



General Motors Insurance  
PO Box 181839  
Arlington, TX 76096

September 19, 2025

Florida Department of Financial Services  
Office of Insurance Regulation  
Bureau of Property and Casualty Forms and Rates  
200 East Gaines Street  
Tallahassee, Florida 32399-0330

GM National Insurance Company  
Private Passenger Auto  
Rate Filing  
Use and File  
Company Filing Number: FL03 RARU

Proposed Effective Dates: 9/18/25

Please find enclosed a rate filing for GM National Insurance Company.

This filing is being submitted in accordance with the “use and file” provision in Section 627.0651 (1)(b). To the best of our knowledge this filing complies with the statutes and regulations of the State of Florida.

Please reach out to me directly with any concerns or questions.

Thank you,

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GM National Insurance Company  
Private Passenger Auto  
Florida  
Explanatory Memorandum

A modification to our Florida Private Passenger Automobile program is being submitted for your review. We recently launched our new program on 8/1/25 (FCP 25-017813) and it is apparent early in our launch that our rate level is too high based on internal quote conversion metrics as well as rate decreases filed by competitors over the last several months. We are filing a base rate decrease of -19.5% revising base rates by coverage, fixed expense premium base rates and fixed expense constant (fee). The rate decrease is measured on the amount of bound premium since launch.

Since this is a new program, we have very limited data and rely on 1) expected bind rates and 2) comparisons of selected average premiums to competitor average premiums from a market basket of Florida risks to determine our competitive position. We used this method for the selection of our initial average premiums and corresponding base rates and have refreshed the market basket to update the mix of shoppers and incorporate more recent competitor changes.

**Bind Rates**

With each state launch we select a target conversion rate (no. of binds/no. of quotes) that we believe is reasonable for a direct-to-consumer private passenger auto insurer in the long term. Conversion rates can trend up over time as new companies promote brand awareness and develop marketing capabilities, so the conversion rate is not always targeted by rate alone. The conversion rate we are observing is well below the initial target and this rate reduction will move us closer while allowing for upward trend to the long-term expectation as the company's marketing and brand matures. The table below shows our actual conversion rate relative to our target conversion rate:

<b>Current Conversion Relativity to Target</b>	<b>Projected Conversion Relativity to Target</b>
0.14	0.57

**Competitor Rate Changes and Average Premium Selections**

Rates for our program were initially selected in Fall of 2024 with our initial filing but were not implemented until 8/1/25. During that time carriers in our market basket have reduced rates and our selected average premiums, which were competition based, are higher than anticipated in market. In addition, large carriers such as Progressive have implemented multiple rate reductions, making the market more competitive in general.

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Private Passenger Auto  
Florida  
Explanatory Memorandum

Company	% Change	Effective Date	Total
PRG American (AG)	-7.4%	12/13/2024	
	-8.0%	6/27/2025	-15.4%
PRG Select (DI)	-7.4%	12/13/2024	
	-3.0%	6/27/2025	-10.4%
Geico CIC	-7.4%	4/29/2024	
	-3.4%	11/14/2024	-10.8%
State Farm Mut	-2.0%	10/28/2024	
	-6.0%	3/3/2025	
	-4.4%	8/25/2025	-12.4%
Travelers	-2.0%	5/2/2025	-2.0%
Liberty Mutual	-5.0%	6/5/2025	-5.0%
ANAIC	-7.0%	10/13/2025	-7.0%

To reflect these changes, we have updated our market basket to include rate decreases implemented through 1<sup>st</sup> Quarter 2025 and adjusted resulting average premiums by rate changes implemented since then for State Farm effective 8/25/25 and Allstate North American (ANAIC) effective 10/13/25.

During the regulatory review of our initial filing, we made several changes to adopt more ANAIC rates and factors since our franchise program structure is based on ANAIC. In our initial average premium selection process, we placed less weight on ANAIC because the filing had recently been approved, we had no performance data to review, and their average premiums were much lower than the competition for several coverages. Since we are now more similar to ANAIC segmentation and considering our competitive position, it makes sense to place weight on ANAIC in our average premium selection process.

In addition, we have filtered the market basket to only include shoppers that meet our underwriting guidelines and target market. This allows for a more accurate rate comparison with competitors on risks that will make up our quoting population.

We have used the updated and filtered market basket to make revised average premium selections by coverage taking into consideration the most recent in market competitor rates and our reliance on ANAIC as the basis for our program. Please see Exhibit #1 for selections and rationale. The average premium selections were then run through the market basket to derive the base rates. The filtered market basket mix is different from the full market basket which resulted in additional changes to base rates beyond just the average premiums selection decreases.

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Private Passenger Auto  
Florida  
Explanatory Memorandum

Due to the new average premium projections, we have revised our fixed expense premium and fixed expense constant. Please see Exhibit #2 for the derivation of the target fixed expense premium and corresponding base rates using the market basket analysis consistent with our original methodology. We have also included an updated Fixed Expense Flattening Worksheet for the revised by coverage fixed expense fees.