
State: Hawaii **Filing Company:** AIPSO
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Hawaii Non CPAI Rate Filing
Project Name/Number: Non CPAI Filing/HI 25-04

Filing at a Glance

Company: AIPSO
Product Name: Hawaii Non CPAI Rate Filing
State: Hawaii
TOI: 19.0 Personal Auto
Sub-TOI: 19.0001 Private Passenger Auto (PPA)
Filing Type: Rate/Rule
Date Submitted: 01/14/2025
SERFF Tr Num: APST-134379003
SERFF Status: Pending State Action
State Tr Num: 283873
State Status:
Co Tr Num: HI 25-04

Effective Date: 01/01/2026
Requested (New):
Effective Date: 01/01/2026
Requested (Renewal):
Author(s): Lauren Singh
Reviewer(s): Rae Oda (primary), Christly Yoshizawa
Disposition Date:
Disposition Status:
Effective Date (New):
Effective Date (Renewal):

State Filing Description:

State: Hawaii **Filing Company:** AIPSO
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
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Project Name/Number: Non CPAI Filing/HI 25-04

General Information

Project Name: Non CPAI Filing Status of Filing in Domicile: Not Filed
Project Number: HI 25-04 Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 02/13/2025
State Status Changed: Deemer Date:
Created By: Lauren Singh Submitted By: Lauren Singh
Corresponding Filing Tracking Number:

Filing Description:

The Non-CPAI private passenger data falls into two class categories – Non-CPAI high risk insureds and others unable to obtain coverage (i.e., 431:10C-407(B)(1)(E) Eligible Insureds Only). Due to extremely low volume, these two classes have been combined for purposes of preparing the indication.

A 10-year financial indication has been completed based upon policy years 2013 through 2022 evaluated as of 11/30/2023 experience for commercial risks insured through the Hawaii Plan. Due to the small volume of the Hawaii Joint Underwriting Plan Non CPAI book of business, the indication has been given only partial weight. Instead, the rate need is calculated as a blending of the Hawaii experience and loss ratio trend is used as the ballast to credibility.

Utilizing this approach results in an overall +12.7% rate need.

In order to distribute the +12.7% rate need to individual coverages, a loss cost multiplier approach has been utilized. This proposal is to adopt the prospective loss costs specified in HIB Reference Filing Numbers CA-2024-BRLA1. The Hawaii Plan rates will be a combination of prospective loss costs and involuntary loss cost multipliers, which reproduce the +12.7% indicated rate need. These coverage level changes were then capped at +/-25% for all coverages except property damage which was capped at +40% due to its large +308.2% indicated rate need, resulting in an overall proposed rate change of +0.3%. In conjunction with this revision, we propose the adoption of relativities between high-risk insureds and others unable to obtain coverage. The relativities will be based on the current relationship between the high risk and eligible insureds rate sets. Specifically, we recommend high risk insured rates be calculated at the following relativities to the eligible insureds only rates:

Bodily Injury: 1.800

Property Damage: 1.000

Personal Injury Protection: 1.600

In our analysis we utilized data and information supplied to us by statistical agents. We relied on the general accuracy of this data and information; however, we did review the data for reasonableness and perform additional data checks to ensure the accuracy of the reported data. We considered the Plan's own experience as well as both historical and current industry information, and we utilized commonly accepted actuarial methods and principles in developing our analysis.

We respectfully request your prompt consideration and approval of this filing. If you have any questions, please contact us at the numbers below.

Company and Contact

Filing Contact Information

William F. Hathaway,

william.hathaway@aipso.com

State: Hawaii **Filing Company:** AIPSO
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Hawaii Non CPAI Rate Filing
Project Name/Number: Non CPAI Filing/HI 25-04

302 Central Ave 401-429-1552 [Phone]
Johnston, RI 02919 401-528-1351 [FAX]

Filing Company Information

(This filing was made by a third party - aipso)

AIPSO	CoCode:	State of Domicile: Rhode
302 Central Avenue	Group Code:	Island
Johnston, RI 02919	Group Name:	Company Type:
(401) 946-2310 ext. [Phone]	FEIN Number: [REDACTED]	State ID Number:

State: Hawaii **Filing Company:** AIPSO
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Hawaii Non CPAI Rate Filing
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Filing Fees

State Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

State: Hawaii **Filing Company:** AIPSO
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Hawaii Non CPAI Rate Filing
Project Name/Number: Non CPAI Filing/HI 25-04

Rate Information

Rate data applies to filing.

Filing Method: prior approval
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: %
Effective Date of Last Rate Revision:
Filing Method of Last Filing: n/a
SERFF Tracking Number of Last Filing: n/a

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
AIPSO	%	%				%	%

State: Hawaii Filing Company: AIPSO
TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
Product Name: Hawaii Non CPAI Rate Filing
Project Name/Number: Non CPAI Filing/HI 25-04

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		Rate Page		New		HI 25-04 Rate Page Exhibit.pdf

NON-CPAI PRIVATE PASSENGER AUTOS

Territory	\$20,000/40,000 RBI		\$10,000 PD		\$10,000 PIP		\$20,000/40,000 Stacked				\$20,000/40,000 Nonstacked			
							UM		UIM		UM		UIM	
01	\$614	\$464	\$180	\$265	\$297	\$381	\$218	\$164	\$150	\$112	\$109	\$82	\$75	\$56
03	587	418	445	162	349	352	218	164	450	112	409	82	75	56
04	407	284	424	176	212	291	218	164	450	112	409	82	75	56
05	607	419	457	171	340	362	218	164	450	112	409	82	75	56

**431:10C-407(B)(1)(E) ELIGIBLE INSURED ONLY
PRIVATE PASSENGER AUTOS**

Territory	\$20,000/40,000 RBI		\$10,000 PD		\$10,000 PIP		\$20,000/40,000 Stacked				\$20,000/40,000 Nonstacked			
							UM		UIM		UM		UIM	
01	\$338	\$258	\$180	\$265	\$194	\$238	\$218	\$164	\$150	\$112	\$109	\$82	\$75	\$56
03	308	232	445	162	227	220	218	164	450	112	409	82	75	56
04	213	158	424	176	422	182	218	164	450	112	409	82	75	56
05	364	233	457	171	212	225	218	164	450	112	409	82	75	56

OPTIONAL BENEFITS COVERAGE

Territory	\$500 Per Month Wage Loss Benefit		Alternative Providers Services with Maximum \$75 per Visit, 30 Visits**		\$25,000 Death Benefit		\$2,000 Funeral Benefit
01	\$30	\$35	\$64	\$76	\$6	\$7	\$1
03	35	41	75	89	6	7	1
04	21	25	46	54	6	7	1
05	34	40	73	86	6	7	1

** The charges for acupuncture treatments shall be tied to the charges, and any subsequent increases in charges, permissible under the workers' compensation supplemental medical fee schedule.

PHYSICAL DAMAGE BASE RATES

Territory	\$100 Deductible Comprehensive		\$250 Deductible Collision	
01	\$ 251	\$174	\$ 934	\$1,346
03	402	185	834	1,140
04	442	136	810	1,162
05	417	204	1,037	1,369

CLASS FACTORS/PRIMARY RATING FACTORS

Class	RBI	PD	PIP	Stacked		Nonstacked		Wage Loss Benefit	Alternative Providers Services	Death Benefit	Funeral Benefit
				UM	UIM	UM	UIM				
1A	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1B	1.100	1.100	1.100	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3	1.500	1.500	1.500	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

CLASS FACTORS/PRIMARY RATING FACTORS

Class	Comprehensive	Collision
1A	1.000	1.000
1B	1.000	1.000
3	1.150	1.150

MODEL YEAR FACTORS

Model Year	Comprehensive	Collision
2024 <u>2026</u>	1.10	1.10
2023 <u>2025</u>	1.05	1.05
2022 <u>2024</u>	1.00	1.00
2021 <u>2023</u>	0.95	0.94
2020 <u>2022</u>	0.90	0.88
2019 <u>2021</u>	0.86	0.83
2018 <u>2020</u>	0.81	0.76
2017 <u>2019</u>	0.77	0.70
2016 <u>2018</u>	0.74	0.66
2015 <u>2017</u>	0.70	0.62
2014 <u>2016</u>	0.66	0.58
2013 <u>2015</u>	0.63	0.55
2012 <u>2014</u>	0.60	0.51
1990–2014 <u>2013</u>	0.57	0.48
1989 and Prior	1.00	1.00

State: Hawaii Filing Company: AIPSO
 TOI/Sub-TOI: 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)
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Supporting Document Schedules

Satisfied - Item:	Reference Filing Adoption
Comments:	
Attachment(s):	HI 25-04 RF 20.pdf HI 25-04 RF 20A.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Third Party Authorization
Bypass Reason:	n/a
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Filing Package
Comments:	
Attachment(s):	HI 25-04 HI Non-CPAI Filing.pdf
Item Status:	
Status Date:	

**HAWAII
INSURER RATE FILING
ADOPTION OF RATING OR ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
REFERENCE FILING ADOPTION FORM**

1. INSURER NAME AIPSO
 ADDRESS 302 Central Ave.
Johnston, RI 02919

2. INSURER NAIC # N/A

3. LINE OF INSURANCE Private Passenger Auto

4. RATING OR ADVISORY ORGANIZATION Hawaii Insurance Bureau, Inc.

<u>REFERENCE FILING #</u>	<u>REFERENCE FILING DESCRIPTION</u>
<u>PP-2024-BRLA-1</u>	<u>Personal Auto Loss Cost Revision</u>

6. The above insurer hereby declares that it is a member, subscriber or service purchaser of the named rating or advisory organization for this line of insurance. The insurer hereby files to be deemed to have independently submitted as its own filing the prospective loss costs in the captioned Reference Filing.

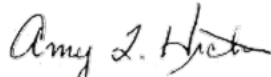
7. PROPOSED RATE LEVEL CHANGE 0.30% EFFECTIVE DATE 01/01/26 COMPANY FILING # HI 25-04

8. PRIOR RATE LEVEL CHANGE N/A EFFECTIVE DATE N/A INS. DIVISION # N/A

9. CURRENT WRITTEN PREMIUMS \$99,578 EXPECTED WRITTEN PREMIUMS \$99,616
 FOR THIS PROGRAM AFTER PROPOSED CHANGES

10. ATTACH SUMMARY OF SUPPORTING INFORMATION FORM AND, IF APPLICABLE, EXPENSE CONSTANT SUPPLEMENT. (Use a separate Summary for each insurer-selected loss cost multiplier)

11. The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Rating or Advisory Organization Reference Filing. The insurer shall provide a copy of its approved filing to the Rating or Advisory Organization.



 Authorized Signature

02/12/25

 Date

Amy L. Hicks FCAS, MAAA

 Person Responsible for Filing

VP & Chief Actuary

 Title

401-528-1353

 Telephone Number

Please file with the Insurance Division, State of Hawaii, Department of Commerce and Consumer Affairs

Insurer Name: AIPSO Date: 2/12/2025
 NAIC Number: N/A Company Filing # HI 25-04

**HAWAII
 INSURER RATE FILING
 ADOPTION OF RATING OR ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
 SUMMARY OF SUPPORTING INFORMATION FORM
 CALCULATION OF INSURER LOSS COST MULTIPLIER**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies
Private Passenger Auto Bodily Injury for all Territories and Classes

2. Loss Cost Modification **Attach an exhibit with the last five years of associated Hawaii premiums and losses, specifying the reporting basis. This exhibit is designated Exhibit 1 in this filing.**

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing (CHECK ONE)

- Without modification, *insert 1.00 in 2B.*
 With modification(s), *insert factor in 2B.* **Attach an exhibit specifying the percent modification, rationale for the modification and any relevant supporting data. This exhibit is designated 5 in this filing. SUMMARY:**
Modified for involuntary rate level

	CURRENT PROVISIONS	PROPOSED PROVISIONS
B. Loss Cost Modification Expressed as a Factor:	4.518	2.156

Example 1: If your Company's loss cost modification is -10%, a factor of 0.90 (1.000 - 0.100) should be used.
Example 2: If your Company's loss cost modification is +15%, a factor of 1.15 (1.000 + 0.150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, COMPLETE RF 20B AND EXHIBIT DESIGNATION IN ITEM 3 BELOW. UPLOAD REQUIRED SUPPORTING INFO. DO NOT COMPLETE ITEMS 3.A. - 8 BELOW.

	EXHIBIT DESIGNATION
3. Development of Expected Loss Ratio. Attach exhibits with: <u>Last five years of insurer expense data</u>	Exhibit 1
<u>Investment income calculation</u>	Appendix 2
<u>Projected ROE calculation, considering all income and outflow</u>	N/A
<u>Other Supporting Information</u>	

A. Total Production Expense	10.00%	10.00%
B. General Expense	10.00%	10.00%
C. Taxes, License and Fees	4.30%	4.30%
D. Profit and Contingencies	3.80%	3.80%
E. Other (explain): _____	20.80%	20.80%
F. TOTAL (TOTAL = A + B + C + D + E)	48.90%	48.90%

4A. Expected Loss Ratio (ELR = 100% - 3F) 51.10% 51.10%

4B. ELR in decimal form 0.511 0.511

5. Company Formula Loss Cost Multiplier (2B/4B) 8.841 4.219

6. Company Selected Loss Cost Multiplier 3.390 6.632

7. Explain any differences between 5 and 6: Coverage change capped at -25%

8. Rate change for coverages which this page applies: N/A -25.00%

Insurer Name: AIPSO Date: 2/12/2025
 NAIC Number: N/A Company Filing # HI 25-04

**HAWAII
 INSURER RATE FILING
 ADOPTION OF RATING OR ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
 SUMMARY OF SUPPORTING INFORMATION FORM
 CALCULATION OF INSURER LOSS COST MULTIPLIER**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies
Private Passenger Auto Property Damage for all Territories and Classes

2. Loss Cost Modification **Attach an exhibit with the last five years of associated Hawaii premiums and losses, specifying the reporting basis. This exhibit is designated Exhibit 1 in this filing.**

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing (CHECK ONE)

- Without modification, *insert 1.00 in 2B.*
 With modification(s), *insert factor in 2B.* **Attach an exhibit specifying the percent modification, rationale for the modification and any relevant supporting data. This exhibit is designated 5 in this filing. SUMMARY:**
Modified for involuntary rate level

	CURRENT PROVISIONS	PROPOSED PROVISIONS
B. Loss Cost Modification Expressed as a Factor:	0.508	0.710

Example 1: If your Company's loss cost modification is -10%, a factor of 0.90 (1.000 - 0.100) should be used.
Example 2: If your Company's loss cost modification is +15%, a factor of 1.15 (1.000 + 0.150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, COMPLETE RF 20B AND EXHIBIT DESIGNATION IN ITEM 3 BELOW. UPLOAD REQUIRED SUPPORTING INFO. DO NOT COMPLETE ITEMS 3.A. - 8 BELOW.

	EXHIBIT DESIGNATION
3. Development of Expected Loss Ratio. Attach exhibits with: <u>Last five years of insurer expense data</u>	Exhibit 1
<u>Investment income calculation</u>	Appendix 2
<u>Projected ROE calculation, considering all income and outflow</u>	N/A
<u>Other Supporting Information</u>	

A. Total Production Expense	10.00%	10.00%
B. General Expense	10.00%	10.00%
C. Taxes, License and Fees	4.30%	4.30%
D. Profit and Contingencies	3.80%	3.80%
E. Other (explain): <u>Misc Exp, Chargoﬀ, LAE</u>	20.80%	20.80%
F. TOTAL (TOTAL = A + B + C + D + E)	48.90%	48.90%

4A. Expected Loss Ratio (ELR = 100% - 3F) 51.10% 51.10%

4B. ELR in decimal form 0.511 0.511

5. Company Formula Loss Cost Multiplier (2B/4B) 0.994 1.389

6. Company Selected Loss Cost Multiplier 3.390 1.393

7. Explain any differences between 5 and 6: Coverage change capped at +40%

8. Rate change for coverages which this page applies: N/A 40.00%

Insurer Name: AIPSO Date: 2/12/2025
 NAIC Number: N/A Company Filing # HI 25-04

**HAWAII
 INSURER RATE FILING
 ADOPTION OF RATING OR ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
 SUMMARY OF SUPPORTING INFORMATION FORM
 CALCULATION OF INSURER LOSS COST MULTIPLIER**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies
 Private Passenger Auto Personal Injury Protection for all Territories and Classes

2. Loss Cost Modification **Attach an exhibit with the last five years of associated Hawaii premiums and losses, specifying the reporting basis. This exhibit is designated Exhibit 1 in this filing.**

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing (CHECK ONE)

- Without modification, *insert 1.00 in 2B.*
 With modification(s), *insert factor in 2B.* **Attach an exhibit specifying the percent modification, rationale for the modification and any relevant supporting data. This exhibit is designated 5 in this filing. SUMMARY:**
 Modified for involuntary rate level

	CURRENT PROVISIONS	PROPOSED PROVISIONS
B. Loss Cost Modification Expressed as a Factor:	2.009	2.370

Example 1: If your Company's loss cost modification is -10%, a factor of 0.90 (1.000 - 0.100) should be used.
Example 2: If your Company's loss cost modification is +15%, a factor of 1.15 (1.000 + 0.150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, COMPLETE RF 20B AND EXHIBIT DESIGNATION IN ITEM 3 BELOW. UPLOAD REQUIRED SUPPORTING INFO. DO NOT COMPLETE ITEMS 3.A. - 8 BELOW.

	EXHIBIT DESIGNATION
3. Development of Expected Loss Ratio. Attach exhibits with: Last five years of insurer expense data	Exhibit 1
Investment income calculation	Appendix 2
Projected ROE calculation, considering all income and outflow	N/A
Other Supporting Information	

A. Total Production Expense	10.00%	10.00%
B. General Expense	10.00%	10.00%
C. Taxes, License and Fees	4.30%	4.30%
D. Profit and Contingencies	3.80%	3.80%
E. Other (explain): <u>Misc Exp, Chargoﬀ, LAE</u>	20.80%	20.80%
F. TOTAL (TOTAL = A + B + C + D + E)	48.90%	48.90%
4A. Expected Loss Ratio (ELR = 100% - 3F)	51.10%	51.10%
4B. ELR in decimal form	0.511	0.511
5. Company Formula Loss Cost Multiplier (2B/4B)	3.932	4.638
6. Company Selected Loss Cost Multiplier	3.390	2.370
7. Explain any differences between 5 and 6: <u>Modifier selected to get overall indicated change to equal to Exhibit 1</u>		
8. Rate change for coverages which this page applies:	N/A	18.00%

Insurer Name: AIPSO Date: 2/12/2025
 NAIC Number: N/A Company Filing # HI 25-04

**HAWAII
 INSURER RATE FILING
 ADOPTION OF RATING OR ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
 SUMMARY OF SUPPORTING INFORMATION FORM
 CALCULATION OF INSURER LOSS COST MULTIPLIER**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies
Private Passenger Auto Uninsured Motorists for all Territories and Classes

2. Loss Cost Modification **Attach an exhibit with the last five years of associated Hawaii premiums and losses, specifying the reporting basis. This exhibit is designated Exhibit 1 in this filing.**

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing (CHECK ONE)

- Without modification, *insert 1.00 in 2B.*
 With modification(s), *insert factor in 2B.* **Attach an exhibit specifying the percent modification, rationale for the modification and any relevant supporting data. This exhibit is designated 5 in this filing. SUMMARY:**
Modified for involuntary rate level

	CURRENT PROVISIONS	PROPOSED PROVISIONS
B. Loss Cost Modification Expressed as a Factor:	12.082	2.156

Example 1: If your Company's loss cost modification is -10%, a factor of 0.90 (1.000 - 0.100) should be used.
Example 2: If your Company's loss cost modification is +15%, a factor of 1.15 (1.000 + 0.150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, COMPLETE RF 20B AND EXHIBIT DESIGNATION IN ITEM 3 BELOW. UPLOAD REQUIRED SUPPORTING INFO. DO NOT COMPLETE ITEMS 3.A. - 8 BELOW.

	EXHIBIT DESIGNATION
3. Development of Expected Loss Ratio. Attach exhibits with: <u>Last five years of insurer expense data</u>	Exhibit 1
Investment income calculation	Appendix 2
Projected ROE calculation, considering all income and outflow	N/A
Other Supporting Information	

A. Total Production Expense	10.00%	10.00%
B. General Expense	10.00%	10.00%
C. Taxes, License and Fees	4.30%	4.30%
D. Profit and Contingencies	3.80%	3.80%
E. Other (explain): <u>Misc Exp, Chargoﬀ, LAE</u>	20.80%	20.80%
F. TOTAL (TOTAL = A + B + C + D + E)	48.90%	48.90%

4A. Expected Loss Ratio (ELR = 100% - 3F) 51.10% 51.10%

4B. ELR in decimal form 0.511 0.511

5. Company Formula Loss Cost Multiplier (2B/4B) 23.644 4.219

6. Company Selected Loss Cost Multiplier 3.390 9.060

7. Explain any differences between 5 and 6: Coverage change capped at -25%

8. Rate change for coverages which this page applies: N/A -25.00%

Insurer Name: AIPSO Date: 2/12/2025
 NAIC Number: N/A Company Filing # HI 25-04

**HAWAII
 INSURER RATE FILING
 ADOPTION OF RATING OR ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
 SUMMARY OF SUPPORTING INFORMATION FORM
 CALCULATION OF INSURER LOSS COST MULTIPLIER**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies
 Private Passenger Auto Underinsured Motorists for all Territories and Classes
2. Loss Cost Modification **Attach an exhibit with the last five years of associated Hawaii premiums and losses, specifying the reporting basis. This exhibit is designated Exhibit 1 in this filing.**

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing (CHECK ONE)

- Without modification, *insert 1.00 in 2B.*
- With modification(s), *insert factor in 2B.* **Attach an exhibit specifying the percent modification, rationale for the modification and any relevant supporting data. This exhibit is designated 5 in this filing. SUMMARY:**
 Modified for involuntary rate level

	CURRENT PROVISIONS	PROPOSED PROVISIONS
B. Loss Cost Modification Expressed as a Factor:	4.984	2.156

Example 1: If your Company's loss cost modification is -10%, a factor of 0.90 (1.000 - 0.100) should be used.
Example 2: If your Company's loss cost modification is +15%, a factor of 1.15 (1.000 + 0.150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, COMPLETE RF 20B AND EXHIBIT DESIGNATION IN ITEM 3 BELOW. UPLOAD REQUIRED SUPPORTING INFO. DO NOT COMPLETE ITEMS 3.A. - 8 BELOW.

	EXHIBIT DESIGNATION
3. Development of Expected Loss Ratio. Attach exhibits with: Last five years of insurer expense data	Exhibit 1
Investment income calculation	Appendix 2
Projected ROE calculation, considering all income and outflow	N/A
Other Supporting Information	

A. Total Production Expense	10.00%	10.00%
B. General Expense	10.00%	10.00%
C. Taxes, License and Fees	4.30%	4.30%
D. Profit and Contingencies	3.80%	3.80%
E. Other (explain): <u>Misc Exp, Chargoﬀ, LAE</u>	20.80%	20.80%
F. TOTAL (TOTAL = A + B + C + D + E)	48.90%	48.90%

4A. Expected Loss Ratio (ELR = 100% - 3F) 51.10% 51.10%

4B. ELR in decimal form 0.511 0.511

5. Company Formula Loss Cost Multiplier (2B/4B) 9.753 4.219

6. Company Selected Loss Cost Multiplier 3.390 3.740

7. Explain any differences between 5 and 6: Coverage change capped at -25%

8. Rate change for coverages which this page applies: N/A -25.00%

Insurer Name: AIPSO Date: 2/12/2025
 NAIC Number: N/A Company Filing # HI 25-04

**HAWAII
 INSURER RATE FILING
 ADOPTION OF RATING OR ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
 SUMMARY OF SUPPORTING INFORMATION FORM
 CALCULATION OF INSURER LOSS COST MULTIPLIER**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies
 Private Passenger Auto Comprehensive for all Territories and Classes
2. Loss Cost Modification **Attach an exhibit with the last five years of associated Hawaii premiums and losses, specifying the reporting basis. This exhibit is designated Exhibit 1 in this filing.**

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing (CHECK ONE)

- Without modification, *insert 1.00 in 2B.*
- With modification(s), *insert factor in 2B.* **Attach an exhibit specifying the percent modification, rationale for the modification and any relevant supporting data. This exhibit is designated 5 in this filing. SUMMARY:**
 Modified for involuntary rate level

	CURRENT PROVISIONS	PROPOSED PROVISIONS
B. Loss Cost Modification Expressed as a Factor:	4.184	2.587

Example 1: If your Company's loss cost modification is -10%, a factor of 0.90 (1.000 - 0.100) should be used.
Example 2: If your Company's loss cost modification is +15%, a factor of 1.15 (1.000 + 0.150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, COMPLETE RF 20B AND EXHIBIT DESIGNATION IN ITEM 3 BELOW. UPLOAD REQUIRED SUPPORTING INFO. DO NOT COMPLETE ITEMS 3.A. - 8 BELOW.

	EXHIBIT DESIGNATION
3. Development of Expected Loss Ratio. Attach exhibits with: Last five years of insurer expense data	Exhibit 1
Investment income calculation	Appendix 2
Projected ROE calculation, considering all income and outflow	N/A
Other Supporting Information	

A. Total Production Expense	10.00%	10.00%
B. General Expense	10.00%	10.00%
C. Taxes, License and Fees	4.30%	4.30%
D. Profit and Contingencies	4.90%	4.90%
E. Other (explain): <u>Misc Exp, Chargoﬀ, LAE</u>	18.80%	18.80%
F. TOTAL (TOTAL = A + B + C + D + E)	48.00%	48.00%
4A. Expected Loss Ratio (ELR = 100% - 3F)	52.00%	52.00%
4B. ELR in decimal form	0.520	0.520
5. Company Formula Loss Cost Multiplier (2B/4B)	8.046	4.975
6. Company Selected Loss Cost Multiplier	3.390	5.983
7. Explain any differences between 5 and 6: <u>Coverage change capped at -25%</u>		
8. Rate change for coverages which this page applies:	N/A	-25.00%

Insurer Name: AIPSO Date: 2/12/2025
 NAIC Number: N/A Company Filing # HI 25-04

**HAWAII
 INSURER RATE FILING
 ADOPTION OF RATING OR ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
 SUMMARY OF SUPPORTING INFORMATION FORM
 CALCULATION OF INSURER LOSS COST MULTIPLIER**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies
 Private Passenger Auto Collision for all Territories and Classes
2. Loss Cost Modification **Attach an exhibit with the last five years of associated Hawaii premiums and losses, specifying the reporting basis. This exhibit is designated Exhibit 1 in this filing.**

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing (CHECK ONE)

- Without modification, *insert 1.00 in 2B.*
- With modification(s), *insert factor in 2B.* **Attach an exhibit specifying the percent modification, rationale for the modification and any relevant supporting data. This exhibit is designated 5 in this filing. SUMMARY:**
 Modified for involuntary rate level

	CURRENT PROVISIONS	PROPOSED PROVISIONS
B. Loss Cost Modification Expressed as a Factor:	1.994	2.587

Example 1: If your Company's loss cost modification is -10%, a factor of 0.90 (1.000 - 0.100) should be used.
Example 2: If your Company's loss cost modification is +15%, a factor of 1.15 (1.000 + 0.150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, COMPLETE RF 20B AND EXHIBIT DESIGNATION IN ITEM 3 BELOW. UPLOAD REQUIRED SUPPORTING INFO. DO NOT COMPLETE ITEMS 3.A. - 8 BELOW.

	EXHIBIT DESIGNATION
3. Development of Expected Loss Ratio. Attach exhibits with: Last five years of insurer expense data	Exhibit 1
Investment income calculation	Appendix 2
Projected ROE calculation, considering all income and outflow	N/A
Other Supporting Information	

A. Total Production Expense	10.00%	10.00%
B. General Expense	10.00%	10.00%
C. Taxes, License and Fees	4.30%	4.30%
D. Profit and Contingencies	4.90%	4.90%
E. Other (explain): <u>Misc Exp, Chargoﬀ, LAE</u>	18.80%	18.80%
F. TOTAL (TOTAL = A + B + C + D + E)	48.00%	48.00%
4A. Expected Loss Ratio (ELR = 100% - 3F)	52.00%	52.00%
4B. ELR in decimal form	0.520	0.520
5. Company Formula Loss Cost Multiplier (2B/4B)	3.835	4.975
6. Company Selected Loss Cost Multiplier	4.792	4.792
7. Explain any differences between 5 and 6: <u>Coverage change capped at +25%</u>		
8. Rate change for coverages which this page applies:	N/A	25.00%



January 14, 2025

Mr. Gordon Ito, Insurance Commissioner
Hawaii Department of Commerce & Consumer Affairs
Insurance Division
335 Merchant Street, 2nd Floor, Room 213
Honolulu, HI 96813

**Hawaii Automobile Insurance Plan
Private Passenger Automobile Non CPAI Rate Review
AIPSO Filing No. HI 25-04**

Dear Commissioner Ito:

On behalf of the subscribers to AIPSO, i.e., all subscribers to the Hawaii Joint Underwriting Plan, we are forwarding the attached rate review at the request of the Board of Governors.

Proposal

The Non-CPAI private passenger data falls into two class categories – Non-CPAI high risk insureds and others unable to obtain coverage (i.e., 431:10C-407(B)(1)(E) Eligible Insureds Only). Due to extremely low volume, these two classes have been combined for purposes of preparing the indication.

A 10-year financial indication has been completed based upon policy years 2013 through 2022 evaluated as of 11/30/2023 experience for commercial risks insured through the Hawaii Plan. Due to the small volume of the Hawaii Joint Underwriting Plan Non CPAI book of business, the indication has been given only partial weight. Instead, the rate need is calculated as a blending of the Hawaii experience and loss ratio trend is used as the ballast to credibility.

Utilizing this approach results in an overall +12.7% rate need.

In order to distribute the +12.7% rate need to individual coverages, a loss cost multiplier approach has been utilized. This proposal is to adopt the prospective loss costs specified in HIB Reference Filing Numbers CA-2024-BRLA1. The Hawaii Plan rates will be a combination of prospective loss costs and involuntary loss cost multipliers, which reproduce the +12.7% indicated rate need. These coverage level changes were then capped at +/-25% for all coverages except property damage which was capped at +40% due to its large +308.2% indicated rate need, resulting in an overall proposed rate change of +0.3%. In conjunction with this revision, we propose the adoption of relativities between high-risk insureds and others unable to obtain coverage. The relativities will be based on the current relationship between the high risk and eligible insureds rate sets. Specifically, we recommend high risk insured rates be calculated at the following relativities to the eligible insureds only rates:

Bodily Injury:	1.800
Property Damage:	1.000
Personal Injury Protection:	1.600

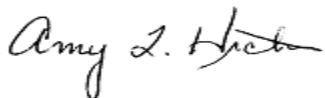
In our analysis we utilized data and information supplied to us by statistical agents. We relied on the general accuracy of this data and information; however, we did review the data for reasonableness and perform additional data checks to ensure the accuracy of the reported data. We considered the Plan's own experience as well as both historical and current industry information, and we utilized commonly accepted actuarial methods and principles in developing our analysis.

We respectfully request your prompt consideration and approval of this filing. If you have any questions, please contact us at the numbers below.


Attachments

- Rate Level Indication and Supporting Material
- Manual Rate Changes

Sincerely,



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Vice President and Chief Actuary
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pc: Mr. Tom Assad – AIPSO

Hawaii

Joint Underwriting Plan

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Exhibit 2	Determination of Premium On-Level Factors
Exhibit 3	Determination of Adjusted Incurred Losses
Exhibit 4	Summary of Proposed Rate Changes
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Exhibit 6	Manual Rate Pages
Exhibit 7	Reference Filing Adoption Forms
Appendix 1	Development of Expected Loss Ratio
Appendix 2	Determination of Investment Income
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Hawaii Joint Underwriting Plan
Statewide Rate Level Indication
Non CPAI Private Passenger

EARNED PREMIUM				INCURRED LOSSES AND ALAE				STATE EXPENSES		RATIOS TO PREMIUM		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
			(2)x(3)			Appendix 4	[(5)+(6)]x(7)			(8)/(4)	(10)/(2)	(11)/(2)
Policy Year	Premium Earned	Premium On-Level Factor	Premium at Current Level	Adjusted Incurred Losses Incl. IBNR		Loss Trend Factor	Projected Incurred Losses	Premium Taxes	Premium Charge-Offs	Projected Loss Ratio	Premium Taxes Ratio	Premium Charge-Offs Ratio
2013	306,305	1.000	306,305	139,079	0	2.011	279,688	0	2,077	91.3%	0.0%	0.7%
2014	207,772	1.000	207,772	94,340	0	1.906	179,811	0	1,130	86.5%	0.0%	0.5%
2015	209,421	1.000	209,421	120,256	0	1.806	217,183	0	3,127	103.7%	0.0%	1.5%
2016	220,832	1.000	220,832	53,631	0	1.712	91,816	0	2,558	41.6%	0.0%	1.2%
2017	211,305	1.000	211,305	88,951	0	1.622	144,278	0	745	68.3%	0.0%	0.4%
2018	137,758	1.000	137,758	22,507	0	1.537	34,593	0	574	25.1%	0.0%	0.4%
2019	139,019	1.000	139,019	63,122	0	1.457	91,969	0	551	66.2%	0.0%	0.4%
2020	143,165	1.000	143,165	14,651	0	1.380	20,218	0	2,134	14.1%	0.0%	1.5%
2021	135,568	1.000	135,568	85,029	0	1.308	111,218	0	465	82.0%	0.0%	0.3%
2022	64,978	1.000	64,978	39,761	0	1.240	49,304	0	118	75.9%	0.0%	0.2%
Total	1,776,124		1,776,124	721,327	0		1,220,078	0	13,479	68.7%	0.0%	0.8%
5-Year	620,488		620,488	225,070	0		307,302	0	3,842	49.5%	0.0%	0.6%
3-Year	343,711		343,711	139,441	0		180,740	0	2,717	52.6%	0.0%	0.8%

SELECTED

68.7% 4.3% 0.8%

CONTRACTUAL AND OTHER EXPENSES							STATEWIDE RATE LEVEL INDICATION					
(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(23)	(24)	(25)	(26)	(27)
		Appendix 3				Sum of (13) to (20)	1.0-(21)	(12)/(22)-1.0		3,000 Claim Credibility=23%, Minimum=25%		(23)x(25)+ (26)x[1.0-(25)]
Admin. Fees	LAE Provision	Misc. Expenses (Income)	Commission	Contingency	Investment Income	Expense Ratio	Expected Loss Ratio	Plan Indicated Change	10-Year Number of Claims	Credibility	Loss Ratio	Statewide Rate Level Indication
10.0%	12.0%	8.0%	10.0%	5.0%	-1.2%	48.9%	51.1%	34.4%	154	25%	5.5%	12.7%

Hawaii Commercial Auto Program Statewide Rate Level Indication

Determination of Premium On-Level Factors

New Business Effective Date	Policy Year	Policy Year Experience Period	Rate Change	On-Level Factor	Change	Cumulative Change	Days to Year End	Parallelogram Areas
	2013	01/01/2013 - 12/31/2013		1.000	1.000	1.000		1.000 0.000
	2014	01/01/2014 - 12/31/2014		1.000	1.000	1.000		1.000 0.000
	2015	01/01/2015 - 12/31/2015		1.000	1.000	1.000		1.000 0.000
	2016	01/01/2016 - 12/31/2016		1.000	1.000	1.000		1.000 0.000
	2017	01/01/2017 - 12/31/2017		1.000	1.000	1.000		1.000 0.000
	2018	01/01/2018 - 12/31/2018		1.000	1.000	1.000		1.000 0.000
	2019	01/01/2019 - 12/31/2019		1.000	1.000	1.000		1.000 0.000
	2020	01/01/2020 - 12/31/2020		1.000	1.000	1.000		1.000 0.000
	2021	01/01/2021 - 12/31/2021		1.000	1.000	1.000		1.000 0.000
	2022	01/01/2022 - 12/31/2022		1.000	1.000	1.000		1.000 0.000
	2023	01/01/2023 - 12/31/2023		1.000	1.000	1.000		1.000 0.000
	2024	01/01/2024 - 12/31/2024		1.000	1.000	1.000		1.000 0.000

Hawaii Joint Underwriting Plan Statewide Rate Level Indication

Determination of Adjusted Incurred Losses

(1)	(2)	(3)	(4) (3)÷(2)	(5) 74.2% Cap = 1.5 x CW Median Exhibit 3, Sheet 2	(6) (5)>1.5xM	(7) (6)-M	(8) (5)-(7)+A	(9) (2)x(8)
Policy Year	Premiums Earned	Incurred Losses Including IBNR	Loss Ratio	Capped Loss Ratio	Excess Years	Excess Ratio	Adjusted Ratio	Adjusted Losses
2008	1,544,904	524,633	34.0%	34.0%	0.0%	0.0%	37.4%	578,191
2009	1,352,840	490,069	36.2%	36.2%	0.0%	0.0%	39.7%	536,969
2010	1,212,853	447,392	36.9%	36.9%	0.0%	0.0%	40.4%	489,439
2011	740,687	465,353	62.8%	62.8%	0.0%	0.0%	66.3%	491,031
2012	572,040	305,787	53.5%	53.5%	0.0%	0.0%	56.9%	325,619
2013	306,305	193,203	63.1%	63.1%	63.1%	21.1%	45.4%	139,079
2014	207,772	87,137	41.9%	41.9%	0.0%	0.0%	45.4%	94,340
2015	209,421	112,996	54.0%	54.0%	0.0%	0.0%	57.4%	120,256
2016	220,832	45,975	20.8%	20.8%	0.0%	0.0%	24.3%	53,631
2017	211,305	81,626	38.6%	38.6%	0.0%	0.0%	42.1%	88,951
2018	137,758	17,731	12.9%	12.9%	0.0%	0.0%	16.3%	22,507
2019	139,019	101,211	72.8%	72.8%	72.8%	30.9%	45.4%	63,122
2020	143,165	9,688	6.8%	6.8%	0.0%	0.0%	10.2%	14,651
2021	135,568	80,329	59.3%	59.3%	0.0%	0.0%	62.7%	85,029
2022	64,978	37,509	57.7%	57.7%	0.0%	0.0%	61.2%	39,761
			Median (M) 1.5 x M	41.9% Average (A) 62.9%			3.5%	

Countrywide Commercial Auto Statewide Rate Level Indication

Determination of Adjusted Incurred Losses

(1)	(2)	(3)	(4) (3)÷(2)
Policy Year	Premiums Earned	Incurred Losses Incl. IBNR	Loss Ratio
2008	336,879,884	234,597,230	69.6%
2009	255,962,138	156,059,940	61.0%
2010	179,626,304	114,950,771	64.0%
2011	114,637,932	77,747,233	67.8%
2012	61,432,915	40,789,035	66.4%
2013	47,128,433	28,827,302	61.2%
2014	60,450,365	20,758,131	34.3%
2015	85,317,449	20,494,908	24.0%
2016	99,095,461	26,607,043	26.8%
2017	123,874,382	45,246,487	36.5%
2018	166,473,868	63,657,946	38.2%
2019	202,078,767	92,887,709	46.0%
2020	218,761,979	108,154,411	49.4%
2021	274,163,013	116,435,492	42.5%
2022	231,722,473	146,258,178	63.1%
		Median (M)	49.4%
		1.5 x M	74.2%

Hawaii
Automobile Insurance Plan
Non-CPAI Private Passenger
Summary of Base Rate Change

(1)	(2)	(3)	(4)	(5)
Coverage	5 Year Premium at Current Level	Loss Cost Based Indicated Change	Proposed Base Rate Change	Estimated Dollar Change Based on CY 2022 Premium*
Bodily Injury	216,601	-52.3%	-25.0%	(7,861)
Property Damage	58,923	308.2%	40.0%	3,280
Medical Payments / Personal Injury Protection	86,097	18.0%	18.0%	2,001
Uninsured Motorists BI	28,537	-82.2%	-25.0%	(1,112)
Underinsured Motorists BI	19,613	-56.7%	-25.0%	(759)
LIABILITY	409,771	12.0%	-6.6%	(4,451)
Comprehensive	51,523	-37.6%	-25.0%	(2,927)
Collision	167,487	29.7%	25.0%	7,401
PHYSICAL DAMAGE	219,010	13.9%	13.2%	4,474
TOTAL	628,781	12.7%	0.3%	23

NOTES:

Adoption of HIB Loss Costs from Reference Filing Number PP-2024-BRLA1
Proposed Effective Dates: January 1, 2026 New & Renewal

* Calendar Year 2022 Premium at Current Level is \$99,578

Hawaii
Joint Underwriting Plan

Determination of Loss Cost-Based Indicated Rate Change

PLAN CURRENT STATEWIDE BASE RATES

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
Plan Territory	5 Year Liability Exposures	5 Year Physical Damage Exposures	Eligible Insureds Only Private Passenger Base Rates					\$100 2022/3 COMP	\$250 2022/3 COLL
			\$20/40 BI	\$10,000 PD	\$10,000 MP/PIP	\$20/40 UMBI	\$20/40 UIMBI		
1	180.98	60.18	338	180	194	109	75	251	934
3	32.00	14.08	308	145	227	109	75	102	831
4	12.39	3.09	213	124	122	109	75	142	810
5	22.62	7.01	364	157	212	109	75	117	1,037
SW	247.99	84.36	\$330.26	\$170.59	\$196.30	\$109.00	\$75.00	\$211.00	\$920.83

Non-CPAI Base Rates (high risk)

	\$20/40 BI	\$10,000 PD	\$10,000 MP/PIP
1	614	180	297
3	587	145	349
4	407	124	212
5	607	157	340
	\$599.54	\$170.59	\$303.39

Non-CPAI to Eligible Insured Current Relativities

	\$20/40 BI	\$10,000 PD	\$10,000 MP/PIP	Mandatory Covg. Comb.
	1.817	1.000	1.531	1.532
	1.906	1.000	1.537	1.590
	1.911	1.000	1.738	1.619
	1.668	1.000	1.604	1.506
Selected:	1.800	1.000	1.600	

Hawaii
Joint Underwriting Plan

Determination of Loss Cost-Based Indicated Rate Change

\$100,000 COMBINED SINGLE LIMIT
HIB STATEWIDE LOSS COSTS

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Plan Territory	5 Year Liability Exposures	5 Year Physical Damage Exposures	\$20/40 BI	\$10,000 PD	\$10,000 MP/PIP	Non-Stacked \$20/40 UMBI		\$100 2022/3 COMP	\$250 2022/3 COLL	\$100 2024/3 COMP	\$250 2024/3 COLL
1	180.98	60.18	38.97	190.44	51.27	4.61	7.69	26.00	247.37	29.10	280.91
3	32.00	14.08	35.04	116.10	47.40	4.61	7.69	27.70	209.49	30.99	237.90
4	12.39	3.09	23.77	126.17	39.28	4.61	7.69	20.35	213.54	22.77	242.49
5	22.62	7.01	35.11	122.99	48.58	4.61	7.69	30.53	251.49	34.16	285.58
SW	247.99	84.36	\$37.35	\$171.48	\$49.93	\$4.61	\$7.69	\$26.45	\$240.15	\$29.60	\$272.71

Hawaii
Joint Underwriting Plan

Determination of Loss Cost-Based Indicated Rate Change

	Eligible Insureds Only Private Passenger Base Rates					\$100 2022/3 COMP	\$250 2022/3 COLL
	\$20/40 BI	\$10,000 PD	\$10,000 MP/PIP	\$20/40 UMBI	Non-Stacked \$20/40 UIMBI		
(1) Plan Statewide Base Rate [Sheet 1]	\$330.26	\$170.59	\$196.30	\$109.00	\$75.00	\$211.00	\$920.83
(2) Plan Expected L&LAE Ratio [Appendix 1]	0.511	0.511	0.511	0.511	0.511	0.520	0.520
(3) Plan Pure Premium [(1) x (2)]	\$168.76	\$87.17	\$100.31	\$55.70	\$38.33	\$109.72	\$478.83
(4) ISO Statewide @ AIP Base [Sheet 2]	\$37.35	\$171.48	\$49.93	\$4.61	\$7.69	\$26.45	\$240.15
(5) Loss Cost Modifier [(3) ÷ (4)]	4.518	0.508	2.009	12.082	4.984	4.148	1.994
(6) Benchmark Loss Cost Modifier	2.156	2.075	2.370	2.156	2.156	2.587	2.587
(7) Loss Cost Based Indicated Change* [(6) ÷ (5)]	-52.3%	308.2%	18.0%	-82.2%	-56.7%	-37.6%	29.7%
(8) Proposed Loss Cost Modifier [(5) x 1.0 + {Exhibit 1, Column (4)}]	3.39	0.71	2.37	9.06	3.74	3.11	2.49
(9) Loss Cost Multiplier [(8) ÷ (2)]	6.632	1.393	4.638	17.734	7.315	5.983	4.792

* Loss Cost Modifier change is based on 1 year of exposures

Hawaii
Joint Underwriting Plan

Determination of Proposed Base Rates

Loss Cost Multiplier [Exhibit 5, Sheet 3, Row 9]

BI	PD	MP/PIP	UMBI	UIMBI	COMP	COLL
6.632	1.393	4.638	17.734	7.315	5.983	4.792

Proposed Base Rates [Loss Costs from Exhibit 5, Sheet 2 x Loss Cost Multiplier]

Plan Territory	Eligible Insureds Only Private Passenger Base Rates						\$100 2024/3 COMP	\$250 2024/3 COLL
	\$20/40		\$10,000	Non-Stacked				
	BI	PD	MP/PIP	UMBI	UIMBI			
1	258	265	238	82	56	174	1,346	
3	232	162	220	82	56	185	1,140	
4	158	176	182	82	56	136	1,162	
5	233	171	225	82	56	204	1,369	

Non-CPAI (high risk) Relativity [Exhibit 5, Sheet 1]

BI	PD	MP/PIP
1.800	1.000	1.600

Proposed Non-CPAI Base Rates [Eligible Insured Proposed Rates x Relativity]

Plan Territory	\$20/40 BI	\$20,000 PD	\$10,000 MP/PIP
1	464	265	381
3	418	162	352
4	284	176	291
5	419	171	360

Hawaii
Joint Underwriting Plan

Determination of Loss Cost-Based Indicated Rate Change

PROPOSED PERCENT CHANGE BY SUBLINE AND TERRITORY

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Plan Territory	2022	Eligible Insureds Only Private Passenger Base Rates						
	All Sublines Liability Exposures	\$20/40 BI	\$20,000 PD	\$10,000 MP/PIP	\$20/40 UMBI	Non-Stacked \$20/40 UIMBI	\$100 2019/3 COMP	\$250 2019/3 COLL
1	44.07	-23.7%	47.2%	22.7%	-24.8%	-25.3%	-30.7%	44.1%
3	14.35	-24.7%	11.7%	-3.1%	-24.8%	-25.3%	81.4%	37.2%
4	2.52	-25.8%	41.9%	49.2%	-24.8%	-25.3%	-4.2%	43.5%
5	7.72	-36.0%	8.9%	6.1%	-24.8%	-25.3%	74.4%	32.0%
Non-CPAI Base Rates								
1		-24.4%	47.2%	28.3%				
3		-28.8%	11.7%	0.9%				
4		-30.2%	41.9%	37.3%				
5		-31.0%	8.9%	5.9%				

NON-CPAI PRIVATE PASSENGER AUTOS

Territory	\$20,000/40,000 RBI		\$10,000 PD		\$10,000 PIP		\$20,000/40,000 Stacked				\$20,000/40,000 Nonstacked			
							UM		UIM		UM		UIM	
01	\$614	\$464	\$180	\$265	\$297	\$381	\$218	\$164	\$150	\$112	\$109	\$82	\$75	\$56
03	587	418	445	162	349	352	218	164	450	112	409	82	75	56
04	407	284	424	176	212	291	218	164	450	112	409	82	75	56
05	607	419	457	171	340	362	218	164	450	112	409	82	75	56

**431:10C-407(B)(1)(E) ELIGIBLE INSURED ONLY
PRIVATE PASSENGER AUTOS**

Territory	\$20,000/40,000 RBI		\$10,000 PD		\$10,000 PIP		\$20,000/40,000 Stacked				\$20,000/40,000 Nonstacked			
							UM		UIM		UM		UIM	
01	\$338	\$258	\$180	\$265	\$194	\$238	\$218	\$164	\$150	\$112	\$109	\$82	\$75	\$56
03	308	232	445	162	227	220	218	164	450	112	409	82	75	56
04	213	158	424	176	422	182	218	164	450	112	409	82	75	56
05	364	233	457	171	212	225	218	164	450	112	409	82	75	56

OPTIONAL BENEFITS COVERAGE

Territory	\$500 Per Month Wage Loss Benefit		Alternative Providers Services with Maximum \$75 per Visit, 30 Visits**		\$25,000 Death Benefit		\$2,000 Funeral Benefit
01	\$30	\$35	\$64	\$76	\$6	\$7	\$1
03	35	41	75	89	6	7	1
04	21	25	46	54	6	7	1
05	34	40	73	86	6	7	1

** The charges for acupuncture treatments shall be tied to the charges, and any subsequent increases in charges, permissible under the workers' compensation supplemental medical fee schedule.

PHYSICAL DAMAGE BASE RATES

Territory	\$100 Deductible Comprehensive		\$250 Deductible Collision	
01	\$ 251	\$174	\$ 934	\$1,346
03	402	185	834	1,140
04	442	136	810	1,162
05	417	204	1,037	1,369

CLASS FACTORS/PRIMARY RATING FACTORS

Class	RBI	PD	PIP	Stacked		Nonstacked		Wage Loss Benefit	Alternative Providers Services	Death Benefit	Funeral Benefit
				UM	UIM	UM	UIM				
1A	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1B	1.100	1.100	1.100	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3	1.500	1.500	1.500	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

CLASS FACTORS/PRIMARY RATING FACTORS

Class	Comprehensive	Collision
1A	1.000	1.000
1B	1.000	1.000
3	1.150	1.150

MODEL YEAR FACTORS

Model Year	Comprehensive	Collision
2024 <u>2026</u>	1.10	1.10
2023 <u>2025</u>	1.05	1.05
2022 <u>2024</u>	1.00	1.00
2021 <u>2023</u>	0.95	0.94
2020 <u>2022</u>	0.90	0.88
2019 <u>2021</u>	0.86	0.83
2018 <u>2020</u>	0.81	0.76
2017 <u>2019</u>	0.77	0.70
2016 <u>2018</u>	0.74	0.66
2015 <u>2017</u>	0.70	0.62
2014 <u>2016</u>	0.66	0.58
2013 <u>2015</u>	0.63	0.55
2012 <u>2014</u>	0.60	0.51
1990–2011 <u>2013</u>	0.57	0.48
1989 and Prior	1.00	1.00

Hawaii
Joint Underwriting Plan
Determination of Investment Income

LIABILITY, MEDICAL PAYMENTS AND UNINSURED MOTORISTS INSURANCE

A. Unearned Premium Reserves:	
1. Total Limits Earned Premium at 10/01/2008 Manual Rates	\$409,771
2. Mean Unearned Premium Reserve 0.500 x (1)	\$204,886
3. Deduction for Prepaid Expenses:	
Commissions	0.100
Servicing Carrier Fees	0.100
Premium Taxes	0.043
Loss Adjustment Expense Provision	0.120
<i>Total</i>	<i>0.363</i>
4. Line (2) times Line (3)	\$74,374
5. Net Subject to Investment Income (2)-(4)	\$130,512
B. Delayed Collection of Premiums:	
1. Total Limits Earned Premium at 10/01/2008 Manual Rates (A.1)	\$409,771
2. Average Agents' Balances	0.329
3. Delayed Collection (1) x (2)	\$134,815
C. Loss Reserve:	
1. Total Limits Earned Premium at 10/01/2008 Manual Rates (A.1)	\$409,771
2. Expected Incurred Loss and Loss Adjustment Expense Ratio (Reflecting Investment Income)	0.511
3. Expected Incurred Loss and Loss Adjustment Expense (1) x (2)	\$209,393
4. Expected Mean Loss Reserves 1.032 x (3)	\$216,094
D. Net Subject to Investment (A.5)-(B.3)+(C.4)	\$211,791
E. Average yield	2.9%
F. Investment Earnings on Net Subject to Investment (D)x(E)	\$6,142
G. Average yield as a Percent of Earned Premium on level (F)/(A.1)	1.5%
H. Average yield as a Percent of Earned Premium after Federal Income Taxes (G) x 0.830	1.2%

Hawaii

Joint Underwriting Plan

ADOPTION OF ADVISORY ORGANIZATION LOSS COSTS

Company Name

AIPSO, on behalf of the subscribers to the Hawaii Joint Underwriting Plan

Type of Insurance

Commercial Auto

Advisory Organization

Hawaii Insurance Bureau Inc.

Advisory Organization Reference Filing Number

PP-2024-BRLA1

AIPSO hereby declares that it is a service purchaser of the named Advisory Organization for loss costs. AIPSO, on behalf of the subscribers to the Hawaii Joint Underwriting Plan hereby files to be deemed to have independently submitted as its own filing, the prospective loss costs in the captioned Reference Filing.

The Hawaii Joint Underwriting Plan rates will be a combination of the prospective loss costs and the loss cost multipliers specified in the attachments.

Total Rate Change

0.3%

Proposed Effective Date of Rate Change

January 1, 2026 New Business; January 1, 2026 Renewals

Attach Development of Loss Cost Multiplier form for each selected loss cost multiplier.

Check one of the following:

The Hawaii Joint Underwriting Plan hereby files to have its loss cost multipliers be applicable to future revisions of the Advisory Organization's prospective loss costs for this line of insurance. The Hawaii Joint Underwriting Plan rates will apply to policies written on or after the effective date of the Advisory Organization's prospective loss costs.

The Hawaii Joint Underwriting Plan hereby files to have its loss cost multipliers be applicable only to the above Advisory Organization Reference Filing.

Hawaii

Automobile Insurance Plan

DEVELOPMENT OF LOSS COST MULTIPLIER

Company Name

AIPSO, on behalf of the subscribers to the Hawaii Automobile Insurance Plan

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies

Private Passenger Auto Bodily Injury for all Territories and Classes.

2. Loss Cost Modification

A. The Hawaii Automobile Insurance Plan hereby files to adopt the prospective loss costs in the captioned reference filing

CHECK ONE

Without modification.

With the following modification. Cite the rationale for the modification.

Modified for involuntary rate level.

B. Loss Cost Modification expressed as a factor

3. Development of Expected Loss Ratio (refer to Appendix 1)

A. Commissions	10.0%
B. Administration Expense Allowance	10.0%
C. Loss Expense Provision	12.0%
D. Premium Taxes	4.3%
E. Premium Charge-Off Expense	0.8%
F. Miscellaneous CAIP Expenses	8.0%
G. Contingency	5.0%
H. Investment Income	-1.2%
I. Total	48.9%

4. Expected Loss Ratio

= (100% - 3H) 51.1%

5. Formula Loss Cost Multiplier

= (2B / 4) 4.219

6. Selected Loss Cost Multiplier

6.632

Explain any differences between 5 and 6

Capping of rate level changes

7. Total Rate Level Change for the coverages to which this page applies

-25.0%

Hawaii

Automobile Insurance Plan

DEVELOPMENT OF LOSS COST MULTIPLIER

Company Name

AIPSO, on behalf of the subscribers to the Hawaii Automobile Insurance Plan

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies

Private Passenger Auto Property Damage for all Territories and Classes.

2. Loss Cost Modification

A. The Hawaii Automobile Insurance Plan hereby files to adopt the prospective loss costs in the captioned reference filing

CHECK ONE

Without modification.

With the following modification. Cite the rationale for the modification.

Modified for involuntary rate level.

B. Loss Cost Modification expressed as a factor

3. Development of Expected Loss Ratio (refer to Appendix 1)

A. Commissions	10.0%
B. Administration Expense Allowance	10.0%
C. Loss Expense Provision	12.0%
D. Premium Taxes	4.3%
E. Premium Charge-Off Expense	0.8%
F. Miscellaneous CAIP Expenses	8.0%
G. Contingency	5.0%
H. Investment Income	-1.2%
I. Total	48.9%

4. Expected Loss Ratio

= (100% - 3H) 51.1%

5. Formula Loss Cost Multiplier

= (2B / 4) 4.061

6. Selected Loss Cost Multiplier

1.393

Explain any differences between 5 and 6

Capping of rate level changes

7. Total Rate Level Change for the coverages to which this page applies

40.0%

Hawaii

Automobile Insurance Plan

DEVELOPMENT OF LOSS COST MULTIPLIER

Company Name

AIPSO, on behalf of the subscribers to the Hawaii Automobile Insurance Plan

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies

Private Passenger Auto Med Pay/PIP for all Territories and Classes.

2. Loss Cost Modification

A. The Hawaii Automobile Insurance Plan hereby files to adopt the prospective loss costs in the captioned reference filing

CHECK ONE

Without modification.

With the following modification. Cite the rationale for the modification.

Modified for involuntary rate level.

B. Loss Cost Modification expressed as a factor

3. Development of Expected Loss Ratio (refer to Appendix 1)

A. Commissions	10.0%
B. Administration Expense Allowance	10.0%
C. Loss Expense Provision	12.0%
D. Premium Taxes	4.3%
E. Premium Charge-Off Expense	0.8%
F. Miscellaneous CAIP Expenses	8.0%
G. Contingency	5.0%
H. Investment Income	-1.2%
I. Total	48.9%

4. Expected Loss Ratio

= (100% - 3H) 51.1%

5. Formula Loss Cost Multiplier

= (2B / 4) 4.638

6. Selected Loss Cost Multiplier

4.638

Explain any differences between 5 and 6

7. Total Rate Level Change for the coverages to which this page applies

18.0%

Hawaii

Automobile Insurance Plan

DEVELOPMENT OF LOSS COST MULTIPLIER

Company Name

AIPSO, on behalf of the subscribers to the Hawaii Automobile Insurance Plan

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies

Private Passenger Uninsured Motorist Bodily Injury for all Territories and Classes.

2. Loss Cost Modification

A. The Hawaii Automobile Insurance Plan hereby files to adopt the prospective loss costs in the captioned reference filing

CHECK ONE

Without modification.

With the following modification. Cite the rationale for the modification.

Modified for involuntary rate level.

B. Loss Cost Modification expressed as a factor

3. Development of Expected Loss Ratio (refer to Appendix 1)

A. Commissions	10.0%
B. Administration Expense Allowance	10.0%
C. Loss Expense Provision	12.0%
D. Premium Taxes	4.3%
E. Premium Charge-Off Expense	0.8%
F. Miscellaneous CAIP Expenses	8.0%
G. Contingency	5.0%
H. Investment Income	-1.2%
I. Total	48.9%

4. Expected Loss Ratio

= (100% - 3H) 51.1%

5. Formula Loss Cost Multiplier

= (2B / 4) 4.219

6. Selected Loss Cost Multiplier

17.734

Explain any differences between 5 and 6

Capping of rate level changes

7. Total Rate Level Change for the coverages to which this page applies

-25.0%

Hawaii

Automobile Insurance Plan

DEVELOPMENT OF LOSS COST MULTIPLIER

Company Name

AIPSO, on behalf of the subscribers to the Hawaii Automobile Insurance Plan

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies

Private Passenger Underinsured Motorist Bodily Injury for all Territories and Classes.

2. Loss Cost Modification

A. The Hawaii Automobile Insurance Plan hereby files to adopt the prospective loss costs in the captioned reference filing

CHECK ONE

Without modification.

With the following modification. Cite the rationale for the modification.

Modified for involuntary rate level.

B. Loss Cost Modification expressed as a factor

3. Development of Expected Loss Ratio (refer to Appendix 1)

A. Commissions	10.0%
B. Administration Expense Allowance	10.0%
C. Loss Expense Provision	12.0%
D. Premium Taxes	4.3%
E. Premium Charge-Off Expense	0.8%
F. Miscellaneous CAIP Expenses	8.0%
G. Contingency	5.0%
H. Investment Income	-1.2%
I. Total	48.9%

4. Expected Loss Ratio

= (100% - 3H) 51.1%

5. Formula Loss Cost Multiplier

= (2B / 4) 4.219

6. Selected Loss Cost Multiplier

7.315

Explain any differences between 5 and 6

Capping of rate level changes

7. Total Rate Level Change for the coverages to which this page applies

-25.0%

Hawaii

Automobile Insurance Plan

DEVELOPMENT OF LOSS COST MULTIPLIER

Company Name

AIPSO, on behalf of the subscribers to the Hawaii Automobile Insurance Plan

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies

Private Passenger Comprehensive for all Territories and Classes.

2. Loss Cost Modification

A. The Hawaii Automobile Insurance Plan hereby files to adopt the prospective loss costs in the captioned reference filing

CHECK ONE

Without modification.

With the following modification. Cite the rationale for the modification.

Modified for involuntary rate level.

B. Loss Cost Modification expressed as a factor

3. Development of Expected Loss Ratio (refer to Appendix 1)

A. Commissions	10.0%
B. Administration Expense Allowance	10.0%
C. Loss Expense Provision	10.0%
D. Premium Taxes	4.3%
E. Premium Charge-Off Expense	0.8%
F. Miscellaneous CAIP Expenses	8.0%
G. Contingency	5.0%
H. Investment Income	-1.2%
I. Total	46.9%

4. Expected Loss Ratio

= (100% - 3H) 53.1%

5. Formula Loss Cost Multiplier

= (2B / 4) 4.872

6. Selected Loss Cost Multiplier

5.983

Explain any differences between 5 and 6

Capping of rate level changes

7. Total Rate Level Change for the coverages to which this page applies

-25.0%

Hawaii

Automobile Insurance Plan

DEVELOPMENT OF LOSS COST MULTIPLIER

Company Name

AIPSO, on behalf of the subscribers to the Hawaii Automobile Insurance Plan

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies

Private Passenger Collision for all Territories and Classes.

2. Loss Cost Modification

A. The Hawaii Automobile Insurance Plan hereby files to adopt the prospective loss costs in the captioned reference filing

CHECK ONE

Without modification.

With the following modification. Cite the rationale for the modification.

Modified for involuntary rate level.

B. Loss Cost Modification expressed as a factor

3. Development of Expected Loss Ratio (refer to Appendix 1)

A. Commissions	10.0%
B. Administration Expense Allowance	10.0%
C. Loss Expense Provision	10.0%
D. Premium Taxes	4.3%
E. Premium Charge-Off Expense	0.8%
F. Miscellaneous CAIP Expenses	8.0%
G. Contingency	5.0%
H. Investment Income	-1.2%
I. Total	46.9%

4. Expected Loss Ratio

= (100% - 3H) 53.1%

5. Formula Loss Cost Multiplier

= (2B / 4) 4.872

6. Selected Loss Cost Multiplier

4.792

Explain any differences between 5 and 6

Capping of rate level changes

7. Total Rate Level Change for the coverages to which this page applies

25.0%

Hawaii
 Joint Underwriting Plan
 Development of Expected Loss Ratio

Expense Provision	(1)	Physical Damage
	Liability	
Commissions	0.100	0.100
Administration Expense Allowance	0.100	0.100
Premium Charge-Off Expense	0.008	0.008
Miscellaneous Expenses	0.080	0.080
Premium Tax	0.043	0.043
Contingency	0.050	0.050
Investment Income	-0.012	-0.001
(2) Total Expense Ratio [Sum of Column (1)]	0.369	0.380
(3) Expected Loss & LAE Ratio [1.0 - (2)]	0.631	0.620
(4) Loss Expense Provision	0.120	0.100
(5) Expected Loss Ratio [(3) - (4)]	0.511	0.520

NOTES:

For Investment Income refer to Appendix 2

For Miscellaneous Expenses refer to Appendix 3

Hawaii
Joint Underwriting Plan
Determination of Investment Income

LIABILITY EXPLANATORY NOTES

Line A-1

Premiums are the latest 5 calendar years total limits Automobile Insurance Plan premiums at present rates for the following commercial automobile coverages:

LIABILITY, MEDICAL PAYMENTS AND UNINSURED MOTORISTS INSURANCE

Line A-2

The mean unearned premium reserve may be determined by multiplying the total limits premiums in line (1) by the countrywide ratio of the mean unearned premium reserve to the net earned premium for 2022 for Automobile Liability Insurance for all companies as shown in "Best's Aggregates & Averages."

	<u>(In Thousands)</u>
1. Net Earned Premium for Calendar Year 2022	\$190,151,871
2. Unearned Premium Reserve as of 12/31/2021	62,759,522
3. Unearned Premium Reserve as of 12/31/2022	67,205,828
4. Mean Unearned Premium Reserve $\frac{[(2)+(3)]}{2}$	64,982,675
5. Ratio $\frac{[(4)]}{(1)}$	0.342

All assigned risk policies are, however, written for a term of one year; therefore, the appropriate determination of the unearned premium reserve is on the annual pro-rata fraction basis. Specifically, the annual pro-rata basis assumes that all policies for a particular year are written uniformly throughout the year. As such, approximately one half of the premiums are investable for a full year.

The selected factor is: 0.500

Line A-3

Deduction for prepaid expenses:

Production costs and a large portion of the other company expenses incurred in connection with the writing of Automobile Liability Insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid.

Hawaii
Joint Underwriting Plan
Determination of Investment Income

LIABILITY EXPLANATORY NOTES

Line B-2

Delayed collection of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies beyond the effective dates of the policies. Funds for the unearned premium reserve required during the initial days of all policies must be taken from the companies' surplus.

Agents' balances or uncollected premiums for premiums due less than 90 days amount to 0.323 of net earned premiums for all companies as shown in "Best's Aggregates & Averages." This value is based on the following:

	<u>(In Thousands)</u>
1. Net Earned Premium for Calendar Year 2022	\$752,729,571
2. Net Agents' Balances as of 12/31/2021	228,378,334
3. Net Agents' Balances as of 12/31/2022	258,115,829
4. Mean Agents' Balances $[(2)+(3)]/2$	243,247,082
5. Ratio $[(4)/(1)]$	0.323

The above percentage must be multiplied by a factor of 1.020 to include the effect of agents' balances or uncollected premiums overdue for more than 90 days. The 1.020 factor is based on factors from the 2023 "Best's Aggregates and Averages, Consolidated Property Casualty Annual Statement."

The two factors combined amount to: $0.329 (= 0.323 \times 1.020)$

Line C-2

The expected loss and loss adjustment expense ratio reflects the expense provisions used in the filing.

Hawaii
Joint Underwriting Plan
Determination of Investment Income

LIABILITY EXPLANATORY NOTES

Line C-4

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (C.3) by the average countrywide ratio of the mean loss and loss adjustment expense reserves to the incurred loss and loss adjustment expenses in 2021 and 2022 for Automobile Liability Insurance. This ratio is based on all company data shown in "Best's Aggregates & Averages."

	<u>(In Thousands)</u>
1. Incurred Losses (A) for Accident Year 2021	141,775,094
2. Incurred Losses (A) for Accident Year 2022	171,304,682
3. Loss Reserves (A) as of 12/31/2020	145,988,221
4. Loss Reserves (A) as of 12/31/2021	159,516,955
5. Loss Reserves (A) as of 12/31/2022	178,763,255
6. Mean Loss Reserve 2021: $\frac{\{(3)+(4)\}}{2}$	152,752,588
7. Mean Loss Reserve 2022: $\frac{\{(4)+(5)\}}{2}$	169,140,105
8. Ratio $\frac{\{(6)\}}{\{(1)\}}$	1.077
9. Ratio $\frac{\{(7)\}}{\{(2)\}}$	0.987
10. $\frac{\{(8)+(9)\}}{2}$	1.032

(A) Including all loss adjustment expenses

Line E

The yield is the ratio of net investment income earned to mean cash and invested assets for all companies as determined from data shown in "Best's Aggregates & Averages" as follows:

<u>Year</u>	<u>Net Investment Income Earned @</u>	<u>Mean Cash and Invested Assets @</u>	<u>Yield</u>
2021	\$56,619,534	\$2,156,355,790	2.6%
2022	<u>72,843,665</u>	<u>2,251,339,204</u>	<u>3.2%</u>
	\$129,463,199	\$4,407,694,994	2.9%

@ Figures are in Thousands of Dollars

Hawaii
Joint Underwriting Plan
Determination of Investment Income

LIABILITY EXPLANATORY NOTES

LINE H

The average rate of Federal Income Tax was determined by applying the appropriate tax rates to the distribution of investment income earned for 2022 for all companies as determined from data shown in "Best's Aggregates & Averages."

	Investment Income Earned (In Thousands of Dollars)	Federal Income Tax Rate
<u>Bonds</u>		
Taxable	\$31,319,900	0.210 (A)
Non-Taxable	<u>6,002,714</u>	<u>0.032</u>
Sub-Total	\$37,322,614	0.181
		(B)
<u>Stocks</u>		
Taxable	\$10,532,139	0.085
Non-Taxable (Affiliates)	<u>3,239,275</u>	<u>0.000</u>
Sub-Total	\$13,771,414	0.065
<u>Other</u>		
Mortgage Loans	\$1,409,375	
Real Estate	1,933,499	
Contract Loans	202	
Cash / Short-Term Investments	1,967,412	
Derivative instruments	112,071	
Other Invested Assets	22,335,098	
Aggregate write-ins for investment income	<u>402,941</u>	
Sub-Total	\$28,160,598	0.210
<u>Grand Total of Bonds, Stocks & Other</u>	<u>\$79,254,626</u>	<u>0.171</u>
<u>Investment Deductions</u>		
Total Investment Expenses Incurred	\$4,067,203	0.171
Interest Expense	1,144,016	0.210
Depreciation on Real Estate	599,259	0.210
Aggregate write-ins for deductions		
from investment income	<u>600,483</u>	0.210
Sub-Total of Investment Deductions	<u>\$6,410,961</u>	<u>0.185</u>
<u>Net Investment Income Earned</u>	<u>\$72,843,665</u>	<u>0.170</u>

(A) Assume 85% of the income on tax-exempt bonds is subject to proration; that is, 15% of that income is taxed at a full corporate income tax rate of 21%. The applicable tax rate is thus:

$$3.2\% = [(0.85 \times 0.00) + (0.15 \times 0.21)].$$

(B) Only 30% of dividend income is subject to a full corporate income tax rate of 21%. Assume 85% of the tax exempt dividend income on stocks is subject to proration; that is, 15% of the remaining 70% of dividend income is taxed at a rate of 21%. The applicable tax rate is thus:

$$8.5\% = [(0.30 \times 0.21) + (0.70 \times 0.85 \times 0.00) + (0.70 \times 0.15 \times 0.21)].$$

Hawaii
Joint Underwriting Plan
Determination of Investment Income

PHYSICAL DAMAGE INSURANCE

A. Unearned Premium Reserves:	
1. Direct Earned Premium On Level	\$219,010
2. Mean Unearned Premium Reserve 0.500 x (1)	\$109,505
3. Deduction for Prepaid Expenses:	
Commissions	0.100
Servicing Carrier Fees	0.100
Premium Taxes	0.043
Loss Adjustment Expense Allowance	0.100
<i>Total</i>	<i>0.343</i>
4. Line (2) times Line (3)	\$37,560
5. Net Subject to Investment Income (2)-(4)	\$71,945
B. Delayed Collection of Premiums:	
1. Premiums On Level (A.1)	\$219,010
2. Average Agents' Balances	0.329
3. Delayed Collection (1) x (2)	\$72,054
C. Loss Reserve:	
1. Premiums On Level (A.1)	\$219,010
2. Expected Incurred Loss and Loss Adjustment Expense Ratio	0.520
3. Expected Incurred Loss and Loss Adjustment Expenses (1)x(2)	\$113,885
4. Expected Mean Loss Reserves	
0.083 x (3)	\$9,452
D. Net Subject to Investment	
(A.5)-(B.3)+(C.4)	\$9,343
E. Average yield	2.9%
F. Investment Earnings on Net Subject to Investment (D)x(E)	\$271
G. Average yield as a Percent of Earned Premium On Level (F)/(A.1)	0.1%
H. Average yield as a Percent of Earned Premium after Federal Income Taxes	
(G) x 0.830	0.1%

Hawaii
Joint Underwriting Plan
Determination of Investment Income

PHYSICAL DAMAGE EXPLANATORY NOTES

Line A-1

Premiums are all deductible Automobile Insurance Plan premiums at current level for Private Passenger Automobile Comprehensive and Collision Insurance for the latest 5 calendar years.

Line A-2

The mean unearned premium reserve may be determined by multiplying the all deductible premiums in line (1) by the countrywide ratio of the mean unearned premium reserve to the net earned premium for 2022 for Automobile Physical Damage Insurance for all companies as shown in "Best's Aggregates and Averages."

	<u>(In Thousands)</u>
1. Net Earned Premium for Calendar Year 2022	\$121,412,556
2. Unearned Premium Reserve as of 12/31/2021	38,787,177
3. Unearned Premium Reserve as of 12/31/2022	42,554,422
4. Mean Unearned Premium Reserve $\frac{[(2)+(3)]}{2}$	40,670,800
5. Ratio $\frac{[(4)]}{(1)}$	0.335

All assigned risk policies are, however, written for a term of one year; therefore, the appropriate determination of the unearned premium reserve is on the annual pro-rata fraction basis. Specifically, the annual pro-rata basis assumes that all policies for a particular year are written uniformly throughout the year. As such, approximately one half of the premiums are investable for a full year.

The selected factor is: 0.500

Line A-3

Deduction for prepaid expenses:

Production costs and a large portion of the other company expenses incurred in connection with the writing of Automobile Physical Damage Insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid.

Hawaii
 Joint Underwriting Plan
 Determination of Investment Income

PHYSICAL DAMAGE EXPLANATORY NOTES

Line B-2

Delayed collection of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies beyond the effective dates of the policies. Funds for the unearned premium reserve required during the initial days of all policies must be taken from the companies' surplus.

Agents' balances or uncollected premiums for premiums due less than 90 days amount to 0.323 of net earned premiums for all companies as shown in "Best's Aggregates and Averages." This value is based on the following:

	<u>(In Thousands)</u>
1. Net Earned Premium for Calendar Year 2022	\$752,729,571
2. Net Agents' Balances as of 12/31/2021	228,378,334
3. Net Agents' Balances as of 12/31/2022	258,115,829
4. Mean Agents' Balances $[(2)+(3)]/2$	243,247,082
5. Ratio $[(4)/(1)]$	0.323

The above percentage must be multiplied by a factor of 1.020 to include the effect of agents' balances or uncollected premiums overdue for more than 90 days. The 1.020 factor is based on factors from the 2023 "Best's Aggregates and Averages, Consolidated Property Casualty Annual Statement."

The two factors combined amount to: 0.329 (= 0.323 x 1.020)

Line C-2

The expected loss and loss adjustment expense ratio reflects the expense provisions used in the filing.

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PHYSICAL DAMAGE EXPLANATORY NOTES

Line C-4

The expected mean loss reserve is determined by multiplying the expected incurred losses in line (C.3) by the average countrywide ratio of the mean loss and loss adjustment expense reserves to the incurred loss and loss adjustment expenses in 2021 and 2022 for Automobile Physical Damage Insurance. This ratio is based on all company data provided by the A.M. Best Company.

	<u>(In Thousands)</u>
1. Incurred Losses (A) for Calendar Year 2021	93,759,270
2. Incurred Losses (A) for Calendar Year 2022	110,652,880
3. Loss Reserves (A) as of 12/31/2020	5,830,646
4. Loss Reserves (A) as of 12/31/2021	8,399,138
5. Loss Reserves (A) as of 12/31/2022	11,485,409
6. Mean Loss Reserve 2021: $\frac{\{(3)+(4)\}}{2}$	7,114,892
7. Mean Loss Reserve 2022: $\frac{\{(4)+(5)\}}{2}$	9,942,274
8. Ratio $\frac{\{(6)\}}{\{(1)\}}$	0.076
9. Ratio $\frac{\{(7)\}}{\{(2)\}}$	0.090
10. $\frac{\{(8)+(9)\}}{2}$	0.083

(A) Including all loss adjustment expenses

Line E

The yield is the ratio of net investment income earned to mean cash and invested assets for all companies as determined from data shown in "Best's Aggregates and Averages" as follows:

<u>Year</u>	<u>Net Investment Income Earned @</u>	<u>Mean Cash and Invested Assets @</u>	<u>Yield</u>
2021	\$56,619,534	\$2,156,355,790	2.6%
2022	<u>72,843,665</u>	<u>2,251,339,204</u>	<u>3.2%</u>
	\$129,463,199	\$4,407,694,994	2.9%

@ Figures are in Thousands of Dollars

Hawaii
Joint Underwriting Plan
Determination of Investment Income

PHYSICAL DAMAGE EXPLANATORY NOTES

LINE H

The average rate of Federal Income Tax was determined by applying the appropriate tax rates to the distribution of investment income earned for 2022 for all companies as determined from data shown in "Best's Aggregates & Averages."

	Investment Income Earned (In Thousands of Dollars)	Federal Income Tax Rate
<u>Bonds</u>		
Taxable	\$31,319,900	0.210 (A)
Non-Taxable	<u>6,002,714</u>	<u>0.032</u>
Sub-Total	\$37,322,614	0.181
		(B)
<u>Stocks</u>		
Taxable	\$10,532,139	0.085
Non-Taxable (Affiliates)	<u>3,239,275</u>	<u>0.000</u>
Sub-Total	\$13,771,414	0.065
<u>Other</u>		
Mortgage Loans	\$1,409,375	
Real Estate	1,933,499	
Contract Loans	202	
Cash / Short-Term Investments	1,967,412	
Derivative instruments	112,071	
Other Invested Assets	22,335,098	
Aggregate write-ins for investment income	<u>402,941</u>	
Sub-Total	\$28,160,598	0.210
<u>Grand Total of Bonds, Stocks & Other</u>	<u>\$79,254,626</u>	<u>0.171</u>
<u>Investment Deductions</u>		
Total Investment Expenses Incurred	\$4,067,203	0.171
Interest Expense	1,144,016	0.210
Depreciation on Real Estate	599,259	0.210
Aggregate write-ins for deductions from investment income	600,483	0.210
<u>Sub-Total of Investment Deductions</u>	<u>\$6,410,961</u>	<u>0.185</u>
<u>Net Investment Income Earned</u>	<u>\$72,843,665</u>	<u>0.170</u>

(A) Assume 85% of the income on tax-exempt bonds is subject to proration; that is, 15% of that income is taxed at a full corporate income tax rate of 21%. The applicable tax rate is thus:

$$3.2\% = [(0.85 \times 0.00) + (0.15 \times 0.21)].$$

(B) Only 30% of dividend income is subject to a full corporate income tax rate of 21%. Assume 85% of the tax exempt dividend income on stocks is subject to proration; that is, 15% of the remaining 70% of dividend income is taxed at a rate of 21%. The applicable tax rate is thus:

$$8.5\% = [(0.30 \times 0.21) + (0.70 \times 0.85 \times 0.00) + (0.70 \times 0.15 \times 0.21)].$$

Hawaii JUP

Determination of Miscellaneous Expenses as a Percent of Earned Premium

Policy Year	Earned Premium		Miscellaneous Expenses			Miscellaneous Expenses as a Ratio to Earned Premium
	Private Passenger	Commercial	Private Passenger	Commercial	CPAI	
2013	306,305	1,870,239	15,009	93,101	154,345	12.1%
2014	207,772	2,223,640	14,451	155,225	199,160	15.2%
2015	209,421	2,637,269	23,112	247,243	259,768	18.6%
2016	220,832	3,252,937	11,762	153,470	117,092	8.1%
2017	211,305	3,584,045	9,286	154,517	92,907	6.8%
2018	137,758	3,228,757	6,833	144,072	94,719	7.3%
2019	139,019	2,697,936	7,667	138,088	96,720	8.5%
2020	143,165	1,830,297	15,959	177,910	148,488	17.3%
2021	135,568	2,293,379	9,317	151,079	81,209	9.9%
2022	64,978	2,019,579	5,834	171,508	94,357	13.0%
2023 *	42,333	1,069,513	14,989	95,913	66,848	16.0%
Total	1,776,124	25,638,077	119,229	1,586,214	1,338,765	11.1%
Last 5 Years	620,488	12,069,947	45,610	782,657	515,493	10.6%
Last 3 Years	343,711	6,143,254	31,110	500,497	324,054	13.2%
5 Year Private Passenger Miscellaneous Expense Ratio			7%			
3 Year Private Passenger Miscellaneous Expense Ratio			9%			

Selected Miscellaneous Expense Factor:

8.0%

* 2023 is an Incomplete Policy Year and is Excluded From the Average Calculations

HawaiiJoint Underwriting Plan Statewide Rate Level Indication

Determination of Loss Trend

(1)	(2)	(3) Appendix 4 Sheets 2 - 5	(4)	(5)	(6)	(7)	(8) [(7)-(6)] ÷365.25	(9) [1.0+(3)]^(8)
Coverage	Incurred Loss Weight	Pure Premium Trend	Policy Year	Policy Year Experience Period	Midpoint of Experience Period	Average Accident Date	Number of Trend Years	Loss Trend Factor
Bodily Injury	0.37	8.0%	2013	01/01/2013 - 12/31/2014	1/1/2014	1/1/2027	13.000	2.011
Property Damage	0.10	8.0%	2014	01/01/2014 - 12/31/2015	1/1/2015	1/1/2027	12.000	1.906
PIP	0.15	4.0%	2015	01/01/2015 - 12/31/2016	1/1/2016	1/1/2027	11.000	1.806
Comprehensive	0.09	3.0%	2016	01/01/2016 - 12/31/2017	1/1/2017	1/1/2027	10.000	1.712
Collision	0.29	3.0%	2017	01/01/2017 - 12/31/2018	1/1/2018	1/1/2027	9.000	1.622
			2018	01/01/2018 - 12/31/2019	1/1/2019	1/1/2027	8.000	1.537
Weighted Trend	1.00	5.5%	2019	01/01/2019 - 12/31/2020	1/1/2020	1/1/2027	7.000	1.457
			2020	01/01/2020 - 12/31/2021	1/1/2021	1/1/2027	6.000	1.380
			2021	01/01/2021 - 12/31/2022	1/1/2022	1/1/2027	5.000	1.308
			2022	01/01/2022 - 12/31/2023	1/1/2023	1/1/2027	4.000	1.240

NOTES:

Column (7): Trended to one year past the proposed effective date of 01/01/2026

Hawaii (52)
Private Passenger Automobile
Determination of Fast Track Trends

BODILY INJURY

AVERAGE PAID CLAIM COST

Year Ended	Paid Claims	Paid Losses	Actual Claim Cost	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	1,357	45,361,612	33,428	34,320				
12/31/20	1,309	46,629,677	35,622	34,489				
03/31/21	1,274	44,462,393	34,900	34,659				
06/30/21	1,202	41,686,900	34,681	34,830				
09/30/21	1,206	42,021,823	34,844	35,002	34,911			
12/31/21	1,166	38,837,493	33,308	35,174	35,095			
03/31/22	1,150	37,906,124	32,962	35,348	35,280			
06/30/22	1,163	40,794,127	35,077	35,522	35,466			
09/30/22	1,136	43,770,139	38,530	35,697	35,654	38,679		
12/31/22	1,172	46,223,032	39,439	35,874	35,842	38,170		
03/31/23	1,173	44,862,504	38,246	36,051	36,031	37,667	36,971	
06/30/23	1,216	44,802,527	36,844	36,228	36,221	37,171	36,687	
09/30/23	1,261	43,600,567	34,576	36,407	36,412	36,682	36,405	34,686
12/31/23	1,275	44,818,954	35,152	36,587	36,604	36,199	36,125	35,322
03/31/24	1,345	49,317,684	36,667	36,767	36,797	35,722	35,848	35,970
06/30/24	1,381	50,023,209	36,222	36,948	36,991	35,252	35,573	36,629
Average Annual Change (1)				2.0%	2.1%	-5.2%	-3.0%	7.5%

AVERAGE PAID CLAIM FREQUENCY

Year Ended	Earned Exposures	Paid Claims	Actual Frequency	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	769,486	1,357	0.176	0.157				
12/31/20	772,371	1,309	0.169	0.157				
03/31/21	774,665	1,274	0.164	0.156				
06/30/21	780,258	1,202	0.154	0.156				
09/30/21	786,886	1,206	0.153	0.156	0.142			
12/31/21	793,800	1,166	0.147	0.156	0.143			
03/31/22	799,770	1,150	0.144	0.155	0.145			
06/30/22	803,605	1,163	0.145	0.155	0.147			
09/30/22	805,102	1,136	0.141	0.155	0.149	0.139		
12/31/22	806,322	1,172	0.145	0.154	0.151	0.143		
03/31/23	807,596	1,173	0.145	0.154	0.152	0.147	0.145	
06/30/23	808,358	1,216	0.150	0.154	0.154	0.152	0.150	
09/30/23	808,758	1,261	0.156	0.154	0.156	0.156	0.155	0.155
12/31/23	808,587	1,275	0.158	0.153	0.158	0.160	0.160	0.160
03/31/24	809,869	1,345	0.166	0.153	0.160	0.165	0.165	0.165
06/30/24	809,528	1,381	0.171	0.153	0.162	0.169	0.171	0.171
Average Annual Change (2)				-0.7%	4.9%	11.8%	14.1%	14.0%

Average Annual Change in Pure Premiums
 $[(1.0 + (1)) \times (1.0 + (2))] - 1.0$

1.3% 7.1% 6.0% 10.7% 22.6%

Hawaii (52)
Private Passenger Automobile
Determination of Fast Track Trends

PROPERTY DAMAGE

AVERAGE PAID CLAIM COST

Year Ended	Paid Claims	Paid Losses	Actual Claim Cost	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	21,195	87,681,657	4,137	3,958				
12/31/20	18,820	79,226,956	4,210	4,050				
03/31/21	16,596	70,988,320	4,277	4,143				
06/30/21	16,438	68,776,814	4,184	4,239				
09/30/21	17,111	71,569,239	4,183	4,337	4,154			
12/31/21	17,800	75,126,078	4,221	4,438	4,277			
03/31/22	18,362	79,303,178	4,319	4,541	4,404			
06/30/22	18,903	84,272,815	4,458	4,646	4,534			
09/30/22	19,167	90,006,105	4,696	4,753	4,669	4,779		
12/31/22	19,518	95,067,124	4,871	4,863	4,807	4,895		
03/31/23	19,919	99,751,766	5,008	4,976	4,949	5,015	5,103	
06/30/23	19,778	103,771,129	5,247	5,091	5,096	5,137	5,199	
09/30/23	19,510	104,594,948	5,361	5,209	5,247	5,262	5,296	5,377
12/31/23	19,618	106,599,623	5,434	5,330	5,403	5,390	5,395	5,431
03/31/24	19,645	108,610,995	5,529	5,453	5,563	5,521	5,496	5,486
06/30/24	20,030	110,377,088	5,511	5,579	5,728	5,655	5,599	5,541
Average Annual Change (1)				9.6%	12.4%	10.1%	7.7%	4.1%

AVERAGE PAID CLAIM FREQUENCY

Year Ended	Earned Exposures	Paid Claims	Actual Frequency	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	769,486	21,195	2.754	2.306				
12/31/20	772,371	18,820	2.437	2.314				
03/31/21	774,665	16,596	2.142	2.322				
06/30/21	780,258	16,438	2.107	2.330				
09/30/21	786,886	17,111	2.175	2.339	2.253			
12/31/21	793,800	17,800	2.242	2.347	2.275			
03/31/22	799,770	18,362	2.296	2.355	2.296			
06/30/22	803,605	18,903	2.352	2.363	2.319			
09/30/22	805,102	19,167	2.381	2.372	2.341	2.410		
12/31/22	806,322	19,518	2.421	2.380	2.363	2.416		
03/31/23	807,596	19,919	2.466	2.388	2.386	2.422	2.442	
06/30/23	808,358	19,778	2.447	2.397	2.409	2.428	2.442	
09/30/23	808,758	19,510	2.412	2.405	2.432	2.435	2.442	2.407
12/31/23	808,587	19,618	2.426	2.414	2.456	2.441	2.442	2.425
03/31/24	809,869	19,645	2.426	2.422	2.479	2.447	2.441	2.444
06/30/24	809,528	20,030	2.474	2.431	2.503	2.453	2.441	2.462
Average Annual Change (2)				1.4%	3.9%	1.0%	0.0%	3.1%

Average Annual Change in Pure Premiums
 $[(1.0 + (1)) \times (1.0 + (2))] - 1.0$

11.1% 16.8% 11.2% 7.7% 7.3%

Hawaii (52)
Private Passenger Automobile
Determination of Fast Track Trends

PERSONAL INJURY PROTECTION

AVERAGE PAID CLAIM COST

Year Ended	Paid Claims	Paid Losses	Actual Claim Cost	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	5,218	27,116,109	5,197	5,567				
12/31/20	4,565	24,516,625	5,371	5,632				
03/31/21	4,041	22,508,076	5,570	5,699				
06/30/21	3,629	22,783,199	6,278	5,766				
09/30/21	3,737	23,317,582	6,240	5,833	6,014			
12/31/21	3,873	23,538,029	6,077	5,902	6,056			
03/31/22	3,969	24,170,878	6,090	5,971	6,098			
06/30/22	4,128	25,003,763	6,057	6,041	6,141			
09/30/22	4,183	25,458,501	6,086	6,113	6,184	6,047		
12/31/22	4,208	25,656,254	6,097	6,184	6,227	6,123		
03/31/23	4,264	25,989,505	6,095	6,257	6,270	6,199	6,185	
06/30/23	4,232	26,556,608	6,275	6,331	6,314	6,277	6,267	
09/30/23	4,178	26,750,687	6,403	6,405	6,358	6,356	6,351	6,464
12/31/23	4,266	27,995,993	6,563	6,480	6,403	6,435	6,436	6,488
03/31/24	4,253	27,849,096	6,548	6,556	6,448	6,516	6,521	6,512
06/30/24	4,387	28,457,946	6,487	6,633	6,493	6,598	6,608	6,536
Average Annual Change (1)				4.8%	2.8%	5.1%	5.4%	1.5%

AVERAGE PAID CLAIM FREQUENCY

Year Ended	Earned Exposures	Paid Claims	Actual Frequency	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	769,486	5,218	0.678	0.540				
12/31/20	772,371	4,565	0.591	0.538				
03/31/21	774,665	4,041	0.522	0.536				
06/30/21	780,258	3,629	0.465	0.534				
09/30/21	786,886	3,737	0.475	0.532	0.489			
12/31/21	793,800	3,873	0.488	0.530	0.494			
03/31/22	799,770	3,969	0.496	0.528	0.498			
06/30/22	803,605	4,128	0.514	0.526	0.503			
09/30/22	805,102	4,183	0.520	0.524	0.508	0.519		
12/31/22	806,322	4,208	0.522	0.522	0.512	0.521		
03/31/23	807,596	4,264	0.528	0.520	0.517	0.523	0.521	
06/30/23	808,358	4,232	0.524	0.518	0.522	0.525	0.524	
09/30/23	808,758	4,178	0.517	0.516	0.526	0.527	0.526	0.517
12/31/23	808,587	4,266	0.528	0.514	0.531	0.529	0.528	0.524
03/31/24	809,869	4,253	0.525	0.512	0.536	0.531	0.531	0.532
06/30/24	809,528	4,387	0.542	0.511	0.541	0.532	0.533	0.539
Average Annual Change (2)				-1.5%	3.7%	1.4%	1.8%	5.7%

Average Annual Change in Pure Premiums
 $\{[1.0 + (1)] \times [1.0 + (2)]\} - 1.0$

3.2% 6.6% 6.6% 7.3% 7.3%

Hawaii (52)
 Private Passenger Automobile
 Determination of Fast Track Trends

COLLISION

AVERAGE PAID CLAIM COST

Year Ended	Paid Claims	Paid Losses	Actual Claim Cost	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	30,554	105,179,635	3,442	3,467				
12/31/20	28,215	98,080,423	3,476	3,577				
03/31/21	26,200	90,572,366	3,457	3,690				
06/30/21	28,034	105,173,272	3,752	3,807				
09/30/21	30,245	120,323,711	3,978	3,927	4,105			
12/31/21	31,854	129,766,168	4,074	4,052	4,208			
03/31/22	33,307	142,002,712	4,263	4,180	4,314			
06/30/22	33,876	151,201,649	4,463	4,312	4,423			
09/30/22	33,964	158,463,503	4,666	4,448	4,534	4,754		
12/31/22	34,070	164,367,234	4,824	4,589	4,648	4,820		
03/31/23	34,687	169,093,417	4,875	4,734	4,765	4,886	4,958	
06/30/23	34,809	175,274,881	5,035	4,884	4,885	4,953	5,003	
09/30/23	34,919	178,233,199	5,104	5,038	5,008	5,021	5,048	5,127
12/31/23	35,259	181,047,083	5,135	5,198	5,134	5,091	5,094	5,129
03/31/24	34,716	180,187,649	5,190	5,362	5,263	5,161	5,140	5,131
06/30/24	35,173	179,120,314	5,093	5,531	5,396	5,232	5,187	5,134
Average Annual Change (1)				13.3%	10.5%	5.6%	3.7%	0.2%

AVERAGE PAID CLAIM FREQUENCY

Year Ended	Earned Exposures	Paid Claims	Actual Frequency	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	585,979	30,554	5.214	4.846				
12/31/20	588,599	28,215	4.794	4.898				
03/31/21	590,909	26,200	4.434	4.950				
06/30/21	596,003	28,034	4.704	5.003				
09/30/21	602,323	30,245	5.021	5.056	5.249			
12/31/21	609,232	31,854	5.229	5.110	5.279			
03/31/22	615,641	33,307	5.410	5.165	5.309			
06/30/22	620,484	33,876	5.460	5.220	5.339			
09/30/22	623,621	33,964	5.446	5.276	5.369	5.464		
12/31/22	626,688	34,070	5.437	5.332	5.399	5.470		
03/31/23	629,820	34,687	5.507	5.389	5.430	5.476	5.512	
06/30/23	632,517	34,809	5.503	5.447	5.460	5.482	5.507	
09/30/23	634,651	34,919	5.502	5.505	5.491	5.487	5.502	5.512
12/31/23	636,159	35,259	5.542	5.564	5.522	5.493	5.496	5.501
03/31/24	638,428	34,716	5.438	5.623	5.553	5.499	5.491	5.491
06/30/24	639,242	35,173	5.502	5.683	5.585	5.505	5.486	5.480
Average Annual Change (2)				4.3%	2.3%	0.4%	-0.4%	-0.8%

Average Annual Change in Pure Premiums
 $\{[1.0 + (1)] \times [1.0 + (2)]\} - 1.0$

18.2% 13.0% 6.0% 3.3% -0.6%

Countrywide (90)
Private Passenger Automobile
Determination of Fast Track Trends

BODILY INJURY

AVERAGE PAID CLAIM COST

Year Ended	Paid Claims	Paid Losses	Actual Claim Cost	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	807,162	15,661,928,020	19,404	20,141				
12/31/20	757,070	15,169,497,415	20,037	20,524				
03/31/21	699,834	14,505,027,717	20,726	20,914				
06/30/21	676,392	14,538,588,106	21,494	21,312				
09/30/21	681,309	15,082,198,051	22,137	21,718	22,314			
12/31/21	688,609	15,590,381,679	22,640	22,131	22,648			
03/31/22	706,449	16,350,016,774	23,144	22,552	22,987			
06/30/22	722,360	17,006,648,670	23,543	22,981	23,332			
09/30/22	733,155	17,429,578,511	23,773	23,419	23,681	23,628		
12/31/22	739,446	17,797,671,489	24,069	23,864	24,035	23,991		
03/31/23	747,337	18,179,090,443	24,325	24,318	24,395	24,359	24,186	
06/30/23	749,402	18,400,702,925	24,554	24,781	24,760	24,733	24,612	
09/30/23	747,797	18,663,984,605	24,959	25,253	25,131	25,112	25,045	24,917
12/31/23	751,566	19,057,266,984	25,357	25,733	25,507	25,498	25,486	25,428
03/31/24	752,805	19,546,694,998	25,965	26,223	25,889	25,889	25,935	25,950
06/30/24	758,005	20,084,585,752	26,497	26,722	26,277	26,286	26,392	26,482
Average Annual Change (1)				7.8%	6.1%	6.3%	7.2%	8.5%

AVERAGE PAID CLAIM FREQUENCY

Year Ended	Earned Exposures	Paid Claims	Actual Frequency	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	103,968,302	807,162	0.776	0.677				
12/31/20	104,496,350	757,070	0.724	0.680				
03/31/21	104,915,528	699,834	0.667	0.683				
06/30/21	105,371,573	676,392	0.642	0.686				
09/30/21	105,647,502	681,309	0.645	0.689	0.651			
12/31/21	105,857,037	688,609	0.651	0.692	0.659			
03/31/22	105,959,416	706,449	0.667	0.695	0.668			
06/30/22	105,937,236	722,360	0.682	0.698	0.677			
09/30/22	105,848,984	733,155	0.693	0.701	0.685	0.694		
12/31/22	105,646,433	739,446	0.700	0.704	0.694	0.701		
03/31/23	105,263,075	747,337	0.710	0.707	0.704	0.708	0.709	
06/30/23	104,594,105	749,402	0.716	0.710	0.713	0.715	0.716	
09/30/23	103,833,207	747,797	0.720	0.713	0.722	0.722	0.723	0.720
12/31/23	102,944,951	751,566	0.730	0.716	0.731	0.730	0.730	0.729
03/31/24	102,273,186	752,805	0.736	0.719	0.741	0.737	0.737	0.737
06/30/24	101,589,419	758,005	0.746	0.723	0.751	0.745	0.744	0.746
Average Annual Change (2)				1.8%	5.3%	4.1%	3.9%	4.8%

Average Annual Change in Pure Premiums
 $\{[1.0 + (1)] \times [1.0 + (2)]\} - 1.0$

9.7% 11.7% 10.7% 11.4% 13.7%

Countrywide (90)
Private Passenger Automobile
Determination of Fast Track Trends

PROPERTY DAMAGE

AVERAGE PAID CLAIM COST

Year Ended	Paid Claims	Paid Losses	Actual Claim Cost	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	3,972,537	17,314,052,115	4,358	4,271				
12/31/20	3,624,724	16,090,264,017	4,439	4,399				
03/31/21	3,267,859	14,813,091,651	4,533	4,531				
06/30/21	3,337,083	15,057,613,179	4,512	4,667				
09/30/21	3,415,166	15,897,282,854	4,655	4,807	4,798			
12/31/21	3,488,957	16,819,862,586	4,821	4,951	4,944			
03/31/22	3,634,108	18,289,086,479	5,033	5,099	5,094			
06/30/22	3,748,660	19,785,944,974	5,278	5,252	5,249			
09/30/22	3,831,858	21,106,429,360	5,508	5,410	5,408	5,649		
12/31/22	3,885,907	22,326,386,359	5,745	5,572	5,573	5,762		
03/31/23	3,903,560	23,210,743,528	5,946	5,739	5,742	5,876	6,010	
06/30/23	3,892,006	23,759,277,133	6,105	5,911	5,917	5,993	6,086	
09/30/23	3,840,029	23,886,964,286	6,221	6,089	6,096	6,112	6,163	6,230
12/31/23	3,811,592	23,939,480,100	6,281	6,271	6,282	6,234	6,241	6,271
03/31/24	3,782,632	23,911,042,308	6,321	6,459	6,473	6,358	6,320	6,313
06/30/24	3,753,483	23,824,531,797	6,347	6,653	6,669	6,484	6,400	6,355
Average Annual Change (1)				12.5%	12.7%	8.2%	5.2%	2.7%

AVERAGE PAID CLAIM FREQUENCY

Year Ended	Earned Exposures	Paid Claims	Actual Frequency	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	146,287,123	3,972,537	2.716	2.366				
12/31/20	146,985,491	3,624,724	2.466	2.384				
03/31/21	147,508,569	3,267,859	2.215	2.401				
06/30/21	148,185,527	3,337,083	2.252	2.419				
09/30/21	148,661,134	3,415,166	2.297	2.437	2.385			
12/31/21	149,064,825	3,488,957	2.341	2.456	2.411			
03/31/22	149,377,062	3,634,108	2.433	2.474	2.438			
06/30/22	149,476,926	3,748,660	2.508	2.493	2.466			
09/30/22	149,438,012	3,831,858	2.564	2.511	2.493	2.596		
12/31/22	149,231,422	3,885,907	2.604	2.530	2.521	2.600		
03/31/23	148,751,186	3,903,560	2.624	2.549	2.549	2.604	2.628	
06/30/23	147,867,781	3,892,006	2.632	2.568	2.578	2.607	2.624	
09/30/23	146,862,646	3,840,029	2.615	2.587	2.607	2.611	2.620	2.617
12/31/23	145,691,332	3,811,592	2.616	2.606	2.636	2.615	2.616	2.614
03/31/24	144,816,835	3,782,632	2.612	2.626	2.666	2.619	2.612	2.611
06/30/24	143,894,620	3,753,483	2.608	2.646	2.695	2.622	2.608	2.609
Average Annual Change (2)				3.0%	4.5%	0.6%	-0.6%	-0.4%

Average Annual Change in Pure Premiums
 $[(1.0 + (1)) \times (1.0 + (2))] - 1.0$

15.9% 17.8% 8.8% 4.6% 2.3%

Countrywide (90)
Private Passenger Automobile
Determination of Fast Track Trends

PERSONAL INJURY PROTECTION

AVERAGE PAID CLAIM COST

Year Ended	Paid Claims	Paid Losses	Actual Claim Cost	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	379,488	4,331,756,469	11,415	12,040				
12/31/20	355,495	4,268,063,509	12,006	12,047				
03/31/21	330,339	4,132,945,397	12,511	12,053				
06/30/21	331,000	4,316,979,888	13,042	12,060				
09/30/21	345,638	4,428,795,818	12,813	12,067	11,891			
12/31/21	356,547	4,422,545,685	12,404	12,073	11,919			
03/31/22	371,517	4,430,212,353	11,925	12,080	11,947			
06/30/22	378,135	4,398,283,321	11,632	12,086	11,974			
09/30/22	381,243	4,340,593,023	11,385	12,093	12,002	11,224		
12/31/22	382,817	4,311,760,956	11,263	12,100	12,030	11,433		
03/31/23	378,869	4,386,418,366	11,578	12,106	12,058	11,647	11,629	
06/30/23	374,222	4,395,428,914	11,746	12,113	12,086	11,864	11,854	
09/30/23	368,598	4,498,260,354	12,204	12,119	12,114	12,085	12,082	12,263
12/31/23	363,923	4,546,648,319	12,493	12,126	12,142	12,310	12,316	12,405
03/31/24	356,616	4,475,734,306	12,551	12,133	12,170	12,540	12,554	12,548
06/30/24	353,785	4,479,306,081	12,661	12,139	12,198	12,773	12,796	12,693
Average Annual Change (1)				0.2%	0.9%	7.7%	8.0%	4.7%

AVERAGE PAID CLAIM FREQUENCY

Year Ended	Earned Exposures	Paid Claims	Actual Frequency	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	30,820,733	379,488	1.231	1.130				
12/31/20	30,955,740	355,495	1.148	1.135				
03/31/21	31,065,084	330,339	1.063	1.141				
06/30/21	31,231,551	331,000	1.060	1.146				
09/30/21	31,350,328	345,638	1.103	1.151	1.162			
12/31/21	31,431,808	356,547	1.134	1.156	1.166			
03/31/22	31,462,186	371,517	1.181	1.161	1.170			
06/30/22	31,430,549	378,135	1.203	1.167	1.174			
09/30/22	31,358,076	381,243	1.216	1.172	1.179	1.227		
12/31/22	31,267,438	382,817	1.224	1.177	1.183	1.219		
03/31/23	31,137,031	378,869	1.217	1.183	1.187	1.212	1.217	
06/30/23	30,940,735	374,222	1.209	1.188	1.192	1.205	1.208	
09/30/23	30,736,691	368,598	1.199	1.194	1.196	1.197	1.199	1.199
12/31/23	30,503,210	363,923	1.193	1.199	1.201	1.190	1.190	1.190
03/31/24	30,341,517	356,616	1.175	1.205	1.205	1.183	1.181	1.181
06/30/24	30,121,972	353,785	1.175	1.210	1.209	1.176	1.172	1.172
Average Annual Change (2)				1.8%	1.5%	-2.4%	-3.0%	-3.0%

Average Annual Change in Pure Premiums

$\{(1.0 + (1)) \times (1.0 + (2))\} - 1.0$

2.0% 2.4% 5.1% 4.8% 1.6%

Countrywide (90)
Private Passenger Automobile
Determination of Fast Track Trends

COLLISION

AVERAGE PAID CLAIM COST

Year Ended	Paid Claims	Paid Losses	Actual Claim Cost	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	5,703,993	22,367,027,003	3,921	4,101				
12/31/20	5,387,317	21,634,766,112	4,016	4,221				
03/31/21	5,171,022	21,098,628,815	4,080	4,343				
06/30/21	5,646,355	24,554,001,386	4,349	4,470				
09/30/21	5,924,973	27,375,840,577	4,620	4,600	4,948			
12/31/21	6,158,485	29,816,902,749	4,842	4,734	5,039			
03/31/22	6,398,966	33,042,792,698	5,164	4,872	5,132			
06/30/22	6,521,827	35,214,876,558	5,400	5,014	5,226			
09/30/22	6,542,540	36,183,622,245	5,531	5,160	5,322	5,641		
12/31/22	6,539,049	37,050,404,162	5,666	5,310	5,420	5,664		
03/31/23	6,557,068	37,581,667,960	5,731	5,464	5,520	5,688	5,778	
06/30/23	6,524,061	37,740,883,203	5,785	5,623	5,622	5,711	5,773	
09/30/23	6,475,239	37,617,922,275	5,810	5,787	5,725	5,735	5,767	5,816
12/31/23	6,409,815	37,105,984,597	5,789	5,956	5,830	5,758	5,762	5,784
03/31/24	6,303,357	36,311,475,301	5,761	6,129	5,938	5,782	5,757	5,753
06/30/24	6,152,953	35,157,745,107	5,714	6,307	6,047	5,806	5,752	5,721
Average Annual Change (1)				12.2%	7.6%	1.7%	-0.4%	-2.2%

AVERAGE PAID CLAIM FREQUENCY

Year Ended	Earned Exposures	Paid Claims	Actual Frequency	Exponential Curve of Best Fit				
				16 Pts	12 Pts	8 Pts	6 Pts	4 Pts
09/30/20	116,732,809	5,703,993	4.886	4.750				
12/31/20	117,405,712	5,387,317	4.589	4.797				
03/31/21	117,989,662	5,171,022	4.383	4.844				
06/30/21	118,814,616	5,646,355	4.752	4.892				
09/30/21	119,532,402	5,924,973	4.957	4.940	5.206			
12/31/21	120,204,423	6,158,485	5.123	4.989	5.219			
03/31/22	120,823,669	6,398,966	5.296	5.038	5.232			
06/30/22	121,296,506	6,521,827	5.377	5.088	5.245			
09/30/22	121,664,292	6,542,540	5.378	5.138	5.258	5.415		
12/31/22	121,900,661	6,539,049	5.364	5.188	5.271	5.389		
03/31/23	121,909,613	6,557,068	5.379	5.240	5.284	5.363	5.410	
06/30/23	121,564,121	6,524,061	5.367	5.291	5.297	5.337	5.369	
09/30/23	121,039,738	6,475,239	5.350	5.343	5.310	5.311	5.328	5.370
12/31/23	120,318,037	6,409,815	5.327	5.396	5.324	5.285	5.288	5.307
03/31/24	119,737,337	6,303,357	5.264	5.449	5.337	5.260	5.248	5.246
06/30/24	119,099,937	6,152,953	5.166	5.503	5.350	5.234	5.209	5.185
Average Annual Change (2)				4.0%	1.0%	-1.9%	-3.0%	-4.6%

Average Annual Change in Pure Premiums
 $[(1.0 + (1)) \times (1.0 + (2))] - 1.0$

16.7% 8.7% -0.2% -3.4% -6.7%

SERFF Tracking #:

APST-134379003

State Tracking #:

283873

Company Tracking #:

HI 25-04

State: *Hawaii* **Filing Company:** *AIPSO*
TOI/Sub-TOI: *19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)*
Product Name: *Hawaii Non CPAI Rate Filing*
Project Name/Number: *Non CPAI Filing/HI 25-04*

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
01/14/2025		Supporting Document	Reference Filing Adoption	01/15/2025	