

SHELTER MUTUAL INSURANCE COMPANY

PRIVATE PASSENGER AUTOMOBILE

MISSISSIPPI

EXPLANATORY MEMORANDUM

Synopsis

This filing consists of the introduction of the Premium Adjustment Factor.

The overall effect of this filing is expected to be a change of revenue of -4.6%, or approximately -\$3,049,100, as shown in Exhibit A.

Premium Adjustment Factor

COVID-19 has caused unprecedented impacts on the amount of miles customers are driving, which has created a reduction in reported claims. We expect to continue to experience a reduction in reported claims as customers continue to drive fewer miles than before COVID-19.

As a result, this filing introduces a Premium Adjustment Factor of 0.95. This adjustment:

1. Reduces premium for all Private Passenger Automobile, Business Use Automobiles, and Full Use Class Automobiles;
2. Affects premiums for both new business and renewal customers;
3. Applies the same factor to the coverages of Liability, Medical Payments, Uninsured/Underinsured Motorists, Collision, and Comprehensive; and,
4. Is temporary, but does not have a planned end date. We are continuing to monitor claims trends and miles driven to determine an end date. At a future date, we will make a filing with the Department to remove or modify the adjustment.

Please refer to manual pages GR-29, R-1, and R-10.

Exhibits

Information in support of this filing is set forth in the following exhibits:

Exhibits

Estimated Revenue Change	A
Histogram	B
Rate Change by Territory	C
State Map and Territories	D