

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

1000 Washington Street, Suite 810 • Boston, MA 02118-6200 (617) 521-7794 • FAX (617) 521-7475 TTY/TDD (617) 521-7490 http://www.mass.gov/doi

DEVAL L. PATRICK GOVERNOR

TIMOTHY P. MURRAY LIEUTENANT GOVERNOR

GREGORY BIALECKI SECRETARY OF HOUSING AND ECONOMIC DEVELOPMENT

> BARBARA ANTHONY UNDERSECRETARY

JOSEPH G. MURPHY COMMISSIONER OF INSURANCE

## Performance Standards for the Payment and Handling of Commercial Motor Vehicle Insurance Claims Docket No. C2011-02

## Order

Commonwealth Automobile Reinsurers ("CAR"), established pursuant to G.L. c. 175, §113H to administer the residual market for motor vehicle insurance, is required by statute to prepare performance standards for the handling and payment of motor vehicle insurance claims. It then submits those standards to the Commissioner of Insurance ("Commissioner") who, after a public hearing, may approve or modify them. Beginning in 2007, CAR elected to prepare separate performance standards for commercial and for private passenger motor vehicle claims. By letter dated June 17, 2011, the CAR Governing Committee requested the Commissioner's approval of proposed modifications to the performance standards for commercial claims that it had approved on June 15.

On July 1, 2011, the Commissioner issued a notice scheduling a hearing on July 26, 2011 to afford interested persons an opportunity to provide oral and written comments regarding the proposed commercial performance standards. On July 12, 2011, CAR notified the Commissioner that Valerie Gedziun, CAR's vice-president for compliance audit, would speak in favor of the standards. Ms. Gedziun confirmed that the proposed changes are primarily administrative and, as appropriate, conform the commercial standards to or differentiate them from the recently approved private passenger performance standards. No other person submitted written commentary or made a statement at the hearing.

The Performance Standards for the Handling and Payment of Commercial Claims by Servicing Carriers approved by the CAR Governing Committee on June 15, 2011, are hereby approved.

| September 6, 2011 |                    |
|-------------------|--------------------|
|                   | Jean F. Farrington |
|                   | Presiding Officer  |