



Charles D. Baker, Governor
Karyn E. Polito, Lieutenant Governor
Stephanie Pollack, Secretary & CEO
Erin C. Deveney, Registrar



TO: Division of Insurance Regulatory Review
From: Mary Ann Mulhall, Director, MassDOT RMV Merit Rating Board
Date: August 17, 2015
RE: Comments- 211 CMR 134.00: Safe Driver Insurance Plan

The Merit Rating Board (MRB) is submitting comments regarding the policies and procedures included in Regulation 211 CMR 134.00. This regulation requires the MRB and all insurers that issue private passenger motor vehicle insurance to collect and exchange private passenger motor vehicle insurance claim and motor vehicle violation data. The Safe Driver Insurance Plan (SDIP) serves as a useful tool for many insurers to assist them in making underwriting decisions and rating auto insurance premiums based on driving history records.

The MRB has partnered with the Massachusetts automobile insurance industry since 1976 to promote the safety and accountability of drivers in Massachusetts. MRB maintains operator driving history records consisting of motor vehicle violation citations, at-fault accident insurance claim records and comprehensive insurance claim records. The MRB disseminates driving history record information to Massachusetts insurers that include driving record point ratings, potential clean-in-three data, license issue date, and driver training status. Insurers may use this information to adjust operators' premium and to fulfill its statistical reporting requirements. The MRB also sends a weekly Notice to Reinquire (NTR) file to insurers when the driving record information previously reported to an insurer on a policy inquiry record changes (incident is added, or incident is removed). The NTR feature is available to insurers that use the MRB Policy Inquiry application.

Motor vehicle violations and at-fault accident claims that are subject to surcharge are applied to driving history records by the MRB. The claim reporting requirements described in Regulation 211 CMR 134.00 allows MRB to maintain an accurate, centralized driving history record database of information used by both the Registry of Motor Vehicles for making determinations regarding license suspension or revocation and by insurers to rate auto insurance premium. There are 31 insurance companies writing private passenger auto insurance policies in Massachusetts and 27 of those insurers send policy inquiry driving record requests to the Merit Rating Board for informational or auto insurance premium rating purposes.

Merit Rating Board
PO Box 55889 • Boston MA • 02205
Tel: 617-267-3636 • Fax: 857-368-0806
www.massrmv.com/mrb

As indicated in the *Merit Rating Board Operation Statistics* table below, insurers have increasingly taken advantage of the services provided by MRB in its role maintaining and updating driving history records for all Massachusetts operators.

Merit Rating Board Operation Statistics	Calendar Year			
	2011	2012	2013	2014
SDIP Policy Inquiries Received from Insurers	11,792,851	12,321,371	14,565,692	16,919,998
SDIP Policy: Inquiry Responses Sent to Insurers	15,095,172	15,593,469	18,142,867	21,234,868
Notice To Reinquire Records Sent to Insurers	121,123	115,922	104,329	105,266
SDIP Claims: At-Fault Claims Received from Insurers	637,048	612,739	635,344	650,027
SDIP Claims: Comprehensive Claims Received from Insurers	434,007	281,879	478,972	420,479
Out-of-State Driving Records Received from Insurers	25,920	21,943	18,932	14,700
Citations: CMVI Citations Received From Police	449,414	476,003	439,060	432,588
Citations: Hearing Results Received From Courts	152,797	152,922	158,068	144,066

Requiring insurers to report certain claim information to the MRB has allowed Massachusetts to maintain a single source for integrated and accurate driving record information.

Below please find a sample of MRB's recommended revisions to Regulation 211 CMR 134.00:

- Remove references to pre-2008 "Fixed-and-Established Market".
- Retain insurer claim reporting requirements with updates to the current reporting thresholds for minor (over \$1000) and major (over \$5000) accidents to align with legislative amendments of July 2015 to the surcharge thresholds.
- Update Appendix A to reflect current laws and regulations.

As the evidence shown by the volume of transactions indicated in the attached copy of the *2014 Insurance Industry Activity with MRB by Company* report, MRB driving history records are a commonly used source of information for Massachusetts automobile insurers and their agents.

Thank you for the opportunity to comment on Regulation 211 CMR 134.00. Please feel free to contact me with any questions you may have.

Attachment