



STATE OF CONNECTICUT INSURANCE DEPARTMENT



Property Casualty Insurance Rate Reviews For Calendar Year 2024

**Submitted to the Insurance and Real Estate Committee in
Accordance with Connecticut General Statutes Section 38a-9(c)**

January 15, 2025

I am pleased to provide the Connecticut Insurance Department's (CID) annual report of property & casualty (P&C) rates in the state for calendar year 2024, pursuant to Connecticut General Statutes Section 38a-9(c).

Maintaining a competitive market is essential to our mission of consumer protection and CID's reviews help ensure that products are priced fairly and are adequate for the coverage provided.

Connecticut's property and casualty industry continues to be among the nation's leaders. Our P&C industry ranks 5th in the nation for direct written premium. There are hundreds of carriers licensed to write P&C business in Connecticut, including some of the nation's largest carriers, which are headquartered here.

Some highlights of 2024 rate review include:

- A decrease in workers' compensation insurance rates for the 11th straight year.
- Continued efforts to hold down homeowner's rate increases have saved policyholders \$34.51 million in 2024 and \$150.15 million since 2012.
- Private passenger automobile policyholder savings were \$67.6 million in 2024 and \$310.7 million since 2021.
- While the pace of rate increase requests slowed, significant rate pressures continued in 2024 for auto and homeowners which are impacted by supply chain constraints and inflationary pressures. The homeowner market continues to show strain from severe weather events impacting the industry around the country. This has impacted companies' reinsurance costs and has added pressure on rates and underwriting.
- All rate filings are becoming more complicated as companies increase the use of General Linear Models (GLMs) and big data which have significantly more data variables.

If you should have any questions or would like to discuss any items in the report, please do not hesitate to contact my office.

Respectfully,

A handwritten signature in blue ink, appearing to read 'A. Mais', is positioned above the name Andrew Mais.

Andrew Mais, Commissioner

Cc: Office of Legislative Research

Summary of 2024 Rate Reviews

Connecticut Insurance Department
Property & Casualty Division

How the rates were reviewed

The Insurance Department's Actuarial Division and Property & Casualty (P&C) Division conducts actuarial reviews pursuant to competitive rating laws, which establish standards for regulation of personal risk insurance. The statutes rely on a competitive marketplace to establish and maintain reasonable rate levels. Rates may not be inadequate or unfairly discriminatory, e.g., charging different premiums for policyholders with similar exposures.

Overall reviews

In 2024, the Actuarial and P&C Divisions reviewed 1,424 Personal and Commercial rate & rule filings. The following information represents the major lines of business rate submissions.

Lines of business reviewed

- Personal Automobile
- Homeowners
- Workers' Compensation
- Commercial Automobile
- Commercial General Liability
- Commercial Fire and Allied
- Commercial Multi-Peril/Businessowners
- All Other

A. Personal Automobile

There was an average overall rate increase of 8.9 percent, down from 11.2 percent in 2023.

Two new writing companies were introduced in 2024: The Cincinnati Casualty Company, and National Interstate Insurance Company. Additionally, six companies introduced new programs: Truck Insurance Exchange, Plymouth Rock Assurance Corporation, New South Insurance Company, National General Insurance Company, Amica Mutual Insurance Company/Amica Property and Casualty Insurance Company, and Encompass Insurance Company of America

Rate filings reviewed

In 2024 there were 126 filings compared to 138 filings in 2023. The significant increase in 2023 has slowed a little after last two years of significant rate increases to reflect supply chain and inflationary issues, as well as an increase in frequency (accidents) as driving returns to pre-COVID levels. This reporting year we also saw 26 companies sending their model filings separately to speed up the review process. The model filings usually require longer review time. We also saw 8 withdrawals with our objections for justifications.

The CID continues to review automobile rate filings closely to ensure the rates are actuarially justified based on actual experience, since industry started seeing deterioration in frequency coming out of 2020 which has continued into 2024. As a result of our regulatory oversight, we were able to save consumers \$67,596,997 compared to saving of \$157,030,461 in 2023.

Flex rate filings

Of the 126 filings, there was 1 flex rate filing submitted under the flex rating statutes 38a-688a in which prior approval is not required if the overall aggregate change is -6% to +6 %. The flex filing was for a rate increase.

File and Use

Property damage liability and automobile physical damage coverages are “file and use” which means prior approval from the Insurance Department is not required.

Statewide rate level changes for 2024

- Liability +10.0%
- Physical Damage +7.3%
- Combined Total +8.9%

B. Homeowners

Based on our reviews we were able to save consumers \$34.512 million in 2024 compared to saving of \$24.758 million in 2023. Overall, we have saved consumers \$150.153 million since 2012 as a result of CID’s thorough analysis of rate requests.

Rate Filings Reviewed in 2024

- Homeowners rate filings recorded – 107
- Average increase requested – 14.4% (11.1% in 2023)
- Average increase Department allowed – 13.5%
- Number of flex rate filings – 13

Market Growth

Two new writing companies were introduced in 2024: Transverse Insurance Company and American Bankers Insurance Company of Florida. Additionally, four companies introduced new programs: Farmers/ Fire Insurance Exchange and Toggle Insurance Company, Chubb Indemnity Insurance Company/Executive Risk Indemnity, Inc., The Hanover Insurance Company, and AmTrust Insurance Company.

In 2024, 3 companies notified P&C of their intentions to withdraw from the HO market; Farm Family Casualty, AmGuard, and Main Street America Assurance Co. Kemper advised the Insurance Department in 2023 that it would not renew policies beginning in 2024.

C. Workers' Compensation

On Nov. 13, 2024, the Commissioner approved a reduction in overall workers' compensation Loss Costs and Assigned Risk rates for Connecticut. This marked the 11th straight year that rates have decreased. The [Commissioner's Order](#) approving the reduction followed a 30-day public comment period on a filing made by the National Council on Compensation Insurance (NCCI).

The order resulted in 2025:

- 6.1% overall decrease to loss costs (actual losses and claim adjustment expenses), and
- 6.2% overall decrease in assigned risk rates.

Companies adjust the industry loss cost for expenses, investment income and competitive deviations to the loss costs as permitted by C.G.S. 38a-676. Since approving the NCCI 2023 filing we have reviewed 355 filings which included two (2) independent filings for CBIA Comp Services (CBIA)*, the Workers' Comp Trust (WCT), and CT Interlocal Risk Management Agency (CIRMA). CIRMA makes their filing later in the year for a July 1 effective date, while CBIA and WCT have a January 1 effective date. Since the 2024 workers' comp order, the CID has reviewed 124 submissions with a January 1 2025 effective date.

*CBIA did not send the filing in 2024.

D. Commercial Automobile

Commercial Automobile, filings from the Insurance Services Office (ISO), are primary industry loss costs filings for both liability and physical damage coverage. These are loss costs only; no expenses are included.

In 2024, 160 companies or groups filed commercial automobile rates based on loss cost filings or independent rates. Companies adjust the industry loss cost for expenses, investment income and competitive deviations to the loss costs as permitted under C.G.S. 38a-676.

E. Commercial General Liability

In 2024, 232 companies or groups filed commercial general liability rates based on various industry loss costs documents to implement revised loss costs modifiers or independent effective dates.

Additionally, there were a total of 20 Medical Malpractice filings in 2024. Of these there was one (1) rate request for a change for physicians and surgeons and one (1) rate request for APRNs. There were six (6) miscellaneous rate requests for other medical malpractice professional liability practices. None of the rate requests met the State's prior rate approval requirements as outlined under C.G.S. 38a-676 (2) (A) and therefore were reviewed and closed.

F. Other Commercial Lines

During 2024, the Department reviewed 274 company or group filings to adopt various industry loss costs documents, including:

- 72 – Fire and Allied Lines
- 123 – Commercial Multi-peril/Businessowners
- 17 – Inland Marine
- 21 – Burglary & Theft
- 41 – Fidelity & Surety