle Characteristics	Driver 1	Driver 2	Driver 3
Number of Listed Drivers: 3			
Number of Vehicles: 2			
<u>Driver Characteristics</u>			
Years Licensed?	24 yrs.	22 yrs.	1 yr.
Licensing Jurisdiction?	MA	MA	MA
Accidents > \$1000 /Violations past 36 mo.?	1 speed	0	0
# Not at fault accidents past 36 mo.?	0	0	0
# Comp claims > \$1,000 past 36 mo.?	0	0	0
# Years No Accs/Viols Prior to Eff. Date?	1.5 yrs.	8	1
# Times coverage lapsed in past 36 mo?	0	0	0
Date of last coverage lapse?	NA	NA	NA
Total days coverage lapse in past 36 months?	0	0	0
# Late Pays/ISF in past 36 months	0	0	0
Vehicle Use?	Commute	Commute	Pleasure
Years at Current Residence?	5	5	5
Years with Current Agent?	5	5	5
Years with Prior Company?	2	2	2
Property Insurance?	HO-3 w/Co.	HO-3 w/Co.	HO-3 w/Co.
Life Insurance?	N	N	N
# Days Application Precedes Policy Eff. Date?	20	20	20
# Discrepancies Between Information on Application and Underwriting Verification?	N	N	N
Purchases separate roadside assistance?	N	N	N
Driver regularly uses public transit?	N	N	N
Policy Eligible for Group Deviation?	N	N	N
Qualifies for basic driver training discount?	N	N	N
Qualifies for advance driver training discount?	N	N	N
Qualifies for good student or student away discount?	N	N	N
Premium paid in full at inception?	N	N	N
<u>2003 Toyota Camry Sedan LE 6 cyl</u>	Y		
Vehicle w/ Passive Restraint?	20,000/Yr.		
Annual Mileage for Vehicle?	Driver 1		NA
Principal Operator?	Drivers 2 & 3		Y
Occasional Operator?			
<u>1998 Ford Taurus GL Sedan 6 cyl.</u>		Y	
Vehicle w/ Passive Restraint?		15,000/Yr.	
Annual Mileage for Vehicle?		Driver 2	NA
Principal Operator?		Drivers 1 & 3	Y
Occasional Operator?			

Massachusetts Private Passenger Motor Vehicle Insurance  
Expected Changes in Policy Premium From Rate Filing  
New Business Policy #4

Policy Coverage      35/80 Bodily Injury      \$500 Ded. Comp (\$100 Glass Ded.)  
 35/80 Uninsured Motorists      No other optional endorsements  
 35/80 Underinsured Motorists      with premium > \$0  
 \$50,000 Property Damage Liability  
 Basic PIP (\$ 0 Deductible)

Driver/Vehicle Characteristics	Driver 1	Driver 2
Number of Listed Drivers: 2		
Number of Vehicles: 2		
<u>Driver Characteristics</u>		
Years Licensed?	14 yrs.	12 yrs.
Licensing Jurisdiction?	MA	MA
Accidents > \$1000 /Violations past 36 mo.?	1 speed	0
# Not at fault accidents past 36 mo.?	0	1
# Comp claims > \$1,000 past 36 mo.?	0	0
# Years No Accs/Viols Prior to Eff. Date?	1.5 yrs.	2.5 yrs.
# Times coverage lapsed in past 36 mo?	0	0
Date of last coverage lapse?	NA	NA
Total days coverage lapse in past 36 months?	0	0
# Late Pays/ISF in past 36 months	0	0
Vehicle Use?	Commute	Commute
Years at Current Residence?	5	5
Years with Current Agent?	5	5
Years with Prior Company?	2	2
Property Insurance?	N	N
Life Insurance?	N	N
# Days Application Precedes Policy Eff. Date?	20	20
# Discrepancies Between Information on Application and Underwriting Verification?	N	N
Purchases separate roadside assistance?	N	N
Driver regularly uses public transit?	N	N
Po Qualifies for basic driver training discount?	N	N
Qualifies for advance driver training discount?	N	N
Qualifies for good student or student away discount?	N	N
Premium paid in full at inception?	N	N
Policy Eligible for Group Deviation?	N	N
<u>2003 Toyota Camry Sedan LE 6 cyl</u>		
Vehicle w/ Passive Restraint?	Y	
Annual Mileage for Vehicle?	20,000/Yr.	
Principal Operator?	Driver 1	
Occasional Operator?	Driver 2	
<u>1998 Ford Taurus GL Sedan 6 cyl.</u>		
Vehicle w/ Passive Restraint?		Y
Annual Mileage for Vehicle?		15,000/Yr.
Principal Operator?		Driver 2
Occasional Operator?		Driver 1



## Premium Change for [New/Renewal] Policy #[ ]

<u>City/Town/Subdivision</u>	<u>Average Annual Premium At Current Rates</u>	<u>Average Annual Premium At Filed Rates</u>	<u>% Change</u>
Petersham			
Sturbridge			
Northampton			
Foxborough			
Pittsfield			
Attleborough			
Bridgewater			
Plymouth			
Dedham			
Framingham			
Methuen			
Cambridge			
Quincy			
New Bedford			
Worcester			
Randolph			
Revere			
Chelsea			
West Roxbury			
Roslindale			
Jamaica Plain			
Hyde Park			
Dorchester			
Roxbury			
Boston Central			
Brighton			
South Boston			
E. Boston/Charlestown			
Holyoke			
Lowell			
Springfield			
Lynn			
Lawrence			
Brockton			
Barnstable			
North Adams			
Fall River			
Taunton			
Beverly			
Gloucester			
Haverhill			
Newburyport			
Peabody			
Salem			
Chicopee			
Westfield			
Everett			
Malden			
Marlborough			
Medford			
Melrose			
Newton			
Somerville			
Waltham			
Woburn			
Fitchburg			
Gardner			
Leominster			