

PENNSYLVANIA INSURANCE DEPARTMENT

CALL FOR 2024 PENNSYLVANIA PRIVATE PASSENGER AUTOMOBILE INSURANCE EXPERIENCE

INSTRUCTIONS FOR PARTS 3 AND 4

GENERAL INSTRUCTIONS FOR PARTS 3 AND 4

Questions regarding how to report data in Parts 3 and 4 should be directed to Michael McKenney, Director of Property and Casualty Rate and Policy Form Review, at (717) 705-0166 or mmckenney@pa.gov.

Parts 3 and 4 of this data call must be completed only by the 20 largest insurance companies in terms of Pennsylvania private passenger automobile direct written premium in 2024. The 20 insurance companies that must complete Parts 3 and 4 are as follows:

<u>NAIC#</u>	<u>Company Name</u>
25178	State Farm Mutual Automobile Insurance Company
26271	Erie Insurance Exchange
29688	Allstate Fire and Casualty Insurance Company
11851	Progressive Advanced Insurance Company
32786	Progressive Specialty Insurance Company
14137	GEICO Secure Insurance Company
23760	Nationwide General Insurance Company
19062	Automobile Insurance Company of Hartford, CT
14138	GEICO Advantage Insurance Company
25968	USAA Casualty Insurance Company
37877	Nationwide Property and Casualty Insurance Company
22780	Integon General Insurance Company
12484	Liberty Mutual Personal Insurance Company
36447	LM General Insurance Company
36161	Travelers Property Casualty Insurance Company
25941	United Services Automobile Association
19704	American States Insurance Company
23787	Nationwide Mutual Insurance Company
14990	Pennsylvania National Mutual Casualty Insurance Company
37834	Progressive Preferred Insurance Company

Parts 3 and 4 of this data call request ratemaking data.

Part 3 requests ratemaking data for calendar/accident years ending 12/31/2022, 12/31/2023 and 12/31/2024 at the zip code level (based on the garaging address of the insured vehicle) with a valuation date of 12/31/2024 (only).

Part 4 requests statewide cumulative development data in development triangles for accident years ending 12/31/2015 through 12/31/2024 at each 12-month valuation date of 12/31 between 12/31/2015 and 12/31/2024.

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Part 3's for more than one insurance company should not be combined into a single Part 3. Part 4's for more than one insurance company should not be combined into a single Part 4. Each Part 3 and each Part 4 should be submitted in a separate worksheet. The Part 3 and Part 4 worksheets for each company should be saved as separate files.

In Part 3, the sum of the data by zip code should equal the statewide total. Additionally, certain totals in Part 3 should equal certain totals in Part 4. This is described in further detail later in these instructions.

Insurance companies should submit the data call via e-mail to Dillon Leonard at dilleonard@pa.gov.

INSTRUCTIONS FOR SUBMISSION OF DATA:

Parts 3 and 4 of this data call are to be submitted in Excel format.

The required procedure for naming the spreadsheet files is:
Part Number_Company NAIC number.

For example, if the XYZ Insurance Company has NAIC number 99999, it must submit its Part 3 template as "3_99999.xls" and its Part 4 template as "4_99999.xls".

Please do not use any other naming convention.

INSTRUCTIONS FOR COMPLETING PART 3

Questions regarding how to report data in Part 3 should be directed to Michael McKenney, Director of Property and Casualty Rate and Policy Form Review, at (717) 705-0166 or mmckenney@pa.gov.

Part 3 consists of eight worksheets (in one file), one for each of the following coverages: Bodily Injury, Property Damage, First Party Medical (excluding Extraordinary Medical Benefits), Income Loss, Uninsured Motorists, Underinsured Motorists, Comprehensive and Collision.

First Party Medical should include Basic First Party Benefits (i.e. first party medical benefits at a \$5,000 limit) as well as Additional First Party Medical Benefits (i.e. first party medical benefits with limits above \$5,000 and less than or equal to \$100,000). Extraordinary Medical Benefits should be excluded.

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Within each worksheet, rows 4 through 2218 request data for each of the 2,215 five-digit zip codes in Pennsylvania (based on the garaging address of the insured vehicle). Row 2219 provides a row for “Other” zip codes. The Department does not expect to receive a significant amount of data reported in row 2219 and may ask follow-up questions if a company reports a significant amount of data in this row.

Within each worksheet, Columns B through CA request the following ratemaking data:

- Earned Car-Years for each of the last three calendar years (2022-2024) ending 12/31;
- Earned Premium at Current Rate Level for each of the last three calendar years (2022-2024) ending 12/31;
- Incurred Claims as of 12/31/2024 by tort of the claimant for each of the last three accident years (2022-2024) ending 12/31;
- Paid Claims as of 12/31/2024 by tort of the claimant for each of the last three accident years (2022-2024) ending 12/31;
- Incurred Losses as of 12/31/2024 by tort of the claimant for each of the last three accident years (2022-2024) ending 12/31;
- Paid Losses as of 12/31/2024 by tort of the claimant for each of the last three accident years (2022-2024) ending 12/31;
- Incurred ALAE as of 12/31/2024 by tort of the claimant for each of the last three accident years (2022-2024) ending 12/31;
- Paid ALAE as of 12/31/2024 by tort of the claimant for each of the last three accident years (2022-2024) ending 12/31;

Data should be provided on an all limits / all deductibles basis.

Incurred is synonymous with reported.

Incurred losses (reported losses) mean paid losses plus case reserves. Incurred losses must be exclusive of IBNR, bulk reserves and loss adjustment expenses / DCC expenses.

Incurred ALAE means incurred allocated loss adjustment expenses on a case, formula or reported basis (that is, excluding IBNR or bulk reserves, or both).

Paid losses must exclude loss adjustment expenses / DCC expenses.

All data must be reported on a direct basis and prior to any reinsurance assumption. For example, a \$100,000 loss for which \$50,000 is retained by the direct insurer and \$50,000 is assumed by the reinsurer should be reported as \$100,000.

It is important to collect data by tort of the claimant as losses may develop differently for certain coverages based on the claimant’s tort election. For consistency purposes, we request data by tort

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of the claimant for all coverages. We note that for some coverages, this will simply reflect the tort election of your own policyholder.

We include columns for “Claimants’ Tort Unknown”. The Department does not expect to receive a significant amount of data reported in these columns and may ask questions if a company reports a significant amount of data in these columns.

Data should not be rounded.

INSTRUCTIONS FOR COMPLETING PART 4

Questions regarding how to report data in Part 4 should be directed to Michael McKenney, Director of Property and Casualty Rate and Policy Form Review, at (717) 705-0166 or mmckenney@pa.gov.

Part 4 includes eight worksheets (in one file), one for each of the following coverages: Bodily Injury, Property Damage, First Party Medical (excluding Extraordinary Medical Benefits), Income Loss, Uninsured Motorists, Underinsured Motorists, Comprehensive and Collision.

First Party Medical should include Basic First Party Benefits (i.e. first party medical benefits at a \$5,000 limit) as well as Additional First Party Medical Benefits (i.e. first party medical benefits with limits above \$5,000 and less than or equal to \$100,000). Extraordinary Medical Benefits should be excluded.

Part 4 requests that the following information be provided on a statewide basis in cumulative development triangles by coverage and by tort of the claimant:

- Incurred Claims;
- Paid Claims;
- Incurred Losses;
- Paid Losses;
- Incurred ALAE;
- Paid ALAE;

Data should be provided on an all limits / all deductibles basis.

The data must be reported on an accident year ending 12/31 basis as of 12 months, 24 months, 36 months, 48 months, 60 months, 72 months, 84 months, 96 months, 108 months and 120 months. Accident year data for 2015 through 2024 must be provided.

Incurred is synonymous with reported.

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Paid losses must exclude loss adjustment expenses / DCC expenses.

All data must be reported on a direct basis and prior to any reinsurance assumption. For example, a \$100,000 loss for which \$50,000 is retained by the direct insurer and \$50,000 is assumed by the reinsurer should be reported as \$100,000.

It is important to collect data by tort of the claimant as losses may develop differently for certain coverages based on the claimant's tort election. For consistency purposes, we request data by tort of the claimant for all coverages. We note that for some coverages, this will simply reflect the tort election of your own policyholder.

We include triangles for "Claimants' Tort Unknown". The Department does not expect to receive a significant amount of data reported in these triangles and may ask questions if a company reports a significant amount of data in these triangles.

Data should not be rounded.

INSTRUCTIONS FOR REQUIRED DATA REVIEW:

In row 2220 of Part 3, total (sum) rows 4 through 2219 for columns H through CA for each worksheet. Next, match each column's total to the corresponding Part 4 data element in the appropriate loss development triangle. As reported data should not be rounded, there should be no differences. Enter a "Y" in row 2221 beneath each sum after you have verified the equivalence. Your Part 3 submission should include the totals in row 2220 and the "Y" beneath each total in row 2021 such that the Department can confirm that you performed this required data verification.