

2022 INSURANCE RATES ON THE RISE



You received your annual renewal notice from us, and you're surprised: Your premiums have gone up. The truth is, it's common to see an annual increase in your insurance premiums, and in many cases, it's not the result of something you did. In fact, much of it may be totally out of your control.

Below are some questions you may be asking yourself, and we have the answers!



Q: WHY ARE MY HOME INSURANCE RATES GOING UP EVEN THOUGH I DID NOT HAVE A CLAIM?

- **Labor and construction costs have gone up.**

A part of your premium is based on how much it would cost to rebuild your property if there were a total loss (such as a fire or other covered catastrophic event that occurred).

- **Natural disasters are on the rise or weather has worsened in your area.**

Over the past five years, hurricane season in the U.S. has produced 100 named storms as compared to 67 over the previous five years. In 2022, these events will continue to impact loss ratios for carriers that offer coverage in exposed regions.

- **Your aging home.**

As your property gets older, it becomes more vulnerable to damage and loss.



Q: WHY IS MY AUTO INSURANCE RATES GOING UP EVEN THOUGH I DID NOT HAVE A CLAIM?

- **Adding vehicles and drivers.**

If you purchase a more expensive car, your rate can increase due to higher repair or replace costs.

- **Claims in your area.**

If your city has a high rate of theft and accidents, it becomes riskier to cover drivers in your area.

- **Moving**

Changing the address of your cars location is a rare instance where your rate could increase. If you move out of state, you'll require a new policy.

- **Age**

Age is one of the most important factors in determining your car insurance rate. The average premium per driver tends to decrease significantly from 19-34 and then stabilize or decrease slightly from 34-75. At age 75, the average premium begins trending upward.



Q: WHAT ABOUT THE IMPACT ON COMMERCIAL INSURANCE SPECIFICALLY?

Commercial Insurance rates are also coming under pressure from a variety of sources including rising reinsurance costs, higher claims payouts and natural disasters once again.

Below is a chart from [USI 2022 COMMERCIAL PROPERTY & CASUALTY MARKET OUTLOOK](#):

Product Line	Year-End 2021 (YOY)	Forecast 2022 (First Half)
PROPERTY		
Property Non-Catastrophic w/Good Loss History	Flat to up 10%	Down 5% to up 5%
CAT Property w/Minimal Loss History	Up 10% to 15%+	Up 5% to 10%+
CAT or Non-CAT Property w/Poor Loss History	Up 20% +	Up 15%+
CASUALTY		
Primary General/Product Liability	Up 10% to 20%	Up 5% to 15%
Primary Auto Liability w/Fleet Less Than 200 & Good Loss History	Flat to up 5%*^	Flat to up 5% *^
Primary Auto Liability w/Fleet Less Than 200 & Poor Loss History	Up 20% to 30%+^	Up 20% to 30% +^
Primary Auto Liability w/Fleets in Excess of 200	Flat to up 5%*^	Flat to up 5% *^
Excess Auto Buffers	Up 40%+	Up 40%+
Workers' Compensation Guaranteed Cost	Down 10% to up 10%**	Down 5% to up 5%**
Workers' Compensation Loss Sensitive	Flat to up 5%**	Flat to up 5%**
Umbrella & Excess Liability (Middle Market)	Up 5% to 25%***	Up 5% to up 15%***
Umbrella & Excess Liability (Risk Management)	Up 25% to 50%+***	Up 10% to 35%+***
Medical Malpractice	Up 10% to 35%	Up 5% to 20%

Q: WHAT ABOUT COVID-19?

General insurance has also been affected in various ways by the pandemic. For example, motor claims have also been affected as various lockdown measures have resulted in an unprecedented drop in the number of road users, leading to a drastic fall in the number of motor claims from accidents. Theft claims have also decreased as both vehicles and vehicle owners have remained at home.



Q: WHAT CAN I DO TO HELP LOWER MY RATES?

There are several things we can do to help lower your rates. Regardless of the line of insurance you have, **INCREASING** your deductible, is always a way to help lower costs. You also want to make sure you are getting all credits & discounts you should be. For example, on your homeowner's insurance if you have a central station monitored alarm, you want to make sure the insurance company is giving you a discount for that. Or if you have a youthful driver & they have over a 3.0 GPA, check with your carrier to see about a good student discount. For commercial insurance items that are based on revenue or payroll you want to make sure that your projections & figures are accurate, so you are not being over charged.

Q: WHAT CAN YOU HELP DO AS MY AGENT/ AGENCY?

At Strategic Insurance we take a VERY pro-active approach to managing your insurance. We have a team here to do a market comparison **EACH** year to make sure you are getting the best coverage and rates available. We also represent **OVER 50** insurance companies to search for the best options in the market. We leverage our management system to set triggers for any rate increases that are over a certain percentage so that we can research better options.



Q: WHAT IF STRATEGIC INSURANCE IS NOT MY CURRENT AGENT/AGENCY?

SO we realize there are LOTS of people in our community that are confused, have questions, and feel they may be overpaying. Feel free to reach out to us today for a market comparison. You can ALWAYS TEXT or CALL our office at 866-INS-0123 or go to our website to LIVE CHAT with our team OR email us at Info@GetStrategicIns.com.

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PS. IF we can't help improve your current insurance situation or save you money on your current insurance, we will send you a \$17 Amazon Gift Card via TEXT or EMAIL. [Click here for details.](#)

We help families and businesses
Prepare, Protect and Recover from
life's unexpected events.

Move Forward. With Confidence.™

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866-INS-0123 (Call or Text)

2022 Facts

- Commercial auto premium increases have been trending upward since 2011, but combined ratios still stink. ([Council of Insurance Agents & Brokers, 2022](#))
- According to the [Insurance Information Institute](#) (2022), homeowner's insurance premiums in Florida are expected to jump, on average, over 25% this year.
- The average cost of car insurance in 2022 is \$1,935 year. Michigan, Florida and Louisiana will have the highest, and Maine, Texas and Wisconsin the lowest car insurance premiums in 2022. ([ValuePenguin, 2022](#))

DID YOU
KNOW?