"TNC Endorsement" - New Coverage for Uber and Lyft Drivers

Frequently Asked Questions
Plymouth Rock Assurance Massachusetts

What does "TNC" stand for?

TNC stands for "Transportation Network Company." A TNC is a company that connects passengers with drivers through a digital network with the intent for the driver to provide pre-arranged transportation service using his or her personal vehicle. A common way to describe a TNC is "rideshare." Examples of TNCs are Uber and Lyft.

What is Plymouth Rock's TNC Endorsement?

Effective May 1, 2017, Plymouth Rock has introduced an Endorsement that provides coverage during "Period 1" when a policyholder is using their personal vehicle to provide TNC services. "Period 1" is the time beginning when a policyholder turns on their TNC app until the time they accept a fare. The Endorsement fills this "gap" in coverage that many TNC drivers currently have.

Why do TNC drivers need this Endorsement?

Currently, Plymouth Rock's PPA policy does not provide any coverage during Period 1 and while some TNCs may offer minimal coverage, drivers for TNCs are often left with insufficient liability coverage, personal injury coverage and coverage for damage to their vehicles if they are in an accident during this timeframe. Plymouth Rock's Endorsement ensures TNC drivers have coverage during Period 1. In addition, TNC drivers are now required by Massachusetts state law to disclose to their insurance providers if they are using an insured vehicle to provide TNC services.

What coverage is provided?

During Period 1, a policyholder with Plymouth Rock's Endorsement will continue to have the same coverages during Period 1 that they have when they are not using their vehicle to provide TNC services.

When can the Endorsement be added?

The TNC Auto Coverage Endorsement is available beginning May 1, 2017 for new business in Massachusetts. Existing Prime policies can add the endorsement mid-term or at renewal on any policy term effective after May 1, 2017.

Who is eligible for the Endorsement?

The Endorsement is required for all new Prime policies that cover a personal vehicle being used to provide TNC services. Existing Prime policies with effective dates prior to May 1, 2017 should add the Endorsement on their next renewal. The Endorsement is not currently available for legacy policies. If a current legacy customer is interested in adding the Endorsement, the policy will need to be re-written into Prime.

Are there any underwriting restrictions for the vehicles and policies that can be endorsed?

- Only one vehicle per policy can be endorsed and this vehicle should be insured for minimum Bodily Injury limits of \$50,000/\$100,000 and a minimum Property Damage to Others limit of \$50,000.
- There are no other restrictions on the vehicle in terms of make or model, or on the listed driver's length of driving experience and incident history.
- Vehicles with livery plates, and in particular vehicles providing services for UberBlack, are not eligible for the Endorsement.

What vehicles are eligible for the Endorsement?

Only private passenger autos are eligible. The Endorsement can't be added on motorcycles, motorhomes or trailers. There are no restrictions in terms of make or model year.

Are there any driver-level restrictions or questions for adding the TNC Endorsement?

During the application process you will need to indicate which driver is operating the vehicle being used to provide TNC services. The answer does not have pricing implications and there are no restrictions with respect to SDIP points and length of driving history.

How much does the Endorsement cost?

The cost to add this Endorsement is 7% of the premium for coverages 1, 2, 4, 5, 7, 8 and 9 for the vehicle being used for the TNC.

Who should purchase the Endorsement?

Any insured who drives their personal vehicle for a TNC should add the Endorsement. State law requires all TNC drivers to notify their insurers that they intend to use their vehicle to provide transportation network services, and to maintain minimum insurance coverage.

Is this Endorsement required for all TNC drivers?

Yes, all Plymouth Rock policyholders who drive for a TNC are required to purchase the Endorsement.

Does the Endorsement just apply to Uber and Lyft?

No. While Uber and Lyft are the most well-known TNCs, there are other TNCs that may be doing business in Massachusetts, such as SAFR, Fasten, Embarque, Raiser and WULEEB.

How is the Endorsement added to a policy?

The Endorsement can be quoted in both WinRater and Agent Web. In AgentWeb, you can indicate that a vehicle is used for providing TNC services by answering the relevant questions in the Vehicle Information section. Quotes with "Yes" marked on the TNC question will be issued with the Endorsement. You can also answer the "TNC use" question in the application layer before you issue a policy.

Does the addition of the Endorsement affect the policy in any other way, such as by loss of discounts or changed rating factors?

Currently, Plymouth Rock has not made any changes to the policy that would affect discounts or rating factors.

Does the endorsement apply when the TNC driver has a fare in their vehicle?

No. Neither the Endorsement nor the standard private passenger auto policy provides coverage when a TNC passenger is in the vehicle.