



Explanatory Memorandum

CURE is submitting this filing to revise the rates in its Private Passenger Auto program in the state of Michigan.

We are proposing the following changes:

- Increase the base rate for BI, PPI, and PIP coverages by 25%.
- Revise the current PIP limit factor.
- Introduce the household member to vehicle factor for PIP coverage.
- Introduce the full coverage discount.

The proposed revision of the base rate and PIP limit is driven by CURE's loss experience. Support for the base rate increases and rating factors can be found in the attached rate indication.

The household member to vehicle factor, adopted from CURE's NJ rating model, aligns the rate more accurately to the risk(s) given that PIP coverage on a primary basis comes back to the policy associated with the injured party's household.

The full coverage discount is being introduced as part of CURE's strategic direction.

The change is requested to be proposed effective on January 24, 2025 for New Business and March 2, 2025 for Renewal Business.