



# WHY ARE INSURANCE RATES GOING UP?

## GOVERNMENT

STATE MANDATED FEES HAVE INCREASED TO RESOLVE HIGHER CLAIMS COSTS AND DEFICIT. (MCCA/MACP)

## WEATHER

NATURAL DISASTERS INCREASED FROM \$41B IN 2019 TO OVER **\$100B** IN EACH OF THE LAST 2 YEARS

»» STATE FEES INCREASED FROM \$86 TO \$122 / VEHICLE FOR UNLIMITED MEDICAL AND \$48 / VEHICLE FOR ALL OTHER LIMIT OPTIONS ««

»» 2022 WAS THE WORST-EVER STORM YEAR IN RECORDED HISTORY FOR INSURANCE COMPANIES ««

## HOME



CONSTRUCTION COSTS ARE UP 14.1% IN 2022



MATERIAL COSTS ARE UP 27.2% IN 2 YEARS



SHORTAGE OF TRADE AND SKILLED WORKERS & TIGHTENING AVAILABILITY ARE DRIVING COSTS UP

## AUTO

### PURCHASING



- AVERAGE PRICE OF A NEW CAR IS \$48,000
- AVERAGE PRICE OF A USED CAR IS \$27,000, UP 50%
- VEHICLES ARE SELLING FOR OVER MSRP

### REPAIRS



- COST OF AUTO REPAIRS IS UP 23% YEAR OVER YEAR
- VEHICLE PARTS ARE MORE COMPLEX LEADING TO MORE COSTLY REPAIRS
- SUPPLY CHAIN ISSUES AND REPAIR SHOP AVAILABILITY DRIVING COSTS UP

**INCREASED INSURANCE RATES ARE AN INDUSTRY-WIDE, ECONOMIC RESPONSE. ALL COMPANIES ARE IMPACTED.**