

From: sbs@naic.org
To: [Hernandez, Ashley, OSI](#)
Subject: [EXT] Auto Premium Refunds May 2021
Date: Wednesday, May 26, 2021 3:43:54 PM

ABC Company
55555

May 26, 2021

SENT VIA EMAIL

Re: Auto Premium Refunds May 2021

Dear Auto Insurance Carriers,

The New Mexico Office of Superintendent of Insurance (“OSI”) appreciates the continued cooperation of auto insurance carriers in our collective attempts to ensure equitable treatment of policyholders over the last year when driving patterns were significantly impacted by COVID-19.

Your submissions to our office in response to our last data call, issued by OSI on January 29, 2021, have allowed OSI to evaluate the overall profitability of auto carriers in New Mexico. It appears that some companies have had an abnormally profitable year, despite the refunds that were issued by most carriers. While we are refraining from defining a set threshold for profitability, the Superintendent is asking all personal auto insurance companies to review their 2020 loss experience and determine whether additional refunds are warranted for this retrospective period. This request for consideration does not apply to commercial lines.

It is recognized that some companies may have recently filed rate decreases which apply to the expected exposures going forward. These filings do not address the Superintendent’s concerns about excessive profitability in 2020.

If the company determines that additional refunds are appropriate, the company should submit a SERFF filing documenting the amount and timing of refunds. If the company determines that further refunds are not warranted, the company shall provide a memo to the Superintendent justifying that conclusion. The memo may be emailed to Anna.Krylova@state.nm.us.

The deadline to complete the analysis and file the outcome with the Superintendent, as specified above, is July 16, 2021.

Thank you for your consideration and recognition of the continued need for relief to policyholders.

Thank you,

Ashley Hernandez

Ashley Hernandez, Bureau Chief

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New Mexico Office of Superintendent of Insurance
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