

Archived: Thursday, May 22, 2025 9:29:26 AM

From: [Jimmy Harris](#)

Sent: Thursday, May 22, 2025 9:29:01 AM

To: [Becky Harrington](#)

Subject: RE: Hugo Insurance Exchange - PPA Rate Filing HUGO-134539653

Sensitivity: Normal

Thanks for visiting. I think they are ok, probably much higher than other insurers currently.

Thanks,

Jimmy

From: Becky Harrington <Becky.Harrington@arkansas.gov>

Sent: Thursday, May 22, 2025 6:53 AM

To: Jimmy Harris <Jimmy.Harris@arkansas.gov>

Subject: Hugo Insurance Exchange - PPA Rate Filing HUGO-134539653

Their initial filing went into effect 2/24/25. They are asking for -16.8% base rate reduction based upon a recent filing made by The General and increasing their permissible loss ratio by 9%. They are only taking into consideration half of what The General filed in March to be sure they don't lower too much, but I'm still concerned they will start writing a ton of new business because the rates are lower, and losses will pile up. The General filing also included various factor changes, not just base rates.

I compared the new base rates from The General and the proposed Hugo filing. It is difficult to make a straight comparison since General has 4 market channels of base rates and Hugo's does not currently vary by channel. Hugo's BI and PD are comparable to the average of General's but the comp and coll are considerably lower. \$584 and \$561 compared to \$778 and \$1400.

They made a -14% filing in MS where they have been writing since October 2024.

They have written on 65 policies since they started writing here in February.

OK to let them have the full -16.8%?