

Rate Hikes Coming for Michigan Drivers

Safeco +11.4% ✓ (approved, effective 5/28/22)	Auto Club +9.0% ✓ (approved, effective 7/1/22)	Meemic +5.1% ✓ (approved, effective 7/1/22)	Farm Bureau of Michigan +3.0% ✓ (approved, effective 6/1/22)
Allstate +12.0% ✓ (approved, effective March 2022) <i>Allstate has also added a 20% surcharge on new customers who have not been continuously insured for the past 12 months</i>	State Farm +0.3% ✓ (approved, effective 5/16/22) +4.1% 🔍 (under review, proposed effective 9/9/22)	Citizens +1.1% ✓ (approved, effective 1/1/22) +0.7% 🔍 (under review, proposed effective 7/1/22) <i>Specific territories, namely in Southern Central Michigan, will receive more than a 10% decrease...Specific territories, namely in suburban Southeastern Michigan will receive more than a 10% increase</i>	Michigan Insurance Co. +9.0% 🔍 (under review, proposed effective 7/1/22)

Meanwhile, Insurance CEO Salaries Balloon During Pandemic

Company	CEO	2019	2020	2021
State Farm	Michael Tipsord Chairman, President & CEO	\$10,271,892	\$20,266,506	\$24,507,574
Progressive	Susan Griffith President & CEO	\$14,041,272	\$15,220,523	\$14,462,961
Allstate	Thomas Wilson Chairman, President & CEO	\$16,261,139	\$18,009,544	\$18,368,991
Geico	Olza "Tony" Nicely Executive Chairman	\$15,452,510	\$77,879,001	\$8,087,616
Auto-Owners	Jeffrey S. Tagsold Chairman & CEO	\$2,375,066	\$4,702,057	\$5,693,849
Citizens (Hanover Group)	John Roche President & CEO	\$4,979,777	\$6,234,413	\$6,773,668
Liberty Mutual	David Long Chairman & CEO	\$12,701,326	\$11,590,171	\$12,189,662

The Legislature and Michigan Department of Insurance and Financial Services Must Take Action

	DIFS	Legislature
Prohibit rating systems that allow higher premiums for less coverage	<ul style="list-style-type: none"> Deny filings in which the impact of credit and/or territorial rating can result in a driver with \$50K PIP paying more than an otherwise similar driver with Unlimited PIP 	<ul style="list-style-type: none"> Adopt legislation that diminishes the impact of territory on rates and eliminates the use of small territories such as those based on census tracts. Prohibit the use of Credit History and Credit-based Scoring in Underwriting and Rating
Remove barrier to uninsured drivers entering the insurance market		<ul style="list-style-type: none"> Extend the moratorium on surcharges for previously uninsured drivers
Protect consumers from massive executive pay hikes and bonuses	<ul style="list-style-type: none"> Adopt California rule against excessive rates that deducts excess executive compensation from rates charged to customers 	<ul style="list-style-type: none"> Adopt Nebraska law that requires disclosure of insurers' top executives' compensation

Persistent price discrimination and weak oversight keep Michigan auto insurance too expensive for many drivers. The Michigan Legislature and DIFS must take action.