



April 5, 2022

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 March 22, 2022 revised rates for bodily injury and property damage liability insurance for non-fleet private passenger automobiles and motorcycles ceded to the Reinsurance Facility and revised rates for medical payments insurance for nonfleet private passenger automobiles 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 for non-fleet private passenger automobiles of 5.6% for bodily injury, 8.9% for property damage, and 3.3% for medical payments coverages, averaging an overall 7.2% change from rates currently in effect. For motorcycles, the Filing includes an average rate level change of 7.3% from rates currently 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.

These revisions will become effective October 1, 2022, in accordance with the following Rule of Application:

These changes are applicable to all policies becoming effective on or after October 1, 2022. No policy effective prior to October 1, 2022 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, 2022.

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 the (i) 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. Any questions regarding this circular letter should be directed to Andy Montano at (919) 582-1021 or email afm@ncrb.org.

Sincerely,

Andy Montano

Automobile Manager

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Attachment

RF-22-4

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

REVISED BASE RATES - OTHER-THAN-CLEAN RISKS CEDED LIABILITY

Effective October 1, 2022

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	\$239	\$282	\$335	\$397	\$304	\$307	\$313	\$15	\$22	\$27	\$45	\$69
120	270	319	378	448	287	290	296	19	28	35	57	88
130	302	356	423	501	302	305	311	21	30	38	63	97
140	415	490	581	689	349	352	359	32	46	59	95	148
150	330	389	462	548	364	368	375	23	33	42	69	106
170	255	301	357	423	317	320	327	20	29	37	60	92
180	288	340	403	478	370	374	381	24	35	44	72	111
190	258	304	361	428	365	369	376	18	26	33	54	83
200	316	373	442	525	360	364	371	24	35	44	72	111
210	260	307	364	432	287	290	296	19	28	35	57	88
220	365	431	511	606	301	304	310	25	36	46	75	116
230	452	533	633	750	318	321	328	28	41	51	83	129
240	363	428	508	603	308	311	317	25	36	46	75	116
250	372	439	521	618	406	410	418	30	44	55	89	139
260	295	348	413	490	346	349	356	23	33	42	69	106
270	236	278	330	392	357	361	368	17	25	31	51	79
280	356	420	498	591	435	439	448	28	41	51	83	129
290	300	354	420	498	398	402	410	21	30	38	63	97
300	213	251	298	354	348	351	358	15	22	27	45	69
310	198	234	277	329	298	301	307	13	19	24	39	60
320	235	277	329	390	300	303	309	16	23	29	48	74
340	326	385	456	541	387	391	399	26	38	48	77	120
350	232	274	325	385	326	329	336	17	25	31	51	79
360	274	323	384	455	319	322	329	20	29	37	60	92
370	332	392	465	551	386	390	398	25	36	46	75	116
380	349	412	489	579	402	406	414	23	33	42	69	106
390	273	322	382	453	391	395	403	19	28	35	57	88
420	493	582	690	818	477	482	491	44	64	81	131	203
440	338	399	473	561	409	413	421	27	39	49	80	125
450	386	455	540	641	408	412	420	28	41	51	83	129
460	262	309	367	435	357	361	368	19	28	35	57	88
470	294	347	412	488	339	342	349	19	28	35	57	88
480	197	232	276	327	278	281	286	15	22	27	45	69
490	196	231	274	325	304	307	313	16	23	29	48	74