



# Illinois Department of Insurance

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JB Pritzker  
Governor

Dana Popish Severinghaus  
Director

June 23, 2022

Mr. Timothy G. NeCastro, President  
Erie Insurance Group  
100 Erie Insurance Place  
Erie, PA. 16530

**Re: Erie Insurance Exchange, NAIC 26271  
Erie Insurance Company, NAIC 26263  
Erie Insurance Company of New York, NAIC 16233  
Market Conduct Examination Verified Report**

Dear Mr. NeCastro,

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: Erie Insurance Exchange	CoCode:	<b>26271</b>	Group Code:	<b>213</b>								
<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	3,072,966	4,034,760	3,934,014	3,080,620	2,993,412	3,664,603	3,648,556	2,961,020	2,882,547	3,650,367	3,538,099	3,485,030
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	12,729,432	12,863,758	12,999,033	12,965,949	12,804,349	12,597,734	12,507,166	12,341,357	12,155,344	12,123,324	12,092,459	12,129,140
(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	2,549,173	-2,803	172	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	8,601,217	11,314,972	10,692,696	11,793,093	7,911,259	6,860,901	6,669,753	6,832,580	7,986,253	8,951,777	8,465,095	10,628,655
(7) Net Ultimate Adjusting & Other	1,240,769	1,375,109	1,248,611	1,388,867	1,282,283	1,337,526	1,273,806	1,338,563	1,306,949	1,208,915	1,302,686	1,284,065
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	1,049	1,269	1,243	1,267	819	623	753	702	717	889	931	1,010
(9) Open Claim Counts	13	19	33	26	22	26	35	41	59	84	142	302
Post-refund combined ratio (6+7+2+5)/(3-4)	101.5%	130.0%	122.1%	125.4%	95.2%	114.4%	92.7%	90.2%	100.2%	113.9%	110.0%	126.9%
Pre-refund combined ratio (6+7+2)/(3)	101.5%	130.0%	122.1%	125.4%	95.2%	94.2%	92.7%	90.2%	100.2%	113.9%	110.0%	126.9%
Claims severity (6)/(8)	8,200	8,914	8,605	9,308	9,656	11,006	8,859	9,729	11,145	10,064	9,097	10,518

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: Erie Insurance Exchange	CoCode:	26271	Group Code:	213								
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	2,616,265	3,383,995	3,306,244	2,627,581	2,672,352	3,182,251	3,245,935	2,690,333	2,735,168	3,421,722	3,411,972	3,372,400
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	10,467,714	10,638,784	10,812,079	10,870,917	10,834,819	10,736,527	10,754,867	10,798,818	10,832,644	11,026,049	11,204,562	11,406,852
(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	2,173,843	9,338	150	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	6,691,310	8,533,527	7,225,345	8,631,123	6,093,461	6,215,259	7,244,567	6,982,564	6,777,239	8,324,130	9,100,727	11,111,660
(7) Net Ultimate Adjusting & Other	1,023,736	1,144,606	1,044,626	1,165,379	1,084,898	1,142,234	1,097,637	1,170,749	1,177,839	1,093,449	1,193,103	1,189,548
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	3,153	3,424	3,106	3,201	2,558	2,422	2,885	2,487	2,744	3,091	3,125	3,134
(9) Open Claim Counts	0	1	0	0	0	1	1	1	2	10	30	124
Post-refund combined ratio (6+7+2+5)/(3-4)	98.7%	122.8%	107.1%	114.3%	90.9%	118.4%	107.8%	100.4%	98.7%	116.4%	122.3%	137.4%
Pre-refund combined ratio (6+7+2)/(3)	98.7%	122.8%	107.1%	114.3%	90.9%	98.2%	107.7%	100.4%	98.7%	116.4%	122.3%	137.4%
Claims severity (6)/(8)	2,122	2,492	2,326	2,696	2,382	2,566	2,511	2,808	2,470	2,693	2,912	3,545

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: Erie Insurance Company	CoCode: 26263	Group Code: 213										
<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	162,591	213,479	208,149	162,996	158,382	193,894	193,045	156,668	152,516	193,141	187,201	184,393
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	673,515	680,622	687,780	686,029	677,479	666,547	661,755	652,982	643,140	641,446	639,813	641,753
(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	134,877	-148	9	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	455,091	598,676	565,751	623,973	418,585	363,011	352,897	361,512	422,553	473,639	447,889	562,363
(7) Net Ultimate Adjusting & Other	65,649	72,757	66,064	73,485	67,846	70,769	67,397	70,823	69,151	63,964	68,925	67,940
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	55	67	66	67	43	33	40	37	38	47	49	53
(9) Open Claim Counts	1	1	2	1	1	1	2	2	3	4	8	16
Post-refund combined ratio (6+7+2+5)/(3-4)	101.5%	130.0%	122.1%	125.4%	95.2%	114.4%	92.7%	90.2%	100.2%	113.9%	110.0%	126.9%
Pre-refund combined ratio (6+7+2)/(3)	101.5%	130.0%	122.1%	125.4%	95.2%	94.2%	92.7%	90.2%	100.2%	113.9%	110.0%	126.9%
Claims severity (6)/(8)	8,200	8,914	8,605	9,308	9,656	11,006	8,859	9,729	11,145	10,064	9,097	10,518

Notes:

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

Claim counts should be reported net of quota share reinsurance.

Company Name: Erie Insurance Company	CoCode: 26263	Group Code: 213										
<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	138,427	179,047	174,934	139,025	141,394	168,373	171,743	142,346	144,718	181,043	180,528	178,434
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	553,847	562,899	572,068	575,181	573,271	568,070	569,041	571,366	573,156	583,389	592,834	603,537
(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	115,018	494	8	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	354,038	451,509	382,293	456,673	322,405	328,850	383,310	369,448	358,584	440,430	481,520	587,918
(7) Net Ultimate Adjusting & Other	54,166	60,561	55,271	61,660	57,402	60,436	58,076	61,944	62,320	57,854	63,127	62,939
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	167	181	164	169	135	128	153	132	145	164	165	166
(9) Open Claim Counts	0	0	0	0	0	0	0	0	0	1	2	7
Post-refund combined ratio (6+7+2+5)/(3-4)	98.7%	122.8%	107.1%	114.3%	90.9%	118.4%	107.8%	100.4%	98.7%	116.4%	122.3%	137.4%
Pre-refund combined ratio (6+7+2)/(3)	98.7%	122.8%	107.1%	114.3%	90.9%	98.2%	107.7%	100.4%	98.7%	116.4%	122.3%	137.4%
Claims severity (6)/(8)	2,122	2,492	2,326	2,696	2,382	2,566	2,511	2,808	2,470	2,693	2,912	3,545

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Claim counts should be reported net of quota share reinsurance.

Company Name: Erie Insurance Company of New York	CoCode: <b>16233</b>	Group Code: <b>213</b>										
<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	16,259	21,348	20,815	16,300	15,838	19,389	19,305	15,667	15,252	19,314	18,720	18,439
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	67,351	68,062	68,778	68,603	67,748	66,655	66,175	65,298	64,314	64,145	63,981	64,175
(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	13,488	-15	1	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	45,509	59,868	56,575	62,397	41,859	36,301	35,290	36,151	42,255	47,364	44,789	56,236
(7) Net Ultimate Adjusting & Other	6,565	7,276	6,606	7,349	6,785	7,077	6,740	7,082	6,915	6,396	6,893	6,794
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	6	7	7	7	4	3	4	4	4	5	5	5
(9) Open Claim Counts	0	0	0	0	0	0	0	0	0	0	1	2
Post-refund combined ratio (6+7+2+5)/(3-4)	101.5%	130.0%	122.1%	125.4%	95.2%	114.4%	92.7%	90.2%	100.2%	113.9%	110.0%	126.9%
Pre-refund combined ratio (6+7+2)/(3)	101.5%	130.0%	122.1%	125.4%	95.2%	94.2%	92.7%	90.2%	100.2%	113.9%	110.0%	126.9%
Claims severity (6)/(8)	8,200	8,914	8,605	9,308	9,656	11,006	8,859	9,729	11,145	10,064	9,097	10,518

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

Claim counts should be reported net of quota share reinsurance.

Company Name: Erie Insurance Company of New York	CoCode:	<b>16233</b>	Group Code:	<b>213</b>								
<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	13,843	17,905	17,493	13,903	14,139	16,837	17,174	14,235	14,472	18,104	18,053	17,843
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	55,385	56,290	57,207	57,518	57,327	56,807	56,904	57,137	57,316	58,339	59,283	60,354
(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	11,502	49	1	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	35,404	45,151	38,229	45,667	32,241	32,885	38,331	36,945	35,858	44,043	48,152	58,792
(7) Net Ultimate Adjusting & Other	5,417	6,056	5,527	6,166	5,740	6,044	5,808	6,194	6,232	5,785	6,313	6,294
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	17	18	16	17	14	13	15	13	15	16	17	17
(9) Open Claim Counts	0	0	0	0	0	0	0	0	0	0	0	1
Post-refund combined ratio (6+7+2+5)/(3-4)	98.7%	122.8%	107.1%	114.3%	90.9%	118.4%	107.8%	100.4%	98.7%	116.4%	122.3%	137.4%
Pre-refund combined ratio (6+7+2)/(3)	98.7%	122.8%	107.1%	114.3%	90.9%	98.2%	107.7%	100.4%	98.7%	116.4%	122.3%	137.4%
Claims severity (6)/(8)	2,122	2,492	2,326	2,696	2,382	2,566	2,511	2,808	2,470	2,693	2,912	3,545

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