



April 7, 2021

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Revised Private Passenger Automobile and Motorcycle
Insurance Rates – Other Than Clean Risks

On behalf of its member companies, the North Carolina Reinsurance Facility filed with the Commissioner of Insurance on April 5, 2021 revised rates for bodily injury, property damage liability and medical payments insurance for non-fleet private passenger automobiles and motorcycles ceded to the Reinsurance Facility. The filed rates apply only to ceded risks other than “clean risks” as defined in G.S. 58-37-35(1).

The Facility’s filing includes average rate level changes of 9.5% for bodily injury, 7.4% for property damage, and -7.6% for medical payments coverages, averaging an overall 8% change from rates presently in effect.

In that regard, please find attached the revised base rates. Note that the rates for uninsured and combined uninsured/underinsured motorists coverages are unaffected by these changes. Changes to those rates becoming effective October 1, 2021 are attached here for your information.

These revisions will become effective October 1, 2021, in accordance with the following Rule of Application:

These changes are applicable to all policies becoming effective on or after October 1, 2021. No policy effective prior to October 1, 2021 shall be endorsed or cancelled and rewritten to take advantage of or to avoid the application of these changes except at the request of the insured and at the customary short rate charges as of the date of such request, but in no event prior to October 1, 2021.

With respect to the rate differential for ceded business, your attention is directed to G.S. 58-37-25(b) which provides in part as follows:

Each insurer will provide the same type of service to ceded business that it provides for its voluntary market. Records provided to agents and brokers will include an indication that the business is ceded. When an insurer cedes a policy or renewal thereof to the Facility and the Facility premium for such policy is higher than the premium that the insurer would normally charge for such policy if retained by the insurer, the policyholder will be informed that (i) his policy is ceded, (ii) the coverages are written at the Facility rate, which rate differential must be specified, (iii) the reason or reasons for the cession to the Facility,

(iv) the specific reason or reasons for the cession to the Facility will be provided upon the written request of the policyholder to the insurer, and (v) the policyholder may seek insurance through other insurers who may elect not to cede his policy.

Please see to it that this circular is brought to the attention of all interested personnel in your company.

Sincerely,

Andy Montano

Automobile Manager

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Attachment

RF-21-4

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

REVISED BASE RATES - OTHER-THAN-CLEAN RISKS CEDED LIABILITY
Effective October 1, 2021

Terr.	BODILY INJURY				PROPERTY DAMAGE			MEDICAL PAYMENTS				
	LIMIT				LIMIT			LIMIT				
	30/60	50/100	100/300	250/500	\$25,000	\$50,000	\$100,000	\$500	\$750	\$1000	\$2000	\$5000
110	\$214	\$253	\$300	\$355	\$275	\$278	\$283	\$15	\$22	\$27	\$45	\$69
120	253	299	354	420	261	264	269	19	28	35	57	88
130	283	334	396	470	271	274	279	20	29	37	60	92
140	375	443	525	623	314	317	323	32	46	59	95	148
150	307	362	430	510	335	338	345	22	32	40	66	102
170	248	293	347	412	293	296	302	19	28	35	57	88
180	273	322	382	453	341	344	351	23	33	42	69	106
190	247	291	346	410	342	345	352	18	26	33	54	83
200	299	353	419	496	321	324	331	23	33	42	69	106
210	256	302	358	425	270	273	278	18	26	33	54	83
220	344	406	482	571	276	279	284	24	35	44	72	111
230	414	489	580	687	279	282	287	25	36	46	75	116
240	351	414	491	583	283	286	291	24	35	44	72	111
250	351	414	491	583	367	371	378	29	42	53	86	134
260	279	329	391	463	315	318	324	22	32	40	66	102
270	227	268	318	377	342	345	352	18	26	33	54	83
280	331	391	463	549	396	400	408	28	41	51	83	129
290	293	346	410	486	374	378	385	22	32	40	66	102
300	209	247	293	347	335	338	345	16	23	29	48	74
310	196	231	274	325	293	296	302	13	19	24	39	60
320	222	262	311	369	271	274	279	15	22	27	45	69
340	309	365	433	513	352	356	363	25	36	46	75	116
350	224	264	314	372	303	306	312	16	23	29	48	74
360	254	300	356	422	290	293	299	20	29	37	60	92
370	306	361	428	508	353	357	364	24	35	44	72	111
380	334	394	468	554	364	368	375	24	35	44	72	111
390	264	312	370	438	375	379	386	19	28	35	57	88
420	473	558	662	785	445	449	458	44	64	81	131	203
440	333	393	466	553	380	384	391	26	38	48	77	120
450	362	427	507	601	373	377	384	26	38	48	77	120
460	247	291	346	410	329	332	339	18	26	33	54	83
470	284	335	398	471	306	309	315	18	26	33	54	83
480	191	225	267	317	257	260	265	14	20	26	42	65
490	186	219	260	309	279	282	287	15	22	27	45	69