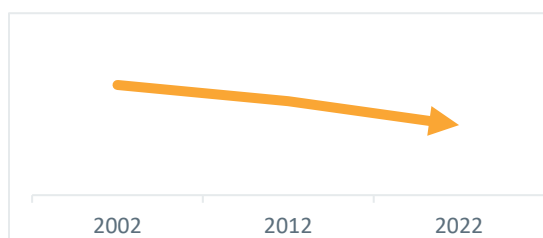


# Trends in Personal Auto Insurance Claims: 2002–2022

This update to the IRC’s longstanding *Trends* series uses data from the National Association of Insurance Commissioners (NAIC), the Fast Track Monitoring System, and other sources to describe personal auto insurance trends at the national and state levels. Highlights for three of the key metrics featured in the series include:

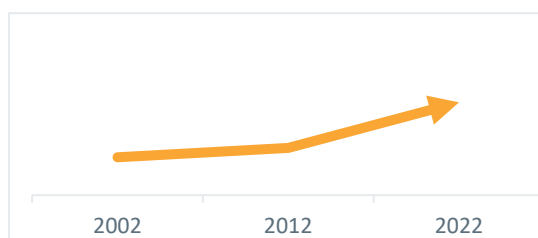
## Claim Frequency Declines

Long-term declines in auto claim frequency leveled off in mid-2000s, and the number of claims per insured vehicles generally stayed within a narrow range through 2019. Claim frequency plummeted during the pandemic and remained below prepandemic levels in 2022.



## Claim Severity Grows

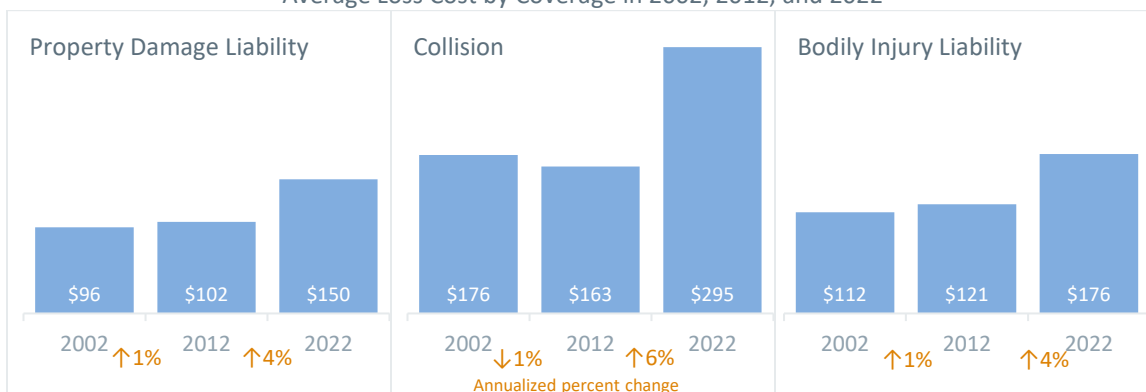
The average payment per claim for most coverages increased steadily over the study period. Growth accelerated beginning in the mid-2010s. During the pandemic years, claim severity skyrocketed, especially for vehicle damage claims, due in part to inflation.



## Average Loss Costs Growth Accelerates

Average loss costs—claim payments averaged over all insured vehicles, including those not involved in accidents—grew over the 20-year study period, as increases claim severity more than offset declines in claim frequency. The first half of the study period showed average loss costs relatively unchanged. However, as earlier claim frequency declines leveled off and claim severity accelerated, the average payment per insured vehicle for most coverages climbed steadily until the 2020 drop due to the pandemic. By 2022, average loss costs for nearly every coverage had surpassed the prepandemic level. Accelerating growth in loss costs point to increased insurance costs for consumers.

Average Loss Cost by Coverage in 2002, 2012, and 2022



State variations: Most variables depicted in this report show significant variation among jurisdictions. For example, the combined injury average loss cost in the state with the highest cost (Florida) was 5.5 times the loss cost in the state with the lowest cost (North Dakota). Several factors can influence these differences: traffic conditions, medical prices, policy limits and other insurance regulations, litigiousness, fraud, and the design of the injury tort or no-fault environment. and loss cost trends over two decades, from 2002 through 2022.