

Objection 1

Applies To:

Comments:

With respect to the proposal for State Farm Mutual Automobile Insurance Company, please create a Post-Submission Update to the Rate/Rule Schedule to revise the "Overall % Indicated Change" field from "0.000%" to the Nevada-specific indication for that company.

We have submitted a Post-Submission Update to the Rate/Rule Schedule to reflect the Overall % Indicated Change of 12.565%. Please note, since this objection was sent, we received approval of filing SFMA-134207352. As a result, have backed out the combined company by coverage changes (as well as the overall change) from the combined company indications in the table below.

Coverage	Indicated (original)	Indicated (backing out filing SFMA-134207352)	Proposed
Collision	0.32%	0.32%	0.171%
Comprehensive	18.90%	15.18%	0.136%
Bodily Injury & Property Damage	9.51%	7.01%	-0.010%
All Coverage	14.00%	12.565%	0.074%

Objection 2

Applies To:

- [Rate Manual Pages, See Attached \(Rate\)](#)
- [Rate Filing Data Summary \(Supporting Document\)](#)

Comments:

(i) The company needs to revise the effective dates for this filing by creating a Post-Submission Update to the General Information tab. The effective date for new business should be after a reasonable future date of approval. The effective date for renewal business should be at least 30 days after a reasonable future date of approval, to enable the company to send at least 30 days' advance notice of renewal to affected insureds, pursuant to NRS 687B.350.

(ii) Please also revise the effective dates in the Rate Manual, NV PC Form 1 - Part 2, and any other filing documentation where they are mentioned.

We have updated the effective date to 2/13/2025 in all applicable locations, pursuant to NRS 687B.350.

Objection 3

Applies To:

- [Rate Manual Pages, See Attached \(Rate\)](#)
- [Rate Filing Data Summary \(Supporting Document\)](#)
- [Rate Disruption \(Supporting Document\)](#)
- [Profitability Report \(auto\) \(Supporting Document\)](#)

Comments:

Based on the Profitability Reports provided, the Division is willing to approve the 0.053% overall increase for State Farm Mutual Automobile Insurance Company, but not the 0.239% overall increase for State Farm Fire and Casualty Company, which has had overall profitability of 18.19% in the latest accident year ending 4/30/2024, and 15.28% profitability over a five-year time period. Given that the "Overall % Indicated Change" listed in the Rate/Rule Schedule is still technically 0%, the Division would be willing to approve an overall neutral or slightly negative impact for State Farm Fire and Casualty Company, but not any impact greater than 0.000%, unless the company can provide a more recent Profitability Report (through 9/30/2024 or 10/31/2024), showing significant deterioration in the experience of the State Farm Fire and Casualty Company book of business.

Please amend the filing for State Farm Fire and Casualty Company to have a no-greater-than-neutral overall proposal. Please revise the Rate/Rule Schedule (via a Post-Submission Update), Rate Manual Pages, Rate Disruption, Rate Filing Data Summary (NV PC Form 1), and any other affected filing component in order to achieve this.

Please see the updated profitability report with this response as of 10/31/2024 for State Farm Fire and Casualty Company, which shows profitability of the latest accident year as -11.22%. In combination with the updated indicated change, we believe the 0.239% overall increase for State Farm Fire and Casualty Company is supported.

STATE FARM FIRE AND CASUALTY AUTOMOBILE INSURANCE COMPANY

NEVADA

F. Motorcycle Profitability Report

Evaluated at 10/31/2024

Accident Year Ending	Months of Development	Earned Premium	Incurred Loss Incl ALAE	Antic Dev of Loss and ALAE	Adjusting & Other Expense	Ultimate Loss Incl LAE	Loss Ratio	Underwriting Expense	Formula Expense Ratio	Underwriting Gain/Loss	Percent Gain/Loss
BIPD LIABILITY EXPERIENCE											
10/31/2020	60	137,128	71,570	0	8,098	79,668	58.10%	27,471	20.03%	29,988	21.87%
10/31/2021	48	121,200	50,673	0	7,071	57,744	47.64%	28,765	23.73%	34,690	28.62%
10/31/2022	36	127,410	74,360	0	7,277	81,637	64.07%	30,012	23.56%	15,760	12.37%
10/31/2023	24	130,666	101,006	154	7,668	108,828	83.29%	32,363	24.77%	-10,525	-8.06%
10/31/2024	12	133,730	162,435	135,953	5,989	304,377	227.61%	30,393	22.73%	-201,040	-150.33%
Total		650,133	460,044	136,107	36,103	632,255	97.25%	149,005	22.92%	-131,127	-20.17%
UNINSURED MOTORIST EXPERIENCE											
10/31/2020	60	118,028	25,000	0	6,911	31,911	27.04%	23,474	19.89%	62,642	53.07%
10/31/2021	48	115,933	125,000	0	6,638	131,638	113.55%	27,027	23.31%	-42,732	-36.86%
10/31/2022	36	131,990	98,608	0	7,375	105,983	80.30%	30,339	22.99%	-4,332	-3.28%
10/31/2023	24	136,154	50,000	0	7,899	57,899	42.52%	33,342	24.49%	44,913	32.99%
10/31/2024	12	130,008	50,000	-7,318	6,066	48,749	37.50%	30,696	23.61%	50,563	38.89%
Total		632,112	348,608	-7,318	34,889	376,179	59.51%	144,878	22.92%	111,054	17.57%
COLLISION EXPERIENCE											
10/31/2020	60	167,634	41,850	0	9,727	51,577	30.77%	33,328	19.88%	82,730	49.35%
10/31/2021	48	172,150	102,816	0	9,649	112,465	65.33%	39,448	22.92%	20,237	11.76%
10/31/2022	36	195,202	281,589	0	11,021	292,610	149.90%	45,196	23.15%	-142,604	-73.05%
10/31/2023	24	210,994	106,487	11	12,238	118,736	56.27%	51,685	24.50%	40,574	19.23%
10/31/2024	12	234,355	73,705	2,101	10,356	86,162	36.77%	52,589	22.44%	95,605	40.79%
Total		980,335	606,446	2,111	52,992	661,549	67.48%	222,246	22.67%	96,540	9.85%

STATE FARM FIRE AND CASUALTY AUTOMOBILE INSURANCE COMPANY

NEVADA

F. Motorcycle Profitability Report

Evaluated at 10/31/2024

Accident Year Ending	Months of Development	Earned Premium	Incurred Loss Incl ALAE	Antic Dev of Loss and ALAE	Adjusting & Other Expense	Ultimate Loss Incl LAE	Loss Ratio	Underwriting Expense	Formula Expense Ratio	Underwriting Gain/Loss	Percent Gain/Loss
COMPREHENSIVE EXPERIENCE											
10/31/2020	60	80,951	31,011	0	4,761	35,772	44.19%	16,196	20.01%	28,983	35.80%
10/31/2021	48	80,926	33,666	0	4,603	38,269	47.29%	18,782	23.21%	23,875	29.50%
10/31/2022	36	89,847	80,537	0	5,103	85,640	95.32%	20,959	23.33%	-16,753	-18.65%
10/31/2023	24	88,491	73,715	44	5,297	79,056	89.34%	22,346	25.25%	-12,912	-14.59%
10/31/2024	12	87,619	101,879	-734	3,884	105,029	119.87%	19,751	22.54%	-37,161	-42.41%
Total		427,833	320,808	-690	23,648	343,767	80.35%	98,034	22.91%	-13,968	-3.26%
ALL COVERAGE EXPERIENCE											
10/31/2020	60	503,741	169,432	0	29,497	198,929	39.49%	100,470	19.94%	204,342	40.56%
10/31/2021	48	490,208	312,154	0	27,962	340,116	69.38%	114,022	23.26%	36,070	7.36%
10/31/2022	36	544,448	535,095	0	30,775	565,870	103.93%	126,507	23.24%	-147,928	-27.17%
10/31/2023	24	566,304	331,207	209	33,102	364,518	64.37%	139,736	24.68%	62,050	10.96%
10/31/2024	12	585,712	388,019	130,002	26,296	544,317	92.93%	133,429	22.78%	-92,034	-15.71%
Total		2,690,413	1,735,906	130,211	147,632	2,013,750	74.85%	614,163	22.83%	62,500	2.32%