



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

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COMMISSIONER OF INSURANCE

BULLETIN 2015-04

To: Insurance Producers and Insurance Companies Selling or Servicing Private Passenger Motor Vehicle Insurance in Massachusetts

From: Daniel R. Judson, Commissioner of Insurance

A handwritten signature in black ink, appearing to read "Dan R. Judson".

Date: June 25, 2015

Re: Timing of Notices of Transfer of Insurance Coverage

The Division of Insurance ("Division") is issuing this bulletin to further clarify and supplement the provisions of *Bulletin 2008-10 – Documenting Transfers of Private Passenger Motor Vehicle Insurance* regarding the timeframe for issuing a notification of coverage transfer to a person's current private passenger motor vehicle insurance policy ("policy") provider when that person changes insurance provider. Based on complaints received by the Division, it appears that the requirement in Bulletin 2008-10 that such notifications be sent "as soon as possible" has inadvertently resulted in brief lapses in motor vehicle insurance in a limited number of instances.

The primary purpose of the notification of coverage transfer is to ensure that the Registry of Motor Vehicles has the proper insurance documentation supporting a motor vehicle's registration. In order to maintain proper coverage for vehicle registration purposes, and avoid unintended lapses in coverage, the notification of coverage transfer shall not be issued to the prior producer or insurer before the insurer of the replacement policy has actually received the required down-payment or first payment. The notification of coverage transfer shall be issued no later than 10 days after the day the replacement insurer receives the down-payment or first payment for the replacement policy. This requirement shall become effective on October 1, 2015.

The Division believes these requirements will prevent unintended lapses in motor vehicle insurance coverage, and will also provide consumers with adequate time to make changes to their existing premium installment plans to avoid unnecessary late payment notices from their prior insurer.

The Division will continue to monitor and investigate any complaints concerning these notices.