



Illinois Department of Insurance

JB Pritzker
Governor

Dana Popish Severinghaus
Director

June 22, 2022

Mr. Alexander E. Timm, President
ROOT Insurance Company
80 East Rich Street, Suite 500
Columbus, OH. 43215

Re: ROOT Insurance Company, NAIC 10974
Market Conduct Examination Verified Report

Dear Mr. Timm,

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: ROOT Insurance Company	CoCode:	10974	Group Code:	4991								
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	0	0	0	0	0	0	0	0	0	0	0	0
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	1,165,408	1,530,283	1,690,377	1,804,498	2,128,674	2,385,126	2,518,756	2,612,901	2,940,626	3,489,539	3,703,347	3,570,827
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	25,684	26	0	6	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	317,407	574,829	547,906	493,564	336,934	413,610	497,854	523,855	596,857	1,023,132	871,088	743,060
(7) Net Ultimate Adjusting & Other	1,920	24,693	31,584	7,793	4,967	7,548	14,892	9,038	5,902	5,480	3,208	1,981
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	52	64	53	70	47	63	63	74	71	112	96	77
(9) Open Claim Counts	0	1	1	0	2	3	2	4	8	15	21	31
Post-refund combined ratio (6+7+2+5)/(3-4)	27.4%	39.2%	34.3%	27.8%	16.1%	17.7%	20.6%	20.4%	20.5%	29.5%	23.6%	20.9%
Pre-refund combined ratio (6+7+2)/(3)	27.4%	39.2%	34.3%	27.8%	16.1%	17.7%	20.4%	20.4%	20.5%	29.5%	23.6%	20.9%
Claims severity (6)/(8)	6,104	8,982	10,338	7,051	7,169	6,565	7,902	7,079	8,406	9,135	9,074	9,650

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: ROOT Insurance Company	CoCode:	10974	Group Code:	4991								
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	0	0	0	0	0	0	0	0	0	0	0	0
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	749,956	953,980	1,002,276	1,005,608	1,053,257	1,115,700	1,169,158	1,217,445	1,352,326	1,571,398	1,700,190	1,731,829
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	13,799	23	0	4	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	277,665	334,228	382,974	283,477	265,933	264,838	348,013	382,141	421,369	646,936	735,162	600,621
(7) Net Ultimate Adjusting & Other	18,632	34,534	22,840	26,047	18,019	19,178	8,824	28,306	28,014	12,292	9,322	7,812
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	94	103	105	86	87	102	87	91	124	153	147	130
(9) Open Claim Counts	28	18	25	15	19	29	26	24	39	50	35	38
Post-refund combined ratio (6+7+2+5)/(3-4)	39.5%	38.7%	40.5%	30.8%	27.0%	25.5%	30.9%	33.7%	33.2%	42.0%	43.8%	35.1%
Pre-refund combined ratio (6+7+2)/(3)	39.5%	38.7%	40.5%	30.8%	27.0%	25.5%	30.5%	33.7%	33.2%	42.0%	43.8%	35.1%
Claims severity (6)/(8)	2,954	3,245	3,647	3,296	3,057	2,596	4,000	4,199	3,398	4,228	5,001	4,620

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.