



The Massachusetts Automobile Insurance  
Study Group

March 15, 2007

Office of Consumer Affairs and Business Regulation

Governor Deval Patrick convened the Automobile Insurance Study Group (“Study Group” or “members”) on January 26, 2007, and instructed the Group to study the system of Massachusetts private passenger automobile insurance and make a report with recommendations for improvement by March 15, 2007. Governor Patrick directed the Study Group to identify opportunities within the existing system to increase competition and reduce costs while maintaining equity.

The Automobile Insurance Study Group met on seven occasions, for approximately three hours on each occasion, between February 1 and March 13, 2007. The Study Group members consisted of Chair Daniel Crane, Director of the Office of Consumer Affairs and Business Regulation Deirdre Cummings, Paul Doherty, Paula Gold, Patrick Lee, Joseph Meador and Susan Scott<sup>1</sup>.

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<sup>1</sup> See Appendix A

## Executive Summary

The Study Group makes the following recommendations:

- 1. The Commissioner of Insurance should examine alternatives to move towards competitive rating using flex-bands<sup>2</sup> while maintaining affordability for all drivers, minimizing disruption to the market and maintaining consumer protections. This may include, but is not limited to, allowing price flexibility for all coverages or continuing with a “fixed and established” system for compulsory coverages while allowing price flexibility in optional coverages.**
- 2. Existing rate subsidies for urban and inexperienced drivers should be maintained.**
- 3. Rating factors should be limited to the current rating factors: years of driving experience, number and severity of at-fault accidents, traffic violations and territory.**
- 4. The Commissioner should delay implementing any assigned risk plan until able to meaningfully evaluate the results of the 2006 redistribution of exclusive representative producers (agents) and subsequent revisions to the Commonwealth Automobile Reinsurers rules.**
- 5. The Commissioner should implement a streamlined approval process to allow insurers to set rates and seek approval for endorsements providing enhanced coverages or premium reductions to the standard auto policy.**
- 6. The Safe Driver Insurance Plan (SDIP) should be examined for opportunities to more accurately reward safe and responsible driving.**

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<sup>2</sup> Flex band ratings refers to the percentage by which a company’s average rate change may be higher or lower than the existing rate without prior approval from the Commissioner.

- 7. Cost containment initiatives should be implemented to reduce accidents and the number and cost of claims.**
- 8. Steps should be taken to provide consumers with more information to assist them in purchasing insurance that is suitable for them at the best price with the best service.**

A description of the information that the Study Group considered and the reasons for its recommendations follows. The Study Group acknowledges the high level of cooperation and support that the Division of Insurance provided throughout its proceedings<sup>3</sup>. The members of the Study Group included insurance executives, an academic specializing in insurance, a consumer representative, and members of the business and professional communities. The members intensively addressed contentious and complex issues in just over six weeks. The constructive and respectful tone that was maintained throughout, as well as the considerable contribution of volunteer time are noteworthy.

At least a majority of the members support each of the recommendations. To the extent any members disagreed, they were invited to submit a statement.

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<sup>3</sup> The Study Group was fortunate to have the assistance of Barbara Petersen Law, Esq., of the Division of Insurance. Ms. Law attended all meetings of the Study Group maintaining minutes and made a substantial contribution in drafting this report. Ms. Law was not a member of the Study Group and did not participate in its substantive discussions.

## Introduction

Shortly after the Study Group's formation, Kevin Beagan, Deputy Commissioner of Insurance and Director of the State Rating Bureau, and Cara Blank, FCAS, MAAA, the State Rating Bureau's actuary, provided members with an overview of the private passenger automobile insurance market. Their briefing covered both Massachusetts and other states, including information about residual market mechanisms and rate setting techniques. In addition, a majority of members attended a February 15, 2007 hearing at the Division of Insurance on the suspension of certain Commonwealth Automobile Reinsurers ("CAR") rules, which, among other things, were intended to transition the private passenger automobile insurance residual market to an assigned risk plan. The Study Group also received oral and written testimony from a number of interested parties<sup>4</sup>.

## Issues of Concern

Based on the information received regarding the current state of the Massachusetts private passenger automobile insurance market, the Study Group identified the following areas of concern:

1. The limited number of carriers writing private passenger automobile insurance in Massachusetts.
2. The system that distributes residual market risks is extremely complicated, unique to Massachusetts, and has been unfair and inequitable to a large number of insurers.
3. Massachusetts has one of the highest levels of claims frequency in the country.
4. Massachusetts has expensive automobile insurance premiums.

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<sup>4</sup> See Appendix B

## **Existing Conditions**

### **Market Size**

The current Massachusetts automobile insurance market is extremely complex, and the regulatory system is made up of numerous interconnected components. The automobile insurance market is the 11<sup>th</sup> largest in the United States with estimated 2007 annual premiums totaling \$3.9 billion. In addition, the number of insured vehicles for 2007 is estimated to be four million. Finally, Massachusetts has the second lowest rate of uninsured motorists in the nation (5%).

### **Number of Insurers**

There are 19 insurers currently serving the Massachusetts private passenger automobile insurance market. Since 1990, 35 insurers, including a number of national writers, have left the Massachusetts market. As of November 2006, over 60% of the private passenger automobile insurance market was written by companies that write either exclusively or primarily in Massachusetts. Approximately 85% of all business is written through producers.

### **Rate Setting**

Massachusetts is the only state where the Commissioner of Insurance determines the annual rate that all insurers use to calculate private passenger automobile insurance premiums. In this “fixed and established” rate setting context, the Commissioner conducts hearings over the course of the year in order to set a single average rate, which is based on industry-wide loss and expense experience and a fixed agent commission pursuant to G.L. c. 175, § 113B. Rating variables established by statute are years of driving experience, number and severity of at-fault accidents, traffic violations, and

territory. Subsidies ensue when the rate is allocated among the approved territories and driver classifications in order to derive the rates applicable to individual risks. These flattened rates then serve as the maximum rates allowable in the market and benefit urban and inexperience drivers. Although degrees of regulatory oversight vary, insurers in all other states set their own rates and rating factors for private passenger automobile insurance premiums subject to the applicable jurisdiction's laws, which include requirements for subsidies or restrictions on rating variables.

#### Discounts

Discounts that may apply include, but are not limited to, good driver deviations, driver training, multi-car policy, annual mileage and anti-theft. In addition, there are group discounts that vary by insurer, and some insurers offer discounts on companion policies based on the purchase of those policies from the same insurer.

#### Rate Trends

During the last ten years automobile insurance rates have been down nationally. Massachusetts rates have decreased as well. Please see "History of Rate Changes<sup>5</sup>" for more information.

#### Commonwealth Automobile Reinsurers

Residual markets, or "involuntary markets," are the mechanisms through which the insurers in a state, writing a particular line of coverage, are required to share the costs of providing that type of coverage to applicants who cannot obtain policies in the regular market because no one insurer is willing to provide coverage to them. As of October, 2006, 95% of all private passenger automobiles in Massachusetts were insured voluntarily by insurance companies. Premiums and losses associated with the remaining

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<sup>5</sup> See Appendix C

5% were ceded to Commonwealth Automobile Reinsurers (CAR), the entity that administers the residual market in accordance with G.L. c. 175, §. 113H. Every state has a mechanism for distributing drivers who insurers do not want to cover on a voluntary basis to the residual market. The most commonly used mechanism is an assigned risk plan. The Massachusetts system is unique.

The private passenger motor vehicle market currently operates as a take-all-comers market, where carriers accept all applicants and subsequently decide whether to cede or retain the risks. A key component of today's residual market is the requirement that certain agents, called exclusive representative producers ("ERPs"), are randomly and involuntarily assigned to single carriers. ERPs are agents who have been unable to negotiate a voluntary contract to place business with any carrier. About a quarter of the business in Massachusetts is written through ERPs. The insurer to whom an ERP is assigned must accept all of the ERP's automobile business, but has the same ability as any insurer, writing through a voluntary agent who is not an ERP, to decide which drivers to keep as its own risk and which to cede to CAR.

Efforts to equitably allocate the residual market among companies based on market share have been a source of frustration for regulators, and unfairness for many insurers. This is due in part to the wide variations in loss ratios among ERPs, and the absence of any restrictions on the growth of ERPs' books of business.

On December 13, 2006, former Commissioner Bowler ordered changes to the CAR rules. The rule changes were to replace CAR's reinsurance pool with an assigned risk plan, where instead of pooling the aggregate premiums and losses of residual market insureds, any insured who was unable to obtain coverage would be randomly assigned to



a particular carrier. Each insurer would then retain the premium and loss for that particular policy. On January 19, 2007, Acting Commissioner Joseph Murphy suspended the implementation of the new rules and held a public hearing on February 15, 2007 for the purpose of accepting testimony on the suspension of the rules. The Commissioner will review the information and announce a decision within 90 days of the suspension.

In Spring 2006, pursuant to an order issued by the Commissioner of Insurance, CAR redistributed certain ERPs in an effort to reduce inequities among insurers and otherwise reform the CAR system. The effects of this redistribution will be known more fully later this year. While early evidence suggests that the redistribution may have provided relief to some carriers, there is concern over whether it will result in long-term equity.

### **Issues Considered**

The Study Group narrowed its review of the Commonwealth's private passenger automobile insurance market to the following six topics: Attracting and Retaining Insurers; Competitive Rating; Subsidies; Assigned Risk Plan; Cost-Containment; and Consumer Education and Protection. This report is intended to summarize the conclusions of the members with regard to each topic.

#### **Attracting and Retaining Insurers**

The Study Group recognized that Massachusetts may never be an ideal market for every company but that due to the state's strong demographics, the Massachusetts market should be made more attractive to a greater number of insurers, including direct writers. However, all members agreed that attracting and retaining insurers should not be accomplished at the expense of consumers.

Members agree that providing a healthy market for consumers is essential, while maintaining existing consumer protections. The key to achieving a healthy market is ensuring adequate capital by attracting and retaining insurers willing to write private passenger automobile insurance in the Commonwealth. Members felt the following initiatives were among those that might prove to be effective in preventing future company withdrawals or insolvencies, and bring additional carriers to the state: (1) a prohibition on gaming the system and advances toward parity and transparency in the residual market; (2) investment in cost-containment measures; (3) greater flexibility in setting rates; and (4) implementation of a streamlined approval process for policy endorsements.

#### Competitive Rating

The Study Group believes that the Massachusetts private passenger automobile insurance market is ailing, and that some form of competitive rating is essential to attract and retain insurers willing to write this line of business in the Commonwealth. The Study Group, therefore recommends, that the Commissioner examine alternatives to introduce competitive rating using flex-bands while maintaining affordability for all drivers, and minimizing disruption to the market. With regard to rating variables, the Study Group recommends that rating factors should be limited to the current set i.e., years of driving experience, number and severity of at-fault accidents, traffic violations and territory. Massachusetts should continue not to use other factors such as: credit scores, homeownership, level of education and occupation as rating factors.

Members agree that competition should be introduced gradually to allow the market to adjust, and to measure the impact on drivers who least can afford insurance.

The Study Group considered various suggestions of how to accomplish a transition to competitive rating using flex bands, including but not limited to, a gradual phase-in for all coverages, or continuing with “fixed and established” rating for compulsory coverages while allowing companies more flexibility in pricing increased limits and optional coverages.

The Study Group also recommends that the Commissioner implement a streamlined approval process to allow insurers to set rates, and seek approval for endorsements providing enhanced coverages or premium reductions to the standard auto policy. Aside from the obvious benefits to policyholders, this provides companies with an opportunity to distinguish themselves from their peers, and to compete with an otherwise identical product.

#### Subsidies

The Study Group recommends continuing the existing express subsidies for urban and inexperienced drivers in the rates for both the voluntary and residual markets. These types of subsidies were universally viewed as serving important social goals. Furthermore, they exist to a certain degree in most other states.

In addition to subsidies for urban and inexperienced drivers, members discussed the subsidies built into the Safe Driver Insurance Plan (“SDIP”). The Study Group shared the view that, first and foremost, the SDIP should reward safe and responsible driving. There was concern that “good drivers” under the SDIP today may not be receiving an appropriate amount of rate relief through discounts offered because the system had built in subsidies for “bad drivers.” Specifically, it was suggested that the discounts were not as deep as they might be because drivers with surchargeable incidents

were not assessed the true cost of their points. All members agreed that the SDIP system should be re-examined with an eye toward providing further incentives to reward good driving behavior.

### Assigned Risk Plan

The Study Group recommends that the Commissioner delay implementing any assigned risk plan until she is able to meaningfully evaluate the results of the redistribution of ERPs that occurred in Spring 2006, and other rule changes pending at CAR.

Members agree that for a number of years our current private passenger automobile insurance residual market, administered by CAR, has been a source of great frustration to regulators and unfairness for many insurers. The system's reliance on agent assignments undermines the statutory requirement of a fair and equitable distribution of residual market share among carriers. CAR's current mechanism is widely viewed to be unduly complex and susceptible to gaming the system. As a result, it is perceived to provide an unfair advantage to companies who are experienced in the market and willing to invest in "playing the game."

The Study Group generally accepts an assigned risk plan as a fair and equitable mechanism for distributing risk to a residual market. Members are in agreement that any assigned risk plan must contain safeguards to control the size of the residual market, including a requirement that companies write and renew so-called "Clean-in-three"<sup>6</sup>

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<sup>6</sup> "Clean-in-three" drivers are generally considered those who have not been cited for a moving traffic violation or found to be at-fault for an accident that generated an insurance claim, including a claim under personal injury protection coverage ("PIP") within the thirty-six months immediately preceding the effective date of the driver's insurance policy. The "Clean-in-three" definition is taken from an assigned risk plan model developed by the Automobile Insurance Plan Service Office ("AIPSO"), and is used in a number of other states to prevent such drivers from being placed in their respective state's residual market.

drivers until such time as they no longer fit that criterion. Although there was a sense that the current system at CAR may not be a long term solution, members believed that an assigned risk plan should not be implemented until the impact of other reform attempts were known. Specifically, members thought the effects of last year's redistribution of ERPs, and the rule changes currently pending at CAR, should be evaluated before pursuing an assigned risk plan. Changes to CAR rules to discourage gaming the system and other improvements are currently pending.

Members were hopeful that these rules together with the redistribution of ERPs might result in a level playing field, and eliminate the need for an assigned risk plan, especially when it did not include competitive rating. If inequities continue, the commissioner should give serious consideration to an assigned risk plan. Members suggested that an assigned risk plan would be more likely to be successful if it were implemented as part of a comprehensive reform initiative, or at least after some steps to introduce competitive rating have been tested.

#### Cost-Containment

The Study Group recommends the implementation of cost-containment initiatives to reduce accidents, as well as the number and cost of claims. Impressed with the Commonwealth's high claim frequency, members widely embraced cost-containment as good public policy, and an area where great return might be had for a modest effort. Members believed that joint efforts between the industry and state, such as the Insurance Fraud Bureau, should be encouraged as an effective means to bring about significant reductions in claim frequency and severity. It was noted that cost-containment measures should be implemented both on a pre and post-claim basis.

Some suggestions for pre-claim cost containment include: increased enforcement of motor vehicle laws; implementing and improving other incentives to avoid reckless driving, such as the SDIP; identifying dangerous intersections and encouraging municipalities to use local aid to make necessary improvements; examining the way roads are marked; promoting advanced driver education; examining seatbelt laws and whether cell phones add to accident rates; and permitting municipalities to retain a greater share of fines for traffic violations provided they use it to enhance technology for traffic enforcement such as intersection cameras.

Areas identified for potential cost savings on a post-claims basis include managing costs associated with auto body, auto glass and health care claims, which are areas where special interest groups have historically impeded progress. It was suggested that prior reforms in this area dealing with auto body referrals have eroded over time and may need to be revitalized. Other ideas for cost-containment in this area would likely involve legislative action to change the administration of no-fault insurance and personal injury protection coverage, including establishing a limitation upon reimbursement for a claimant's health care services to a schedule of fees or the rates established by a claimant's health insurer.

#### Consumer Education

The Study Group recommends that steps should be taken to provide consumers with more information to assist them in purchasing suitable coverage at the best price. Members agree that consumer education is vital. A number of improvements were identified to enhance consumer education, with the goal of making consumers more aware of available coverage options and discounts. Specifically, it was suggested that the

Division's website be enhanced to allow consumers to search discounts by group, rather than by company, and to offer an interactive program to provide price quotes and illustrate coverage options and discounts. In addition, consumers would benefit from more information regarding the SDIP plan and from the publication of the number of valid complaints against a company in relation to the company's market share.

#### Conclusion

The Massachusetts market for private passenger automobile insurance provides coverage at affordable prices to all drivers based upon their driving records. It needs to continue to do so while becoming fairer and more transparent for both consumers and insurers.

March 15, 2007

## Appendix A

### Auto Insurance Study Group

#### Members:

Daniel C. Crane (Chair)	Office of Consumer Affairs and Business Regulations
Deirdre Cummings	MASSPIRG
Joseph Meador	Northeastern University
Patrick Lee	Trinity Financial
Paul Doherty	Doherty, Wallace, Pillsbury & Murphy, P.C.
Paula Gold	Plymouth Rock Assurance Corp
Susan Scott	The Premier Insurance Company of MA

#### Biographies:

##### Deirdre Cummings

Deirdre Cummings is currently the Consumer Program Director at Massachusetts Public Interest Research Group (MASSPIRG). Ms. Cummings investigates and exposes fraud against consumers, lobbies for consumer protection reforms, and mediates consumer complaints. She authored "Can You Hear Us Now? A Report on How the Cell Phone Industry Has Failed Consumers," "It's in Your Court: How to Use the Massachusetts Small Claims Courts," among numerous other publications.

Throughout the past 16 years, Ms. Cummings has helped draft and lobby for a comprehensive series of reforms to prevent ID theft, defend retail disclosure laws, reduce rx drug prices, prohibit unfair or excessive banking practices and fees, and lower auto insurance premiums. She was instrumental in passing the first-in-the-nation Physician Profile Law which provides consumers access to malpractice and disciplinary information about physicians, and the Fair Credit Reporting Act, mandating credit bureaus to correct errors and allowing consumers free copies of their own credit report.

In addition, Cummings oversees a consumer mediation office funded in part by the Office of the Attorney General, which results in the annual recovery of more than \$130,000 a year from area businesses for victims of unfair, illegal, or deceptive retail transactions.

Ms. Cummings frequently testifies before state legislative committees and regulatory boards on a range of consumer issues including insurance reform, health care, retail practices, financial services, and privacy matters.

Ms. Cummings has been with MASSPIRG since 1986.

Education: B.S., Consumer Economics, University of Massachusetts, 1987



Daniel C. Crane

Daniel C. Crane was appointed by Governor Deval Patrick to serve as Director of the Office of Consumer Affairs & Business Regulation on January 29, 2007.

Dan is an attorney and former Bar Counsel for Massachusetts with extensive experience leading major organizations, managing high-profile projects and developing new systems to better respond to and provide excellent service to consumers.

Appointed by the Supreme Judicial Court and Board of Bar Overseers as bar counsel in 1999 he oversaw the identification and investigation of allegations of attorney misconduct and prosecution of cases requiring further proceedings, until June 2006.

From his admission to the bar in 1975, he practiced law with the firm Finn & Crane. Dan served as a member of the Board of Bar Overseers from 1994 to 1997, including chairing the Board in 1995 and 1997. He was president of the Massachusetts Bar Association from 1991 to 1992, and was a trustee of the Massachusetts Bar Foundation and served as president of the Foundation from 1993 to 1995.

Dan is a graduate of Harvard College and Boston College Law School. He is a member of the Massachusetts, United States District Court for Massachusetts, United States Court of Appeals for the First Circuit, and the United States Supreme Court bars.

Paul S. Doherty

Paul Doherty, a founding member of the firm Doherty, Wallace, Pillsbury & Murphy, specializes in business law and tax, particularly business acquisitions, mergers, and recapitalizations and estate planning. Paul is a trustee of the New England Tax Institute and a trustee of the UMass Foundation. Paul is active in the community and serves on the Boards of the Economic Development Council, Westmass, Step Up Springfield and a founder of Downey Side. He is a former member of the Boards of Directors of ING Funds and Tambrands and a past chair of the United Way, the Springfield Chamber of Commerce and the Springfield Boys Club. Paul is a former adjunct faculty member in taxation at Western New England College School of Law and a founder and chairman of Mass Ventures, an economic development corporation. He served on the advisory council of the University of Massachusetts School of Natural Sciences and Mathematics. He is a former member of the Massachusetts Board of Regents of Higher Education and of the Massachusetts Judicial Nominating Council.

Doherty is a graduate of Bowdoin College, 1956; Harvard Law School, 1960; Boston University, L.L.M. in Taxation, 1967.

## Paula Wagner Gold

Paula Wagner Gold is currently Vice President and Chief Regulatory Counsel of Plymouth Rock Assurance Corporation. She has held a number of positions at Plymouth Rock. Prior to joining Plymouth Rock Ms. Gold was Senior Vice President of New England Power Service Company.

Ms. Gold has held several positions in Massachusetts Government. She was the Secretary of Consumer Affairs and Business Regulation, a cabinet position in the Administration of Governor Michael S. Dukakis. As Secretary she was responsible for overseeing seven state agencies, including the Banking Department, Insurance Department, and the Public Utilities Commission. She has also served as an Assistant Attorney General and Chief of the Consumer Protection Division, as well as Chief of the Public Protection Bureau in the Office of Attorney General Frank Bellotti. Prior to that she was Commissioner of the Department of Public Utilities.

Before her government service, Ms. Gold was a Litigation Specialist with the Massachusetts Law Reform Institute and a Managing Attorney with the Boston Legal Assistance Project.

Ms. Gold is a graduate of Boston University and Boston College Law School. She has taught courses at Boston College Law School and Harvard Law School. She is Vice Chairmen of the Conservation Law Foundation, a board member and former President of the Ford Hall Forum.

## Patrick Lee

Patrick Lee is currently the Principal, Executive Vice President of Trinity Financial. Prior to co-founding Trinity Financial, Inc. in 1987, Mr. Lee served as Special Assistant to the Secretary of Administration and Finance for the Commonwealth of Massachusetts. Mr. Lee was the Secretary's representative on a number of State boards and agencies including the Massachusetts Housing Finance Agency, Community Development Finance Corporation, Massachusetts Industrial Finance Agency, and the State's Public Auditorium and Civic Center Grant Program. Mr. Lee has served as a member of the Board of Directors of the Massachusetts Government Land Bank, the Roxbury Neighborhood Council, the Greater Boston Chamber of Commerce, the Boston Center for the Arts, and Federated Dorchester Neighborhood Houses. Mr. Lee has been closely involved in each of Trinity's projects including: Orchard Gardens HOPE VI, Davenport Commons, The Foley Senior Residences, Quinpiac Terrace, Newport Heights HOPE VI and Mattapan Heights. Mr. Lee holds a Bachelor's degree from Harvard University and is a Massachusetts Institute of Technology-trained city planner.

## Joseph Wayne Meador

Joseph Wayne Meador is a professor in the College of Business Administration at Northeastern University. Professor Meador has extensive consulting experience for both industry and government agencies in the areas of risk management, employee benefits, and insurance. He has published several books and monographs as well as numerous articles in such journals as *Financial Executive*, *Journal of the Academy of Finance*, *Financial Analysts' Journal*, *Journal of Risk and Insurance*, and *Journal of the Society of CPCU*. A member of a number of professional organizations, including the American Risk and Insurance Association, the Financial Management Association International, the American Finance Association, and the Society of CPCU, Professor Meador has research and consulting interests in the areas of financial strategy, measurement of operating efficiency, risk management and insurance.

Professor Meador received his BS (summa cum laude) from the University of Charleston and his AM and PhD degrees from the Wharton School at the University of Pennsylvania. He also holds the CPCU designation.

## Susan K Scott

Susan K. Scott is currently Sr. Vice President and General Counsel of The Premier Insurance Company of Massachusetts, a property and auto insurer. As such, she is the Chief Compliance Officer, Corporate Secretary, corporate risk manager, director of governmental affairs and a member of the CAR Governing Committee, the Automobile Insurers Bureau of Massachusetts Governing Committee, the Insurance Fraud Bureau of Massachusetts Governing Committee, and the Board of Directors of the Massachusetts Insurers Insolvency Fund.

Ms Scott has held several academic and public policy-making positions prior to joining Premier. She served as Associate Dean of the School of Law at Northeastern University in charge of administration of the school and adjunct faculty hiring. In Massachusetts Government, she served as Acting Commissioner of Insurance from 1990-1991 and presiding over the automobile rate case; Director of the State Rating Bureau from 1988-1990, in charge of litigating the automobile rates of behalf of consumers and reviewing or approving all other insurance rates; and Deputy General Counsel at the Massachusetts Division of Insurance from 1986-1988. She also served in judicial clerkships in the Massachusetts Appeals Court and the Supreme Judicial Court and engaged for several years in the private practice of law at the firm of Bowditch and Dewey in Worcester.

She is a graduate of the School of Law at Northeastern University, holds a Master's degree from the University of Toronto and a BA from Antioch College. She is a former President of the Worcester Women's Bar Association and a former board member of the New England Corporate Counsel Association.

Appendix B

Oral and Written Testimonies:

February 26, 2007

John Connors of Liberty Mutual (retired)

Kathy Barnes of Tillinghast of Towers Perrin

Frank Mancini, Mass. Assoc. of Insurance Agents

Steve D'Amato, Public Interest Attorney of Center for Insurance Research

Holly Bakke, NJ Department of Banking & Insurance (Former Commissioner)

March 6, 2007

Jim Ermilio of Commerce Insurance

Paul Mattera of Liberty Mutual

Cory W. Fischer of Progressive

Fred Eppinger and Bill Cahill of Hanover Insurance

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- 4) Article, "*Hometown heroics just part of the job.*" Worcester Business Journal. 1/22/07

Hayes, John

- 1) Letter, "Deputy Insurance Commissioner of Pennsylvania." 2/23/07
- 2) Letter, "To: Director Crane." 2/26/07
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Towers Perrin Tillinghast

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