



**TRURO**  
NON-RESIDENT  
TAXPAYERS'  
ASSOCIATION

Board of Directors:  
Regan McCarthy, President  
Richard Hersh, Vice President  
Anthony Garrett, Past President  
Frank Korahais, Secretary  
Peter Weiler, Treasurer

Tom Bow  
Jane Bullova  
Mark Hammer  
Cathy Haynes

Neil Moynihan  
Dan Smith  
Andrew Smith  
Peter Sullivan

P.O. Box 324 · Truro, MA 02666



E-Mail · [info@TNRTA.org](mailto:info@TNRTA.org)



Website · [www.TNRTA.org](http://www.TNRTA.org)

---

January 25, 2012

**RE: Docket No. R2011-02**

Jean Farrington  
Presiding Officer, Hearings and Appeals  
Division of Insurance  
1000 Washington St., Suite 810  
Boston MA 02118-6200

Dear Ms. Farrington,

We understand the Division of Insurance is considering granting an increase to the FAIR Plan (MPIUA) rates at this time. We ask that the Commissioner of Insurance deny the proposed rate increase for all territories in the State for several reasons.

First, it is our view that MPIUA's filing has not provided the evidence necessary to justify these increases. The hurricane models used to defend this rate increase may be applicable to other areas of the country (where the FAIR Plan offers no coverage), but they do not relate to such risk in Massachusetts. These models are deservedly criticized for not proving to relate substantially or meaningfully to actual incidences of hurricanes historically along Massachusetts coasts. They afford no accuracy as a predictor of future hurricane risk - either in frequency or intensity of storms - in the state. Simply put, they do not correlate to the historic record of past hurricane experience in this area.

Second, data about our actual damage to Outer Cape homes as a result of hurricane (or even wind) damage has not been provided to the modeling companies used by MPIUA. This not only deprives homeowners in Massachusetts of any hope of relief on ever-escalating insurance rates based upon meaningful risk assessment, it also sustains inapplicable increases in predicted damage to our homes. We are already paying too much for other states' storm damage, and, without good reason, are being asked to pay even more now.

Additionally, homeowners in the Commonwealth are entitled to rates from public entities such as FAIR Plan which must be reasonable and cannot be excessive, inadequate or unfairly discriminatory. Outer Cape homes are currently subject to FAIR Plan rates that are currently excessive, afford inadequate coverage and on the basis of hurricane models that are discriminatory.

The proposed rate increase should be denied. We further ask that the Division recommend that MPIUA lower current rates to adjust for past excess and error in rate calculations. Thank you for your consideration.

Sincerely,

Regan McCarthy, President