



April 5, 2023

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, 2023 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 18.9% for bodily injury, 26.8% for property damage, and -3.3% for medical payments coverages, averaging an overall 22.6% change 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, 2023, in accordance with the following Rule of Application:

These changes are applicable to all policies becoming effective on or after October 1, 2023. No policy effective prior to October 1, 2023 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, 2023.

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-23-3

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

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

Effective October 1, 2023

| 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 | \$283 | \$334 | \$396 | \$470 | \$385 | \$389 | \$397 | \$14 | \$20 | \$26 | \$42 | \$65 |
| 120 | 319 | 376 | 447 | 530 | 366 | 370 | 377 | 19 | 28 | 35 | 57 | 88 |
| 130 | 370 | 437 | 518 | 614 | 388 | 392 | 400 | 21 | 30 | 38 | 63 | 97 |
| 140 | 522 | 616 | 731 | 867 | 455 | 460 | 469 | 30 | 44 | 55 | 89 | 139 |
| 150 | 409 | 483 | 573 | 679 | 471 | 476 | 485 | 22 | 32 | 40 | 66 | 102 |
| 170 | 282 | 333 | 395 | 468 | 395 | 399 | 407 | 18 | 26 | 33 | 54 | 83 |
| 180 | 314 | 371 | 440 | 521 | 461 | 466 | 475 | 23 | 33 | 42 | 69 | 106 |
| 190 | 300 | 354 | 420 | 498 | 466 | 471 | 480 | 18 | 26 | 33 | 54 | 83 |
| 200 | 392 | 463 | 549 | 651 | 473 | 478 | 487 | 23 | 33 | 42 | 69 | 106 |
| 210 | 290 | 342 | 406 | 481 | 338 | 341 | 348 | 18 | 26 | 33 | 54 | 83 |
| 220 | 438 | 517 | 613 | 727 | 385 | 389 | 397 | 24 | 35 | 44 | 72 | 111 |
| 230 | 529 | 624 | 741 | 878 | 410 | 414 | 422 | 27 | 39 | 49 | 80 | 125 |
| 240 | 452 | 533 | 633 | 750 | 403 | 407 | 415 | 25 | 36 | 46 | 75 | 116 |
| 250 | 433 | 511 | 606 | 719 | 519 | 524 | 535 | 30 | 44 | 55 | 89 | 139 |
| 260 | 358 | 422 | 501 | 594 | 446 | 450 | 459 | 23 | 33 | 42 | 69 | 106 |
| 270 | 275 | 325 | 385 | 457 | 445 | 449 | 458 | 16 | 23 | 29 | 48 | 74 |
| 280 | 437 | 516 | 612 | 725 | 548 | 553 | 564 | 27 | 39 | 49 | 80 | 125 |
| 290 | 366 | 432 | 512 | 608 | 496 | 501 | 511 | 20 | 29 | 37 | 60 | 92 |
| 300 | 246 | 290 | 344 | 408 | 424 | 428 | 437 | 15 | 22 | 27 | 45 | 69 |
| 310 | 224 | 264 | 314 | 372 | 361 | 365 | 372 | 13 | 19 | 24 | 39 | 60 |
| 320 | 280 | 330 | 392 | 465 | 379 | 383 | 390 | 15 | 22 | 27 | 45 | 69 |
| 340 | 414 | 489 | 580 | 687 | 507 | 512 | 522 | 25 | 36 | 46 | 75 | 116 |
| 350 | 278 | 328 | 389 | 461 | 408 | 412 | 420 | 16 | 23 | 29 | 48 | 74 |
| 360 | 335 | 395 | 469 | 556 | 411 | 415 | 423 | 21 | 30 | 38 | 63 | 97 |
| 370 | 382 | 451 | 535 | 634 | 482 | 487 | 496 | 23 | 33 | 42 | 69 | 106 |
| 380 | 430 | 507 | 602 | 714 | 520 | 525 | 536 | 23 | 33 | 42 | 69 | 106 |
| 390 | 316 | 373 | 442 | 525 | 479 | 484 | 493 | 18 | 26 | 33 | 54 | 83 |
| 420 | 587 | 693 | 822 | 974 | 612 | 618 | 630 | 42 | 61 | 77 | 125 | 194 |
| 440 | 398 | 470 | 557 | 661 | 510 | 515 | 525 | 26 | 38 | 48 | 77 | 120 |
| 450 | 466 | 550 | 652 | 774 | 533 | 538 | 549 | 27 | 39 | 49 | 80 | 125 |
| 460 | 304 | 359 | 426 | 505 | 451 | 456 | 465 | 18 | 26 | 33 | 54 | 83 |
| 470 | 361 | 426 | 505 | 599 | 446 | 450 | 459 | 19 | 28 | 35 | 57 | 88 |
| 480 | 228 | 269 | 319 | 378 | 353 | 357 | 364 | 14 | 20 | 26 | 42 | 65 |
| 490 | 226 | 267 | 316 | 375 | 382 | 386 | 393 | 15 | 22 | 27 | 45 | 69 |