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<b>State:</b>	Hawaii	<b>Filing Company:</b>	AIPSO
<b>TOI/Sub-TOI:</b>	19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)		
<b>Product Name:</b>	Hawaii Private Passenger CPAI Filing		
<b>Project Name/Number:</b>	Hawaii Private Passenger CPAI Filing/HI 25-01		

## Filing at a Glance

Company:	AIPSO
Product Name:	Hawaii Private Passenger CPAI 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-134378182
SERFF Status:	Pending State Action
State Tr Num:	283861
State Status:	
Co Tr Num:	HI 25-01
Effective Date	01/01/2026
Requested (New):	
Effective Date	01/01/2026
Requested (Renewal):	
Author(s):	Lauren Singh
Reviewer(s):	Christly Yoshizawa (primary), Rae Oda
Disposition Date:	
Disposition Status:	
Effective Date (New):	
Effective Date (Renewal):	
State Filing Description:	

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<b>Project Name/Number:</b>	Hawaii Private Passenger CPAI Filing/HI 25-01		

## General Information

Project Name: Hawaii Private Passenger CPAI Filing	Status of Filing in Domicile: Not Filed
Project Number: HI 25-01	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 02/24/2025	
State Status Changed:	Deemer Date:
Created By: Lauren Singh	Submitted By: Lauren Singh
Corresponding Filing Tracking Number:	

### Filing Description:

We have recently completed our review of experience for calendar/accident years 2020 through 2022 for CPAI private passenger risks insured through the Hawaii Plan. The indications developed from this latest available experience produced an overall rate level decrease of -21.6% and a proposed \$764 CPAI rate.

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
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:

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**State:** Hawaii **Filing Company:** AIPSO  
**TOI/Sub-TOI:** 19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)  
**Product Name:** Hawaii Private Passenger CPAI Filing  
**Project Name/Number:** Hawaii Private Passenger CPAI Filing/HI 25-01

## Filing Fees

### State Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

<b>SERFF Tracking #:</b>	APST-134378182	<b>State Tracking #:</b>	283861	<b>Company Tracking #:</b>	HI 25-01
<b>State:</b>	Hawaii	<b>Filing Company:</b>	AIPSO		
<b>TOI/Sub-TOI:</b>	19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)				
<b>Product Name:</b>	Hawaii Private Passenger CPAI Filing				
<b>Project Name/Number:</b>	Hawaii Private Passenger CPAI Filing/HI 25-01				

Rate/Rule Schedule

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

HAWAII JOINT UNDERWRITING PLAN MANUAL  
**PRIVATE PASSENGER AUTO RATE CHAPTER**

EXHIBIT A

**CPAI\* ALL TERRITORIES/ALL CLASSES**

\$ <del>975</del> <u>764</u>
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- \* CPAI refers to Certified Public Assistance Insureds receiving a PIP policy at no cost.

<b>State:</b>	Hawaii	<b>Filing Company:</b>	AIPSO
<b>TOI/Sub-TOI:</b>	19.0 Personal Auto/19.0001 Private Passenger Auto (PPA)		
<b>Product Name:</b>	Hawaii Private Passenger CPAI Filing		
<b>Project Name/Number:</b>	Hawaii Private Passenger CPAI Filing/HI 25-01		

## Supporting Document Schedules

<b>Bypassed - Item:</b>	Reference Filing Adoption
<b>Bypass Reason:</b>	not applicable
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Third Party Authorization
<b>Bypass Reason:</b>	not applicable
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Filing Package
<b>Comments:</b>	
<b>Attachment(s):</b>	HI 25-01 CPAI filing.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	



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 CPAI Rate Review  
AIPSO Filing No. HI 25-01**

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.

**Background**

The Hawaii CPAI private passenger rate is currently \$975.

**Proposal**

We have recently completed our review of experience for calendar/accident years 2020 through 2022 for CPAI private passenger risks insured through the Hawaii Plan. The indications developed from this latest available experience produced an overall rate level decrease of -21.6% and a proposed \$764 CPAI rate.

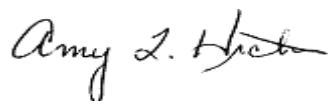
In our analysis we utilized data and information supplied to us by statistical agents. We relied on the general accuracy of this data and information; however, we did review the data for reasonableness and perform additional data checks to ensure the accuracy of the reported data. We considered the Plan's 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**

- Explanatory Memorandum
- Rate Level Indication and Supporting Material
- Manual Rate Changes

Sincerely,



Amy L. Hicks, FCAS, MAAA  
Vice President and Chief Actuary  
(401) 528-1353  
[Amy.Hicks@aipso.com](mailto:Amy.Hicks@aipso.com)



William Hathaway  
Lead Actuarial Analyst  
(401) 429-1552  
[William.Hathaway@aipso.com](mailto:William.Hathaway@aipso.com)

pc: Mr. Tom Assad – AIPSO



## **EXPLANATORY MEMORANDUM**

The attached rate indication contains a rating analysis for the three private passenger automobile insurance coverages of the Hawaii Joint Underwriting Plan Certified Public Assistance Insurance Policy (CPAI).

Our analysis indicates that rates for CPAI risks should be decreased by 21.6%. The calculation of the indicated rate change is set forth in the filing exhibits. The following discussion describes how the indication was derived.

### **Data**

The rate level indication is primarily based on assigned risk premium, loss and claim count data collected by statistical agents pursuant to the private passenger automobile statistical plans.<sup>1</sup> The filing utilizes three years of total limits experience which includes all limits of premiums and losses. Claim cost and frequency trends were based on Hawaii Fast Track total market data for all coverages.

The review is based on Calendar/Accident Years 2020, 2021 and 2022. The experience periods, by coverage, are as follows:

<u>Coverage</u>	<u>Experience</u>	<u>Valued at</u>
Bodily Injury Property Damage Personal Injury Protection	Calendar/Accident Years 2020, 2021, and 2022	3/31/2023

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<sup>1</sup> ISO, ISS and NISS are the statistical agents for the HIJUP member companies.

### **Premium at Current Level**

Earned premium at current level was calculated through use of the on-level factor method. The reported premium is the premium collected and earned by the companies for each coverage during each of Calendar Years 2020 through 2022. Appendix 1 displays the calculation of the on-level factors. As there has been no rate revision to CPAI risks during the impacted years, the on-levels are all unity.

Calculation of earned premium on-level may be found on Exhibits 1. Once the premiums have been brought to current rate levels, they are ready for use in the rate level calculation.

### **Loss Ratios**

To determine projected loss ratios, a suitable experience period is selected. The reported losses from the experience period are developed to their ultimate settlement levels, adjusted to exclude allocated loss adjustment expenses, and then trended to reflect changes in claim cost and claim frequency over time. The reported liability losses consist of paid losses, case reserves, and ALAE.

#### **1. Experience Period**

The experience period used for the loss component is Accident Years 2020, 2021 and 2022 with an Evaluation Date of 3/31/2023. Accident year refers to losses arising out of accidents that have an occurrence date in that year. An Evaluation Date of 3/31/XX refers to the fact that, although the experience period ended on December 31 of the prior year, the loss

experience for that period is evaluated three months later in order to allow further development of existing claims and the reporting of previous incurred but not reported (IBNR) claims.

## **2. Incurred Losses - Liability Coverages**

For the liability coverages, accident year incurred losses, which are losses arising from accidents that occurred during that year, are those incurred losses reported to statistical agents for the experience period as of the Evaluation Date. Prior to deriving projected loss ratios, two additional steps are needed. First, the reported incurred losses need to be developed to their expected ultimate settlement levels by the application of loss development factors. Second, the developed incurred losses must be trended.

### **a. Loss Development**

Loss development factors (“LDFs”) are used to adjust liability reported incurred losses to their expected ultimate settlement levels. The loss development data is presently available at 3/31/xx evaluation dates to 87 months of development. Appendix 2 contains the assigned risk loss development bodily injury, property damage and personal injury protection data available for the Hawaii JUP..

The LDF’s are used to adjust the incurred losses to estimated ultimate losses. LDF’s adjust for several items, including future development on known claims and claims incurred but not yet reported. The 3/31/2023 evaluation date is only 15 months after the start of the 2022 accident year. Therefore, the incurred losses reported as of 3/31/2023 are immature and need to be adjusted to the expected ultimate settlement levels before they are used for rate making purposes.

The LDFs are the product of “link ratios”, which, in turn, are average historical ratios of

accident year reported incurred losses at one evaluation (e.g., 39 months) to the accident year reported incurred losses at the prior evaluation (e.g., 27 months).

**b. Trend**

Trend factors are used to adjust the experience period losses to reflect changes in claim cost and claim frequency from the mid-point of the experience period to twelve months beyond the proposed rate revision effective date (i.e., the average accident date of the proposed rates assuming rates are in effect for a period of one year). It is necessary to adjust losses for trend because conditions that affect the ultimate level of incurred losses during the experience period are expected to change over time (e.g., inflation). In this filing, AIPSO utilizes:

- Hawaii Fast Track paid loss data for both claim cost and claim frequency;
- Countrywide Fast Track paid loss data for both claim cost and claim frequency;
- 4-point, 6-point, 8-point, 12-point, and 16-point exponential fits to the year-ending quarterly points for claim cost and claim frequency.
- A full credibility standard of 10,623 claims.

In selecting composite annual changes in paid claim cost and paid claim frequency, AIPSO analyzed the exponential fits contained in Appendix 4.

**Expenses**

The expense provisions are shown on Appendix 5. An explanation of each provision is provided below:

- **Operating Costs:** The CPAI servicing entity is reimbursed 6% of the written premium for operating costs excluding claims expenses.

- **Loss Adjustment Expense:** The CPAI servicing entity is reimbursed 12% of the earned premium for the reporting period for loss adjustment expenses.

#### **Rate-level Indications**

The indicated average rate-level change, is calculated using each of the provisions discussed above. A loss ratio is calculated and compared to the expected loss ratio to obtain the needed rate level change. This change is then credibility weighted with the loss ratio trend to obtain the overall indicated rate need.

#### **Conclusion/Recommendation**

The attached rate indications contain the rate revisions proposed by AIPSO based upon the data most currently available.

Due to the indicated rate need the HJUP Board of Governors is recommending a rate decrease -21.6% effective January 1, 2026.

# Hawaii CPAI (52)

## Joint Underwriting Plan

### INDEX TO FILING

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Exhibit 1	Determination of Statewide Rate Level Change
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Exhibit 2	Explanatory Notes
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Exhibit 3	Manual Rate Page
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Appendix 1	Determination of Premium On-Level Factors
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Appendix 2	Determination of Allocated Loss Exclusion Factors
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Appendix 3	Determination of Loss Development Factors
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Appendix 4	Trend Summary
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Appendix 5	Determination of Fast Track Trends
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Appendix 6	Determination of Calendar/Accident Year Weighting
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Appendix 7	Determination of Expense Provision for Ratemaking
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## Hawaii CPAI (52)

### Joint Underwriting Plan

#### EXPLANATORY NOTES TO EXHIBIT 1 (Liability)

Column (3)	For On-Level Factors refer to Appendix 1.
Column (4)	Premium at Current Level = (2) x (3)
Column (7)	For Allocated Loss Exclusion Factors refer to Appendix 2.
Column (8)	For Loss Development Factors refer to Appendix 3.
Column (9)	For Loss Trend Factors refer to Appendix 4.
Column (10)	Trended Ultimate Losses & LAE = (6) x (7) x (8) x (9)
Column (12)	Indicated Loss & LAE Ratios = (10) ÷ (4)
Column (13)	For Year Weights refer to Appendix 6.
Column (14)	Weighted Loss & LAE Ratio = Sum of [(12) x (13)]
Column (15)	For Trended Fixed Expense Ratio refer to Appendix 7.
Column (16)	L&LAE Ratio Including Fixed Expenses = (14) + (15)
Row (17)	For Expected Loss & LAE Ratio Including Fixed Expenses refer to Appendix 7.
Row (18)	Indicated Rate Level Change Prior to Credibility = [(16) ÷ (17)] - 1.0
Row (20)	Credibility = Square Root of [(19) ÷ 1,084], Maximum = 100%
Row (21)	For Loss Ratio Trend refer to Appendix 4.
Row (22)	Credibility Weighted Indicated Rate Level Change = [(18) x (20)] + [(21) x {1.0 - (20)}]

**Hawaii CPAI (52)**  
Joint Underwriting Plan  
Determination of Statewide Rate Level Change

TOTAL LIMITS BODILY INJURY, PROPERTY DAMAGE, AND PIP COMBINED

(1) Accident Years Ended	(2) Collected Earned Premium	(3) On-Level Factor	(4) Premium at Current Level
2020	1,635,814	1.000	1,635,814
2021	1,297,820	1.000	1,297,820
2022	1,146,063	1.000	1,146,063

(5) Accident Years Ended		(6) Incurred Losses	(7) ALAE Exclusion Factor	(8) Loss Development Factor	(9) Loss Trend Factor	(10) Trended Ultimate Losses
2020	BI	199,131	0.924	1.029	1.650	312,399
	PD	229,433	0.991	1.000	1.650	375,157
	PIP	<u>48,960</u>	<u>0.924</u>	<u>1.000</u>	<u>1.291</u>	<u>58,404</u>
	Total	477,524				745,960
2021	BI	47,574	0.926	0.956	1.528	64,352
	PD	177,175	0.991	1.001	1.528	268,555
	PIP	<u>3,922</u>	<u>0.926</u>	<u>0.991</u>	<u>1.241</u>	<u>4,466</u>
	Total	228,671				337,373
2022	BI	10,054	0.933	0.939	1.415	12,464
	PD	129,295	0.991	1.025	1.415	185,838
	PIP	<u>53,842</u>	<u>0.933</u>	<u>0.975</u>	<u>1.193</u>	<u>58,432</u>
	Total	193,191				256,734

(11) Accident Years Ended	(12) Indicated Loss Ratios	(13) Year Weights	(14) Weighted Loss Ratio	(15) Trended Loss Fixed Expense Ratio	(16) Loss Ratio Including Fixed Expenses
2020	0.456	0.30			
2021	0.260	0.30			
2022	0.224	0.40	0.304	0.000	0.304

(17) Expected Loss Expense Ratio Including Fixed Expenses	0.820
(18) Indicated Rate Level Change Prior to Credibility	-62.9%
(19) Number of Claims in Experience Period	179
(20) Credibility	41%
(21) Loss Ratio Trend	7.1%
(22) Credibility Weighted Indicated Rate Level Change	-21.6%

**NOTES:**

For an explanation of these calculations refer to Exhibit 2.



HAWAII JOINT UNDERWRITING PLAN MANUAL  
PRIVATE PASSENGER AUTO RATE CHAPTER

EXHIBIT 3

CPAI\* ALL TERRITORIES/ALL CLASSES

\$ <del>975</del> <u>764</u>
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- \* CPAI refers to Certified Public Assistance Insureds receiving a PIP policy at no cost.

# Hawaii CPAI (52)

## Joint Underwriting Plan

### Determination of Premium On-Level Factors

New Business <u>Date</u>	(1) RATE LEVEL HISTORY					
	BI	PD	PIP	UM	COMP	COLL
	Total Limits	Total Limits		Total Limits	All Ded.	All Ded.
<hr/>						
	(2) CUMULATIVE RATE LEVEL					
	BI	PD	PIP	UM	COMP	COLL
	1.000	1.000	1.000	1.000	1.000	1.000
Calendar <u>Year</u>	(3) AVERAGE EARNED RATE LEVEL					
	BI	PD	PIP	UM	COMP	COLL
	2020	1.000	1.000	1.000	1.000	1.000
Calendar <u>Year</u>	(4) ON-LEVEL FACTOR					
	BI	PD	PIP	UM	COMP	COLL
	2020	1.000	1.000	1.000	1.000	1.000
Calendar <u>Year</u>	(4) ON-LEVEL FACTOR					
	BI	PD	PIP	UM	COMP	COLL
	2021	1.000	1.000	1.000	1.000	1.000
Calendar <u>Year</u>	(4) ON-LEVEL FACTOR					
	BI	PD	PIP	UM	COMP	COLL
	2022	1.000	1.000	1.000	1.000	1.000

**NOTES:**

- Section (2) Cumulative product of all rate level changes affecting the experience period.  
 Section (3) Generated using the traditional Parallelogram Method.  
 Section (4) On-Level Factor = [Section (2)] ÷ [Section (3)]

Private Passenger Automobile Liability  
Determination of Allocated Loss Adjustment Expense Exclusion Factors

	<u>Allocated Loss Adjustment Expense Exclusion Factors for:</u>		
	<u>Calendar Year 2020</u>	<u>Calendar Year 2021</u>	<u>Calendar Year 2022</u>
A. <u>Liability Coverage Excluding Property Damage</u>			
Weighted Average of Factors:	0.924	0.926	0.933
B. <u>Property Damage Coverage</u>			
Weighted Average of Factors:	0.991	0.991	0.991

NOTES:

(A) and (B) weights are based upon the following 3 years of Hawaii CPAI total limits residual market losses for all liability coverages combined:

ISS:	68,274	7.6%
ISO:	831,112	92.4%
NISS:	0	0.0%

Private Passenger Automobile Liability  
Determination of Allocated Loss Adjustment Expense Exclusion Factors - ISS

Allocated Loss Adjustment Expense Exclusion Factors for:						
		Calendar Year 2020		Calendar Year 2021		Calendar Year 2022
A. <u>Liability Coverage Excluding Property Damage</u>						
(1) Incurred Losses:	2018	29,254,305	2019	27,593,464	2020	35,012,973
	2019	27,593,464	2020	35,012,973	2021	42,017,164
	<u>2020</u>	<u>35,012,973</u>	<u>2021</u>	<u>42,017,164</u>	<u>2022</u>	<u>52,686,946</u>
	Total	91,860,742	Total	104,623,601	Total	129,717,083
(2) Allocated Loss Adjustment Expenses:	2018	2,862,598	2019	3,311,865	2020	3,413,421
	2019	3,311,865	2020	3,413,421	2021	3,061,612
	<u>2020</u>	<u>3,413,421</u>	<u>2021</u>	<u>3,061,612</u>	<u>2022</u>	<u>3,661,657</u>
	Total	9,587,884	Total	9,786,898	Total	10,136,690
(3) ALAE Exclusion Factor (1) / [(1)+(2)]:		0.905		0.914		0.928
B. <u>Property Damage Coverage</u>						
(1) Incurred Losses:	2018	14,414,586	2019	15,700,188	2020	15,329,511
	2019	15,700,188	2020	15,329,511	2021	18,685,310
	<u>2020</u>	<u>15,329,511</u>	<u>2021</u>	<u>18,685,310</u>	<u>2022</u>	<u>25,800,127</u>
	Total	45,444,285	Total	49,715,009	Total	59,814,948
(2) Allocated Loss Adjustment Expenses:	2018	141,658	2019	136,462	2020	117,139
	2019	136,462	2020	117,139	2021	136,895
	<u>2020</u>	<u>117,139</u>	<u>2021</u>	<u>136,895</u>	<u>2022</u>	<u>156,781</u>
	Total	395,259	Total	390,496	Total	410,815
(3) ALAE Exclusion Factor (1) / [(1)+(2)]:		0.991		0.992		0.993

**NOTES:**

The above data is for ISS companies only.  
All dollar amounts displayed in thousands.

Private Passenger Automobile Liability  
Determination of Allocated Loss Adjustment Expense Exclusion Factors - ISO

Allocated Loss Adjustment Expense Exclusion Factors for:						
		Calendar Year 2020		Calendar Year 2021		Calendar Year 2022
A. <u>Liability Coverage Excluding Property Damage</u>						
(1) Incurred Losses:	2018	24,214,394	2019	26,094,714	2020	21,993,641
	2019	26,094,714	2020	21,993,641	2021	24,834,291
	<u>2020</u>	<u>21,993,641</u>	<u>2021</u>	<u>24,834,291</u>	<u>2022</u>	<u>26,540,225</u>
	Total	72,302,750	Total	72,922,646	Total	73,368,157
(2) Allocated Loss Adjustment Expenses:	2018	1,911,082	2019	2,108,161	2020	1,751,327
	2019	2,108,161	2020	1,751,327	2021	1,906,528
	<u>2020</u>	<u>1,751,327</u>	<u>2021</u>	<u>1,906,528</u>	<u>2022</u>	<u>1,604,018</u>
	Total	5,770,570	Total	5,766,016	Total	5,261,873
(3) ALAE Exclusion Factor (1) / [(1)+(2)]:						
		0.926		0.927		0.933
B. <u>Property Damage Coverage</u>						
(1) Incurred Losses:	2018	11,027,710	2019	11,224,981	2020	9,313,003
	2019	11,224,981	2020	9,313,003	2021	10,566,787
	<u>2020</u>	<u>9,313,003</u>	<u>2021</u>	<u>10,566,787</u>	<u>2022</u>	<u>11,984,394</u>
	Total	31,565,695	Total	31,104,772	Total	31,864,184
(2) Allocated Loss Adjustment Expenses:	2018	84,620	2019	99,477	2020	87,044
	2019	99,477	2020	87,044	2021	94,871
	<u>2020</u>	<u>87,044</u>	<u>2021</u>	<u>94,871</u>	<u>2022</u>	<u>97,442</u>
	Total	271,141	Total	281,392	Total	279,358
(3) ALAE Exclusion Factor (1) / [(1)+(2)]:						
		0.991		0.991		0.991

**NOTES:**

The above data is for ISO companies only.  
All dollar amounts displayed in thousands.

Private Passenger Automobile Liability  
Determination of Allocated Loss Adjustment Expense Exclusion Factors - NISS

Allocated Loss Adjustment Expense Exclusion Factors for:						
		Calendar Year 2020		Calendar Year 2021		Calendar Year 2022
A. <u>Liability Coverage Excluding Property Damage</u>						
(1) Incurred Losses:	2018	4,679,244	2019	4,752,732	2020	3,564,688
	2019	4,752,732	2020	3,564,688	2021	3,703,054
	<u>2020</u>	<u>3,564,688</u>	<u>2021</u>	<u>3,703,054</u>	<u>2022</u>	<u>3,835,932</u>
	Total	12,996,664	Total	12,020,474	Total	11,103,674
(2) Allocated Loss	2018	319,223	2019	317,087	2020	237,532
Adjustment Expenses:	2019	317,087	2020	237,532	2021	270,287
	<u>2020</u>	<u>237,532</u>	<u>2021</u>	<u>270,287</u>	<u>2022</u>	<u>223,559</u>
	Total	873,842	Total	824,906	Total	731,378
(3) ALAE Exclusion Factor (1) / [(1)+(2)]:		0.937		0.936		0.938
B. <u>Property Damage Coverage</u>						
(1) Incurred Losses:	2018	2,243,193	2019	2,325,255	2020	1,582,258
	2019	2,325,255	2020	1,582,258	2021	1,679,984
	<u>2020</u>	<u>1,582,258</u>	<u>2021</u>	<u>1,679,984</u>	<u>2022</u>	<u>2,203,855</u>
	Total	6,150,706	Total	5,587,497	Total	5,466,097
(2) Allocated Loss	2018	38,846	2019	31,029	2020	27,937
Adjustment Expenses:	2019	31,029	2020	27,937	2021	29,147
	<u>2020</u>	<u>27,937</u>	<u>2021</u>	<u>29,147</u>	<u>2022</u>	<u>38,342</u>
	Total	97,812	Total	88,113	Total	95,426
(3) ALAE Exclusion Factor (1) / [(1)+(2)]:		0.984		0.984		0.983

**NOTES:**

The above data is for NISS companies only.  
All dollar amounts displayed in thousands.

# Hawaii (52) - ISO

## Involuntary Private Passenger Automobile Non-Fleet Determination of Loss Development Factors

BODILY INJURY: Total Limits Incurred Losses Including ALAE

Accident Year	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>	<u>75 Months</u>	<u>87 Months</u>
2011							812,797
2012						622,611	622,611
2013					238,730	238,730	238,730
2014				202,791	202,791	202,791	202,791
2015			249,194	255,000	249,194	249,194	269,194
2016		151,269	130,193	133,709	135,559	135,559	135,559
2017	192,742	182,026	122,534	129,443	129,443	101,843	
2018	199,219	135,426	127,924	136,560	134,060		
2019	89,334	128,026	125,528	125,526			
2020	188,139	235,631	239,131			75-87	
2021	72,574	47,574			63-75	<u>Months</u>	
2022	10,054			51-63	<u>Months</u>		
			39-51	<u>Months</u>		1.000	
		27-39	<u>Months</u>		1.000	1.000	
	15-27	<u>Months</u>		1.000	1.000	1.000	
	<u>Months</u>		1.023	0.977	1.000	1.080	
		0.861	1.027	1.014	1.000	1.000	
	0.944	0.673	1.056	1.000	0.787		
	0.680	0.945	1.068	0.982			
	1.433	0.980	1.000				
	1.252	1.015					
	0.656						
<u>Link Ratios</u>							
3 Pt. Avg.	1.114	0.980	1.041	0.999	0.929	1.027	
5 Pt. Avg.	0.993	0.895	1.035	0.995	0.957	1.016	
Max/Min	0.959	0.929	1.035	0.994	1.000	1.000	
5 Pt. Wtd.	0.982	0.895	1.033	0.992	0.971	1.014	
Selected	0.982	0.929	1.035	0.994	1.000	1.000	
<u>Ultimate Development Factors</u>							
	<u>15-Ult.</u>	<u>27-Ult.</u>	<u>39-Ult.</u>	<u>51-Ult.</u>	<u>63-Ult.</u>	<u>75-Ult.</u>	<u>87-Ult.</u>
3 Pt. Avg.	1.083	0.972	0.992	0.953	0.954	1.027	1.000
5 Pt. Avg.	0.890	0.896	1.001	0.967	0.972	1.016	1.000
Max/Min	0.917	0.956	1.029	0.994	1.000	1.000	1.000
5 Pt. Wtd.	0.887	0.903	1.009	0.977	0.985	1.014	1.000
Selected	0.939	0.956	1.029	0.994	1.000	1.000	1.000

NOTES:

Data: All Companies for ISO, inclusive.

# Hawaii (52) - ISO

## Involuntary Private Passenger Automobile Non-Fleet Determination of Loss Development Factors

### PROPERTY DAMAGE: Total Limits Incurred Losses Including ALAE

Accident Year	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>	<u>75 Months</u>	<u>87 Months</u>
2011							703,079
2012						720,996	720,996
2013					677,481	677,480	677,480
2014				674,608	674,608	674,608	667,608
2015			599,222	631,467	637,137	637,137	637,137
2016		607,689	616,665	616,665	616,664	616,564	616,564
2017	496,886	527,708	525,708	522,708	522,708	522,708	
2018	404,476	451,098	445,757	445,757	435,757		
2019	370,435	376,789	376,789	376,789			
2020	238,723	237,231	238,813			75-87	
2021	188,972	179,657			63-75	<u>Months</u>	
2022	129,795			51-63	<u>Months</u>		
			39-51	<u>Months</u>		1.000	
		27-39	<u>Months</u>		1.000	1.000	
	15-27	<u>Months</u>		1.000	1.000	0.990	
	<u>Months</u>		1.054	1.009	1.000	1.000	
		1.015	1.000	1.000	1.000	1.000	
	1.062	0.996	0.994	1.000	1.000		
	1.115	0.988	1.000	0.978			
	1.017	1.000	1.000				
	0.994	1.007					
	0.951						
<u>Link Ratios</u>							
3 Pt. Avg.	0.987	0.998	0.998	0.993	1.000	0.997	
5 Pt. Avg.	1.028	1.001	1.010	0.997	1.000	0.998	
Max/Min	1.024	1.001	1.000	1.000	1.000	1.000	
5 Pt. Wtd.	1.043	1.001	1.011	0.999	1.000	0.998	
Selected	1.024	1.001	1.000	1.000	1.000	1.000	
<u>Ultimate Development Factors</u>							
	<u>15-Ult.</u>	<u>27-Ult.</u>	<u>39-Ult.</u>	<u>51-Ult.</u>	<u>63-Ult.</u>	<u>75-Ult.</u>	<u>87-Ult.</u>
3 Pt. Avg.	0.973	0.986	0.988	0.990	0.997	0.997	1.000
5 Pt. Avg.	1.034	1.006	1.005	0.995	0.998	0.998	1.000
Max/Min	1.025	1.001	1.000	1.000	1.000	1.000	1.000
5 Pt. Wtd.	1.052	1.009	1.008	0.997	0.998	0.998	1.000
Selected	1.025	1.001	1.000	1.000	1.000	1.000	1.000

NOTES:

Data: All Companies for ISO, inclusive.



# Hawaii (52) - ISO

## Involuntary Private Passenger Automobile Non-Fleet Determination of Loss Development Factors

### PERSONAL INJURY PROTECTION / MEDICAL PAYMENTS: Total Limits Incurred Losses Including ALAE

Accident Year	<u>15 Months</u>	<u>27 Months</u>	<u>39 Months</u>	<u>51 Months</u>	<u>63 Months</u>	<u>75 Months</u>	<u>87 Months</u>
2011							93,631
2012						104,452	104,452
2013					73,645	73,645	73,645
2014				30,618	30,618	30,618	30,618
2015			86,503	86,523	86,523	86,523	86,523
2016		75,139	70,235	68,415	68,415	68,365	68,859
2017	100,224	96,485	97,075	97,075	97,075	97,075	
2018	128,633	128,308	128,308	128,308	128,308		
2019	8,891	2,291	2,291	2,291			
2020	50,631	50,290	48,960			75-87	
2021	3,922	3,922			63-75	<u>Months</u>	
2022	54,548			51-63	<u>Months</u>		
			39-51	<u>Months</u>		1.000	
		27-39	<u>Months</u>		1.000	1.000	
	15-27	<u>Months</u>		1.000	1.000	1.000	
	<u>Months</u>		1.000	1.000	1.000	1.000	
		0.935	0.974	1.000	0.999	1.007	
	0.963	1.006	1.000	1.000	1.000		
	0.997	1.000	1.000	1.000			
	0.258	1.000	1.000				
	0.993	0.974					
	1.000						
<u>Link Ratios</u>							
3 Pt. Avg.	0.750	0.991	1.000	1.000	1.000	1.002	
5 Pt. Avg.	0.842	0.983	0.995	1.000	1.000	1.001	
Max/Min	0.984	0.991	1.000	1.000	1.000	1.000	
5 Pt. Wtd.	0.962	0.984	0.995	1.000	1.000	1.001	
Selected	0.984	0.991	1.000	1.000	1.000	1.000	
<u>Ultimate Development Factors</u>							
	<u>15-Ult.</u>	<u>27-Ult.</u>	<u>39-Ult.</u>	<u>51-Ult.</u>	<u>63-Ult.</u>	<u>75-Ult.</u>	<u>87-Ult.</u>
3 Pt. Avg.	0.745	0.993	1.002	1.002	1.002	1.002	1.000
5 Pt. Avg.	0.824	0.979	0.996	1.001	1.001	1.001	1.000
Max/Min	0.975	0.991	1.000	1.000	1.000	1.000	1.000
5 Pt. Wtd.	0.943	0.980	0.996	1.001	1.001	1.001	1.000
Selected	0.975	0.991	1.000	1.000	1.000	1.000	1.000

NOTES:

Data: All Companies for ISO, inclusive.

## Hawaii CPAI (52)

### Private Passenger Automobile

#### TREND SUMMARY

<u>TREND FACTORS &amp; LOSS RATIO TRENDS</u>		<u>B.I.</u>	<u>P.D.</u>	<u>P.I.P.</u>	<u>Liability</u>
(1) Annual Change in Model Year and Symbol Drift [Appendix ]		N/A	N/A	N/A	
(2) Premium Trend Factors	Accident Year 2020 $\{1.0 + (1)\}^A$	N/A	N/A	N/A	
	Accident Year 2021 $\{1.0 + (1)\}^B$	N/A	N/A	N/A	
	Accident Year 2022 $\{1.0 + (1)\}^C$	N/A	N/A	N/A	
(3) Pure Premium Annual Change [Appendix 5]		8.0%	8.0%	4.0%	
(4) Loss Trend Factors	Accident Year 2020 $\{1.0 + (3)\}^A$	1.650	1.650	1.291	
	Accident Year 2021 $\{1.0 + (3)\}^B$	1.528	1.528	1.241	
	Accident Year 2022 $\{1.0 + (3)\}^C$	1.415	1.415	1.193	
(5) Loss Ratio Trend $[\{1.0 + (3)\} \div \{1.0 + (1)\}] - 1.0$		8.0%	8.0%	4.0%	7.1%

NOTES:

Row (2) Trend Factor from 07/01/xxxx, the average date of the experience period, to 01/01/27, one year past the proposed effective date.

Row (4) Trend Factor from 07/01/xxxx, the average date of the experience period, to 01/01/27, one year past the proposed effective date.

A = 6.507 Years of Projection from 07/01/20 to 01/01/27.

B = 5.507 Years of Projection from 07/01/21 to 01/01/27.

C = 4.507 Years of Projection from 07/01/22 to 01/01/27.

Calculation of Trend Weighting

Total Limit Losses		
<u>Accident Years 2020-2022</u>		
B.I.	477,524	53.1%
P.D.	228,671	25.4%
P.I.P.	193,191	21.5%
Total	899,386	

# Hawaii CPAI (52)

## Private Passenger Automobile Determination of Fast Track Trends

### ANNUAL RATES OF CHANGE

<u>CLAIM COSTS</u>	<u>B.I.</u>	<u>P.D.</u>	<u>P.I.P.</u>
(1) State (12 Point Fit)	2.1%	12.4%	2.8%
(2) Countrywide (12 Point Fit)	6.1%	12.7%	0.9%
(3) Credibility (State)	0.35	1.00	0.60
(4) Weighted Average $[(1) \times (3)] + [(2) \times \{1.0 - (3)\}]$	4.7%	12.4%	2.0%
(5) State (6 Point Fit)	-3.0%	7.7%	5.4%
(6) Countrywide (6 Point Fit)	7.2%	5.2%	8.0%
(7) Credibility (State)	0.35	1.00	0.60
(8) Weighted Average $[(5) \times (7)] + [(6) \times \{1.0 - (7)\}]$	3.6%	7.7%	6.4%

<u>CLAIM FREQUENCIES</u>	<u>B.I.</u>	<u>P.D.</u>	<u>P.I.P.</u>
(9) State (12 Point Fit)	4.9%	3.9%	3.7%
(10) Countrywide (12 Point Fit)	5.3%	4.5%	1.5%
(11) Credibility (State)	0.35	1.00	0.60
(12) Weighted Average $[(9) \times (11)] + [(10) \times \{1.0 - (11)\}]$	5.2%	3.9%	2.8%
(13) State (6 Point Fit)	14.1%	0.0%	1.8%
(14) Countrywide (6 Point Fit)	3.9%	-0.6%	-3.0%
(15) Credibility (State)	0.35	1.00	0.60
(16) Weighted Average $[(13) \times (15)] + [(14) \times \{1.0 - (15)\}]$	7.5%	0.0%	-0.1%

<u>PURE PREMIUMS</u>	<u>B.I.</u>	<u>P.D.</u>	<u>P.I.P.</u>
(17) 12 Point Fit $\{[1.0 + (4)] \times [1.0 + (12)]\} - 1.0$	10.1%	16.8%	4.9%
(18) 6 Point Fit $\{[1.0 + (8)] \times [1.0 + (16)]\} - 1.0$	11.4%	7.7%	6.3%
(19) 50-50 Weighting	10.8%	12.3%	5.6%
(20) Final Selected	8.0%	8.0%	4.0%

#### NOTES:

Refer to Sheets 2 through 10 for support.

Collision Paid Claim Cost Trend is used as a proxy for Comprehensive.

Paid Claim Frequency Trend has not been considered for Comprehensive.

**Hawaii CPAI (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 CPAI (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 CPAI (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%

**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%

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

**AUTOMOBILE TREND CREDIBILITY TABLE**

Number of Paid Claims		<u>Credibility</u>
<u>Latest Year</u>		
0	- 26	0.00
27	- 106	0.05
107	- 239	0.10
240	- 424	0.15
425	- 663	0.20
664	- 956	0.25
957	- 1,301	0.30
1,302	- 1,699	0.35
1,700	- 2,151	0.40
2,152	- 2,655	0.45
2,656	- 3,213	0.50
3,214	- 3,824	0.55
3,825	- 4,488	0.60
4,489	- 5,205	0.65
5,206	- 5,975	0.70
5,976	- 6,798	0.75
6,799	- 7,675	0.80
7,676	- 8,604	0.85
8,605	- 9,587	0.90
9,588	- 10,622	0.95
10,623	- or more	1.00

# Hawaii CPAI (52)

## Joint Underwriting Plan

### Determination of Calendar/Accident Year Weighting

Accident Years <u>Ended</u>	REPORTED NUMBER OF CLAIMS		
	Bodily Injury	Property Damage	Personal Injury Protection
2021	3	52	0
2022	2	30	7
Average	3	41	4

YEAR WEIGHTS			
2020	30%	30%	30%
2021	30%	30%	30%
2022	40%	40%	40%

### CALENDAR/ACCIDENT YEAR TABLE OF WEIGHTS

Two Year Average Number of Claims	Year Weights		
	2020	2021	2022
3000 or more	0%	0%	100%
2700 - 2999	0%	10%	90%
2400 - 2699	0%	20%	80%
2100 - 2399	0%	30%	70%
1800 - 2099	0%	40%	60%
1500 - 1799	0%	50%	50%
0 - 1499	30%	30%	40%

**NOTES:**

Full Credibility is based on industrywide standard of 3,000 claims.

**Hawaii CPAI (52)**  
**Joint Underwriting Plan**  
**Determination of Expense Provision for Ratemaking**

**LIABILITY**

	(1)	(2)	(3)	(4)
	Expense Provision	Percent Fixed	Fixed Expense Provision	Variable Expense Provision
Commissions	0.00000	0.0%	0.000	0.000
Operating Costs	0.06000	0.0%	0.000	0.060
Premium Taxes	0.00000	0.0%	0.000	0.000
Miscellaneous Taxes, Licenses, and Fees	0.00000	0.0%	0.000	0.000
Net Miscellaneous Expense (Income)	0.00000	0.0%	0.000	0.000
Loss Adjustment Expense	0.12000	0.0%	0.000	0.120
Contingency	0.00000	0.0%	0.000	0.000
Investment Income	0.00000	0.0%	0.000	0.000
<hr/>				
(5) Fixed Expense Ratio [Sum of Column (3)]			0.000	
(6) Trend Applicable to Fixed Expenses			1.065	
(7) Trended Fixed Expense Ratio [(5) x (6)]			0.000	
(8) Variable Expense Ratio [Sum of Column (4)]				0.180
(9) Expected Loss & Loss Adjustment Expense Ratio Including Fixed Expenses [1.0 - (8)]				0.820

**NOTES:**

Operating Costs and Loss Adjustment Expense are per Section H of the Hawaii Joint Underwriting Manual Principles of Operations