

1 MPI did not conduct a pricing examination using the primary driver model mainly
2 because it does not have the information on the primary driver(s) of its insured
3 vehicles. While MPI can assume that the registered owner is the primary driver in the
4 case of registered owners with only one registered vehicle, doing so would revert back
5 to the registered owner model. Further, 24% of registered owners have more than
6 one registered vehicle meaning the assumption is less likely to be applicable.

7 One other limitation in conducting a pricing examination relates to how a subset of
8 Collision losses would be handled under a primary driver model. For Collision losses
9 where a driver can be identified³, ~~41~~33% of reported losses⁴ are attributable to claims
10 where the driver is not the registered owner. The handling of these losses under a
11 primary driver model would impact the determination of the appropriate vehicle
12 discounts.

³ Collision losses where a driver cannot be identified are commonly a result of hit-and-run accidents.

⁴ For insurance years 2016 to 2020 as of February 28, 2021.

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7 One other limitation in conducting a pricing examination relates to how a subset of
8 Collision losses would be handled under a primary driver model. For Collision losses
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