



REGISTRY OF MOTOR VEHICLES

# **Instructions to Apply for Authority to Sell Private Passenger Automobile Insurance in Massachusetts**

A Guide for Insurance Companies



# Overview

Welcome to the Massachusetts competitive private passenger automobile insurance market. The following information is designed to guide automobile insurance companies through the process of obtaining a license to sell private passenger automobile insurance in the Commonwealth. The steps outlined below provide an overview of the process. Following each step is a description of the various agencies and organizations involved in licensing and regulating the Commonwealth's private passenger automobile insurance industry. *While this guide is intended to be comprehensive, insurers are advised nevertheless to contact each agency or organization to ensure that all requirements are met.*

## Procedure for Obtaining a License

1. Complete a UCAA Application. The Massachusetts Division of Insurance (DOI) accepts the Uniform Certificate of Authority Expansion Application for those companies seeking to amend their license to include the license designations needed to sell private passenger automobile insurance in Massachusetts. The UCAA applications are available at [http://www.naic.org/industry\\_ucaa.htm](http://www.naic.org/industry_ucaa.htm).

2. Send the completed application to:  
Amy Blue  
Licensing Coordinator  
Financial Surveillance and Company Licensing  
Massachusetts Division of Insurance  
1000 Washington Street, Suite 810  
Boston, MA 02118  
[Amy.Blue@mass.gov](mailto:Amy.Blue@mass.gov)

**NOTE:** All questions regarding the application should be directed to Amy Blue at DOI. Once the application has been submitted, it is assigned to an analyst for review.

3. **After the UCAA Application has been reviewed, the DOI may grant an initial approval.** The applicant company will receive notification in writing of the initial approval, along with instructions to complete the following items:

- Submit original documentation of advertisement in two insurance industry publications for two consecutive issues.
- New license applicants will be required to make a special deposit totaling \$100,000 confirmed by the Massachusetts Treasurer and Receiver General.
- Submit a properly executed Power of Attorney. The DOI will provide the correct form with the letter of initial approval.
- Submit a properly executed Declaration and Agreement. The DOI will provide the correct form with the letter of initial approval.

- Obtain membership in Commonwealth Automobile Reinsurers (CAR). All companies licensed for automobile liability (6G) designation must obtain membership in CAR. Once the company is appropriately licensed in Massachusetts, CAR will issue a 3-digit number for data reporting.

**Contact Information:**

Adrienne Donovan  
Residual Market Services Liaison  
101 Arch Street, Suite 400  
Boston, MA 02110  
**Phone: 617-880-7226**  
**Email: [adonovan@commauto.com](mailto:adonovan@commauto.com)**  
**Website: <http://www.commauto.com>**

- Join the Massachusetts Insurers Insolvency Fund. This applies to all kinds of direct insurance, with the following exceptions: life, accident and health, title, surety, disability, credit, mortgage guaranty, financial guaranty, or other forms of insurance offering protection against investment risks, insurance of warranties of any type of service contracts, and ocean marine insurance.

**Contact Information:**

Massachusetts Insurers Insolvency Fund  
One Bowdoin Square, Floor #2  
Boston, MA 02114  
**Phone: 617-227-7020**

- Submit the correct company license fee as determined by DOI. The check should be made payable to the Commonwealth of Massachusetts, Division of Insurance. Indicate on the check stub the name of the company for which the payment is made and that it is for the issuance of a new license to a company.

**4. Contact the Registry of Motor Vehicles Insurance Policy Management (IPM) Department.**

**Contact Information:**

Insurance Policy Management  
Registry of Motor Vehicles  
**Email: [Atlas.IPM@dot.state.ma.us](mailto:Atlas.IPM@dot.state.ma.us)**

- Massachusetts statute (Chapter 175, Section 113A of the General Laws) requires that all registered vehicles be insured. Consequently, the Registry of Motor Vehicles (RMV) must affirm insurance coverage prior to issuing or renewing a registration. Insurance companies provide proof of an individual's or corporation's insurance coverage with a company-specific

insurance stamp that indicates the dates of policy coverage and the signature of the insurance company's agent or representative on RMV registration forms.

- IPM will provide specific guidelines related to insurance stamps and registration policies and procedures.
- CAR will notify the RMV about the applicant company's recent approval to provide automobile insurance in Massachusetts. IPM will then send an email directing companies to the documentation required to gain access to RMV data and general procedural information regarding reporting policies to the Insurance Policy Management (IPM) Program. Questions about the information in this packet should be directed to IPM at [Atlas.IPM@dot.state.ma.us](mailto:Atlas.IPM@dot.state.ma.us).
- All private and commercial automobile insurance policies must be reported to IPM via any of three available interfaces:
  - **SFTP (Secure File Transfer Protocol)**: Policy records are sent and received through what are commonly known as batch files using a managed file transfer solution called MOVEIt.
  - **Web Services**: This is the preferred method of access by the RMV for businesses with a large volume of end users. Accounts are established using IP addresses and certificates provided by the carrier, allowing for real-time data exchange, and integrating the transfer of RMV data into your system and business processes.
  - **eServices**: This service allows individual users access to RMV data by logging into a web-based portal.

New policies must be reported within twenty-three (23) days of the policy effective date.

- To find out more about how insurance companies report electronically to the RMV, visit: <https://atlas.massrmv.com/IPMProgram.aspx>.



IPM enables insurance companies to perform transactions that include cancellations, reinstatements, new business, and registration and license inquiries.

## 5. Contact the Merit Rating Board (MRB).

Regulation 211 CMR 134.00 requires all insurance companies writing private passenger automobile insurance in Massachusetts to report auto insurance claims and out-of-state driving records to the Merit Rating Board (MRB). Insurers may report this data on the MRB's Internet SFTP site, Web Service transaction, or the eServices Portal. Insurers may also use these sites to obtain operator driving history records.

- Insurance companies must register by notifying the Merit Rating Board in writing of the insurer's designation of an Insurance Company Merit Rating Board Liaison. The Liaison will be the primary contact representing the insurance company.

### **Contact Information:**

Laurie Jarvis

Phone: 857-368-7603

Email: [Laurie.Jarvis@dot.state.ma.us](mailto:Laurie.Jarvis@dot.state.ma.us)

Website: <http://www.mass.gov/merit-rating-board-mrb>



The Merit Rating Board maintains a comprehensive database of traffic law violations and automobile insurance claim records for all operators licensed in Massachusetts.

## 6. Contact the Automobile Insurers Bureau (AIB).

The AIB administers the Detail Claims Database (DCD), a database of closed automobile injury claim records. All insurers writing private passenger or commercial automobile insurance in Massachusetts are mandated to report specific auto injury claim data to the AIB on a monthly or quarterly basis. For reporting requirements, contact [DCDSupport@aib.org](mailto:DCDSupport@aib.org).

## 7. Contact the Insurance Fraud Bureau (IFB).

Contact the Insurance Fraud Bureau (IFB). The IFB investigates fraudulent insurance transactions and prepares cases for criminal prosecution. For insurance fraud reporting requirements and for information on fraud training in Massachusetts.

### **Contact Information:**

Laura Kessler

General Counsel

Phone: 617-439-0439

Email: [lkessler@ifb.org](mailto:lkessler@ifb.org)

Website: <https://www/ifb.org>

# Organizations and State Agencies Involved in Licensing and Regulation

Insurance companies entering the Massachusetts private passenger automobile insurance market will become familiar with various organizations and state agencies. Some of these organizations and agencies and their role in licensing and regulating private passenger automobile insurance in the Commonwealth are described below.

The **Division of Insurance (DOI)** administers the laws of the Commonwealth of Massachusetts as they pertain to the protection of the insurance consumer through the regulation of the insurance industry. The DOI monitors financial solvency, licenses insurance companies and producers, reviews and approves rates and forms, and coordinates the takeover and liquidation of insolvent insurance companies and the rehabilitation of financially troubled companies. The DOI also investigates and enforces state laws and regulations pertaining to insurance and responds to consumer inquiries and complaints.

**Commonwealth Automobile Reinsurers (CAR)** is the industry operated residual market and statistical agent for motor vehicle insurance in the Commonwealth of Massachusetts. In its role as the administrator of the residual market, CAR provides access to private passenger and commercial motor vehicle liability and physical damage insurance to that segment of the state's motoring public that is unable to obtain automobile coverage through the voluntary market. As the statistical agent, CAR collects, edits, and processes Massachusetts private passenger and commercial automobile premium and loss statistics.

Every company that is licensed to write motor vehicle insurance in Massachusetts is required to become a member of CAR. Companies that actively write motor vehicle insurance will be required to participate in the residual market pool for the line of business in which they write. Participation specifics differ depending on the line of business, private passenger, or commercial automobile, in which they write.

In its role as statistical agent, CAR collects, edits, and processes Massachusetts private passenger and commercial automobile premium and loss statistics. Actively writing Massachusetts automobile insurers must report statistical information to CAR. CAR provides this data to the Automobile Insurers Bureau of Massachusetts, the **Merit Rating Board**, and the **Highway Loss Data Institute**. These organizations use this data for informational purposes, for statistical analyses, and in the ratemaking process.

To verify accuracy and completeness of its statistical database, CAR reconciles reported statistical data to company financial statements and performs an analysis that compares each company's

distribution of data to the industry's distribution. For data reporting obligations, the CAR contact person is Wendy Browne, Vice President, Business Operations.

The Registry of Motor Vehicles (RMV) is the agency responsible for driver licenses, vehicle registrations and titling processes, and enforcing vehicle safety. The RMV is also responsible for the administration of the Insurance Policy Management (IPM) program (formerly known as UMS – Uninsured Motorist System). IPM is part of the ATLAS system. ATLAS consists of multiple components, including licensing, registration, title, suspensions, accident records, inspection maintenance, non- policy information, and Merit Rating Board information.

The IPM Program is intended for use by the insurance industry and enables the mandatory reporting of private and commercial insurance policies. IPM allows insurance companies to perform transactions that include cancellations, reinstatements, new business, renewals, amendments, and clear unpaid dollar amounts. In addition, informational inquiries can be performed on registration and title information.



**The IPM Program enables the Registry of Motor Vehicles to verify that Massachusetts drivers have motor vehicle insurance.**

### **The Merit Rating Board (MRB)**

The Merit Rating Board maintains a comprehensive database of traffic law violations and auto insurance claim records for all Massachusetts licensed operators. Insurers are provided unlimited access to the MRB's extensive database via several processes process, enabling them to access a large volume of information quickly and efficiently. The same process is employed for insurers who must obtain driving history records from the MRB for all MAIP policies. MAIP, or the Massachusetts Automobile Insurance Plan, provides private passenger motor vehicle insurance to eligible risks who are unable to obtain such insurance through the voluntary market.

To ensure that the MRB's database remains accurate and complete, insurers are required to report auto insurance claims records, regardless of accident location, and out-of-state driving records to the MRB, in compliance with Regulation 211 CMR 134.00.

### **The Automobile Insurers Bureau of Massachusetts (AIB)**

The Automobile Insurers Bureau of Massachusetts (AIB) is licensed by the Massachusetts Commissioner of Insurance to act as a rating organization for automobile insurance under the



provisions of Massachusetts General Law Chapter 175A. The AIB is an insurer-sponsored organization that represents the insurance industry in matters relating to private passenger and commercial automobile insurance by working with state regulators and making advisory filings on rates, policy forms, endorsements, and rules on behalf of authorizing members. The AIB also administers the Detail Claim Database (DCD), a database of information on closed injury claims against Massachusetts automobile policies. All insurers writing private passenger or commercial automobile insurance in Massachusetts are mandated to report specific auto injury claim data to the AIB on a monthly or quarterly basis. Submission files of encrypted claim data are accepted via SFTP. AIB member companies have access to DCD claim detail through internet and batch inquiries on claimants and insureds, as well as summarized and detailed reports on injuries, treatment providers, payments, and special claim handling practices used in ordinary claim handling and the investigation of suspicious claims.

**Contact Information:**

Automobile Insurers Bureau of Massachusetts  
101 Arch St  
Boston MA 02110-1131  
**Phone:** 617-439-4542  
**Email:** [Support@aib.org](mailto:Support@aib.org)  
**Website:** <http://www.aib.org>

**Insurance Fraud Bureau (IFB)**

The Insurance Fraud Bureau is an investigative agency authorized by an act of the Massachusetts legislature and dedicated to the investigation of fraudulent insurance transactions and the preparation of cases for criminal prosecution. The IFB is wholly funded by the insurance industry, and its staff works with the insurers' claim and investigative personnel and local, state, and federal law enforcement agencies in the prevention, investigation, and prosecution of fraudulent insurance activity.

**Contact Information:**

Insurance Fraud Bureau  
101 Arch Street  
Boston, MA 02110 -1131  
**Phone:** 617-439 -0439  
**Email:** [Referrals@ifb.org](mailto:Referrals@ifb.org)  
**Website:** <https://www.ifb.org>

**Massachusetts Insurers Insolvency Fund**

The Massachusetts Insurers Insolvency Fund, created by Massachusetts statute (Chapter 175D, Section 3 of the General Laws), is a nonprofit, unincorporated legal entity consisting of all insurers writing liability and property insurance in the Commonwealth. It is available to settle up to \$300,000 per claim that arises from an insurance policy issued by an insolvent insurer. The Fund's obligations and expenses are met by mandatory contributions by all liability and property insurers





who write insurance in Massachusetts. The Fund's powers are exercised through a board of directors.

**Contact Information:**

Massachusetts Insurers Insolvency Fund  
One Bowdoin Square, Floor #2  
Boston, MA 02114  
**Phone:** 617-227-7020

# Checklist

Review the following **Checklist for Completing Massachusetts Licensing Requirements**.

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| <input type="checkbox"/> Complete a UCAA Application and send it to the Division of Insurance.                       |
| <input type="checkbox"/> Submit original documentation of advertisement in two insurance industry publications.      |
| <input type="checkbox"/> Make a deposit of \$100,000, confirmed by the Massachusetts Treasurer and Receiver General. |
| <input type="checkbox"/> Submit a properly executed Power of Attorney (POA).   |
| <input type="checkbox"/> Submit a properly executed Declaration and Agreement.                                       |
| <input type="checkbox"/> Obtain membership in Commonwealth Automobile Reinsurers (CAR).                              |
| <input type="checkbox"/> Join the Massachusetts Insurers Insolvency Fund.  |
| <input type="checkbox"/> Submit the correct company license fee.   |
| <input type="checkbox"/> Contact the Insurance Policy Management (IPM) Department to:                                |
| <input type="checkbox"/> Obtain stamp specifications and registration policies and procedures.                       |
| <input type="checkbox"/> Obtain the IPM Department informational packet; complete and return required forms.         |
| <input type="checkbox"/> Register with the Merit Rating Board (MRB) by designating an MRB Liaison.                   |
| <input type="checkbox"/> Test transaction reporting processes with IPM and MRB prior to implementation.              |
| <input type="checkbox"/> Contact the Automobile Insurers Bureau (AIB) for reporting requirements.                    |

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Go to [Mass.gov > Merit Rating Board](#) to download a PDF version.

For any questions, send an email to: [RMV ATLAS IPM Department](#).

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