



# Illinois Department of Insurance

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JB Pritzker  
Governor

Dana Popish Severinghaus  
Director

June 23, 2022

Mr. Andreas M. Kleiner, President  
American Modern Insurance Group  
7000 Midland Boulevard  
Amelia, OH. 45102

**Re: American Family Home Insurance Company, NAIC 23450  
American Modern Home Insurance Company, NAIC 23469  
American Modern Property & Casualty Insurance Company, NAIC 42722  
Market Conduct Examination Verified Report**

Dear Mr. Kleiner,

A Market Conduct Examination of your companies 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: American Family Home Insurance Company	CoCode:	23450	Group Code:	0361									
<b>Private Passenger Auto Liability</b>	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	18,026	17,286	16,175	15,034	10,939	6,712	2,205	1,708	7,123	22,565	42,681	55,691	
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	48,588	46,594	43,598	40,523	33,049	20,279	6,662	3,526	14,760	46,591	88,066	114,870	
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	0	0	0	0	0	0	
(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 *	1,300	4,228	4,993	5,300	0	660	0	0	0	2,669	212,266	340	
(7) Net Ultimate Adjusting & Other **	29	93	110	117	0	8	0	0	0	48	3,821	6	
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	1	2	1	1	0	1	0	0	0	1	5	0	
(9) Open Claim Counts	0	0	0	0	0	0	0	0	0	0	4	0	
Post-refund combined ratio (6+7+2+5)/(3-4)	39.8%	46.4%	48.8%	50.5%	33.1%	36.4%	33.1%	48.4%	48.3%	54.3%	293.8%	48.8%	
Pre-refund combined ratio (6+7+2)/(3)	39.8%	46.4%	48.8%	50.5%	33.1%	36.4%	33.1%	48.4%	48.3%	54.3%	293.8%	48.8%	
Claims severity (6)/(8)	1,300	2,106	4,933	5,300	0	660	0	0	0	2,537	39,163	3,036	

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.

\*Providing ALAE values

\*\*Providing ULAE values

Company Name: American Family Home Insurance Company	CoCode:	23450	Group Code:	0361								
<b>Private Passenger Auto Physical Damage</b>	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	14,791	14,464	13,676	12,182	8,980	5,272	1,557	3,086	16,711	55,661	103,150	135,281
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	39,868	38,988	36,862	32,836	27,131	15,927	4,704	6,055	34,512	114,802	212,710	278,954
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	0	0	0	0	0	0
(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	25,275	4,868	29,262	6,983	1,643	3,145	14,137	0	19,245	32,387	207,535	150,700
(7) Net Ultimate Adjusting & Other	556	107	644	154	20	38	170	0	346	583	3,736	2,713
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	1	2	9	1	1	2	2	0	2	12	21	20
(9) Open Claim Counts	0	0	0	0	0	0	0	0	0	1	0	0
Post-refund combined ratio (6+7+2+5)/(3-4)	101.9%	49.9%	118.2%	58.8%	39.2%	53.1%	337.2%	51.0%	105.2%	77.2%	147.8%	103.5%
Pre-refund combined ratio (6+7+2)/(3)	101.9%	49.9%	118.2%	58.8%	39.2%	53.1%	337.2%	51.0%	105.2%	77.2%	147.8%	103.5%
Claims severity (6)/(8)	25,275	2,434	3,251	6,983	1,643	1,572	7,068	0	9,575	2,676	9,730	7,712

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: American Modern Home Insurance Company	CoCode:	23469	Group Code:		0361							
<b>Private Passenger Auto Liability</b>	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	33,292	32,773	31,870	29,744	24,903	16,305	6,056	470	17	51	21	6
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	75,503	74,319	72,244	67,433	56,432	36,907	13,711	1,068	38	115	47	13
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	0	0	0	0	0	0
(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 *	4,579	8,599	0	1,247	0	0	0	0	0	0	0	0
(7) Net Ultimate Adjusting & Other **	101	189	0	27	0	0	0	0	0	0	0	0
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	1	1	0	1	0	0	0	0	0	0	0	0
(9) Open Claim Counts	0	0	0	0	0	0	0	0	0	0	0	0
Post-refund combined ratio (6+7+2+5)/(3-4)	50.3%	55.9%	44.1%	46.0%	44.1%	44.2%	44.2%	44.0%	44.4%	44.4%	44.4%	44.4%
Pre-refund combined ratio (6+7+2)/(3)	50.3%	55.9%	44.1%	46.0%	44.1%	44.2%	44.2%	44.0%	44.4%	44.4%	44.4%	44.4%
Claims severity (6)/(8)	4,579	8,565	0	1,232	0	0	0	0	0	0	0	0

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.

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

Claim counts should be reported net of quota share reinsurance.

\*Providing ALAE values

\*\*Providing ULAE values

Company Name: American Modern Home Insurance Company	CoCode:	23469	Group Code:		0361							
<b>Private Passenger Auto Physical Damage</b>	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	125,001	124,221	119,802	109,962	88,433	57,997	23,486	2,099	574	473	42	7
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	279,937	278,185	268,238	246,241	198,002	129,774	52,555	4,704	1,283	1,057	94	16
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	0	0	0	0	0	0
(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	61,497	240,926	38,529	24,683	19,665	6,454	46,833	0	0	0	0	0
(7) Net Ultimate Adjusting & Other	1,353	5,300	848	543	236	77	562	0	0	0	0	0
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	12	41	36	16	7	6	17	0	0	0	0	0
(9) Open Claim Counts	0	0	0	0	0	0	0	0	0	0	0	0
Post-refund combined ratio (6+7+2+5)/(3-4)	67.1%	133.2%	59.3%	54.9%	54.7%	49.7%	134.9%	44.6%	44.8%	44.8%	44.8%	44.8%
Pre-refund combined ratio (6+7+2)/(3)	67.1%	133.2%	59.3%	54.9%	54.7%	49.7%	134.9%	44.6%	44.8%	44.8%	44.8%	44.8%
Claims severity (6)/(8)	5,125	5,876	1,070	1,543	2,806	1,073	2,749	0	0	0	0	0

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: American Modern Property and Casualty Insurance Company	CoCode:	42722	Group Code:		0361							
<b>Private Passenger Auto Liability</b>	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	13,672	16,777	19,525	21,501	26,248	40,334	56,845	63,448	59,199	60,267	59,728	58,552
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	33,260	40,853	47,454	51,945	62,643	95,884	134,647	149,771	144,474	147,078	145,768	142,903
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	0	0	0	0	0	0
(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 *	3,148	11,037	139,044	300	10,703	243,847	84,916	340	680	132,174	52,901	33,367
(7) Net Ultimate Adjusting & Other **	69	243	3,059	7	128	2,926	1,019	4	12	2,379	952	601
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	1	3	8	0	2	7	8	0	0	7	9	5
(9) Open Claim Counts	0	0	0	0	0	4	2	0	0	3	4	3
Post-refund combined ratio (6+7+2+5)/(3-4)	50.8%	68.7%	340.6%	42.0%	59.2%	299.4%	106.0%	42.6%	41.5%	132.5%	77.9%	64.7%
Pre-refund combined ratio (6+7+2)/(3)	50.8%	68.7%	340.6%	42.0%	59.2%	299.4%	106.0%	42.6%	41.5%	132.5%	77.9%	64.7%
Claims severity (6)/(8)	3,148	3,670	17,294	50,000	5,343	34,598	10,332	11,333	17,000	18,345	6,117	7,402

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.

\*Providing ALAE values

\*\*Providing ULAE values

Company Name: American Modern Property and Casualty Insurance Company	CoCode:	42722	Group Code:		0361							
<b>Private Passenger Auto Physical Damage</b>	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	31,676	40,984	48,868	57,051	76,407	114,173	161,332	184,398	166,384	170,367	171,054	169,657
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	74,520	96,437	114,880	133,520	173,622	258,988	365,466	416,857	406,555	416,285	417,961	414,553
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	0	0	0	0	0	0
(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	10,899	53,766	97,690	30,084	39,070	64,498	284,129	28,349	50,920	249,284	152,059	84,568
(7) Net Ultimate Adjusting & Other	240	1,183	2,149	662	469	774	3,410	340	917	4,487	2,737	1,522
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	3	12	22	9	6	39	65	28	16	46	55	16
(9) Open Claim Counts	0	0	0	0	0	0	0	0	0	0	0	0
Post-refund combined ratio (6+7+2+5)/(3-4)	57.5%	99.5%	129.4%	65.8%	66.8%	69.3%	122.8%	51.1%	53.7%	101.9%	78.0%	61.7%
Pre-refund combined ratio (6+7+2)/(3)	57.5%	99.5%	129.4%	65.8%	66.8%	69.3%	122.8%	51.1%	53.7%	101.9%	78.0%	61.7%
Claims severity (6)/(8)	3,633	4,480	4,440	3,343	6,505	1,650	4,363	1,009	3,167	5,366	2,772	5,128

Notes:

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Claim counts should be reported net of quota share reinsurance.