

# What is Driving Your Auto Insurance Rates?

Marketplace conditions are impacting all auto insurance carriers, causing rates to increase across the nation.

## Rising Claim Costs

High speed, distracted driving behaviors and driving patterns getting back to pre-pandemic levels are raising the cost to settle claims. Inflation factors such as the increased cost of goods and services are also driving up claim costs.

## Supply Chain Constraints

Supply shortages of various items, such as microchips and other auto parts, continue to persist as the auto manufacturing industry itself faces supply and labor shortages.

## Labor Shortages

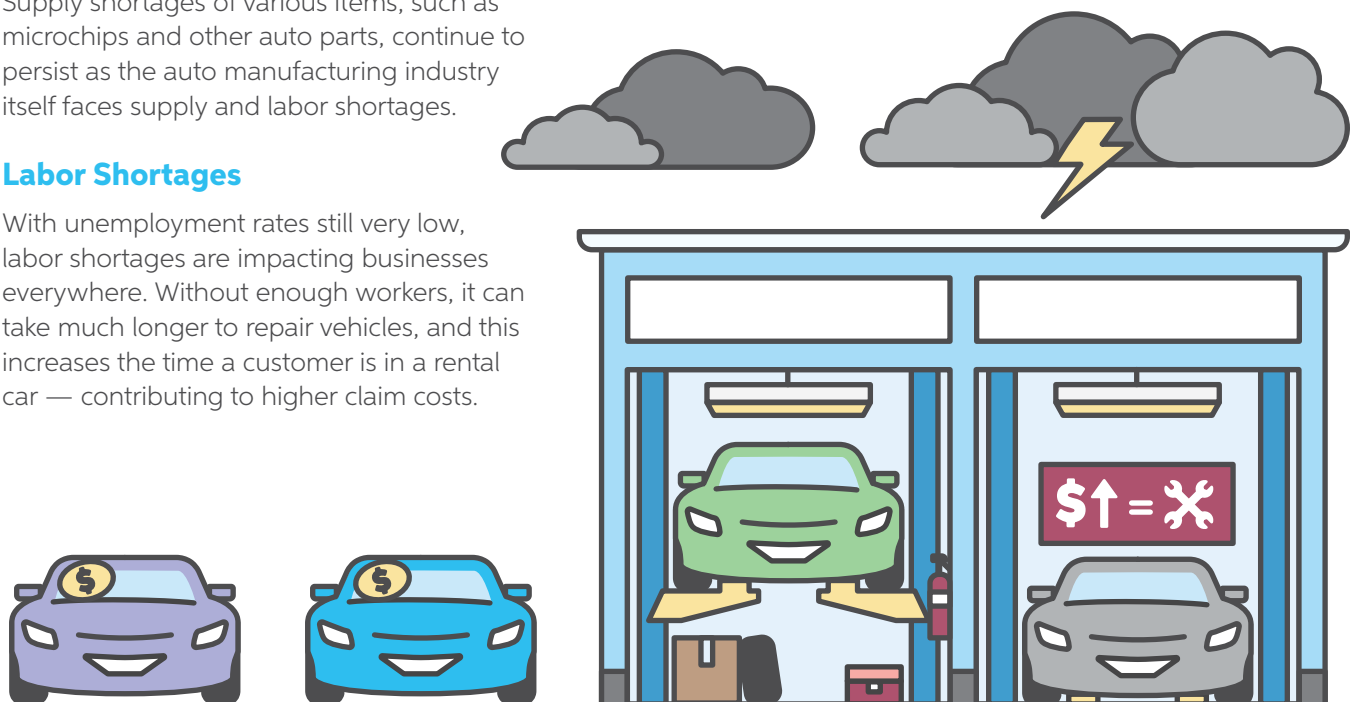
With unemployment rates still very low, labor shortages are impacting businesses everywhere. Without enough workers, it can take much longer to repair vehicles, and this increases the time a customer is in a rental car — contributing to higher claim costs.

## Increase in New/Used Car Prices

New car prices are up 10.1%. Used car prices are up 7.8%.<sup>1</sup>

## Weather Disasters

As of October 11, 2022, there have been 15 weather/climate disaster events with losses exceeding one billion each in the U.S.<sup>2</sup>



Sources: <sup>1</sup>Consumer Price Index, U.S. Bureau of Labor Statistics, August 2022. <sup>2</sup>NOAA National Centers for Environmental Information (NCEI) Billion Dollar Weather and Climate Disasters. <http://www.ncei.noaa.gov/access/billions/>.

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