



CCC Crash Course Report Highlights the Growing Impact of Severe Weather Events on Auto Insurance and Collision Repair Industries

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The Q2 2024 edition examines how extreme weather such as hurricanes and hailstorms affect auto claims and repairs and includes updates on key industry trends

CHICAGO--(BUSINESS WIRE)--Jun. 25, 2024-- [CCC Intelligent Solutions Inc.](#) (CCC), a leading cloud platform powering the P&C insurance economy, today published its [Crash Course Q2 2024 Report](#). This edition focuses on how severe weather events, particularly hurricanes and convective storms, are impacting the auto insurance and collision repair industries, and provides updates on data, insights, and trends impacting auto claims and repairs.

The report is based on information derived from 300 million claims-related transactions and millions of bodily injury and personal injury protection (PIP) /medical payments (MedPay) casualty claims processed by CCC customers using the company's solutions.

Crash Course Q2 2024 examines how severe weather has expanded its geographical impact, forcing the auto insurance and repair industries to adapt to new patterns and prepare for an unpredictable future. The report highlights significant increases in repair times and costs due to storm-related damages. Specifically, hail-related auto claims rose to 11.8% of all comprehensive claims in 2023, up from 9% in 2020, with average repair costs for hail-damaged vehicles increasing by 15% over the past three years. In addition, hail claims are on average 21.7% more costly to repair than the average comprehensive claim and 25.6% costlier than the average repairable claim.

"Extreme weather events are increasing in severity, becoming major disruptors in the auto claims and repair industry," said Kyle Krumlauf, director of industry analytics at CCC and co-author of Crash Course. "Our Q2 report delivers critical insights, showing that the frequency and severity of storms are not just a seasonal issue but a persistent challenge that demands strategic planning and swift adaptation from industry players."

Key findings of Crash Course Q2 2024 include:

- **Record Storms and Increased Costs:** The surge in billion-dollar weather events has led to higher claims costs and longer repair times. A case study in the report highlights Hurricane Ian's impact in 2022, where comprehensive estimates tripled in affected states and increased nearly sevenfold in Florida.
- **Geographic Shifts:** The migration of populations to hurricane and hail-prone areas like Florida, Colorado and Texas has intensified the impact on insurers and repair shops, leading to higher volumes of claims and stressing the existing repair infrastructure.
- **Vehicle Repair Costs Rising:** The average total cost of repair (TCOR) increased 3.3% in Q1 2024 compared to Q1 2023, with labor rates and parts costs contributing to the rise. Q1 2024 saw significant improvements in repair cycle times, with vehicles entering repair shops six days sooner compared to Q4 2023.
- **Electric Vehicles (EVs) Repairable Claims Growing:** EVs accounted for 2.4% of all repairable claims in Q1 2024, up from 1.6% in Q1 2023. The average repair cost for EVs is 46.9% higher than for non-EVs, primarily due to higher labor costs. For vehicles 3 years and newer, the average repair cost for EVs is 19.5% more than non-EVs.
- **Casualty and Medical Costs Continue to Rise:** Medical treatment costs for auto claims are rising, with high-dollar procedures experiencing significant inflation. Additionally, uninsured and underinsured motorist (UM/UIM) injury claims increased by 44%, rising from 9.4% in Q1 2023 to 13.5% in Q1 2024, as households struggle with rising auto insurance premiums.
- **Subrogation Trends:** High turnover among adjusters is hindering subrogation efforts, leading to a 16% decrease in referrals. Carriers are increasingly using technology to streamline subrogation processes and improve recovery rates.

Previously published annually, Crash Course is being released quarterly in 2024 to provide more frequent updates on key trends and insights. The Q2 2024 report is the 30th edition of Crash Course.

Download the full report at cccis.com/reports/crash-course-2024.

About CCC

CCC Intelligent Solutions Inc. (CCC), a subsidiary of CCC Intelligent Solutions Holdings Inc. (NASDAQ: CCCS), is a leading cloud platform for the multi-trillion-dollar P&C insurance economy, creating intelligent experiences for insurers, repairers, automakers, part suppliers, and more. The CCC Intelligent Experience (IX) Cloud™ platform, powered by proven AI and an innovative event-based architecture, connects more than 35,000 businesses to power customized applications and platforms for optimal outcomes and personalized experiences that just work. Through purposeful

innovation and the strength of its connections, CCC technologies empower the people and industry relied upon to keep lives moving forward when it matters most. Learn more about CCC at www.cccis.com.

Special Note Regarding Forward-Looking Statements

This press release contains forward-looking statements that are based on beliefs and assumptions and on information currently available. In some cases, you can identify forward-looking statements by the following words: “may,” “will,” “could,” “would,” “should,” “expect,” “intend,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “project,” “potential,” “continue,” “ongoing” or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words. These statements involve risks, uncertainties and other factors that may cause actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. Forward-looking statements in this press release include, but are not limited to, statements regarding future use and performance of CCC’s digital solutions. We cannot assure you that the forward-looking statements in this press release will prove to be accurate. These forward-looking statements are subject to a number of risks and uncertainties, including, among others, competition, including technological advances and new products marketed by competitors; changes to applicable laws and regulations; and other risks and uncertainties, including those included under the header “Risk Factors” in CCC’s filings with the Securities and Exchange Commission (“SEC”), including the Form 10-K filed February 28, 2024, which can be obtained, without charge, at the SEC’s website (www.sec.gov). The forward-looking statements in this press release represent our views as of the date of this press release. We anticipate that subsequent events and developments will cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this press release.

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