

Mass. agents seek auto commission raise for 2004

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BOSTON — The Massachusetts Association of Insurance Agents is asking for a \$3.43 per car increase in agent commissions on private passenger auto insurance for next year. The group's 2004 filing requests a \$116.43 average commission.

The recommendation is based on the \$113 figure set by Commissioner Juliane Bowler for 2003.

MAIA did not perform an agency cost study to support its request this year, despite criticisms from Bowler on its submission last year. Instead, MAIA's actuary, Tillinghast-Towers Perrin, applied the same methodology that MAIA has used in past years when it also did not prepare a cost study, according to Frank Mancini, executive vice president of MAIA.

"We didn't do a cost study this year, and we're doing one next year, so in the years in between we just make a simplified filing based on trends," Mancini said.

The group is endeavoring to conduct a study at least every three years. The first study, undertaken in the 1990s, cost over \$350,000; the most recent one in 2002 cost in excess of \$200,000.

Bowler criticized the 2002 study for the low number of agencies participating, the lack of exposure data submitted by the agencies and the quality of some of the data submitted by MAIA members participating in the study. □