

## Multiple factors drive premium increases for Illinois home, property owners

By Jim Talamonti | The Center Square  
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Alan Wooten | The Center Square

(The Center Square) – The financial pinch of inflation is punishing Illinois homeowners and insurers.

According to data from Bankrate.com, the average Illinois homeowner's monthly premium has gone up 42% since January 2023.

Consumer Watchdog Executive Director Carmen Balber said a confluence of events have caused cost increases for insurance companies.



“Those are tied to the obvious, which is inflation, which everyone experienced after the pandemic, but also that led to costs in labor increasing, construction costs increasing, materials costs increasing. All of those things can lead to higher costs when a home is damaged in a rainstorm, for example,” Balber said.

Balber said insurance companies reacted to losses in the stock market.

“When the insurance industry loses money on Wall Street, they restrict sales or they raise prices, because the money that they used to make on investments they now want to make from premiums,” Balber said.

Balber also said there have been more weather-related losses.

“Insurance companies, not just in the coast states but in Illinois as well, will experience those (losses) from bigger storms, hail storms, etc.” Balber said.

Digital insurance platform Insurify reported that home insurance rates in the United States increased 19.8% between 2021 and 2023.

Insurify Data Insights Manager Chase Gardner said Illinois insurers experienced losses in 2023.

“Last year in Illinois, for home insurance, it was one of the ten worst states for loss ratios. What that means is that essentially companies in the state were paying more money out in claims than they were bringing back in in premiums,” Gardner said.

Some analysts have expressed concern that homeowners may reduce coverage in an attempt to lower their premiums.

Auto insurance rates are also inflated. Insurify projects an increase of 31% in auto insurance premiums in Illinois this year, including a 10% rise before Dec. 31.

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**Jim Talamonti**

Illinois reporter



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**From:** James Talamonti <jtalamonti@thecentersquare.com>  
**Date:** Mon, Dec 23, 2024 at 9:48 AM  
**Subject:** Re: Question regarding your article from Sep 18, 2024 in The Center Square  
**To:** Kurt Zitzner <kurt@advocateconstruction.com>

Kurt,

Thank you very much for reading the story and for your kind feedback! I just consulted with our Illinois editor and executive editor and they also appreciated your feedback and said, yes, it would be acceptable to share the PDF copy on your website.

I hope you have a wonderful holiday season and a Happy New Year.

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