

**Texas Automobile Insurance Plan Association**  
**2025 Rate Filing**  
**Private Passenger Auto Memorandum**

**Proposed Rate Changes**

TAIPA is proposing an overall average rate level change of +4.1% for private passenger cars. The average increase is generated by changes in the base rates for each territory. No changes are proposed in the current territory rate factors or class rate factors. The proposed base rate changes by coverage are below. The overall average change is based on the 2023 earned premium for each coverage from the inaugural TAIPA PPA Data Call of the Association’s servicing carriers, including data through 6/30/2024. The Data Call combines UM Bodily Injury and UM Property Damage into a single coverage. We used 2023 earned premium figures from the QDE report for the fourth quarter of 2023 to determine the premium weight between the two Uninsured Motorist coverages.

The indicated rate changes were determined by the same methodology underlying the Association’s prior rate filing, which is described in greater detail below. The proposed changes have been designed to limit the average territorial base rate change to +5.0% for each coverage.

<b><u>Private Passenger</u></b>	<b><u>Indicated</u></b>	<b><u>Proposed</u></b>
Bodily Injury Liability	+14.6%	+5.0%
Property Damage Liability	+3.2%	+3.2%
Personal Injury Protection	-15.4%	0.0%
Uninsured Motorists - BI	+57.1%	+4.8%
Uninsured Motorists - PD	+14.1%	+4.9%
<b>Total</b>	<b>+9.9%</b>	<b>+4.1%</b>

## Historical PPA Exposures

The exposure counts below were derived from the PPA Data Call of the Association’s servicing carriers, which covers the vast majority of the personal auto coverage written by TAIPA.

TAIPA PPA Earned Car Years by Accident Year and Coverage – 2023 PPA Data Call

<b>AY</b>	<b>BI Liability</b>	<b>PD Liability</b>	<b>PIP</b>	<b>UM</b>
2019	1,694	1,694	144	397
2020	1,264	1,264	92	257
2021	945	945	67	167
2022	803	804	51	138
2023	1,118	1,118	84	239

## Rate Filing History

Throughout this memorandum, the year of a rate filing references the year in which the filing became effective, though it may have been prepared and submitted in the previous year.

In 2013 and prior, private passenger auto rate filings for TAIPA were based on the results of traditional actuarial ratemaking techniques. The Association's premium writings at the time were considered to be of sufficient size to allow for the analysis of historical premiums and losses to determine indicated rate changes. Where full actuarial credibility was deemed not to be present in the assigned risk data, the TDI required that the complement of credibility be based on the trend in statewide loss costs for each coverage. After 2013, Association management determined that the ratemaking process should be streamlined to reduce overhead expenses on TAIPA’s reduced premium base. Since that date, the annual loss cost trends generally served as the basis for all PPA filed rate changes, an “indexing” procedure that is equivalent to the prior ratemaking methodology with zero credibility given to the Association's internal loss history.

This approach of analyzing prior years’ loss costs is inherently retrospective. It is not intended to project the future costs of TAIPA or statewide auto claims; rather, it allows for TAIPA’s rates to “catch up” to increases in average claim costs that have already been observed.

From 2016 to 2020, TAIPA filed annual increases to its private passenger auto rates, with the overall increases ranging from +3.5% to +4.9%. The Association paused its annual rate filing process in the midst of the Covid pandemic and only resumed with a +5.0% increase in 2023. The proposed rate increases for each coverage were capped at +5.0% in all of those filings, in order to avoid the additional cost associated with one or more rate hearings.

In order for the voluntary market to function effectively, the rates of the assigned risk market should not be overly competitive with the rates available to consumers in the voluntary market. According to data published on the TDI website, the average rate changes in 2022 and 2023 for private passenger auto coverage in Texas were increases of 23.8% and 25.5%, respectively. In light of these increases, TAIPA determined in 2024 that filing a rate increase in excess of its historical +5.0% cap was necessary to keep pace with the changes in the voluntary market. The Association’s average rate increases for each coverage in the filings effective since 2016 are as follows:

<b>Eff. Date</b>	<b>BI</b>	<b>PD</b>	<b>PIP</b>	<b>UM BI</b>	<b>UMPD</b>	<b>Overall</b>
2/1/2016	+4.8%	+3.5%	-10.1%	+3.9%	-20.9%	+3.5%
2/1/2017	+4.8%	+3.8%	-2.0%	+3.6%	+4.7%	+4.2%
3/1/2018	+4.8%	+4.9%	+4.3%	+4.3%	+4.2%	+4.8%
3/1/2019	+5.0%	+4.8%	+2.4%	+4.5%	+4.5%	+4.8%
3/1/2020	+5.0%	+4.9%	+4.0%	+4.3%	+1.7%	+4.9%
6/1/2023	+5.0%	+5.0%	+5.0%	+5.0%	+5.0%	+5.0%
10/1/2024	+20.0%	+10.0%	0.0%	+20.0%	+15.0%	+15.0%

### **Indicated Rate Change Methodology**

An assumption underlying the indexing methodology is that the rates were at an adequate level at the beginning of the indexing period, which we will maintain for the purposes of this filing. Given the decision to cap the rate increases at +5.0% from 2016 to 2020, it is reasonable to believe that the Association’s rates failed to keep pace with the actual statewide loss cost trends. Nonetheless, we suppose for the purposes of this analysis that the Association’s annual rate filings in that period did appropriately account for increases in claim costs.

Due to the gap in regular rate filings after 2020, we incorporated an alteration in the 2024 filing to the previously-used indexing methodology to account for the longer periods between rate changes. After determining the appropriate *annual* trend in loss costs for each coverage, we will apply that trend for a period of 5.6 years—the length of time between 3/1/2020 and 10/1/2025, the effective dates of TAIPA’s last *regular* annual rate change and the proposed effective date of this filing—to determine the total increase in loss costs over that time. From there, we obtain the rate indications by accounting for the impact of the two rate filings effective 6/1/2023 and 10/1/2024.

Since the indexing methodology began being employed in 2016, the *three-year* trend in paid loss costs (equivalently, pure premiums) was generally the basis for the Association’s indicated rate changes. In the 2023 filing, additional consideration was given to trend periods of differing lengths, as well as to the separate claim frequency and severity trends, in order to account for the distortion in the trends introduced by the Covid pandemic. Specifically, claim frequency experienced a significant decrease in the midst of the pandemic-related shutdowns, and lower frequency levels generally persisted for several quarters as fewer drivers occupied the roads. Since that time, claim frequency values have broadly climbed back to their prior levels and, in some cases, have resumed their pre-pandemic trends (see page 2 of Exhibits 3-7). The 2023 rate indications were stated to be based on the three-year fit to the annual claim severity trends, which were relatively stable over the pandemic period. This approach inherently assumed zero trend in claim frequency. The claim severity trends for every coverage were in excess of the filed +5.0% rate increase effective 6/1/2023.

In the 2024 rate filing, loss cost trends for periods of three or fewer years remained distorted by the frequency decline in 2020, and this continues to be the case. To account for this, we have considered longer-term trend periods that are less impacted by the anomalous data points. We have also considered two alternate approaches to fitting an exponential curve to the historical pure premium values. The first approach is simply to omit the points subject to this distortion and calculate the annual trends for the remaining values. The claim frequency for each coverage is observed to drop in the second quarter of 2020. Beginning with this point, the pure premium values are excluded for a period of one or two years, judgmentally determined based on when the pure premiums roughly resume the levels implied by the pre-pandemic trends. The longer-term fits to the remaining values are not subject to the same level of distortion as the trend fits to the full datasets.

The second alternate approach is to calculate the pure premium for points after 2020Q1 as the product of the unadjusted claim severity and a smoothed claim frequency that removes the impact of the pandemic-era frequency drop and subsequent rebound. The smoothed claim frequency values consistently exhibit long-term negative trends for each of the five coverages, aside from UM/UIM Bodily Injury. This adjustment therefore results in lower annual pure premium trends than the approach relied upon in 2023, in which claim frequency was assumed to exhibit zero trend.

The three approaches to calculating annual loss cost trends (fitting to the “raw” data, omitting anomalous values, and smoothing the frequency) and trend periods ranging from one to seven years are considered when selecting the annual trend for each coverage. The selections take into account the relative strengths and weaknesses of the three approaches as applied to the historical pure premiums for each coverage.

It should be noted that the pure premiums and average claim severity statistics in the statewide trend exhibits include policies written at limits greater than those offered by TAIPA, which only writes minimum-limits liability coverage. When traditional actuarial ratemaking techniques were being used for TAIPA’s PPA rate indications, the TDI required that the complement of credibility be the trend in statewide total limits loss costs. As the credibility neared zero, that became the entire basis for the rate indication. It may be expected that the trend in TAIPA’s minimum-limits claim severity is lower than that of the total-limits claim severity of the broader market. If statewide trends in basic-limits claim costs were available, we would readily use those values instead. We have attempted to make conservative selections in the annual pure premium trends to account for this data limitation.

The two primary coverages for private passenger auto written by TAIPA, in terms of premium volume and policies in force, are Bodily Injury and Property Damage liability. The statewide claim history for these two coverages has been similar over the past seven years. Claim severity has steadily increased, while claim frequency has been consistently falling, outside of the pandemic-related disruption. The combination of these offsetting trends has resulted in a consistent increase in BI pure premiums, with a brief interruption for the frequency drop in 2020. The PD pure premiums historically remained fairly steady prior to the pandemic and rebounded after the pandemic to a higher level through 2022-23. However, the latest quarters have exhibited a decrease in PD liability pure premiums.

The observations of historical Property Damage liability claim trends generally translate to the related coverage for Uninsured Motorists, though the latest pure premium values have exhibited a flattening, rather than a decrease. For UM/UIM Bodily Injury coverage, both claim frequency and severity have exhibited consistent upward trends. The claim frequency did not experience the same level of a drop as the other coverages' frequency in the midst of the pandemic, and it has since spiked beginning in the latter half of 2021. We have included the frequency-smoothing approach to estimating UM BI pure premium trends for consistency, though we do not consider it to be an appropriate method for this particular case and have disregarded the results.

The long-term downward frequency trend of Personal Injury Protection claims mostly outweighs the moderate upward severity trend, which results in a small negative trend in pure premiums for this coverage.

Exhibits 3-7 display the pure premium, claim frequency, and claim severity for each of the five coverages, in tabular and graphical format. The frequency pages display the smoothed values, which are an exponential curve fit to the claim frequency of the remaining points after omitting those values subject to distortion in the pandemic period. The pure premium pages display the raw values, the pure premiums remaining after omitting the distorted points, and the pure premiums implied by the actual severity and smoothed frequency. The raw values are taken from the quarterly PPA trend report compiled by TICO, which is released more expediently than the QDE trend data report and contains materially similar loss cost trends.

A summary of the annual exponential fits for the five coverages and the three methods is displayed in Exhibit 2, along with our judgmental selection of the annual pure premium trends. These selections are brought forward to Exhibit 1, where they are used to calculate the indicated rate change for each coverage.

**Texas Automobile Insurance Plan Association  
Rate Filing Effective 10/1/2025  
Private Passenger Auto  
Calculation of Indicated Rate Changes**

Exhibit 1

		(1)	(2)	(3)	(4)	(5)	
		<i>Prior Rate Change by Coverage</i>					
	Effective Date	BI	PD	PIP	UMBI	UMPD	
	<b>3/1/2020</b>						
(a)	<b>6/1/2023</b>	+5.0%	+5.0%	+5.0%	+5.0%	+5.0%	
(b)	<b>10/1/2024</b>	+20.0%	+10.0%	0.0%	+20.0%	+15.0%	
	<b>10/1/2025</b>						
(c)	<b>Cumulative Rate Change</b>	+26.0%	+15.5%	+5.0%	+26.0%	+20.8%	
(d)	<b>Annual PP Trend</b>	+6.8%	+3.2%	-2.1%	+13.0%	+5.9%	
	<i>Prior</i>	+6.4%	+3.4%	-2.5%	+12.5%	+5.9%	
(e)	<b>Trend Period in Years</b>	5.59					
(f)	<b>Cumulative PP Change</b>	+44.4%	+19.2%	-11.2%	+97.9%	+37.7%	
(g)	<b>Indicated Rate Change</b>	+14.6%	+3.2%	-15.4%	+57.1%	+14.1%	<b>+9.9%</b>

**NOTES**

- (a), (b) from prior TAIPA rate filings  
(d) from Exhibit 2  
(e) = 10/1/25 - 3/1/20, in years  
(f) = [ 1.0 + (d) ] ^ (e) - 1.0  
(g) = [ 1.0 + (f) ] / [ 1.0 + (c) ] - 1.0

**Texas Automobile Insurance Plan Association**  
**Rate Filing Effective 10/1/2025**  
**Private Passenger Auto**  
**Selection of Annual Pure Premium Trends**

*Pure Premium Annual Trend Flts by Coverage*

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	<u>Bodily Injury</u>			<u>Property Damage</u>			<u>PIP</u>			<u>UM/UIM Bodily Injury</u>			<u>UM/UIM Property Damage</u>		
	Raw	Omitted	Freq Fit	Raw	Omitted	Freq Fit	Raw	Omitted	Freq Fit	Raw	Omitted	Freq Fit	Raw	Omitted	Freq Fit
7-year	6.6%	6.8%	7.2%	2.0%	2.5%	2.5%	-2.6%	-2.4%	-2.0%	12.9%	13.0%	12.7%	5.8%	5.8%	5.9%
6-year	7.5%	7.3%	7.7%	3.3%	2.8%	3.1%	-2.1%	-2.4%	-2.0%	14.3%	13.9%	13.5%	6.6%	6.2%	6.3%
5-year	9.1%	7.8%	7.8%	6.4%	3.4%	4.2%	-1.1%	-2.5%	-2.0%	16.5%	15.1%	14.4%	7.7%	6.5%	6.7%
4-year	12.4%		7.1%	13.2%		5.4%	1.9%		-2.6%	18.8%		14.1%	10.9%		7.5%
3-year	12.7%		5.3%	12.6%		6.4%	-0.5%		-4.0%	13.9%	9.0%	11.6%	8.9%	4.0%	7.1%
2-year	9.7%	9.7%	4.4%	0.6%	0.6%	2.9%	-6.3%	-6.3%	-1.9%	8.7%	8.7%	11.9%	2.3%	2.3%	4.3%
1-year	12.3%	12.3%	11.3%	-9.0%	-9.0%	-1.5%	-12.4%	-12.4%	-1.8%	11.6%	11.6%	19.5%	-0.1%	-0.1%	2.6%
<b>Selected</b>			+6.8%			+3.2%			-2.1%			+13.0%			+5.9%
<b>Prior</b>			+6.4%			+3.4%			-2.5%			+12.5%			+5.9%

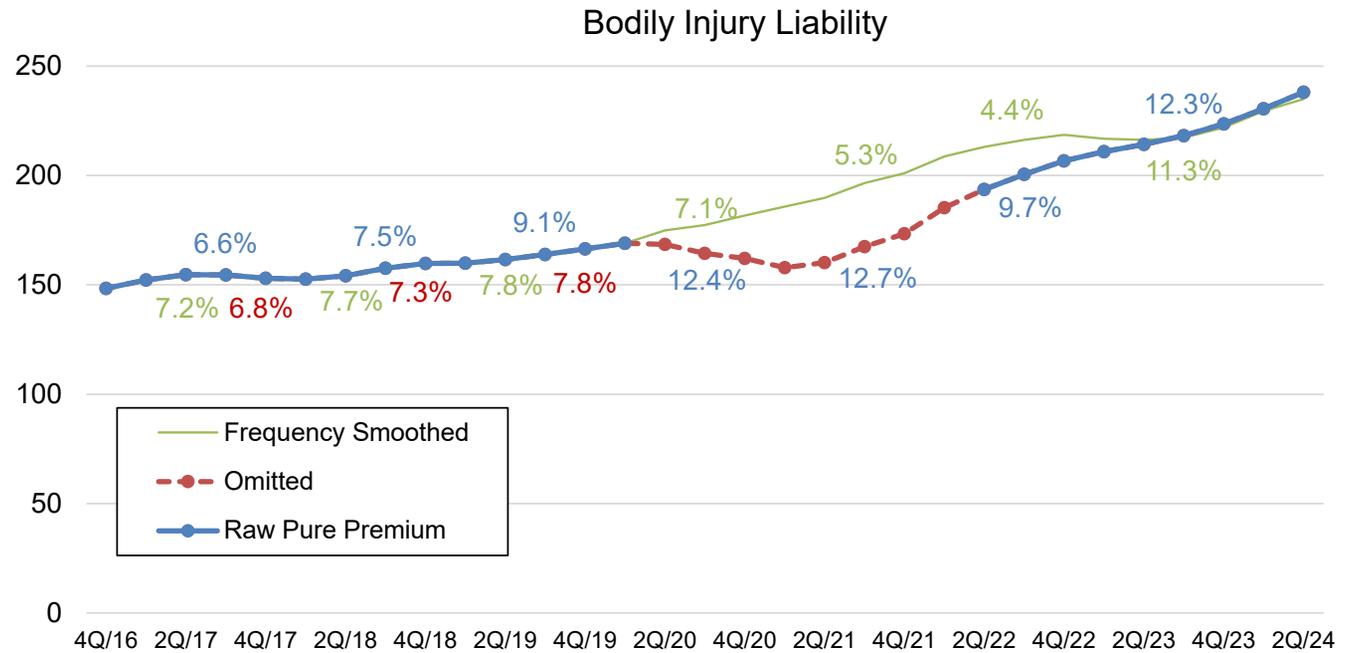
NOTES

- (1), (2), (3) based on data from Exhibit 3, Page 1  
(4), (5), (6) based on data from Exhibit 4, Page 1  
(7), (8), (9) based on data from Exhibit 5, Page 1  
(10), (11), (12) based on data from Exhibit 6, Page 1  
(13), (14), (15) based on data from Exhibit 7, Page 1

**Texas Automobile Insurance Plan Association  
Rate Filing Effective 10/1/2025  
Private Passenger Auto  
Analysis of Statewide Claim Costs**

**Total Limits Bodily Injury Liability**

Year Ending Qtr	Paid Pure Premium	Omitted	Severity x Smoothed Frequency
4Q/16	148.4	148.4	148.4
1Q/17	152.3	152.3	152.3
2Q/17	154.7	154.7	154.7
3Q/17	154.6	154.6	154.6
4Q/17	153.0	153.0	153.0
1Q/18	152.6	152.6	152.6
2Q/18	154.2	154.2	154.2
3Q/18	157.6	157.6	157.6
4Q/18	159.8	159.8	159.8
1Q/19	159.9	159.9	159.9
2Q/19	161.6	161.6	161.6
3Q/19	163.8	163.8	163.8
4Q/19	166.5	166.5	166.5
1Q/20	169.0	169.0	169.0
2Q/20	168.6	174.9	174.9
3Q/20	164.5	177.3	177.3
4Q/20	162.1	181.7	181.7
1Q/21	157.8	185.8	185.8
2Q/21	160.2	189.8	189.8
3Q/21	167.5	196.5	196.5
4Q/21	173.4	201.1	201.1
1Q/22	185.3		208.8
2Q/22	193.6	193.6	213.0
3Q/22	200.5	200.5	216.2
4Q/22	206.7	206.7	218.6
1Q/23	210.9	210.9	216.8
2Q/23	214.2	214.2	216.3
3Q/23	218.3	218.3	217.3
4Q/23	223.6	223.6	221.9
1Q/24	230.5	230.5	229.5
2Q/24	238.1	238.1	235.0



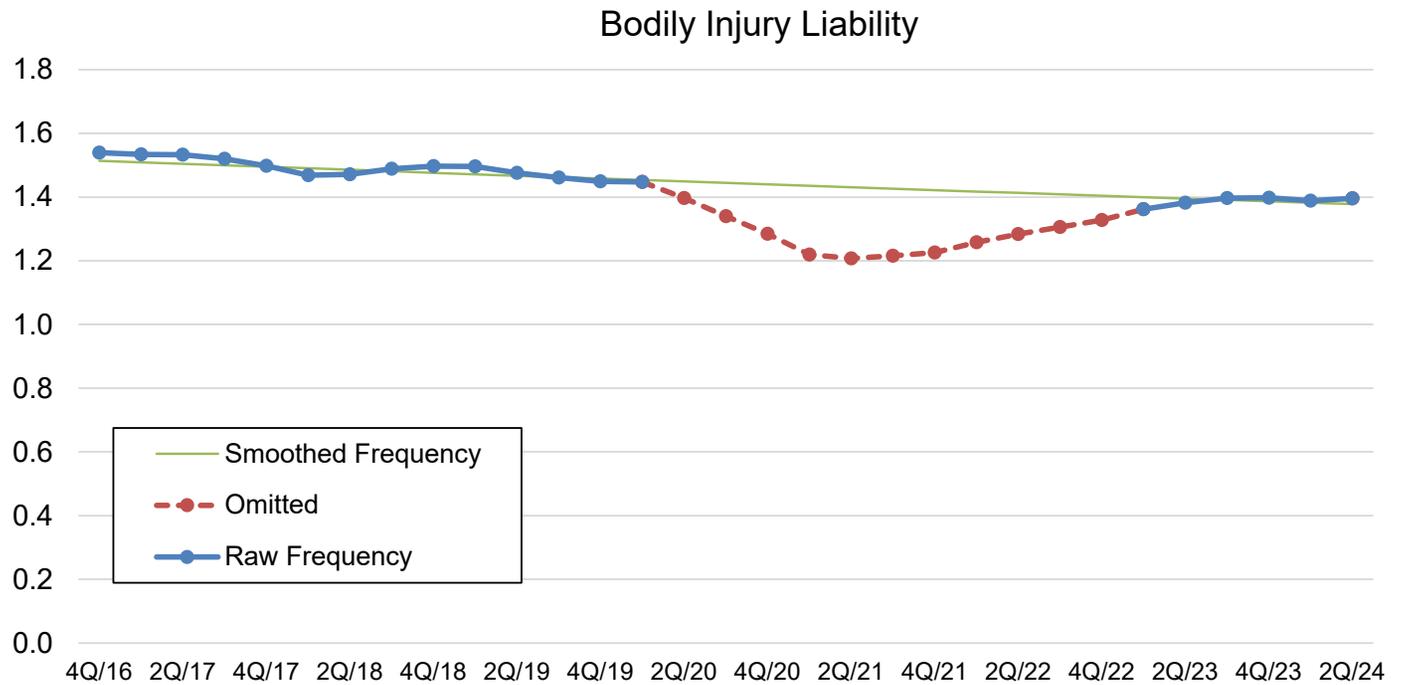
**Annual Trends in Exponential Fits**

Year	Frequency Smoothed	Omitted	Raw Pure Premium
7-year	7.2%	6.8%	6.6%
6-year	7.7%	7.3%	7.5%
5-year	7.8%	7.8%	9.1%
4-year	7.1%	10.1%	12.4%
3-year	5.3%	12.7%	12.7%
2-year	4.4%	9.7%	9.7%
1-year	11.3%	12.3%	12.3%

**Texas Automobile Insurance Plan Association  
Rate Filing Effective 10/1/2025  
Private Passenger Auto  
Analysis of Statewide Claim Costs**

**Bodily Injury Liability**

Year Ending Qtr	Paid Claim Frequency Per 100 Vehicles	Omitted	Smoothed Frequency
4Q/16	1.54	1.54	1.51
1Q/17	1.53	1.53	1.51
2Q/17	1.53	1.53	1.50
3Q/17	1.52	1.52	1.50
4Q/17	1.50	1.50	1.49
1Q/18	1.47	1.47	1.49
2Q/18	1.47	1.47	1.49
3Q/18	1.49	1.49	1.48
4Q/18	1.50	1.50	1.48
1Q/19	1.50	1.50	1.47
2Q/19	1.48	1.48	1.47
3Q/19	1.46	1.46	1.46
4Q/19	1.45	1.45	1.46
1Q/20	1.45	1.45	1.45
2Q/20	1.40		1.45
3Q/20	1.34		1.44
4Q/20	1.28		1.44
1Q/21	1.22		1.44
2Q/21	1.21		1.43
3Q/21	1.22		1.43
4Q/21	1.23		1.42
1Q/22	1.26		1.42
2Q/22	1.28		1.41
3Q/22	1.31		1.41
4Q/22	1.33		1.40
1Q/23	1.36	1.36	1.40
2Q/23	1.38	1.38	1.40
3Q/23	1.40	1.40	1.39
4Q/23	1.40	1.40	1.39
1Q/24	1.39	1.39	1.38
2Q/24	1.40	1.40	1.38

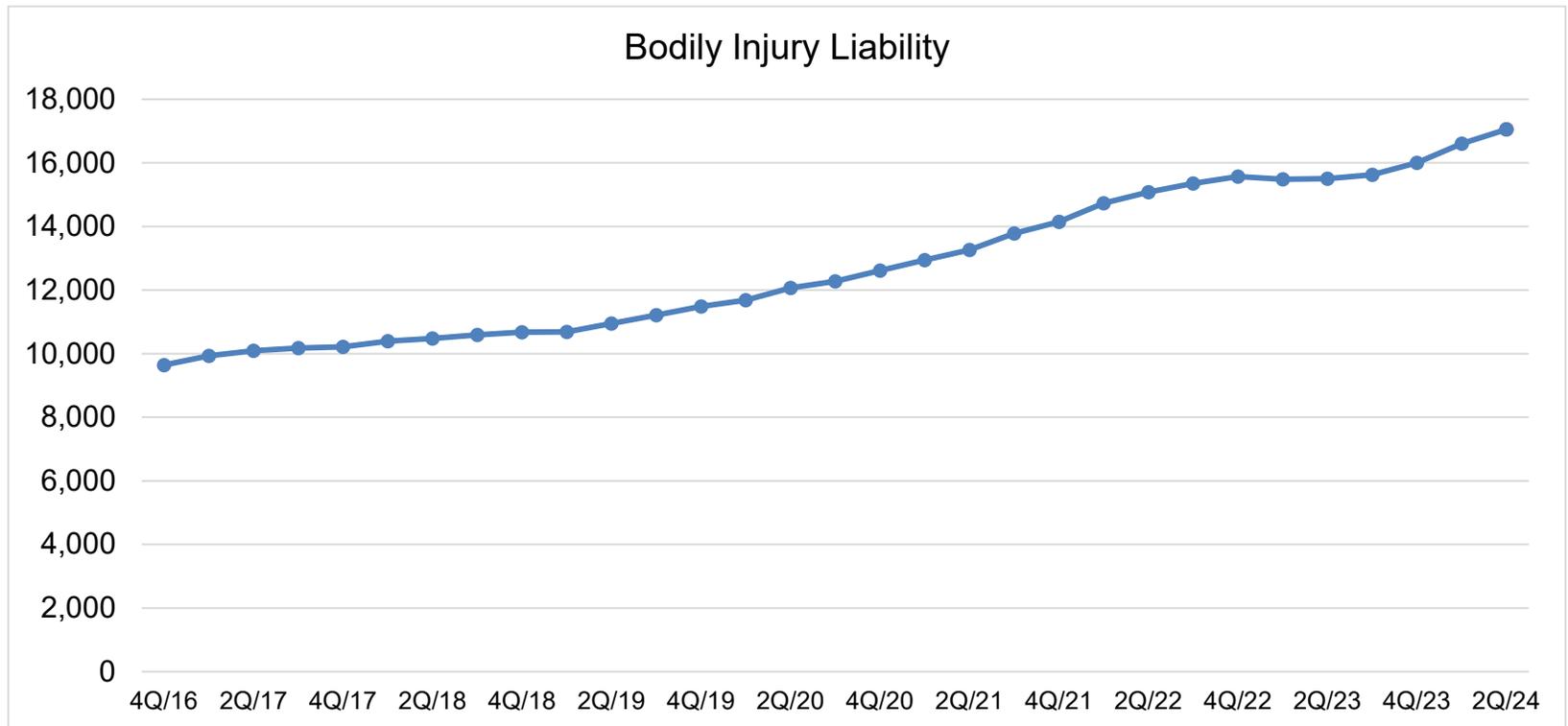


**Texas Automobile Insurance Plan Association  
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Analysis of Statewide Claim Costs**

**Total Limits Bodily Injury Liability**

**Year**  
**Ending Paid Claim**  
**Qtr Severity**

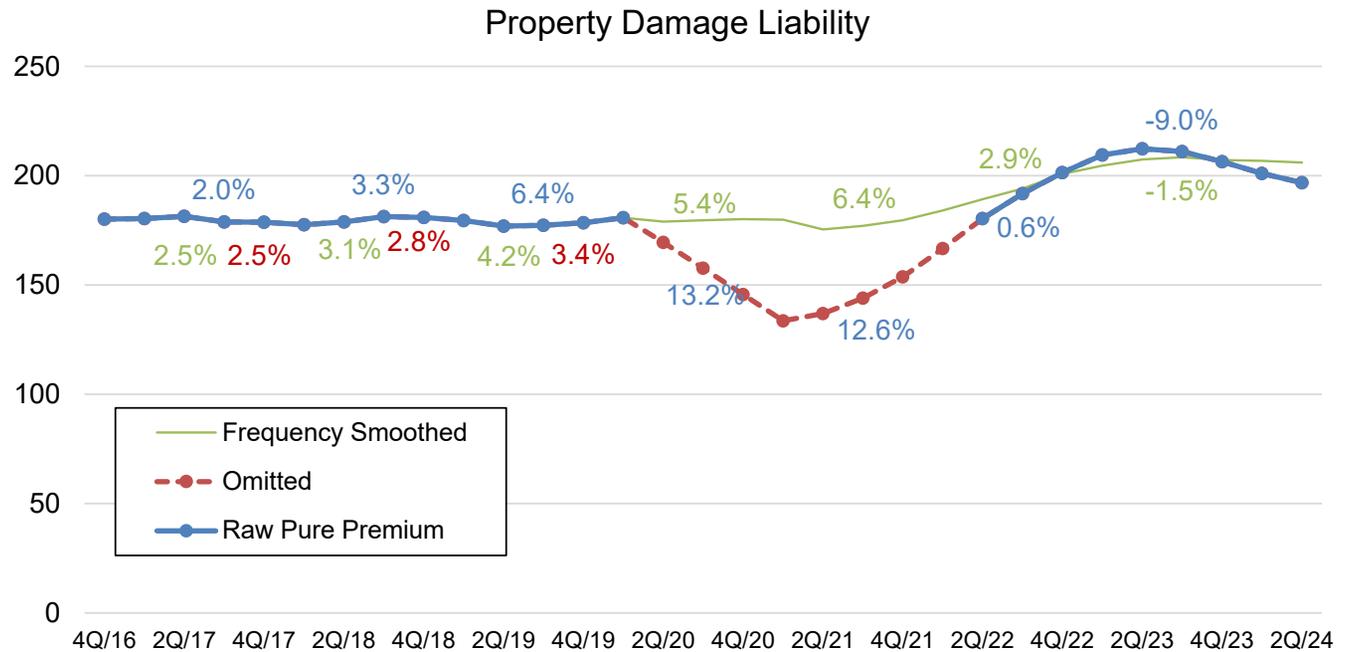
4Q/16	9,642
1Q/17	9,932
2Q/17	10,093
3Q/17	10,172
4Q/17	10,216
1Q/18	10,392
2Q/18	10,479
3Q/18	10,590
4Q/18	10,674
1Q/19	10,685
2Q/19	10,949
3Q/19	11,211
4Q/19	11,486
1Q/20	11,677
2Q/20	12,070
3Q/20	12,278
4Q/20	12,618
1Q/21	12,945
2Q/21	13,267
3Q/21	13,779
4Q/21	14,144
1Q/22	14,730
2Q/22	15,077
3Q/22	15,351
4Q/22	15,570
1Q/23	15,486
2Q/23	15,504
3Q/23	15,625
4Q/23	16,001
1Q/24	16,603
2Q/24	17,053



**Texas Automobile Insurance Plan Association  
Rate Filing Effective 10/1/2025  
Private Passenger Auto  
Analysis of Statewide Claim Costs**

**Total Limits Property Damage Liability**

Year Ending Qtr	Paid Pure Premium	Omitted	Severity x Smoothed Frequency
4Q/16	180.1	180.1	180.1
1Q/17	180.4	180.4	180.4
2Q/17	181.4	181.4	181.4
3Q/17	178.9	178.9	178.9
4Q/17	178.8	178.8	178.8
1Q/18	177.6	177.6	177.6
2Q/18	178.9	178.9	178.9
3Q/18	181.3	181.3	181.3
4Q/18	180.9	180.9	180.9
1Q/19	179.5	179.5	179.5
2Q/19	176.9	176.9	176.9
3Q/19	177.3	177.3	177.3
4Q/19	178.4	178.4	178.4
1Q/20	180.7	180.7	180.7
2Q/20	169.5	178.9	178.9
3Q/20	157.7	179.6	179.6
4Q/20	145.6	180.1	180.1
1Q/21	133.6	179.9	179.9
2Q/21	137.0	175.4	175.4
3Q/21	144.0	177.0	177.0
4Q/21	153.7	179.6	179.6
1Q/22	166.7	184.1	184.1
2Q/22	180.3	180.3	189.2
3Q/22	191.8	191.8	194.1
4Q/22	201.5	201.5	200.7
1Q/23	209.5	209.5	204.6
2Q/23	212.3	212.3	207.4
3Q/23	211.0	211.0	208.4
4Q/23	206.4	206.4	207.1
1Q/24	201.0	201.0	206.7
2Q/24	196.8	196.8	206.0



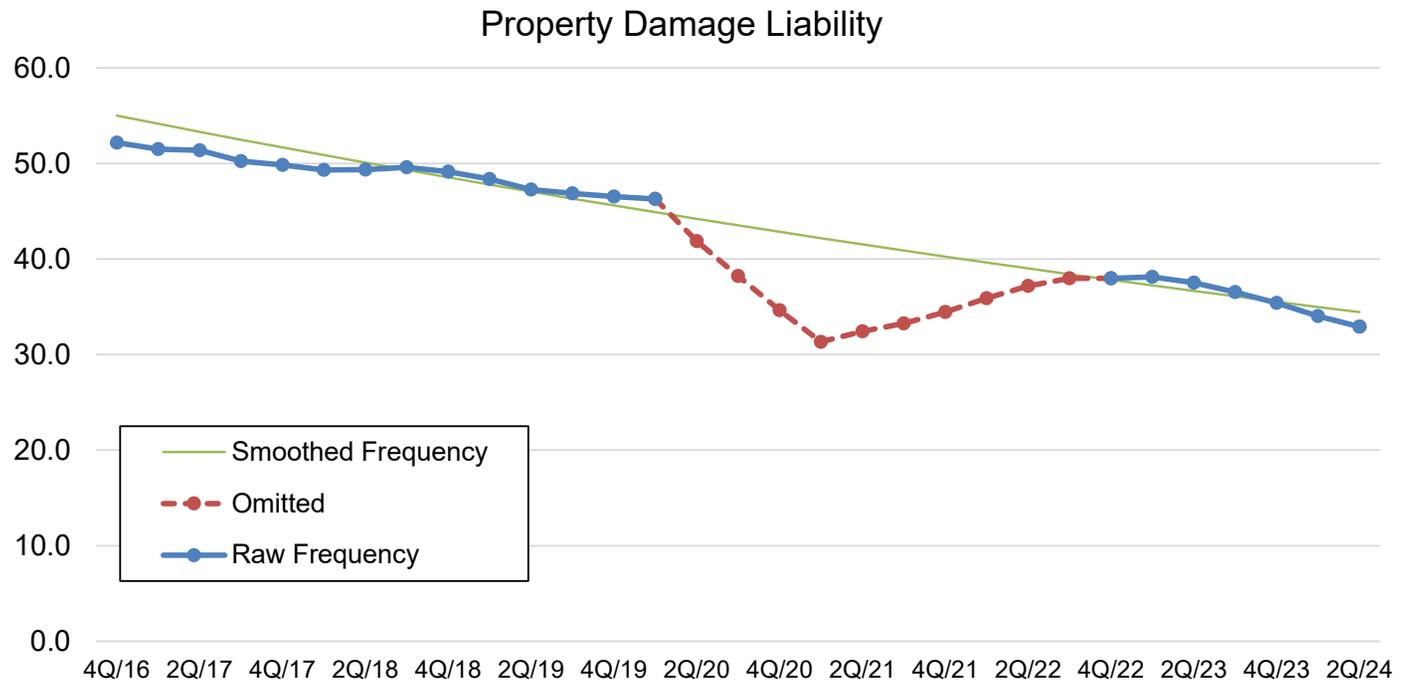
**Annual Trends in Exponential Fits**

Year	Frequency Smoothed	Omitted	Raw Pure Premium
7-year	2.0%	2.5%	2.5%
6-year	3.3%	2.8%	3.1%
5-year	6.4%	3.4%	4.2%
4-year	13.2%		5.4%
3-year	12.6%		6.4%
2-year	0.6%	0.6%	2.9%
1-year	-9.0%	-9.0%	-1.5%

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Private Passenger Auto  
Analysis of Statewide Claim Costs**

**Property Damage Liability**

Year Ending Qtr	Paid Claim Frequency Per 100 Vehicles	Omitted	Smoothed Frequency
4Q/16	52.17	52.17	55.0
1Q/17	51.48	51.48	54.1
2Q/17	51.38	51.38	53.3
3Q/17	50.24	50.24	52.5
4Q/17	49.84	49.84	51.7
1Q/18	49.33	49.33	50.9
2Q/18	49.35	49.35	50.1
3Q/18	49.60	49.60	49.3
4Q/18	49.14	49.14	48.5
1Q/19	48.37	48.37	47.8
2Q/19	47.28	47.28	47.1
3Q/19	46.85	46.85	46.3
4Q/19	46.51	46.51	45.6
1Q/20	46.27	46.27	44.9
2Q/20	41.88		44.2
3Q/20	38.21		43.5
4Q/20	34.65		42.9
1Q/21	31.33		42.2
2Q/21	32.43		41.5
3Q/21	33.26		40.9
4Q/21	34.45		40.3
1Q/22	35.89		39.6
2Q/22	37.19		39.0
3Q/22	37.96		38.4
4Q/22	37.96	37.96	37.8
1Q/23	38.14	38.14	37.2
2Q/23	37.53	37.53	36.7
3Q/23	36.54	36.54	36.1
4Q/23	35.41	35.41	35.5
1Q/24	34.01	34.01	35.0
2Q/24	32.92	32.92	34.4

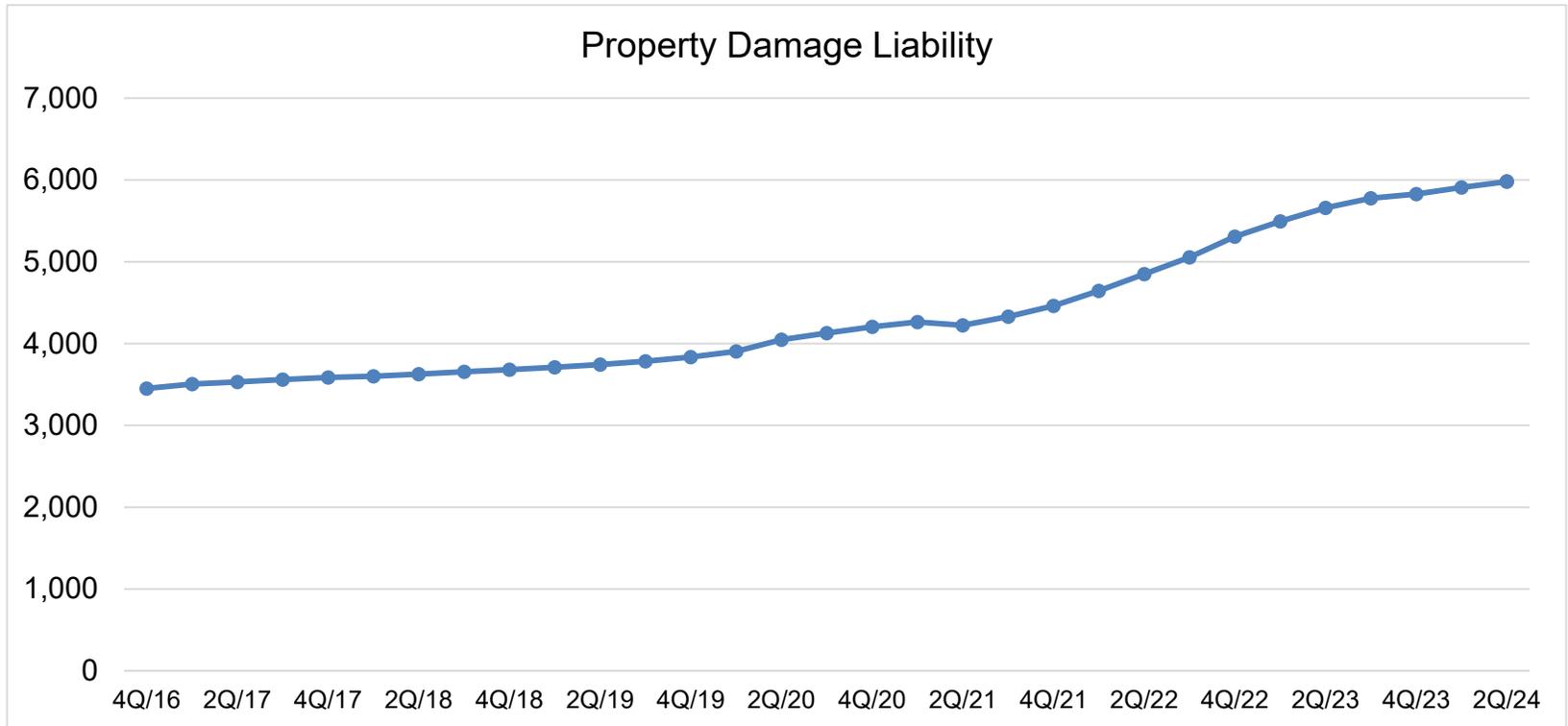


**Texas Automobile Insurance Plan Association  
 Rate Filing Effective 10/1/2025  
 Private Passenger Auto  
 Analysis of Statewide Claim Costs**

**Total Limits Property Damage Liability**

**Year  
 Ending Paid Claim  
 Qtr Severity**

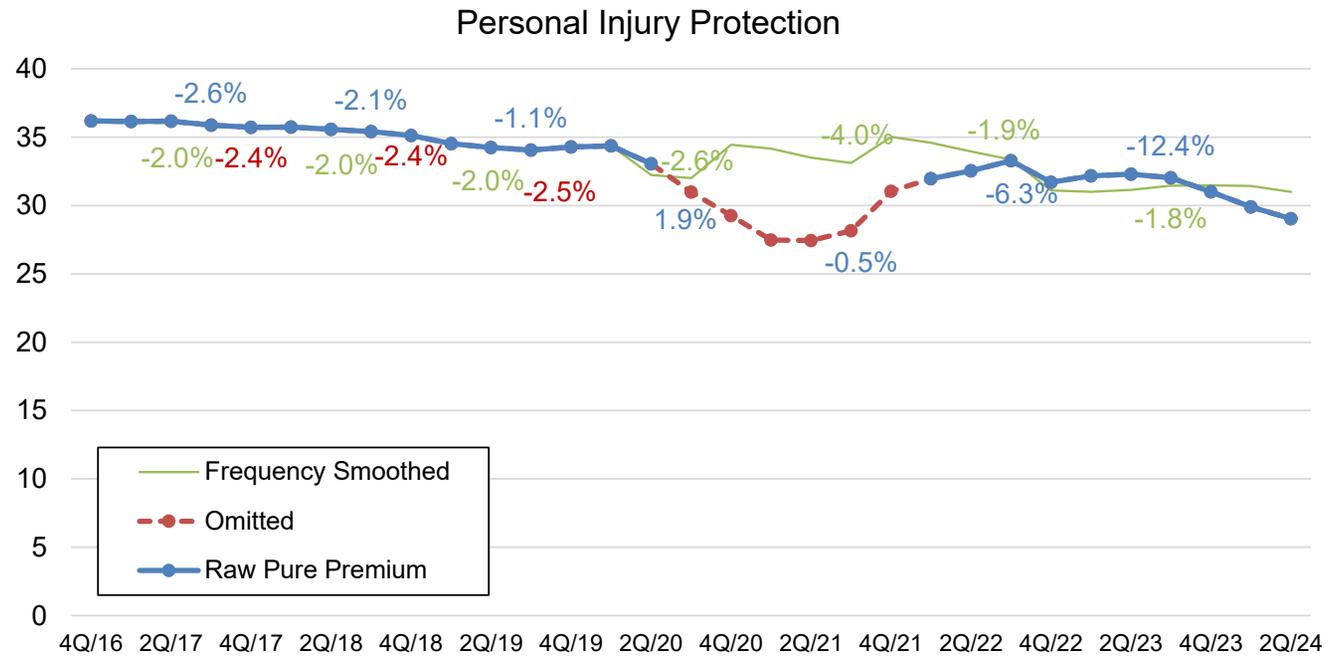
4Q/16	3,451
1Q/17	3,503
2Q/17	3,530
3Q/17	3,561
4Q/17	3,587
1Q/18	3,599
2Q/18	3,625
3Q/18	3,655
4Q/18	3,682
1Q/19	3,711
2Q/19	3,742
3Q/19	3,785
4Q/19	3,836
1Q/20	3,905
2Q/20	4,047
3Q/20	4,127
4Q/20	4,204
1Q/21	4,265
2Q/21	4,223
3Q/21	4,328
4Q/21	4,462
1Q/22	4,645
2Q/22	4,849
3Q/22	5,053
4Q/22	5,307
1Q/23	5,493
2Q/23	5,658
3Q/23	5,775
4Q/23	5,829
1Q/24	5,909
2Q/24	5,979



**Texas Automobile Insurance Plan Association  
Rate Filing Effective 10/1/2025  
Private Passenger Auto  
Analysis of Statewide Claim Costs**

**Total Limits Personal Injury Protection**

Year Ending Qtr	Paid Pure Premium	Severity x Omitted Frequency	Severity x Smoothed Frequency
4Q/16	36.2	36.2	36.2
1Q/17	36.1	36.1	36.1
2Q/17	36.2	36.2	36.2
3Q/17	35.9	35.9	35.9
4Q/17	35.7	35.7	35.7
1Q/18	35.7	35.7	35.7
2Q/18	35.6	35.6	35.6
3Q/18	35.4	35.4	35.4
4Q/18	35.1	35.1	35.1
1Q/19	34.5	34.5	34.5
2Q/19	34.2	34.2	34.2
3Q/19	34.1	34.1	34.1
4Q/19	34.3	34.3	34.3
1Q/20	34.4	34.4	34.4
2Q/20	33.1	33.1	32.2
3Q/20	31.0		32.0
4Q/20	29.3		34.4
1Q/21	27.5		34.2
2Q/21	27.4		33.5
3Q/21	28.2		33.1
4Q/21	31.0		35.0
1Q/22	32.0	32.0	34.6
2Q/22	32.5	32.5	34.0
3Q/22	33.3	33.3	33.4
4Q/22	31.7	31.7	31.1
1Q/23	32.2	32.2	31.0
2Q/23	32.3	32.3	31.2
3Q/23	32.0	32.0	31.4
4Q/23	31.0	31.0	31.5
1Q/24	29.9	29.9	31.4
2Q/24	29.0	29.0	31.0



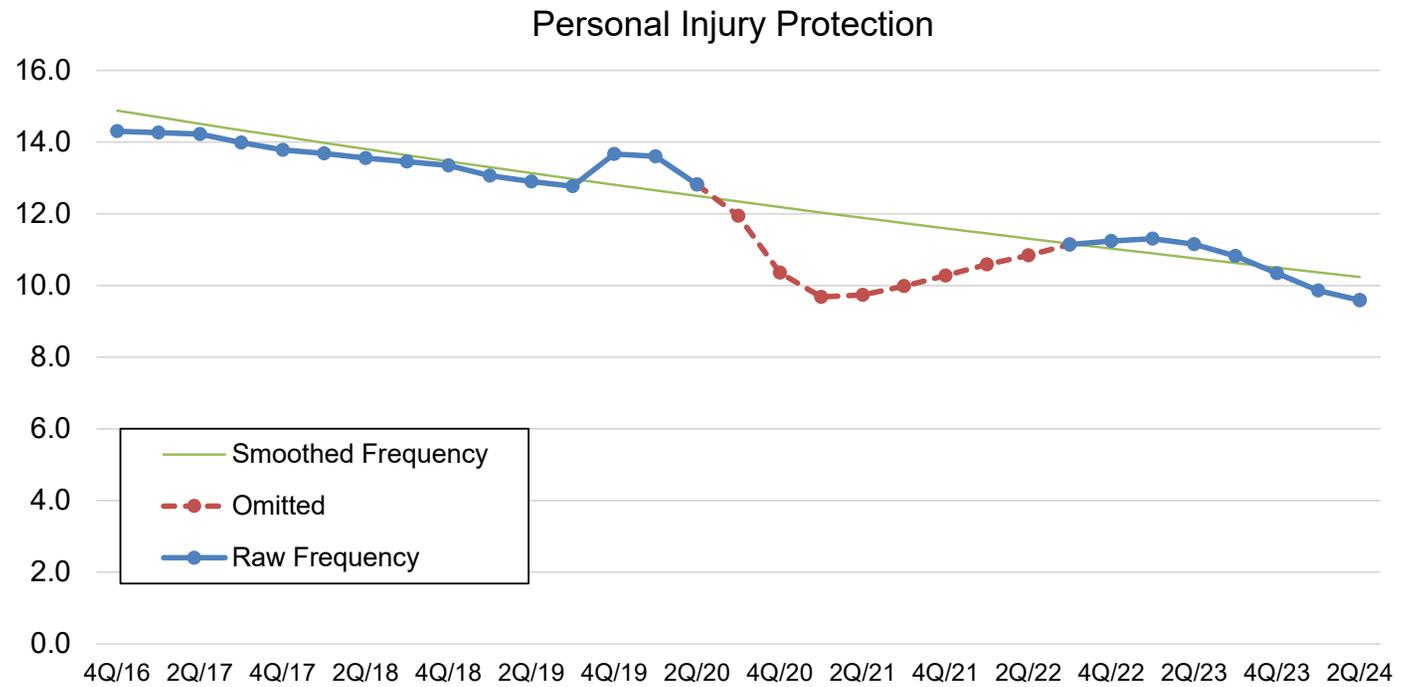
**Annual Trends in Exponential Fits**

7-year	-2.6%	-2.4%	-2.0%
6-year	-2.1%	-2.4%	-2.0%
5-year	-1.1%	-2.5%	-2.0%
4-year	1.9%	-4.2%	-2.6%
3-year	-0.5%		-4.0%
2-year	-6.3%	-6.3%	-1.9%
1-year	-12.4%	-12.4%	-1.8%

**Texas Automobile Insurance Plan Association  
Rate Filing Effective 10/1/2025  
Private Passenger Auto  
Analysis of Statewide Claim Costs**

**Personal Injury Protection**

Year Ending Qtr	Paid Claim Frequency Per 100 Vehicles	Omitted	Smoothed Frequency
4Q/16	14.30	14.30	14.88
1Q/17	14.26	14.26	14.69
2Q/17	14.22	14.22	14.51
3Q/17	13.98	13.98	14.33
4Q/17	13.78	13.78	14.15
1Q/18	13.68	13.68	13.98
2Q/18	13.55	13.55	13.80
3Q/18	13.45	13.45	13.63
4Q/18	13.35	13.35	13.46
1Q/19	13.07	13.07	13.30
2Q/19	12.90	12.90	13.13
3Q/19	12.77	12.77	12.97
4Q/19	13.66	13.66	12.81
1Q/20	13.60	13.60	12.65
2Q/20	12.81	12.81	12.49
3Q/20	11.94		12.34
4Q/20	10.36		12.19
1Q/21	9.68		12.04
2Q/21	9.73		11.89
3Q/21	9.98		11.74
4Q/21	10.27		11.59
1Q/22	10.58		11.45
2Q/22	10.84		11.31
3Q/22	11.14	11.14	11.17
4Q/22	11.24	11.24	11.03
1Q/23	11.31	11.31	10.89
2Q/23	11.15	11.15	10.76
3Q/23	10.82	10.82	10.62
4Q/23	10.34	10.34	10.49
1Q/24	9.86	9.86	10.36
2Q/24	9.59	9.59	10.23

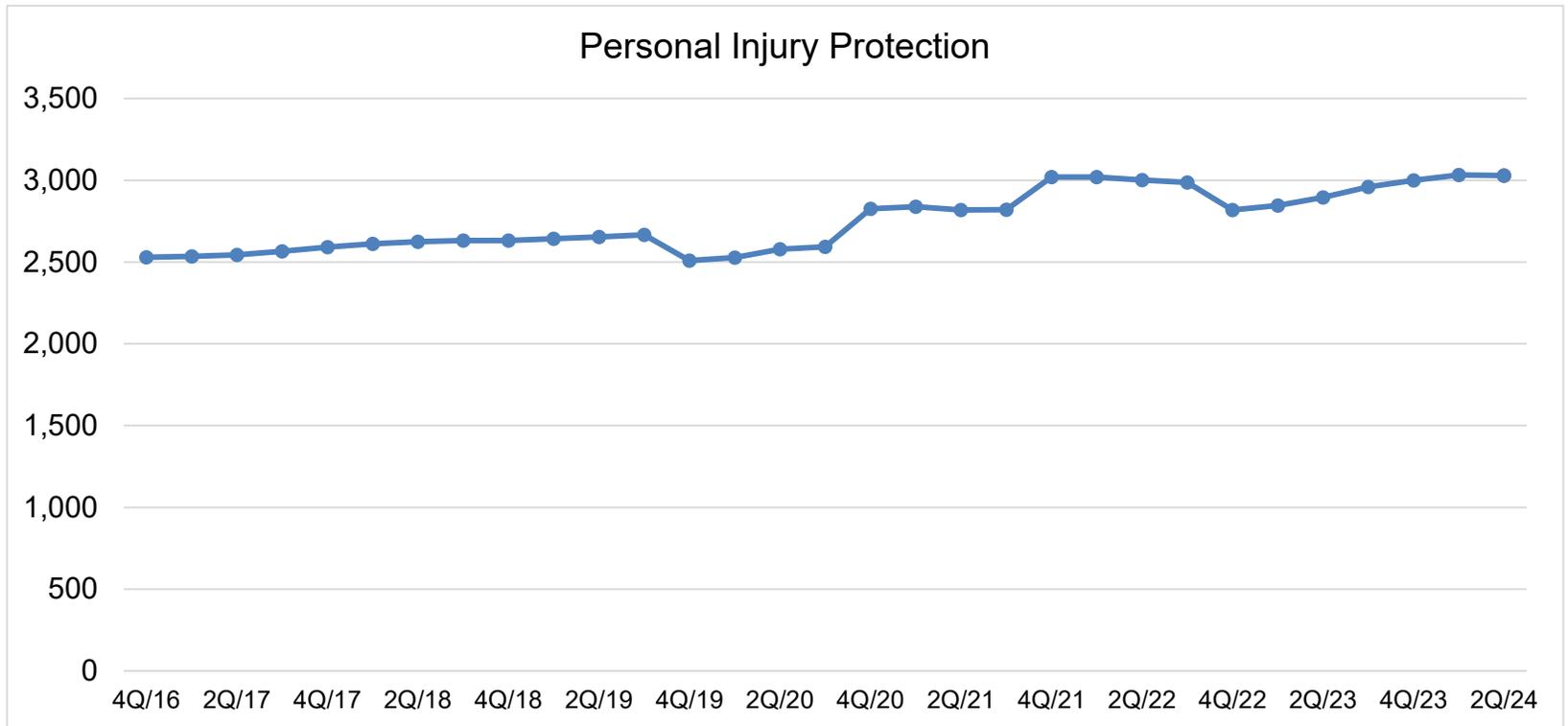


**Texas Automobile Insurance Plan Association  
Rate Filing Effective 10/1/2025  
Private Passenger Auto  
Analysis of Statewide Claim Costs**

**Total Limits Personal Injury Protection**

**Year  
Ending Paid Claim  
Qtr Severity**

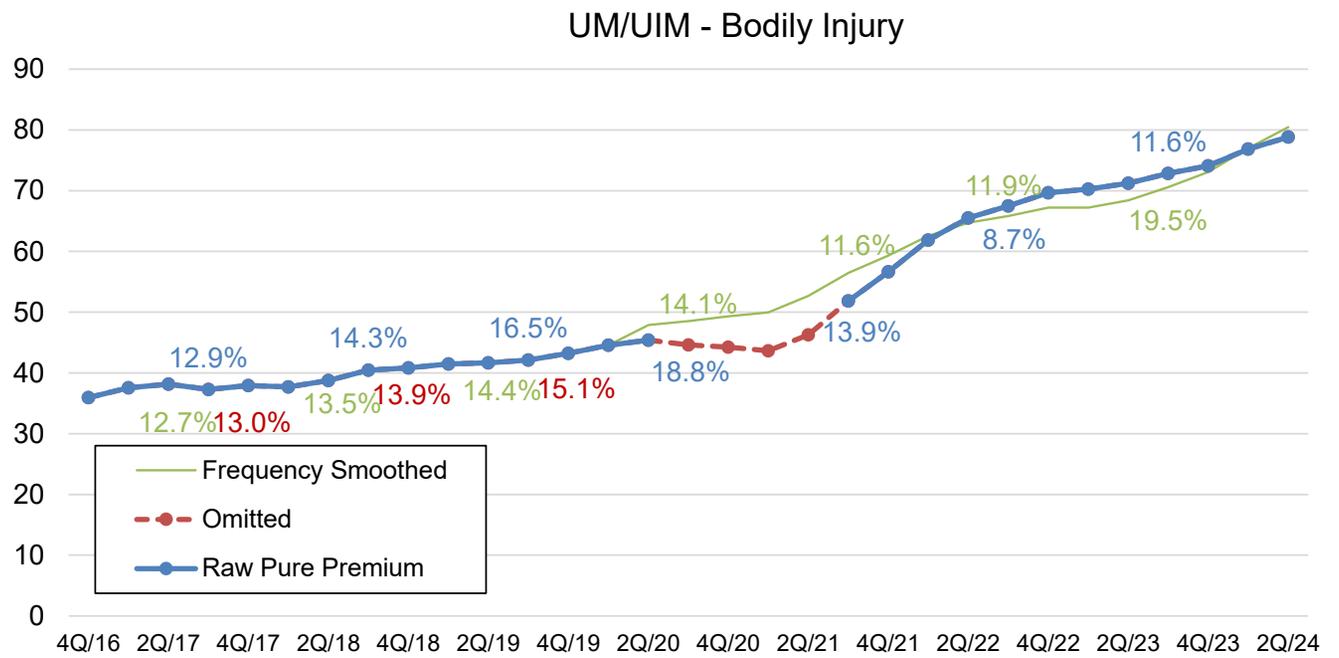
4Q/16	2,530
1Q/17	2,535
2Q/17	2,544
3Q/17	2,567
4Q/17	2,592
1Q/18	2,611
2Q/18	2,625
3Q/18	2,632
4Q/18	2,631
1Q/19	2,643
2Q/19	2,654
3Q/19	2,667
4Q/19	2,509
1Q/20	2,527
2Q/20	2,580
3Q/20	2,594
4Q/20	2,826
1Q/21	2,838
2Q/21	2,819
3Q/21	2,821
4Q/21	3,020
1Q/22	3,020
2Q/22	3,003
3Q/22	2,987
4Q/22	2,820
1Q/23	2,846
2Q/23	2,896
3Q/23	2,959
4Q/23	3,000
1Q/24	3,033
2Q/24	3,028



**Texas Automobile Insurance Plan Association**  
**Rate Filing Effective 10/1/2025**  
**Private Passenger Auto**  
**Analysis of Statewide Claim Costs**

**Total Limits UM/UIM - Bodily Injury**

Year Ending Qtr	Paid Pure Premium	Severity x Smoothed Frequency	Omitted
4Q/16	35.9	35.9	35.9
1Q/17	37.6	37.6	37.6
2Q/17	38.2	38.2	38.2
3Q/17	37.3	37.3	37.3
4Q/17	37.9	37.9	37.9
1Q/18	37.7	37.7	37.7
2Q/18	38.8	38.8	38.8
3Q/18	40.5	40.5	40.5
4Q/18	40.8	40.8	40.8
1Q/19	41.5	41.5	41.5
2Q/19	41.7	41.7	41.7
3Q/19	42.1	42.1	42.1
4Q/19	43.2	43.2	43.2
1Q/20	44.5	44.5	44.5
2Q/20	45.4	47.9	45.4
3Q/20	44.6	48.5	
4Q/20	44.2	49.3	
1Q/21	43.7	50.0	
2Q/21	46.3	52.7	
3Q/21	51.9	56.5	51.9
4Q/21	56.7	59.3	56.7
1Q/22	61.9	62.5	61.9
2Q/22	65.5	64.7	65.5
3Q/22	67.5	65.8	67.5
4Q/22	69.6	67.2	69.6
1Q/23	70.3	67.2	70.3
2Q/23	71.2	68.4	71.2
3Q/23	72.9	70.6	72.9
4Q/23	74.1	73.0	74.1
1Q/24	76.9	77.0	76.9
2Q/24	78.8	80.5	78.8



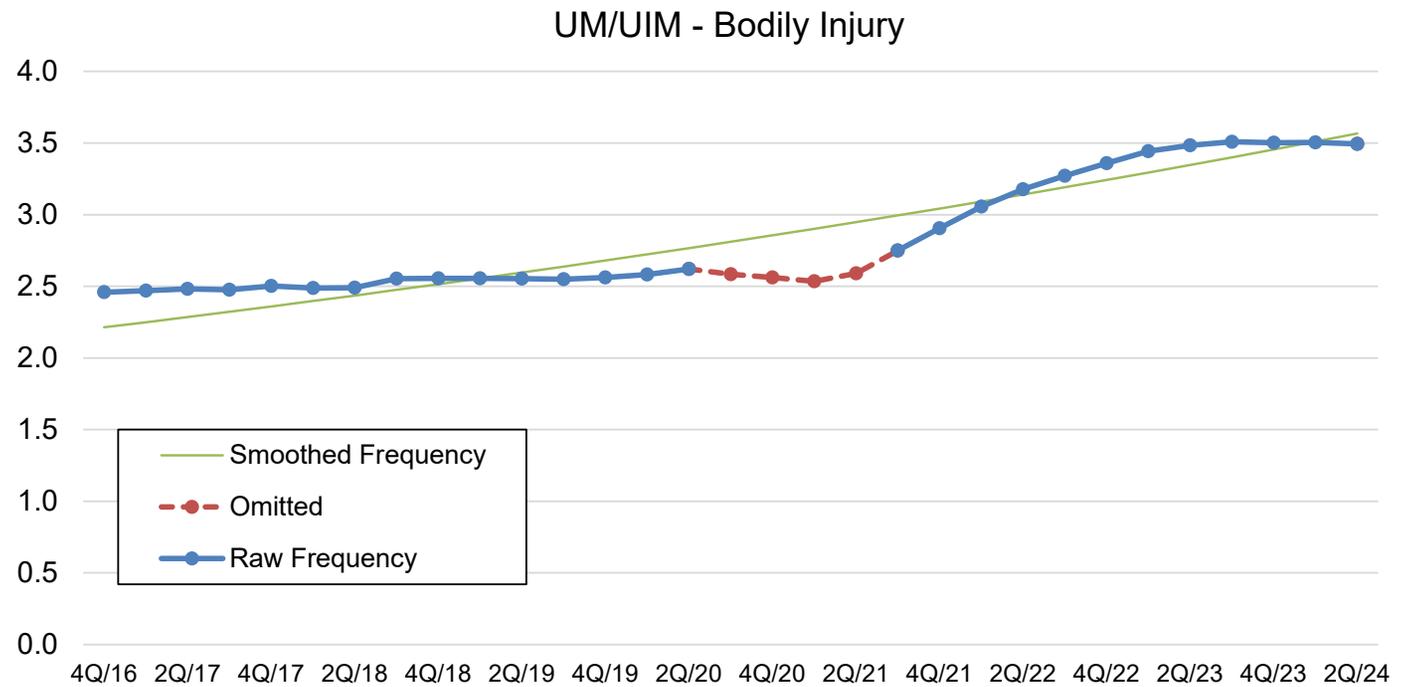
**Annual Trends in Exponential Fits**

7-year	12.9%	13.0%	12.7%
6-year	14.3%	13.9%	13.5%
5-year	16.5%	15.1%	14.4%
4-year	18.8%	13.9%	14.1%
3-year	13.9%		11.6%
2-year	8.7%	8.7%	11.9%
1-year	11.6%	11.6%	19.5%

**Texas Automobile Insurance Plan Association  
Rate Filing Effective 10/1/2025  
Private Passenger Auto  
Analysis of Statewide Claim Costs**

**UM/UIM - Bodily Injury**

Year Ending Qtr	Paid Claim Frequency Per 100 Vehicles	Omitted	Smoothed Frequency
4Q/16	2.46	2.46	2.21
1Q/17	2.47	2.47	2.25
2Q/17	2.48	2.48	2.29
3Q/17	2.48	2.48	2.32
4Q/17	2.50	2.50	2.36
1Q/18	2.49	2.49	2.40
2Q/18	2.49	2.49	2.44
3Q/18	2.55	2.55	2.47
4Q/18	2.55	2.55	2.51
1Q/19	2.56	2.56	2.55
2Q/19	2.55	2.55	2.60
3Q/19	2.55	2.55	2.64
4Q/19	2.56	2.56	2.68
1Q/20	2.58	2.58	2.72
2Q/20	2.62	2.62	2.77
3Q/20	2.58		2.81
4Q/20	2.56		2.86
1Q/21	2.53		2.90
2Q/21	2.59		2.95
3Q/21	2.75	2.75	2.99
4Q/21	2.90	2.90	3.04
1Q/22	3.06	3.06	3.09
2Q/22	3.18	3.18	3.14
3Q/22	3.27	3.27	3.19
4Q/22	3.36	3.36	3.24
1Q/23	3.44	3.44	3.29
2Q/23	3.48	3.48	3.35
3Q/23	3.51	3.51	3.40
4Q/23	3.50	3.50	3.45
1Q/24	3.50	3.50	3.51
2Q/24	3.49	3.49	3.57

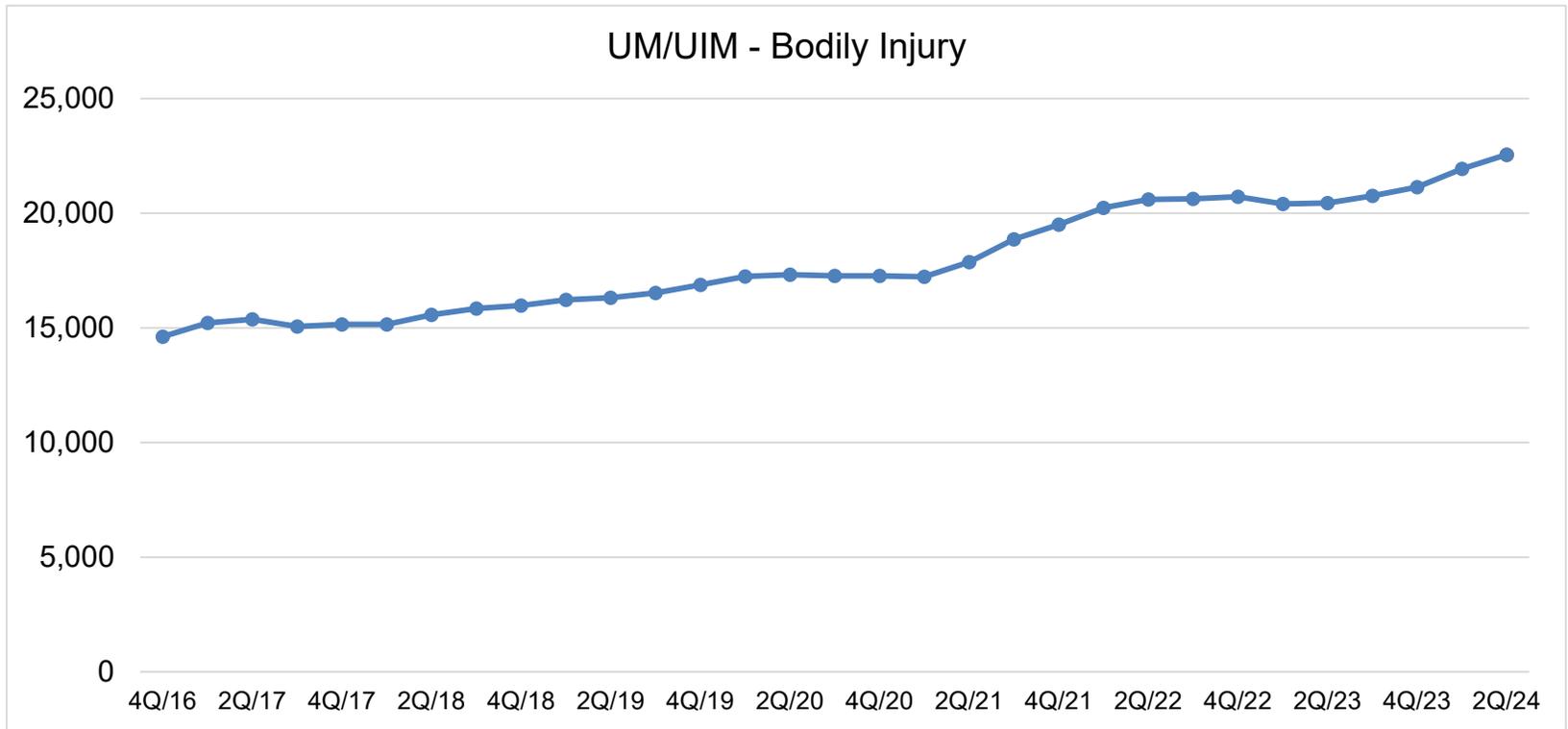


**Texas Automobile Insurance Plan Association  
 Rate Filing Effective 10/1/2025  
 Private Passenger Auto  
 Analysis of Statewide Claim Costs**

*Total Limits UM/UIM - Bodily Injury*

**Year**  
**Ending Paid Claim**  
**Qtr Severity**

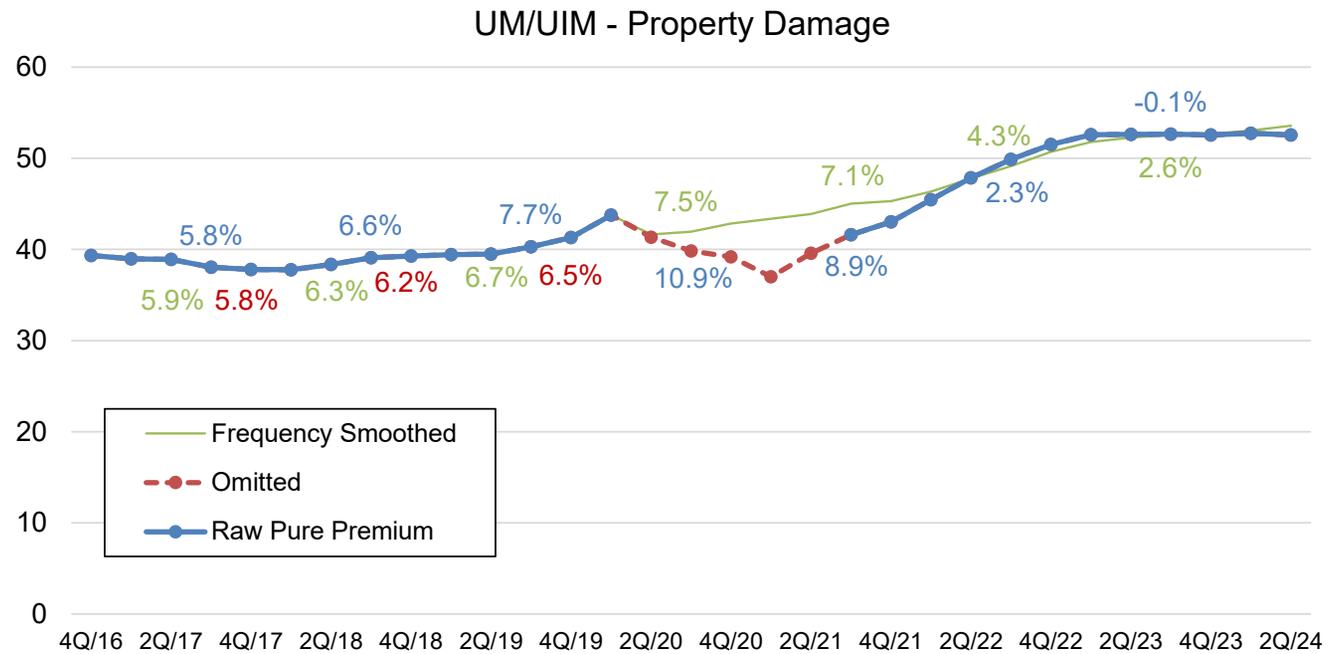
4Q/16	14,618
1Q/17	15,217
2Q/17	15,372
3Q/17	15,060
4Q/17	15,149
1Q/18	15,152
2Q/18	15,573
3Q/18	15,847
4Q/18	15,976
1Q/19	16,222
2Q/19	16,317
3Q/19	16,521
4Q/19	16,884
1Q/20	17,247
2Q/20	17,318
3Q/20	17,268
4Q/20	17,273
1Q/21	17,228
2Q/21	17,872
3Q/21	18,864
4Q/21	19,506
1Q/22	20,235
2Q/22	20,611
3Q/22	20,633
4Q/22	20,728
1Q/23	20,409
2Q/23	20,444
3Q/23	20,763
4Q/23	21,144
1Q/24	21,936
2Q/24	22,559



**Texas Automobile Insurance Plan Association  
Rate Filing Effective 10/1/2025  
Private Passenger Auto  
Analysis of Statewide Claim Costs**

**Total Limits UM/UIM - Property Damage**

Year Ending Qtr	Paid Pure Premium	Omitted	Severity x Smoothed Frequency
4Q/16	39.3	39.3	39.3
1Q/17	39.0	39.0	39.0
2Q/17	38.9	38.9	38.9
3Q/17	38.1	38.1	38.1
4Q/17	37.8	37.8	37.8
1Q/18	37.8	37.8	37.8
2Q/18	38.3	38.3	38.3
3Q/18	39.1	39.1	39.1
4Q/18	39.3	39.3	39.3
1Q/19	39.4	39.4	39.4
2Q/19	39.5	39.5	39.5
3Q/19	40.3	40.3	40.3
4Q/19	41.3	41.3	41.3
1Q/20	43.8	43.8	43.8
2Q/20	41.3		41.6
3Q/20	39.8		41.9
4Q/20	39.2		42.9
1Q/21	37.0		43.4
2Q/21	39.6		43.9
3Q/21	41.6	41.6	45.0
4Q/21	43.0	43.0	45.3
1Q/22	45.5	45.5	46.3
2Q/22	47.9	47.9	47.8
3Q/22	49.9	49.9	49.2
4Q/22	51.5	51.5	50.7
1Q/23	52.6	52.6	51.8
2Q/23	52.6	52.6	52.3
3Q/23	52.7	52.7	52.6
4Q/23	52.6	52.6	52.7
1Q/24	52.7	52.7	53.1
2Q/24	52.5	52.5	53.6



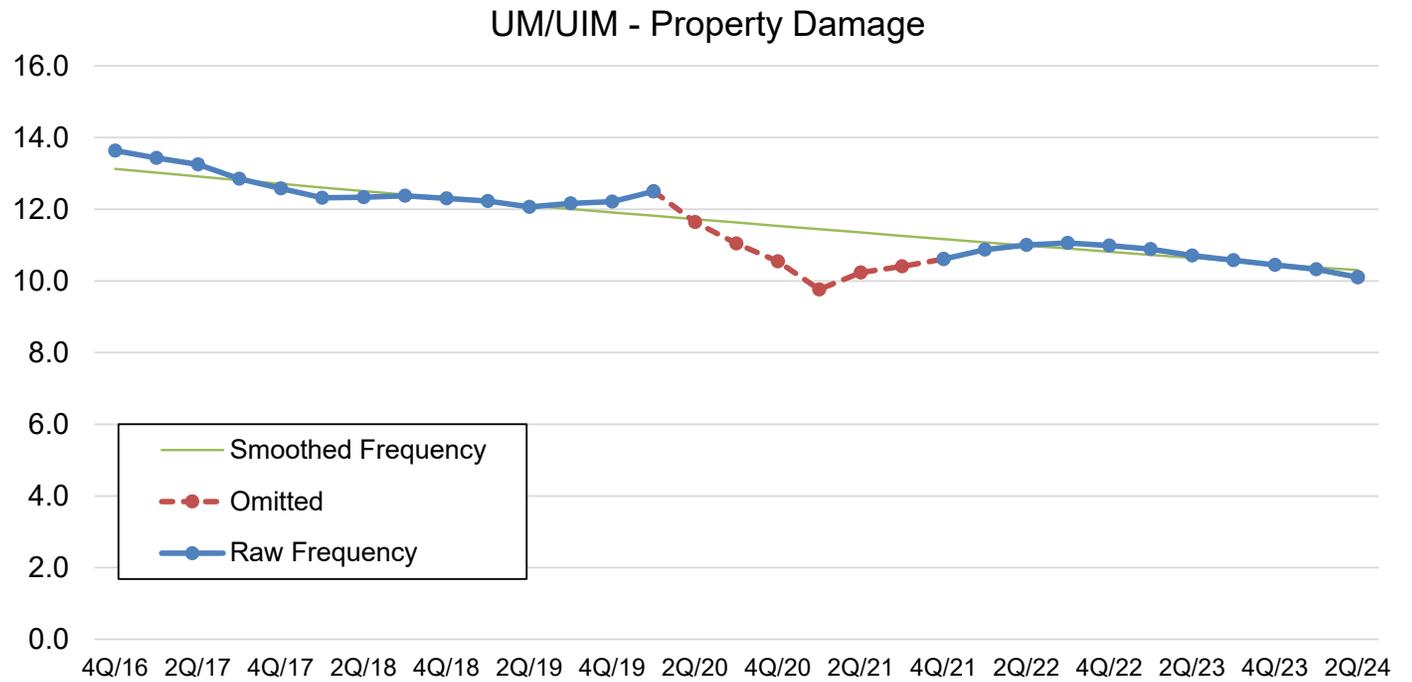
**Annual Trends in Exponential Fits**

Year	Frequency Smoothed (%)	Omitted (%)	Raw Pure Premium (%)
7-year	5.8%	5.8%	5.9%
6-year	6.6%	6.2%	6.3%
5-year	7.7%	6.5%	6.7%
4-year	10.9%	8.9%	7.5%
3-year	8.9%		7.1%
2-year	2.3%	2.3%	4.3%
1-year	-0.1%	-0.1%	2.6%

**Texas Automobile Insurance Plan Association  
Rate Filing Effective 10/1/2025  
Private Passenger Auto  
Analysis of Statewide Claim Costs**

**UM/UIM - Property Damage**

Year Ending Qtr	Paid Claim Frequency Per 100 Vehicles	Omitted	Smoothed Frequency
4Q/16	13.63	13.63	13.1
1Q/17	13.43	13.43	13.0
2Q/17	13.25	13.25	12.9
3Q/17	12.85	12.85	12.8
4Q/17	12.58	12.58	12.7
1Q/18	12.32	12.32	12.6
2Q/18	12.33	12.33	12.5
3Q/18	12.38	12.38	12.4
4Q/18	12.30	12.30	12.3
1Q/19	12.23	12.23	12.2
2Q/19	12.06	12.06	12.1
3Q/19	12.16	12.16	12.0
4Q/19	12.21	12.21	11.9
1Q/20	12.50	12.50	11.8
2Q/20	11.64		11.7
3Q/20	11.04		11.6
4Q/20	10.54		11.5
1Q/21	9.76		11.4
2Q/21	10.23		11.3
3Q/21	10.41		11.3
4Q/21	10.61	10.61	11.2
1Q/22	10.87	10.87	11.1
2Q/22	11.00	11.00	11.0
3Q/22	11.06	11.06	10.9
4Q/22	10.99	10.99	10.8
1Q/23	10.89	10.89	10.7
2Q/23	10.71	10.71	10.6
3Q/23	10.58	10.58	10.6
4Q/23	10.44	10.44	10.5
1Q/24	10.32	10.32	10.4
2Q/24	10.10	10.10	10.3



**Texas Automobile Insurance Plan Association  
Rate Filing Effective 10/1/2025  
Private Passenger Auto  
Analysis of Statewide Claim Costs**

**Total Limits UM/UIM - Property Damage**

**Year  
Ending Paid Claim  
Qtr Severity**

4Q/16	2,885
1Q/17	2,901
2Q/17	2,936
3Q/17	2,962
4Q/17	3,004
1Q/18	3,066
2Q/18	3,109
3Q/18	3,158
4Q/18	3,194
1Q/19	3,225
2Q/19	3,273
3Q/19	3,313
4Q/19	3,382
1Q/20	3,502
2Q/20	3,552
3Q/20	3,606
4Q/20	3,715
1Q/21	3,789
2Q/21	3,867
3Q/21	3,999
4Q/21	4,055
1Q/22	4,182
2Q/22	4,348
3Q/22	4,510
4Q/22	4,690
1Q/23	4,828
2Q/23	4,914
3Q/23	4,979
4Q/23	5,032
1Q/24	5,109
2Q/24	5,201

