



Illinois Department of Insurance

JB Pritzker
Governor

Dana Popish Severinghaus
Director

June 22, 2022

Mr. Benjamin M. Salzmann, President
Acuity, A Mutual Insurance Company
2800 South Taylor Drive
Sheboygan, WI. 53082

Re: Acuity, A Mutual Insurance Company, NAIC 14184
Market Conduct Examination Verified Report

Dear Mr. Salzmann,

A Market Conduct Examination of your company was conducted by an authorized examiner designated by the Director of the Illinois Department of Insurance (“Department”) pursuant to Illinois Insurance Code (“Code”) Sections 132, 132.5(f), 404(1)(a) and 404(1)(c). This examination covered the period of January 1, 2019, through March 31, 2022. Enclosed with this letter is a copy of the verified examination report.

The examination report is a public document under the Freedom of Information Act (“FOIA”) [5 ILCS 140/1 *et seq.*] and will be posted on the Department’s website. To the extent that the examination report contains information that your Company deems private, personal, or trade secret pursuant to Sections 7(1)(b), (c), or (g) of FOIA [5 ILCS 140/7(b), (c), and (g)], your Company may request that the Department redact such information from the report prior to making it public. In making a request for confidentiality, your Company must provide a factual basis for its assertion of confidentiality. The Department will consider the request and determine whether such information is exempt from disclosure under Section 7 of FOIA.

No company, corporation, or individual shall use this report or any statement, excerpt, portion, or section thereof for any advertising, marketing or solicitation purpose. Any company, corporation or individual action contrary to the above shall be deemed a violation of Section 149 of the Illinois Insurance Code (215 ILCS 5/149).

Please contact me if you have any questions.

Sincerely,

Erica Weyhenmeyer
Chief Market Conduct Examiner
Illinois Department of Insurance
320 West Washington St., 5th Floor
Springfield, IL 62767
Phone: 217-782-1790
Erica.Weyhenmeyer@Illinois.gov

Company Name: Acuity, A Mutual Insurance Company	CoCode: 14184	Group Code: n/a										
Private Passenger Auto Liability	Accident Quarter											
Statewide data (Illinois only) as of 3/31/2022	Q1 - 2019	Q2 - 2019	Q3 - 2019	Q4 - 2019	Q1 - 2020	Q2 - 2020	Q3 - 2020	Q4 - 2020	Q1 - 2021	Q2 - 2021	Q3 - 2021	Q4 - 2021
(2) All expenses other than loss adjustment expenses, excluding amounts from item 5 below	458,344	457,929	454,571	440,041	447,616	432,083	425,871	407,918	368,062	362,620	357,197	344,557
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	1,563,180	1,561,765	1,550,314	1,500,760	1,442,835	1,422,606	1,433,261	1,404,328	1,330,941	1,327,800	1,309,102	1,263,351
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	15,941	32,333	47,794	58,861	66,855	66,479	64,435
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense	0	0	0	0	0	0	0	0	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	745,035	1,349,288	1,765,945	486,960	471,145	573,487	801,704	637,358	576,440	848,926	590,036	449,225
(7) Net Ultimate Adjusting & Other	58,766	106,428	139,292	38,410	60,066	73,113	102,208	81,256	63,959	94,193	65,468	49,844
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	84	74	77	83	57	48	49	64	50	59	61	72
(9) Open Claim Counts	3	1	4	0	1	2	5	4	2	6	10	20
Post-refund combined ratio (6+7+2+5)/(3-4)	80.7%	122.5%	152.2%	64.3%	67.8%	76.7%	94.9%	83.0%	79.3%	103.6%	81.5%	70.4%
Pre-refund combined ratio (6+7+2)/(3)	80.7%	122.5%	152.2%	64.3%	67.8%	75.8%	92.8%	80.2%	75.8%	98.3%	77.4%	66.8%
Claims severity (6)/(8)	8,869	18,234	22,934	5,867	8,266	11,948	16,361	9,959	11,529	14,389	9,673	6,239

Notes:

Data from row (1) will be made available on an all company weighted average frequency basis.

Data will not be publicly released on an individual company basis.

All data provided in rows (2)-(9) will be considered public.

"Net" refers to net of reinsurance and salvage & subrogation.

Claim counts should be reported net of quota share reinsurance.

Company Name: Acuity, A Mutual Insurance Company	CoCode: 14184		Group Code: n/a									
Private Passenger Auto Physical Damage	Accident Quarter											
Statewide data (Illinois only) as of 3/31/2022	Q1 - 2019	Q2 - 2019	Q3 - 2019	Q4 - 2019	Q1 - 2020	Q2 - 2020	Q3 - 2020	Q4 - 2020	Q1 - 2021	Q2 - 2021	Q3 - 2021	Q4 - 2021
(2) All expenses other than loss adjustment expenses, excluding amounts from item 5 below	390,875	391,473	391,579	379,462	383,723	374,191	375,647	368,938	342,093	342,103	340,179	329,717
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	1,310,583	1,312,588	1,312,948	1,272,315	1,227,410	1,196,921	1,201,578	1,180,120	1,124,944	1,124,974	1,118,647	1,084,244
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	13,925	28,244	41,750	50,663	57,573	57,250	55,489
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense	0	0	0	0	0	0	0	0	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	616,053	652,023	645,793	748,745	445,174	480,343	517,655	790,890	434,763	713,641	628,562	621,208
(7) Net Ultimate Adjusting & Other	77,355	81,872	81,090	94,017	56,299	60,747	65,466	100,021	52,529	86,224	75,944	75,056
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	328	317	300	291	230	220	234	230	212	245	245	213
(9) Open Claim Counts	0	1	3	0	0	1	1	3	2	7	11	19
Post-refund combined ratio (6+7+2+5)/(3-4)	82.7%	85.7%	85.2%	96.1%	72.1%	77.4%	81.7%	110.7%	77.2%	107.0%	98.4%	99.7%
Pre-refund combined ratio (6+7+2)/(3)	82.7%	85.7%	85.2%	96.1%	72.1%	76.5%	79.8%	106.8%	73.7%	101.5%	93.4%	94.6%
Claims severity (6)/(8)	1,878	2,057	2,153	2,573	1,936	2,183	2,212	3,439	2,051	2,913	2,566	2,916

Notes:

Data from row (1) will be made available on an all company weighted average frequency basis.

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All data provided in rows (2)-(9) will be considered public.

"Net" refers to net of reinsurance and salvage & subrogation.

Claim counts should be reported net of quota share reinsurance.