

2018

# A Firm Foundation

How Insurance Supports the Economy



**INSURANCE  
INFORMATION  
INSTITUTE**

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# Table Of Contents

To the Reader.....	1
Chapter 1: Introduction.....	2
Insurance Industry at a Glance.....	2
Chapter 2: Driving Economic Progress.....	4
Employment.....	4
Insurance Payrolls.....	5
Premiums.....	5
Surplus Lines.....	6
Major Players – Rankings by Line.....	7
Taxes.....	11
Comparison with Other Industries.....	12
Charitable Contributions.....	12
Contribution to GDP.....	13
Chapter 3: Investing in Capital Markets.....	14
Introduction.....	14
Property/Casualty Industry Investments.....	14
Life/Health Industry Investments.....	17
Ownership of Municipal Securities.....	18
Chapter 4: Supporting Resilience and Disaster Recovery.....	19
Introduction.....	19
Reinsurance.....	21
Hurricanes.....	22
Tornadoes.....	24
Earthquakes.....	25
Wildfires.....	27
Terrorism.....	27
Chapter 5: Fostering Innovations in Key Industries.....	29
Introduction.....	29
Auto Repair Industry.....	29
Construction Industry.....	30
Healthcare Industry.....	31
Chapter 6: Empowering Lenders.....	33
Credit Insurance for Short-term Trade Receivables.....	33
Private Mortgage Insurance.....	33
Credit Life/Health.....	34

Chapter 7: Supporting Businesses, Workers, Communities.....	35
Life Insurance Payouts.....	35
Disability Insurance Premiums.....	35
Workers Compensation Indemnity Payouts.....	36
Chapter 8: Contribution to State Economies: A 50-State Commitment.....	37
Employment.....	37
Premiums.....	38
Surplus Lines .....	47
Gross State Product.....	49
State Taxes.....	51
Insurance Companies by State.....	51
Catastrophes by State.....	54
Residual Markets.....	59
Captives by State.....	60
Incurred Losses by State.....	61
Insured Cars by State.....	68
Insured Homes by State.....	69
Businesses by State.....	70
Appendices.....	72
I.I.I. Resources.....	72
I.I.I. Staff/Representatives.....	73

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## To The Reader

Insurance is the lifeblood of any developed economy, as it enables individuals, businesses and even governments to transfer risk to further invest and grow. Simply put, without insurance, an economy cannot develop in a sustainable manner. However, few people are aware of the extraordinary impact the industry has on state, local and national economies. For example:

By the numbers...

- 2.6 million... Citizens in the U.S. are employed, in a wide variety of careers, from human resource administrators to public relations managers to financial analysts in the property/casualty and life insurance industries.
- \$5.5 trillion... Assets under management in 2016, including \$1.6 trillion for the property/casualty sector and \$3.9 trillion for the life sector.
- \$508 billion... Property/casualty and life insurance industries contributed to the U.S. gross domestic product in 2016, which amounts to roughly 2.7 percent of the whole.
- \$700.9 billion... Property/casualty policyholder surplus on hand at the end of 2016 for ensuring individuals and businesses claims are paid.
- \$20.5 billion... Taxes paid by the property/casualty and life insurance industries in the U.S. in 2016 -- \$63 for every citizen.

To explain the ways that both property/casualty and life insurance contribute to our economy far beyond their core function of helping to manage risk, the Insurance Information Institute has produced a website, A Firm Foundation: How Insurance Supports the Economy. This publication shows the myriad ways in which insurance supports the economy. Each chart illustrates one or more elements. Together they tell a tale that is rarely told—that insurance helps provide the firm foundation for a functioning economy.

We hope that you will enjoy and utilize the information contained in A Firm Foundation. You can also count on the Insurance Information Institute to leverage this as well throughout the year as we continue to drive the public conversation about the key role of insurance in creating a safer, more stable world.

Sean Kevelighan  
CEO  
Insurance Information Institute



## Chapter 1: Introduction

### Insurance Industry at a Glance

- U.S. insurance industry net premiums written totaled \$1.1 trillion in 2016, with premiums recorded by life/health (L/H) insurers accounting for 53 percent, and premiums by property/casualty (P/C) insurers accounting for 47 percent, according to S&P Global Market Intelligence.
- P/C insurance consists primarily of auto, home and commercial insurance. Net premiums written for the sector totaled \$533.7 billion in 2016.
- The L/H insurance sector consists primarily of annuities and life insurance. Net premiums written for the sector totaled \$597.7 billion in 2016.
- Health insurance is generally considered separate. The sector includes private health insurance companies as well as government programs. P/C and L/H insurers also write some health insurance.
- There were 5,977 insurance companies in 2016 in the United States (including territories). According to the National Association of Insurance Commissioners, those were comprised of the following: P/C (2,538); life/annuities (872); health (858); fraternal (85); title (55); risk retention groups (247); and other companies (1,314).
- Insurance carriers and related activities contributed \$507.7 billion, or 2.7 percent, to the U.S. gross domestic product in 2016, according to the U.S. Bureau of Economic Analysis.
- The U.S. insurance industry employed 2.6 million people in 2016, according to the U.S. Department of Labor. Of those, 1.5 million worked for insurance companies, including L/H insurers (811,900 workers), P/C insurers (648,200 workers) and reinsurers (25,000 workers). The remaining 1.1 million people worked for insurance agencies, brokers and other insurance-related enterprises.
- Total P/C cash and invested assets were \$1.59 trillion in 2016, according to S&P Global Market Intelligence. L/H cash and invested assets totaled \$3.89 trillion in 2016. The total of cash and invested assets for both sectors was \$5.48 trillion. The majority of these assets were in bonds (61 percent of P/C assets and 74 percent of L/H assets).
- P/C and L/H insurance companies paid \$20.5 billion in premium taxes in 2016, or \$63 for every person living in the United States, according to the U.S. Department of Commerce.
- P/C insurers paid out \$21.7 billion in property losses related to catastrophes in 2016, compared with \$15.2 billion in 2015, according to the Property Claims Services division of Verisk Analytics. There were 42 catastrophes in 2016, compared with 39 in 2015.

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## U.S. P/C and L/H Insurance Premiums, 2016



Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Chapter 2: Driving Economic Progress

### Employment

#### Careers And Employment

The insurance industry is a major U.S. employer, providing some 2.6 million jobs that encompass a wide variety of careers, from human resource administrators to public relations managers to financial analysts. Some jobs, such as claims adjusters, actuaries and insurance underwriters, are unique to the insurance industry. For information about the many career opportunities in the insurance industry, consult the Bureau of Labor Statistics' [Career Guide to Industries](#) or [insuremypath.org](#).

#### Employment In Insurance, 2007-2016

(Annual averages, 000)

	Insurance carriers				Insurance agencies, brokerages and related services			
	Direct insurers (1)							
Year	Life and health (2)	Property/ casualty	Reinsurers	Total	Insurance agencies and brokers	Other insurance-related activities (3)	Total	Total industry
2007	787.1	647.0	27.0	1,461.1	677.8	252.7	930.5	2,391.6
2008	800.8	646.7	27.9	1,475.4	671.6	258.1	929.6	2,405.1
2009	802.8	632.9	27.5	1,463.2	653.3	254.2	907.4	2,370.6
2010	804.1	614.3	26.8	1,445.2	642.3	253.1	895.5	2,340.6
2011	788.9	611.6	25.6	1,426.1	649.2	261.1	910.3	2,336.4
2012	811.3	599.5	25.7	1,436.4	659.6	272.3	931.8	2,368.3
2013	813.2	593.7	26.2	1,433.1	672.3	283.5	955.8	2,388.9
2014	829.0	594.7	25.1	1,448.7	720.0	297.1	1,017.1	2,465.8
2015	851.1	599.7	25.1	1,475.9	762.4	306.2	1,068.6	2,544.5
2016	811.9	648.2	25.0	1,485.1	776.9	321.2	1,098.1	2,583.1

(1) Establishments primarily engaged in initially underwriting insurance policies.

(2) Includes establishments engaged in underwriting annuities, life insurance and health and medical insurance policies.

(3) Includes claims adjusters, third-party administrators of insurance funds and other service personnel such as advisory and insurance ratemaking services.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

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## Insurance Payrolls

### Insurance Carriers And Related Activities Compensation, 2012-2016

Year	Annual payroll (\$ billions)
2012	\$215.3
2013	218.8
2014	233.7
2015	249.8
2016	255.3

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

## Premiums

### Net Premiums Written, Property/Casualty And Life/Health

There are three main insurance sectors. Property/casualty (P/C) consists mainly of auto, home and commercial insurance. Life/health (L/H) consists mainly of life insurance and annuity products. Most private health insurance is written by insurers whose main business is health insurance. However, L/H and P/C insurers also write this coverage. In 2016 P/C net premiums written rose by 2.6 percent, while L/H net premiums written fell by 6.0 percent.

### Property/Casualty And Life/Health Insurance Premiums, 2016 (1)

(\$ billions)



(1) Property/casualty: net premiums written after reinsurance transactions, excludes state funds; life/health: premiums, annuity considerations (fees for annuity contracts) and deposit-type funds.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.



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## Property/Casualty And Life/Health Insurance Net Premiums Written, 2007-2016

(\$000)

Year	Property/casualty (1)	Life/health (2)	Total
2007	\$446,179,922	\$596,111,873	\$1,042,291,795
2008	440,318,983	607,250,216	1,047,569,199
2009	423,528,077	491,487,792	915,015,869
2010	425,878,773	560,494,920	986,373,693
2011	441,562,154	602,257,296	1,043,819,450
2012	460,686,182	623,238,450	1,083,924,632
2013	481,517,971	560,070,547	1,041,588,518
2014	502,842,475	644,480,928	1,147,323,403
2015	520,149,847	635,550,027	1,155,699,874
2016	533,685,406	597,650,170	1,131,335,576
<b>Percent change, 2007-2016</b>	<b>19.6%</b>	<b>0.3%</b>	<b>8.5%</b>

(1) Net premiums written after reinsurance transactions, excludes state funds.

(2) Premiums, annuity considerations (fees for annuity contracts) and deposit-type funds for life/health insurance companies.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Surplus Lines

The surplus lines market, a group of highly specialized insurers that includes Lloyd's of London, exists to assume risks that licensed companies decline to insure or will only insure at a very high price, with many exclusions or with a very high deductible. To be eligible to seek coverage in the surplus lines market, a diligent effort must have been made to place insurance with an admitted company, usually defined by a certain number of declinations, or rejections, by licensed insurers, typically three to five. Many states provide an export list of risks that can be insured in the surplus lines market. This obviates the diligent search requirement.

The terms applied to the surplus lines market—nonadmitted, unlicensed and unauthorized—do not mean that surplus lines companies are barred from selling insurance in a state or are unregulated. They are just less regulated. Each state has surplus lines regulations, and each surplus lines company is overseen for solvency by its home state. More than half of the states maintain a list of eligible surplus lines companies and some a list of those that are not eligible to do business in that state.

Lloyd's of London is a significant writer of surplus lines insurance, both for corporations and individuals. Lloyd's members conduct their insurance business in syndicates, each of which is run by a managing agent. According to A.M. Best, in 2016 the Lloyd's market represented 23 percent of the total surplus lines market share and wrote \$9.6 billion in excess and surplus lines (E&S) premiums. The largest E&S lines for Lloyd's are commercial property, general liability, cyber and professional indemnity.

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## Top 25 U.S Surplus Lines Groups By Direct Premiums Written, 2016

(\$000)

Rank	Group	Direct written premiums	Percent of total U.S. surplus lines market
1	Lloyd's	\$9,607,000	22.6%
2	American International Group (1)	3,765,349	8.9
3	Nationwide Group	1,727,403	4.1
4	W. R. Berkley Insurance Group	1,724,012	4.1
5	Chubb INA Group	1,479,874	3.5
6	Markel Corporation Group	1,233,685	2.9
7	Berkshire Hathaway Ins. Group	1,183,762	2.8
8	Zurich Financial Services NA Group	1,163,854	2.7
9	XL Catlin America Group	1,124,186	2.6
10	Fosun US Group	870,585	2.1
11	Alleghany Ins. Holdings Group	761,190	1.8
12	Fairfax Financial (USA) Group	734,786	
13	Argo Group	676,625	1.6
14	Tokio Marine US PC Group	639,859	1.5
15	State National Group	638,735	1.5
16	AXIS Insurance Group	625,012	1.5
17	CNA Insurance Companies	615,516	1.5
18	QBE Americas Group	613,359	1.4
19	Great American P & C Ins. Group	571,358	1.3
20	Arch Insurance Group	526,177	1.2
21	Allied World Assurance Group	515,243	1.2
22	Endurance Specialty Group	489,253	1.2
23	Aspen US Insurance Group	471,821	1.1
24	Starr International Group	442,288	1.0
25	Swiss Reinsurance Group	394,328	0.9
<b>Total, top 25</b>		<b>\$32,595,260</b>	<b>76.8%</b>
<b>Total U.S. surplus lines market</b>		<b>\$42,425,277</b>	<b>100.0%</b>

(1) Does not include direct surplus lines premium moved to offshore affiliate AIG Europe, Ltd.

Source: A.M. Best data and research.

## Major Players—Rankings by Line

As employers, taxpayers and investors, insurance companies play a major role in the U.S. economy, contributing \$507.7 billion, or 2.7 percent, of U.S. gross domestic product in 2016. The following charts identify some of the leading players in this vital sector.

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## Top 10 Writers Of Property/Casualty Insurance By Direct Premiums Written, 2016

(\$000)

Rank	Group/company	Direct premiums written (1)	Market share (2)
1	State Farm Mutual Automobile Insurance	\$62,189,311	10.2%
2	Berkshire Hathaway Inc.	33,300,439	5.4
3	Liberty Mutual	32,217,215	5.3
4	Allstate Corp.	30,875,771	5.0
5	Progressive Corp.	23,951,690	3.9
6	Travelers Companies Inc.	23,918,048	3.9
7	Chubb Ltd.	20,786,847	3.4
8	Nationwide Mutual Group	19,756,093	3.2
9	Farmers Insurance Group of Companies (3)	19,677,601	3.2
10	USAA Insurance Group	18,273,675	3.0

(1) Before reinsurance transactions; includes state funds.

(2) Based on U.S. total; includes territories.

(3) Data for Farmers Insurance Group of Companies and Zurich Financial Group (which owns Farmers' management company) are reported separately by S&P Global Market Intelligence.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Top 10 Writers Of Life/Health Insurance/Annuities By Direct Premiums Written, 2016

(\$000)

Rank	Group/company	Direct premiums written (1)	Market share (2)
1	MetLife Inc.	\$95,110,802	15.2%
2	Prudential Financial Inc.	45,902,327	7.3
3	New York Life Insurance Group	30,922,462	4.9
4	Principal Financial Group Inc.	28,186,098	4.5
5	Massachusetts Mutual Life Insurance Co.	23,458,883	3.8
6	American International Group	22,463,202	3.6
7	Jackson National Life Group	22,132,278	3.5
8	AXA	21,920,627	3.5
9	AEGON	21,068,180	3.4
10	Lincoln National Corp.	19,441,555	3.1

(1) Includes life insurance, annuity considerations, deposit-type contract funds and other considerations; excludes accident and health insurance. Before reinsurance transactions.

(2) Based on U.S. total, includes territories.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Top 10 Writers Of Homeowners Insurance By Direct Premiums Written, 2016

(\$000)

Rank	Group/company	Direct premiums written (1)	Market share (2)
1	State Farm Mutual Automobile Insurance	\$17,610,240	19.2%
2	Allstate Corp.	7,903,530	8.6
3	Liberty Mutual	6,228,877	6.8
4	Farmers Insurance Group of Companies (3)	5,515,277	6.0
5	USAA Insurance Group	5,341,021	5.8
6	Travelers Companies Inc.	3,387,144	3.7
7	Nationwide Mutual Group	3,299,236	3.6
8	American Family Mutual	2,855,835	3.1

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Rank	Group/company	Direct premiums written (1)	Market share (2)
9	Chubb Ltd.	2,697,841	3.0
10	Erie Insurance Group	1,538,085	1.7

(1) Before reinsurance transactions, includes state funds.

(2) Based on U.S. total, includes territories.

(3) Data for Farmers Insurance Group of Companies and Zurich Financial Group (which owns Farmers' management company) are reported separately by S&P Global Market Intelligence.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Top 10 Writers Of Private Passenger Auto Insurance By Direct Premiums Written, 2016

(\$000)

Rank	Group/company	Direct premiums written (1)	Market share (2)
1	State Farm Mutual Automobile Insurance	\$39,194,660	18.3%
2	Berkshire Hathaway Inc.	25,531,762	11.9
3	Allstate Corp.	20,813,858	9.7
4	Progressive Corp.	19,634,834	9.1
5	USAA Insurance Group	11,691,051	5.4
6	Liberty Mutual	10,774,426	5.0
7	Farmers Insurance Group of Companies (3)	10,304,622	4.8
8	Nationwide Mutual Group	7,640,558	3.6
9	American Family Insurance Group	4,005,549	1.9
10	Travelers Companies Inc.	3,896,786	1.8

(1) Before reinsurance transactions, includes state funds.

(2) Based on U.S. total, includes territories.

(3) Data for Farmers Insurance Group of Companies and Zurich Financial Group (which owns Farmers' management company) are reported separately by S&P Global Market Intelligence.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Top 10 Writers Of Commercial Auto Insurance By Direct Premiums Written, 2016

(\$000)

Rank	Group/company	Direct premiums written (1)	Market share (2)
1	Progressive Corp.	\$2,625,929	7.9%
2	Travelers Companies Inc.	2,124,182	6.4
3	Nationwide Mutual Group	1,735,614	5.2
4	Zurich Insurance Group (3)	1,624,621	4.9
5	Liberty Mutual	1,604,461	4.8
6	Old Republic International Corp.	1,123,042	3.4
7	Berkshire Hathaway Inc.	951,775	2.9
8	American International Group (AIG)	867,567	2.6
9	Auto-Owners Insurance Co.	739,495	2.2
10	Chubb Ltd.	695,210	2.1

(1) Before reinsurance transactions, includes state funds.

(2) Based on U.S. total, includes territories.

(3) Data for Farmers Insurance Group of Companies and Zurich Financial Group (which owns Farmers' management company) are reported separately by S&P Global Market Intelligence.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

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## Top 10 Writers Of Commercial Lines Insurance By Direct Premiums Written, 2016

(\$000)

Rank	Group/company	Direct premiums written (1)	Market share (2)
1	Chubb Ltd.	\$16,528,891	5.6%
2	Travelers Companies Inc.	16,463,566	5.6
3	Liberty Mutual	15,056,251	5.1
4	American International Group (AIG)	13,144,961	4.4
5	Zurich Insurance Group (3)	12,554,597	4.2
6	CNA Financial Corp.	9,763,122	3.3
7	Nationwide Mutual Group	8,335,275	2.8
8	Hartford Financial Services	7,679,737	2.6
9	Berkshire Hathaway Inc.	7,650,236	2.6
10	Tokio Marine Group	6,256,196	2.1

(1) Before reinsurance transactions, includes state funds.

(2) Based on U.S. total, includes territories.

(3) Data for Farmers Insurance Group of Companies and Zurich Financial Group (which owns Farmers' management company) are reported separately by S&P Global Market Intelligence.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Top 10 Writers Of Workers' Compensation Insurance By Direct Premiums Written, 2016

(\$000)

Rank	Group/company	Direct premiums written (1)	Market share (2)
1	Travelers Companies Inc.	\$4,427,997	7.6%
2	Hartford Financial Services	3,328,753	5.7
3	AmTrust Financial Services	3,110,623	5.4
4	Zurich Insurance Group (3)	2,835,537	4.9
5	Berkshire Hathaway Inc.	2,669,994	4.6
6	Chubb Ltd. (4)	2,490,183	4.3
7	State Ins Fund Workers' Comp (NY)	2,437,552	4.2
8	Liberty MHC Inc.	2,404,050	4.2
9	American International Group	1,864,297	3.2
10	State Compensation Ins Fund (CA)	1,612,050	2.8

(1) Before reinsurance transactions, includes some state funds.

(2) Based on U.S. total, includes territories.

(3) Data for Farmers Insurance Group of Companies and Zurich Financial Group (which owns Farmers' management company) are reported separately by S&P Global Market Intelligence.

(4) Chubb Ltd. data reflect the 2015 merger with Ace Ltd.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Top 10 Writers Of Earthquake Insurance By Direct Premiums Written, 2016

(\$000)

Rank	Group/company	Direct premiums written (1)	Market share (2)
1	California Earthquake Authority	\$621,549	21.8%
2	State Farm Mutual Automobile Insurance	250,285	8.8
3	Zurich Insurance Group (3)	176,528	6.2
4	Chubb Ltd.	157,716	5.5
5	American International Group (AIG)	143,347	5.0
6	Travelers Companies Inc.	128,097	4.5

# 2018 A Firm Foundation

Rank	Group/company	Direct premiums written (1)	Market share (2)
7	GeoVera Insurance Group	110,298	3.9
8	Liberty Mutual	77,832	2.7
9	Swiss Re Ltd.	67,335	2.4
10	Berkshire Hathaway Inc.	63,603	2.2

(1) Before reinsurance transactions, includes state funds.

(2) Based on U.S. total, includes territories.

(3) Data for Farmers Insurance Group of Companies and Zurich Financial Group (which owns Farmers' management company) are reported separately by S&P Global Market Intelligence.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Top 10 Health Insurance Groups By Direct Premiums Written, 2016

(\$000)

Rank	Group/company	Direct premiums written (1)	Market share (2)
1	UnitedHealth Group Inc.	\$79,472,441	12.5%
2	Anthem Inc.	58,748,993	9.2
3	Humana Inc.	53,601,025	8.4
4	HealthCare Service Corp.	32,157,585	5.0
5	Aetna Inc.	24,414,237	3.8
6	Centene Corp.	24,070,523	3.8
7	Independence Health Group Inc.	17,013,754	2.7
8	Kaiser Foundation Health Plan Inc.	16,166,834	2.5
9	Molina Healthcare Inc.	15,317,439	2.4
10	WellCare Health Plans Inc.	13,451,891	2.1

(1) Based on health insurer annual statement data. Excludes health insurance data from the property/casualty and life/health annual statements. Excludes territories.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Taxes

The insurance industry is a major source of tax revenue on the state and federal level. In 2016 property/casualty insurers and life insurers incurred federal and foreign taxes were about \$23.6 billion dollars. Insurance companies, including life/health and property/casualty companies, paid \$20.5 billion in premium taxes to the 50 states in 2016. On a per capita basis, this works out to \$63 for every person living in the United States.

## Insurance Industry's Federal And Foreign Income Taxes Incurred, 2012-2016

(\$000)

Year	Property/casualty	Life	Total
2012	\$6,257,395	\$9,866,018	\$16,123,413
2013	12,038,618	8,554,055	20,592,673
2014	10,318,140	10,106,154	20,424,293
2015	10,188,465	10,566,567	20,755,031
2016	7,315,023	16,279,121	23,594,144

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.



# 2018 A Firm Foundation

## Comparison with Other Industries

### Insurance Compared With Other Industries

The insurance industry employs 2.8 million people, accounting for about 27 percent of the workforce in the U.S. financial activities sector, according to the Current Population Survey from the U.S. Department of Labor.

#### Employment By Industry, 2016

Industry	Employees (ooo)
<b>Total, all industries</b>	<b>151,436</b>
Agriculture, forestry, fishing, and hunting	2,460
Mining, quarrying, and oil and gas extraction	792
Construction	10,328
Manufacturing	15,408
Wholesale and retail trade	20,218
Transportation and utilities	8,012
Information	2,855
Financial activities	10,404
<b>Insurance carriers and related activities</b>	<b>2,794</b>
Professional and business services	18,325
Education and health services	34,263
Leisure and hospitality	14,193
Other services	7,320
Public administration	6,857

Source: Bureau of Labor Statistics, Current Population Survey (CPS).

## Charitable Contributions

Property/casualty (P/C) and life/health insurance companies contribute to our economy far beyond their core function of helping to manage risk. Insurers contributed \$507.7 billion, or 2.7 percent, to the nation's gross domestic product in 2016. The taxes they pay include special levies on insurance premiums, which amounted to \$20.5 billion in 2016, or 2.2 percent of all taxes collected by the states. Insurance companies invested \$770.8 billion in state and local municipal bonds and loans in 2016, helping to fund the building of roads, schools and other public projects. They provide businesses with capital for research, expansions and other ventures through their holdings in stocks and bonds, a figure that totaled \$4.3 trillion in 2016. The sector is also a large employer, providing some 2.6 million jobs, or 2.1 percent of U.S. employment in 2016.

The industry is also a major contributor to charitable causes. The Insurance Industry Charitable Foundation (IICF) and McKinsey and Co. have said that the insurance industry increased charitable giving by an average of 15 percent per year since 2011 for a total of \$575 million in 2015. By mid-2017, the industry had contributed more than \$25.3 million in local community grants and more than 218,000 volunteer hours to hundreds of community nonprofit organizations.

Each year in October the [Insurance Industry Charitable Foundation](#) promotes a Week of Giving, during which insurance industry employees volunteer at community programs throughout the

# 2018 A Firm Foundation

country. For information on the insurance industry's contribution to community development see [Impact](#), the Insurance Information Institute's online resource highlighting the insurance industry's contributions to community development. Information on corporate giving (including contributions by insurance foundations) is also available from the [Foundation Center](#).

## Contribution to GDP

### Contribution To Gross Domestic Product

Gross domestic product (GDP) is the total value of all final goods and services produced in the economy. The GDP growth rate is the primary indicator of the state of the economy.

### Insurance Sector's Share Of Gross Domestic Product (GDP), 2012-2016

(\$ billions)

Year	Total GDP	Insurance carriers and related activities	
		GDP	Percent of total GDP
2012	\$16,155.3	\$402.6	2.5%
2013	16,691.5	406.2	2.4
2014	17,393.1	465.7	2.7
2015	18,036.6	489.3	2.7
2016	18,569.1	507.7 (1)	2.7

(1) Preliminary.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

## Chapter 3: Investing in Capital Markets

### Introduction

#### Insurers As Investors

The insurance industry (property/casualty and life/health) is a key player in the capital markets, with \$5.5 trillion in cash and invested assets in 2016, according to S&P Global Market Intelligence. Total P/C cash and invested assets were \$1.6 trillion in 2016, according to S&P Global Market Intelligence. L/H cash and invested assets totaled \$3.9 trillion in 2016. The majority of these assets were in bonds (61 percent of P/C assets and 74 percent of L/H assets).

Because their losses are more volatile than those in the life insurance sector, P/C insurers invest largely in high-quality liquid securities, which can be sold quickly to pay claims resulting from a major hurricane, earthquake or man-made disaster such as a terrorist attack. Life insurers, whose benefit payments are more predictable, invest more heavily in corporate stocks and corporate and foreign bonds.

Insurance companies invest the premiums they collect in state and local municipal bonds, helping to fund the building of roads, schools and other public projects. They provide businesses with capital for research, expansions and other ventures through their investments in corporate equities and bonds. In 2016 alone, P/C insurers' holdings in municipal bonds totaled \$339 billion, according to the Federal Reserve.

### Property/Casualty Insurance Industry Investments

Cash and invested assets of property/casualty insurance companies totaled \$1.59 trillion in 2016. This represents 88 percent of total net admitted assets, which were \$1.81 trillion. Most of these assets were invested in highly liquid securities (high-quality stocks and bonds, for example, rather than real estate), which can be sold quickly to pay claims in the event of a major catastrophe.

#### Investments, Property/Casualty Insurers, 2014-2016 (1)

(\$ millions, end of year)

Investment type	Amount			Percent of total investments		
	2014	2015	2016	2014	2015	2016
Bonds	\$941,943	\$949,702	\$973,140	61.45%	62.01%	61.25%
<b>Stocks</b>	<b>345,762</b>	<b>340,252</b>	<b>359,165</b>	<b>22.56</b>	<b>22.22</b>	<b>22.61</b>
Preferred	14,630	14,025	10,849	0.95	0.92	0.68
Common	331,133	326,227	348,316	21.60	21.30	21.92
<b>Mortgage loans on real estate</b>	<b>10,008</b>	<b>12,441</b>	<b>15,032</b>	<b>0.65</b>	<b>0.81</b>	<b>0.95</b>
First liens	9,820	12,209	14,407	0.64	0.80	0.91
Other than first liens	188	232	625	0.01	0.02	0.04
<b>Real estate</b>	<b>10,165</b>	<b>11,685</b>	<b>12,272</b>	<b>0.66</b>	<b>0.76</b>	<b>0.77</b>
Properties occupied by company	8,598	8,716	8,933	0.56	0.57	0.56

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Investment type	Amount			Percent of total investments		
	2014	2015	2016	2014	2015	2016
Properties held for income production	\$1,286	\$2,693	\$3,061	0.08%	0.18%	0.19%
Properties held for sale	282	276	278	0.02	0.02	0.02
Cash, cash equivalent and short-term investments	90,754	87,516	92,338	5.92	5.71	5.81
Derivatives	637	652	531	0.04	0.04	0.03
Other invested assets	126,582	121,291	128,704	8.26	7.92	8.10
Receivable for securities	1,104	2,530	1,679	0.07	0.17	0.11
Securities lending reinvested collateral assets	2,681	2,618	2,582	0.17	0.17	0.16
Aggregate write-in for invested assets	3,282	2,860	3,319	0.21	0.19	0.21
<b>Total cash and invested assets</b>	<b>\$1,532,917</b>	<b>\$1,531,547</b>	<b>\$1,588,760</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

(1) Includes cash and net admitted assets of property/casualty insurers.

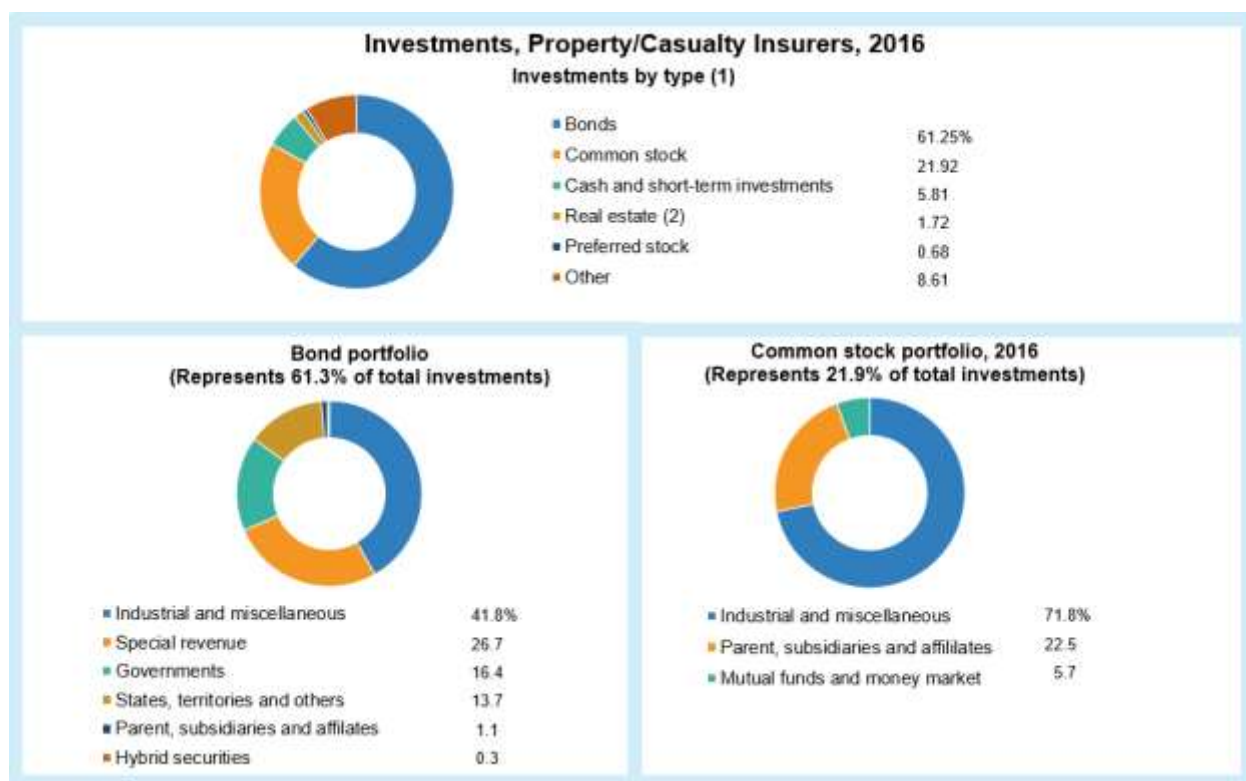
Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

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## Bonds

Property/casualty insurers invest primarily in safe, liquid securities, mainly bonds. These provide stability against underwriting results, which can vary considerably from year to year. The vast majority of bonds are government issued or are high-grade corporates. Bonds in or near default accounted for less than 1 percent (0.16 percent) of all short- and long-term bonds owned by insurers at the end of 2016, according to S&P Global Market Intelligence.

## Investments, Property/Casualty Insurers, 2016



(1) Cash and invested net admitted assets, as of December 31, 2016.

(2) Includes mortgage loans on real estate.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

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## Life/Health Industry Investments

### Investments, Life/Health Insurers, 2014-2016 (1)

(\$ billions, end of year)

Investment type	Amount			Percent of total investments		
	2014	2015	2016	2014	2015	2016
Bonds	\$2,684.9	\$2,734.1	\$2,860.7	73.93%	73.82%	73.50%
<b>Stocks</b>	<b>86.2</b>	<b>84.9</b>	<b>96.0</b>	<b>2.37</b>	<b>2.29</b>	<b>2.47</b>
Preferred stock	9.1	9.6	9.6	0.25	0.26	0.25
Common stock	77.0	75.2	86.4	2.12	2.03	2.22
<b>Mortgage loans on real estate</b>	<b>373.0</b>	<b>404.2</b>	<b>437.7</b>	<b>10.27</b>	<b>10.91</b>	<b>11.25</b>
First lien real estate mortgage loans	368.4	397.4	430.1	10.14	10.73	11.05
Real estate loans less first liens	4.6	6.8	7.6	0.13	0.18	0.20
<b>Real estate</b>	<b>21.9</b>	<b>23.7</b>	<b>24.5</b>	<b>0.60</b>	<b>0.64</b>	<b>0.63</b>
Occupied properties	5.5	5.5	6.0	0.15	0.15	0.15
Income generating properties	16.0	17.8	17.6	0.44	0.48	0.45
Properties for sale	0.4	0.4	0.9	0.01	0.01	0.02
Cash, cash equivalent and short term investments	100.0	103.3	101.4	2.75	2.79	2.61
Contract loans including premium notes	130.1	126.8	126.9	3.58	3.42	3.26
Derivatives	56.5	53.8	62.0	1.56	1.45	1.59
Other invested assets	161.8	154.9	158.3	4.46	4.18	4.07
Receivables for securities	2.2	2.3	3.9	0.06	0.06	0.10
Securities lending reinvested collateral assets	11.2	11.7	12.6	0.31	0.32	0.32
Write-ins for invested assets	4.0	4.1	8.0	0.11	0.11	0.20
<b>Total cash and invested assets</b>	<b>\$3,631.7</b>	<b>\$3,703.9</b>	<b>\$3,891.9</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

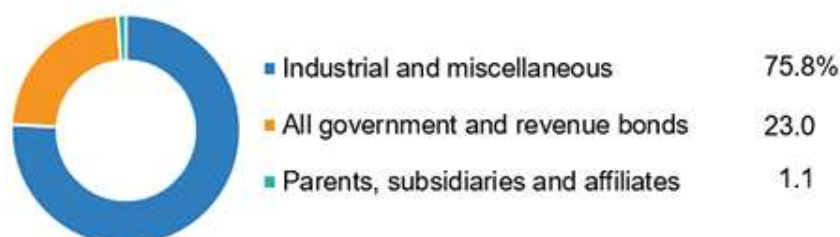
(1) Data are net admitted assets of life/health insurers.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.



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## Investments, Life/Health Insurers, Bond Portfolio, 2016 (1)



(1) Long-term bonds with maturity dates over one year, as of December 31, 2016.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Ownership of Municipal Securities

Insurance companies help fund the construction of schools, roads and healthcare facilities as well as a variety of other public sector projects through their investments in municipal bonds. The property/casualty insurance industry invested \$339 billion in such bonds in 2016, and the life insurance industry invested \$179 billion, according to the Federal Reserve.

## Insurance Company Holdings Of U.S. Municipal Securities And Loans, 2012-2016

(\$ billions, end of year)

	2012	2013	2014	2015	2016
Property/casualty insurance companies	\$337.4	\$335.6	\$339.6	\$345.8	\$338.5
Life insurance companies	150.1	146.0	164.4	171.2	179.0
<b>Total</b>	<b>\$487.5</b>	<b>\$481.6</b>	<b>\$504.0</b>	<b>\$517.0</b>	<b>\$517.5</b>

Source: Board of Governors of the Federal Reserve System, June 8, 2017.

## Chapter 4: Supporting Resilience and Disaster Recovery

### Introduction

#### Defraying The Economic Costs Of Disasters

The insurance industry plays a vital role in helping individuals and businesses prepare for and recover from the potentially devastating effects of a disaster such as a catastrophic hurricane or storm or wildfire.

#### Natural Catastrophe Losses In The United States, 2016

(Based on perils)

As of January 4, 2017	Number of Events	Fatalities	Estimated Overall Losses (US \$m)	Estimated Insured Losses (US \$m)*
Severe Thunderstorm	43	40	19,000	14,000
Winter Storms & Cold Waves	7	55	1,700	1,000
Flood, Flash Flood	19	83	15,000	4,300
Earthquake & Geophysical	2	-	Minor losses	Minor losses
Tropical Cyclone	2	52	7,000	3,500
Wildfire, Heat Waves, & Drought (ongoing drought condition without loss estimation)	18	32	1,200	1,000
<b>Totals</b>	<b>91</b>	<b>262</b>	<b>43,900</b>	<b>23,800</b>

Source: © 2017 Munich Re, NatCatSERVICE; Property Claim Services (PCS®)\*, a Verisk Analytics® business. As of February 2017.

#### Catastrophes In The United States

Property Claim Services (PCS®), a Verisk Analytics® business, defines a catastrophe as an event that causes \$25 million or more in insured property losses and affects a significant number of property/casualty (P/C) policyholders and insurers. PCS estimates represent anticipated insured losses from natural and man-made catastrophes on an industrywide basis, reflecting the total net insurance payment for personal and commercial property lines of insurance covering fixed property, vehicles, boats, related-property items, business interruption and additional living expenses. They exclude loss-adjustment expenses. P/C insurance industry catastrophes losses in the United States rose 46 percent to \$20.9 billion in 2016 from \$15.2 billion in 2015, according to PCS. The number of catastrophes rose to 42 in 2016 from 39 in 2015, the highest number of catastrophes for years with an industry loss event threshold of \$25 million.

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## The 10 Costliest Catastrophes, United States (1)

(\$ millions)

Rank	Date	Peril	Estimated insured property losses	
			Dollars when occurred	In 2016 dollars (2)
1	Aug. 2005	Hurricane Katrina	\$ 41,100	\$ 49,793
2	Sep. 2001	Fire, Explosion: World Trade Center, Pentagon terrorist attacks	18,779	24,987
3	Aug. 1992	Hurricane Andrew	15,500	24,478
4	Oct. 2012	Hurricane Sandy	18,750	19,860
5	Jan. 1994	Northridge, CA earthquake	12,500	18,880
6	Sep. 2008	Hurricane Ike	12,500	14,036
7	Oct. 2005	Hurricane Wilma	10,300	12,479
8	Aug. 2004	Hurricane Charley	7,475	9,348
9	Sep. 2004	Hurricane Ivan	7,110	8,891
10	Apr. 2011	Flooding, hail and wind including the tornadoes that struck Tuscaloosa and other locations	7,300	7,875

(1) Property losses only. Excludes flood damage covered by the federally administered National Flood Insurance Program.

(2) Adjusted for inflation through 2016 by ISO using the GDP implicit price deflator.

Source: The Property Claim Services® (PCS®) unit of ISO®, a Verisk Analytics® company.

## Estimated Insured Property Losses, U.S. Catastrophes, 2007-2016 (1)

Year	Number of catastrophes	Number of claims (millions)	Dollars when occurred (\$ billions)	In 2016 dollars (2) (\$ billions)
2007	23	1.2	\$6.7	\$7.7
2008	36	4.1	27.0	30.4
2009	27	2.2	10.5	11.8
2010	33	2.4	14.3	15.8
2011	30	4.9	33.6	36.3
2012	26	4.0	35.0	37.0
2013	28	1.8	12.9	13.4
2014	31	2.1	15.5	15.8
2015	39	2.0	15.2	15.4
2016	42	3.0	21.7	21.7

(1) Includes catastrophes causing insured property losses of at least \$25 million in 1997 dollars and affecting a significant number of policyholders and insurers. Excludes losses covered by the federally administered National Flood Insurance Program.

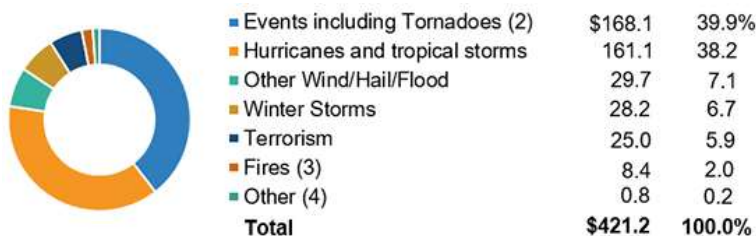
(2) Adjusted for inflation through 2016 by ISO using the GDP implicit price deflator.

Source: The Property Claim Services® (PCS®) unit of ISO®, a Verisk Analytics® company.

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## Inflation-Adjusted U.S. Insured Catastrophe Losses By Cause Of Loss, 1997-2016 (1)

(2016 \$ billions)



(1) Adjusted for inflation through 2016 by ISO using the GDP implicit price deflator. Excludes catastrophes causing direct losses less than \$25 million in 1997 dollars. Does not include flood damage covered by the federally administered National Flood Insurance Program.

(2) Includes other wind, hail, and/or flood losses associated with catastrophes involving tornadoes.

(3) Includes wildland fires.

(4) Includes losses from civil disorders, water damage, utility service disruptions, and any workers compensation catastrophes generating losses in excess of PCS's threshold after adjusting for inflation.

Source: The Property Claim Services® (PCS®) unit of ISO®, a Verisk Analytics® company.

## Reinsurance

Reinsurance is insurance for insurance companies. Just as individuals and businesses buy insurance to protect their assets, primary insurers, the companies that sell insurance to consumers, buy reinsurance to protect their profits and solvency. Reinsurance fosters competitive insurance markets by enabling smaller insurers to compete with larger ones. It strengthens U.S. insurers by giving them access to global resources. Reinsurance is often sold in layers, reaching up into the millions of dollars to protect insurance companies from possible, but statistically highly unlikely events, such as an extraordinary number of homeowners claims as a result of a hurricane or a large single event, such as the destruction of a high-value asset or a massive legal judgment. As shown in the chart below, many reinsurers of U.S. risks are owned by offshore firms.

## Top 10 U.S. Property/Casualty Reinsurers Of U.S. Business By Gross Premiums Written, 2016

(\$000)

Rank	Company (1)	Country of parent company	Gross premiums written
1	National Indemnity Co. (Berkshire Hathaway) (2)	U.S.	\$19,865,667
2	Munich Re America	Germany	5,279,232
3	Everest Reinsurance Co.	Bermuda	5,100,831
4	XL Reinsurance America Inc.	Ireland	4,671,484
5	Swiss Reinsurance America Corp.	Switzerland	4,493,919
6	QBE Re America	U.S.	4,202,401
7	Transatlantic Re	U.S.	3,903,179
8	Odyssey Re	Canada	2,243,212
9	Partner Re Co. of the U.S.	Bermuda	2,142,349
10	SCOR US Corporation	France	1,428,499

(1) See Reinsurance Underwriting Review 2016 notes posted at [www.reinsurance.org](http://www.reinsurance.org) for a list of affiliated companies included.

(2) Underwriting results exclude assumptions from affiliated General Re Group.

Source: Reinsurance Association of America.

# 2018 A Firm Foundation

## Hurricanes

### The 2017 Hurricane Season

The **2017 hurricane season** has been one of the costliest and most destructive on record as 17 tropical storms had formed in the Atlantic Basin, 10 of which became hurricanes. During this season four hurricanes hit the United States and its territories.

**Hurricane Harvey** made landfall in Texas on August 25<sup>th</sup> as a category 4 hurricane. Harvey's winds weakened the following day and it became an enormous flood event.

In the days that followed Harvey's landfall, about 50 inches of rain fell in portions of the Greater Houston area and the upper Texas coast, breaking previous rainfall records. Rainfall from Harvey also affected southwestern Louisiana and coastal Mississippi and Alabama, Florida and Arkansas.

Total economic losses from Harvey are estimated at between \$70 billion and \$90 billion by RMS. Insured losses are estimated at between \$25 billion and \$35 billion.

**Hurricane Irma** made landfall in the lower Florida Keys as a Category 4 storm on September 10, then headed northwest, impacting all of South Florida.

Irma brought high storm surge to Naples and widespread damaging winds across most of Florida. Irma's rain impacted Alabama, Georgia, Tennessee, Mississippi and North and South Carolina.

Irma was the first major hurricane to make landfall in Florida since Hurricane Wilma in 2005 and one of the most powerful storms to ever cross the Atlantic. Most of the damage caused by Irma was wind related, unlike Harvey which brought severe flooding.

RMS estimates total economic losses from Irma at \$35 billion to \$50 billion and insured losses at \$25 billion to \$35 billion.

**Hurricane Maria** made landfall on Dominica in the Leeward Islands on September 18 as a Category 5 storm. It passed over St. Croix in the Virgin Islands and later made landfall as a Category 4 hurricane in Puerto Rico on September 20<sup>th</sup>. Maria knocked out all power on Puerto Rico and caused major flooding.

RMS estimated that the insured loss from Hurricane Maria will be between \$15 billion and \$30 billion. RMS noted that the most catastrophic impacts may have been in areas with very low insurance coverage, which is why Maria's insured losses across the Caribbean will be significantly lower than overall economic damages of between \$30 billion and \$60 billion.

Tropical Storm **Nate** made a first landfall as a Category 1 hurricane on October 7 near the mouth of the Mississippi River and made a second landfall near Biloxi, Mississippi on October 8. Nate was downgraded to tropical storm status and then to a tropical depression later that day as it moved inland over Mississippi and Alabama. Hurricane Nate was the fourth hurricane to make landfall in the United States in 2017, the first year the United States has had four landfalls since 2005.

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The following chart from the Property Claim Services (PCS®) unit of ISO, a Verisk Analytics® business, ranks historic hurricanes based on their insured losses, adjusted for inflation. The chart beneath it, from AIR Worldwide Corp., estimates insured property losses from notable hurricanes from past years, if they were to hit the nation again today with the same meteorological parameters.

## Top 10 Costliest Hurricanes In The United States (1)

(\$ millions)

Rank	Date	Location	Hurricane	Estimated insured loss (2)	
				Dollars when occurred	In 2016 dollars (3)
1	Aug. 25-30, 2005	AL, FL, GA, LA, MS, TN	Hurricane Katrina	\$41,100	\$49,793
2	Aug. 24-26, 1992	FL, LA	Hurricane Andrew	15,500	24,478
3	Oct. 28-31, 2012	CT, DC, DE, MA, MD, ME, NC, NH, NJ, NY, OH, PA, RI, VA, VT, WV	Hurricane Sandy	18,750	19,860
4	Sep. 12-14, 2008	AR, IL, IN, KY, LA, MO, OH, PA, TX	Hurricane Ike	12,500	14,036
5	Oct. 24, 2005	FL	Hurricane Wilma	10,300	12,479
6	Aug. 13-14, 2004	FL, NC, SC	Hurricane Charley	7,475	9,348
7	Sep. 15-21, 2004	AL, DE, FL, GA, LA, MD, MS, NC, NJ, NY, OH, PA, TN, VA, WV	Hurricane Ivan	7,110	8,891
8	Sep. 17-22, 1989	GA, NC, PR, SC, UV, VA	Hurricane Hugo	4,195	7,260
9	Sep. 20-26, 2005	AL, AR, FL, LA, MS, TN, TX	Hurricane Rita	5,627	6,817
10	Sep. 3-9, 2004	FL, GA, NC, NY, SC	Hurricane Frances	4,595	5,746

(1) Includes hurricanes occurring through 2016.

(2) Property coverage only. Excludes flood damage covered by the federally administered National Flood Insurance Program.

(3) Adjusted for inflation through 2016 by ISO using the GDP implicit price deflator.

Source: The Property Claim Services® (PCS®) unit of ISO®, a Verisk Analytics® company.

## Estimated Insured Losses For The Top 10 Historical Hurricanes Based On Current Exposures (1)

(\$ billions)

Rank	Date	Event	Category	2015 Insured loss
1	Sep. 18, 1926	Great Miami Hurricane	4	\$119
2	Sep. 17, 1928	Okeechobee Hurricane	4	72
3	Sep. 17, 1947	Fort Lauderdale Hurricane	3	60
4	Aug. 29, 2005	Hurricane Katrina	3	58
5	Sep. 9, 1965	Hurricane Betsy	4	53
6	Aug. 24, 1992	Hurricane Andrew	5	52
7	Sep. 10, 1960	Hurricane Donna	4	46
8	Sep. 21, 1938	The Great New England Hurricane	3	44
9	Sep. 9, 1900	Galveston Hurricane	4	44
10	Sep. 15, 1950	Hurricane Easy	2	28

(1) Modeled loss to property, contents and business interruption and additional living expenses for residential, mobile home, commercial and auto exposures as of end-2015. Losses include demand surge.

Source: AIR Worldwide Corporation.



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## Tornadoes

A tornado is a violently rotating column of air that extends from a thunderstorm and comes into contact with the ground, according to the National Oceanic and Atmospheric Administration (NOAA). In an average year about 1,000 tornadoes are reported nationwide, according to NOAA. Tornado intensity is measured by the Enhanced Fujita (EF) scale. The scale rates tornadoes on a scale of 0 through 5, based on the amount and type of wind damage. It incorporates 28 different “damage indicators,” based on damage to a wide variety of structures ranging from trees to shopping malls.

### The Fujita Scale For Tornadoes

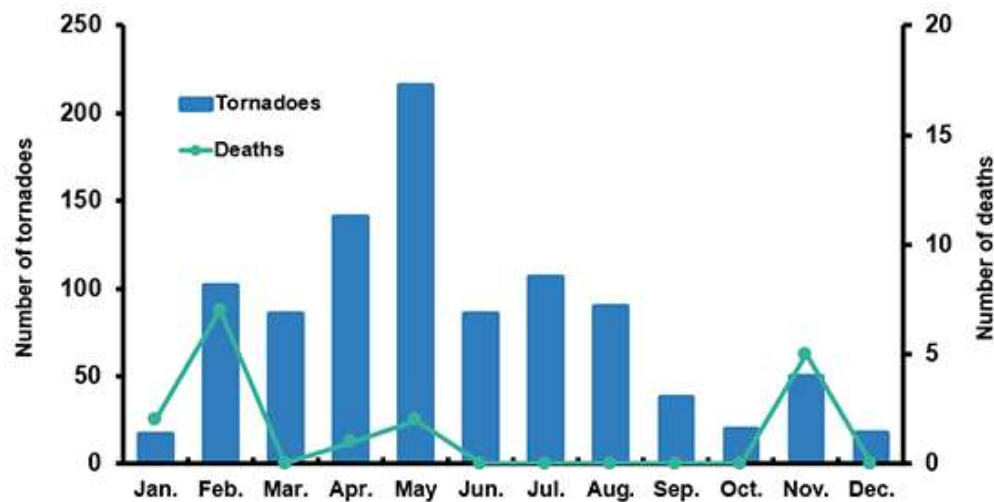
		Original F scale (1)	Enhanced F scale (2)
Category	Damage	Wind speed (mph)	3-second gust (mph)
F-0	Light	40-72	65-85
F-1	Moderate	73-112	86-110
F-2	Considerable	113-157	111-135
F-3	Severe	158-207	136-165
F-4	Devastating	208-260	166-200
F-5	Incredible	261-318	Over 200

(1) Original scale: wind speeds represent fastest estimated speeds over one quarter of a mile.

(2) Enhanced scale: wind speeds represent maximum 3-second gusts.

Source: U.S. Department of Commerce, National Oceanic and Atmospheric Administration.

### Number Of Tornadoes And Related Deaths Per Month, 2016 (1)



(1) Excludes Puerto Rico. A tornado that crosses state lines is counted as a single event in this chart.

Source: U.S. Department of Commerce, Storm Prediction Center, National Weather Service.

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## Tornadoes And Related Deaths In The United States, 1997-2016 (1)

Year	Tornadoes	Deaths	Year	Tornadoes	Deaths	Year	Tornadoes	Deaths
1997	1,148	67	2007	1,098	81	1997	1,148	67
1998	1,424	130	2008	1,692	126	1998	1,424	130
1999	1,345	94	2009	1,156	21	1999	1,345	94
2000	1,071	40	2010	1,282	45	2000	1,071	40
2001	1,216	40	2011	1,691	553	2001	1,216	40
2002	941	55	2012	938	70	2002	941	55
2003	1,376	54	2013	906	55	2003	1,376	54

(1) Excludes Puerto Rico. A tornado that crosses state lines counts as one event.

Source: U.S. Department of Commerce, Storm Prediction Center, National Weather Service.

## Earthquakes

The costliest U.S. earthquake, the 1994 Northridge quake, caused \$15.3 billion in insured damage when it occurred (\$24.5 billion in 2016 dollars). It ranks as the fifth costliest U.S. disaster, based on insured property losses (in 2016 dollars), topped only by Hurricane Katrina, the attacks on the World Trade Center, Hurricane Andrew and superstorm Sandy. Eight of the costliest U.S. quakes, based on inflation-adjusted insured losses, were in California, according to Munich Re.

In 2016 the biggest earthquake to strike the United States was a magnitude 6.9 quake that occurred on July 27 southwest of Umnak Island, Alaska. There was no damage due to the remote location. In addition in September a 5.8 magnitude quake struck Pawnee, Oklahoma, the largest recorded earthquake in the state. Damage from the quake was minimal.

## Top 10 Costliest U.S. Earthquakes By Inflation-Adjusted Insured Losses (1)

(\$ millions)

Rank	Date	Location	Overall losses when occurred	Insured losses (2)		Fatalities
				When occurred	In 2016 dollars (3)	
1	Jan. 17, 1994	California: Northridge, Los Angeles, San Fernando Valley, Ventura, Orange	\$44,000	\$15,300	\$25,223	61
2	Apr. 18, 1906	California: San Francisco, Santa Rosa, San Jose	525	180	4,426	3,000
3	Oct. 17, 1989	California: Loma Prieta, Santa Cruz, San Francisco, Oakland, Berkeley, Silicon Valley	10,000	960	1,842	68
4	Feb. 28, 2001	Washington: Olympia, Seattle, Tacoma; Oregon	2,000	300	411	1
5	Mar. 27-28, 1964	Alaska: Anchorage, Kodiak Island, Seward, Valdez, Portage, Whittier, Cordova, Homer, Seldovia	540	45	351	131
6	Feb. 9, 1971	California: San Fernando Valley, Los Angeles	550	35	211	65

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Rank	Date	Location	Overall losses when occurred	Insured losses (2)		Fatalities
				When occurred	In 2016 dollars (3)	
7	Oct. 1, 1987	California: Los Angeles, Whittier	360	75	157	8
8	Aug. 24, 2014	California: Napa, Vallejo, Solano, Sonoma, American Canyon	\$700	\$150	\$152	1
9	Apr. 4, 2010	California: San Diego, Calexico, El Centro, Los Angeles, Imperial; Arizona: Phoenix, Yuma	150	100	111	0
10	Sep. 3, 2000	California: Napa	80	50	69	0

(1) Costliest U.S. earthquakes occurring from 1950 to 2016, based on insured losses when occurred. Includes the 1906 San Francisco, California, earthquake, for which reliable insured losses are available.

(2) Based on property losses including, if applicable, agricultural, offshore, marine, aviation and National Flood Insurance Program losses in the United States and may differ from data shown elsewhere.

(3) Inflation-adjusted to 2016 dollars by the Insurance Information Institute using the Bureau of Labor Statistics' Inflation Calculator.

(4) Inflation-adjusted to 2016 dollars based on 1913 Bureau of Labor Statistics data (earliest year available).

Source: © 2017 Munich Re, NatCatSERVICE; Insurance Information Institute.

The previous chart ranks historic earthquakes based on their total insured property losses, adjusted for inflation. The chart below uses a computer model to measure the estimated impact of historical quakes according to current exposures. The 2012 analysis is based on AIR Worldwide's U.S. earthquake model. It makes use of the firm's property exposure database and takes into account the current number and value of exposed properties.

## Estimated Insured Losses For The Top 10 Historical Earthquakes Based On Current Exposures (1)

(\$ billions)

Rank	Date	Location	Magnitude	Insured loss (current exposures)
1	1906	San Francisco, CA	7.8	\$71
2	1811-1812	New Madrid, MO	7.7	59
3	1700	Cascadia Subduction Zone, WA, OR, CA	9.0	47
4	1838	San Francisco, CA	7.4	31
5	1886	Charleston, SC	7.3	30
6	1994	Northridge, CA	6.7	15
7	1868	Hayward, CA	7.0	15
8	1812	Wrightwood, CA	7.5	12
9	1857	Fort Tejon, CA	7.9	8
10	1989	Loma Prieta, CA	6.9	4

(1) Modeled loss to property, contents, business interruption and additional living expenses for residential, mobile home, commercial and auto exposures as of December 31, 2016. Losses include demand surge and fire following earthquake and account for tsunami, liquefaction and landslide. Policy conditions and earthquake insurance take-up rates are based on estimates by state insurance departments and client claims data. The model reflects recent updates to seismic and ground motion information as well as updated building characteristics of insured properties.

Source: AIR Worldwide Corporation.

# 2018 A Firm Foundation

## Wildfires

Fire plays an important role in the life of a forest, clearing away dead wood and undergrowth to make way for younger trees. But for much of the last century, fire-suppression policies have sought to extinguish wildfires as quickly as possible to preserve timber and real estate. This approach has led to the accumulation of brush and other vegetation that is easily ignited and serves as fuel for wildfires. Most of the large fires with significant property damage have occurred in California, where some of the fastest developing counties are in forest areas.

### Top 10 Costliest Wildland Fires In The United States (1)

(\$ millions)

Rank	Date	Location	Estimated insured loss	
			Dollars when occurred	In 2016 dollars (2)
1	Oct. 20-21, 1991	Oakland Hills Fire, CA	\$1,700	\$2,746
2	Oct. 21-24, 2007	Witch Fire, CA	1,300	1,488
3	Oct. 25-Nov. 4, 2003	Cedar Fire, CA	1,060	1,362
4	Oct. 25-Nov. 3, 2003	Old Fire, CA	975	1,253
5	Nov. 28-30, 2016	Great Smoky Mountains Fire, TN	938	938
6	Sep. 12-14, 2015	Valley Fire, CA	921	933
7	Nov. 2-3, 1993	Topanga Fire, CA	375	578
8	Sep. 4-9, 2011	Bastrop County Complex Fire, TX	530	572
9	Oct. 27-28, 1993	Laguna Canyon Fire, CA	350	540
10	Jun. 24-28, 2012	Waldo Canyon Fire, CO	450	477

(1) Property coverage only for catastrophic fires. Effective January 1, 1997, ISO's Property Claim Services (PCS) unit defines catastrophes as events that cause more than \$25 million in insured property damage and that affect a significant number of insureds and insurers. From 1982 to 1996, PCS used a \$5 million threshold in defining catastrophes. Before 1982, PCS used a \$1 million threshold. Does not include wildfires in 2017.

(2) Adjusted for inflation through 2016 by ISO using the GDP implicit price deflator.

Source: The Property Claim Services® (PCS®) unit of ISO®, a Verisk Analytics® company.

## Terrorism

Nearly 3,000 people perished in the September 11, 2001, terrorist attacks in New York, Washington and Pennsylvania, excluding the 19 hijackers. Total insured losses from the terrorist attacks on the World Trade Center in New York City and the Pentagon were about \$44.0 billion in 2016 dollars, including property, life and liability insurance claim costs. Loss estimates may differ from estimates calculated by other organizations. It is the worst terrorist attack on record in terms of fatalities and insured property losses, which totaled about \$25.6 billion (in 2016 dollars).

# 2018 A Firm Foundation

## Top 20 Costliest Terrorist Acts By Insured Property Losses

(2016 \$ millions)

Rank	Date	Country	Location	Event	Insured property loss (1)	Fatalities
1	September 11, 2001	United States	New York, Washington DC, Pennsylvania	Hijacked airliners crash into World Trade Center and Pentagon	\$25,674	2,982
2	April 24, 1993	United Kingdom	London	Bomb explodes near NatWest tower in the financial district	1,240	1
3	June 15, 1996	United Kingdom	Manchester	Irish Republican Army (IRA) car bomb explodes near shopping mall	1,017	0
4	April 10, 1992	United Kingdom	London	Bomb explodes in financial district	918	3
5	February 26, 1993	United States	New York	Bomb explodes in garage of World Trade Center	854	6
6	July 24, 2001	Sri Lanka	Colombo	Rebels destroy 3 airliners, 8 military aircraft and heavily damage 3 civilian aircraft	544	20
7	February 9, 1996	United Kingdom	London	IRA bomb explodes in South Key Docklands	354	2
8	June 23, 1985	North Atlantic	Irish Sea	Bomb explodes on board of an Air India Boeing 747	222	329
9	April 19, 1995	United States	OK, Oklahoma City	Truck bomb crashes into government building	199	166
10	September 12, 1970	Jordan	Zerqa, Dawson's Field (disused RAF airstrip in desert)	Hijacked Swissair DC-8, TWA Boeing 707, BOAC VC-10 dynamited on ground	174	0
11	September 6, 1970	Egypt	Cairo	Hijacked PanAm B-747 dynamited on ground	151	0
12	April 11, 1992	United Kingdom	London	Bomb explodes in financial district	131	0
13	November 26, 2008	India	Mumbai	Attack on two hotels; Jewish center	115	172
14	March 27, 1993	Germany	Weierstadt	Bomb attack on a newly built, still unoccupied prison	97	0
15	December 30, 2006	Spain	Madrid	Bomb explodes in car garage at Barajas Airport	80	2
16	December 21, 1988	United Kingdom	Lockerbie	Bomb explodes on board of a PanAm Boeing 747	78	270
17	July 25, 1983	Sri Lanka		Riot	64	0
18	July 7, 2005	United Kingdom	London	Four bombs explode during rush hour in a tube and bus	64	52
19	November 23, 1996	Comoros	Indian Ocean	Hijacked Ethiopian Airlines Boeing 767-260 ditched at sea	61	127
20	March 17, 1992	Argentina	Buenos Aires	Bomb attack on Israel's embassy in Buenos Aires	52	24

(1) Includes bodily injury and aviation hull losses. Updated to 2016 dollars by the Insurance Information Institute using the U.S. Bureau of Labor Statistics CPI Inflation Calculator.

(2) Differs from inflation-adjusted estimates made by other organizations due to the use of different deflators.

Source: Swiss Re.

## Chapter 5: Fostering Innovation in Key Industries

### Introduction

When life insurance claims are paid, funds flow into the general economy, as beneficiaries spend the money they receive. When property/casualty insurance claims are paid, funds flow to the industries that supply claimants with the goods and services necessary for their recovery.

Property/casualty insurers pay out billions of dollars each year to settle claims. Many of the payments go to businesses, such as auto repair companies, that help claimants get their lives back together after an accident, fire, windstorm or other incident that caused the injury or property damage. Insurance claim payments support local businesses, enabling them to provide jobs and pay taxes that support the local economy.

All industries benefit from property/casualty insurance because it pays for losses that might otherwise have put them out of business. But certain industries derive a good portion of their income from insurers' claim payments. These businesses include the auto parts and repair industries (auto insurance), the building construction and supply industries (homeowners and commercial property insurance), healthcare services (auto, workers compensation and other liability insurance coverages) and legal services.

The charts that follow provide some indication of how much insurers contribute to the economy indirectly through some of the industries that provide these services. In addition, property/casualty insurance claims payments reimburse victims of theft and help make up for loss of income while people who have been injured are recuperating and businesses that have been hit by a disaster prepare to resume operations.

### Auto Repair Industry

#### The Insurance Industry's Contribution To The Auto Repair Industry

The primary recipients of auto insurance claim payments are auto repair and auto body shops and window glass installers. Others include new and used car dealers, tire dealers and manufacturers of the parts required for vehicle repair and restoration.

Collision and comprehensive coverages pay for damage to or theft of a policyholder's car. Additional sums are paid by insurers to repair other vehicles damaged by the policyholder in a crash. This money is paid under the liability portion of the policy, which also covers legal costs.



# 2018 A Firm Foundation

## Incurred Losses For Auto Insurance, 2012-2016 (1)

(\$000)

	2012	2013	2014	2015	2016
<b>Private passenger auto</b>					
Liability	\$65,135,976	\$67,879,783	\$72,050,778	\$79,098,617	\$88,242,895
Physical damage	41,275,620	41,754,861	45,308,112	48,564,511	55,737,404
<b>Commercial auto</b>					
Liability	10,515,806	11,305,714	11,939,881	13,587,152	14,983,039
Physical damage	3,250,740	3,255,570	3,645,335	3,902,124	4,275,518
<b>Total</b>	<b>\$120,178,142</b>	<b>\$124,195,928</b>	<b>\$132,944,106</b>	<b>\$145,152,404</b>	<b>\$163,238,856</b>

(1) Losses occurring within a fixed period, whether or not adjusted or paid during the same period, before reinsurance.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Construction Industry

### The Insurance Industry's Contribution To The Construction Industry

The construction industry benefits from claims filed under homeowners and commercial property insurance policies.

### Incurred Losses For Homeowners Insurance, 2012-2016 (1)

(\$000)

Year	Incurred losses
2012	\$41,108,969
2013	35,487,328
2014	39,918,047
2015	41,237,535
2016	44,388,823

(1) Losses occurring within a fixed period, whether or not adjusted or paid during the same period, after reinsurance transactions.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

### Incurred Losses For Commercial Insurance, 2012-2016 (1)

(\$000)

Year	Incurred losses
2012	\$126,989,016
2013	110,431,560
2014	116,940,164
2015	117,591,118
2016	124,674,080

(1) Losses occurring within a fixed period, whether or not adjusted or paid during the same period, after reinsurance transactions.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

# 2018 A Firm Foundation

## Healthcare Industry

### The Insurance Industry's Contribution To The Healthcare Industry

The healthcare industry is a prime recipient of claims filed under auto, workers compensation and other liability insurance policies.

### Workers Compensation Benefits, Coverage And Costs, 2014-2015

	2014	2015	Percent change, 2014-2015
Covered workers (000)	132,655	135,593	2.2%
Covered wages (\$ billions)	\$6,821	\$7,188	5.4
Workers compensation benefits paid (\$ billions)	62.7	61.9	-1.3
Medical benefits	31.9	31.1	-2.5
Cash benefits	30.8	30.7	-0.3
Employer costs for workers compensation (\$ billions)	92.7	94.8	2.3

Source: *Workers Compensation: Benefits, Coverage, and Costs, October 2017*, National Academy of Social Insurance.

### Private Passenger Auto Insurance Losses, 2007-2016 (1)

Year	Liability			
	Bodily injury (2)		Property damage (3)	
	Claim frequency (4)	Claim severity (5), (6)	Claim frequency (4)	Claim severity (5), (6)
2007	0.90	\$13,361	3.46	\$2,847
2008	0.91	14,067	3.42	2,903
2009	0.89	13,891	3.49	2,869
2010	0.91	14,406	3.53	2,881
2011	0.92	14,848	3.56	2,958
2012	0.95	14,690	3.50	3,073
2013	0.95	15,441	3.55	3,231
2014	0.87	16,642	3.65	3,289
2015	0.91	16,743	3.72	3,484
2016	1.00	16,110	3.86	3,683

Year	Physical damage (7)			
	Collision		Comprehensive (8)	
	Claim frequency (4)	Claim severity (5)	Claim frequency (4), (9)	Claim severity (5), (9)
2007	5.20	\$3,109	2.48	\$1,524
2008	5.35	3,005	2.57	1,551
2009	5.48	2,869	2.75	1,389
2010	5.69	2,778	2.62	1,476
2011	5.75	2,861	2.79	1,490

# 2018 A Firm Foundation

	Physical damage (7)			
	Collision		Comprehensive (8)	
Year	Claim frequency (4)	Claim severity (5)	Claim frequency (4), (9)	Claim severity (5), (9)
2012	5.57	2,950	2.62	1,585
2013	5.71	3,144	2.57	1,621
2014	5.95	3,158	2.80	1,566
2015	6.04	3,362	2.73	1,672
2016	6.14	3,435	2.76	1,748

(1) For all limits combined. Data are for paid claims.

(2) Excludes Massachusetts and most states with no-fault automobile insurance laws.

(3) Excludes Massachusetts, Michigan and New Jersey.

(4) Claim frequency is claims per 100 car years. A car year is equal to 365 days of insured coverage for one vehicle.

(5) Claim severity is the size of the loss.

(6) Includes loss adjustment expenses.

(7) Excludes Massachusetts, Michigan and Puerto Rico. Based on coverage with a \$500 deductible.

(8) Excludes wind and water losses.

(9) Includes glass losses.

Source: ISO®, a Verisk Analytics® business.

## Incurred Losses For Accident And Health Insurance, 2012-2016 (1)

(\$000)

Year	Incurred losses
2012	\$3,875,249
2013	3,964,421
2014	3,726,676
2015	3,990,585
2016	4,512,513

(1) Losses occurring within a fixed period, whether or not adjusted or paid during the same period, before reinsurance transactions.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Chapter 6: Empowering Lenders

### Credit Insurance for Short-Term Trade Receivables

#### Role Of Credit/Mortgage Insurance

Specialized insurance products protect lenders and borrowers, shielding businesses such as exporters from customer defaults and facilitating the financing of mortgages and other transactions. These products include credit insurance for short-term receivables.

#### Credit Insurance For Customer Defaults

Credit insurance protects merchants, exporters, manufacturers and other businesses that extend credit to their customers from losses or damages resulting from the nonpayment of debts owed them for goods and services provided in the normal course of business. Credit insurance facilitates financing, enabling insured companies to get better credit terms from banks. The high combined ratio from 2007 to 2010 reflects the crisis in financial markets.

#### Credit Insurance, 2007-2016

(\$000)

Year	Net premiums written (1)	Annual percent change	Combined ratio (2)	Annual point change (3)
2007	\$1,405,444	28.9%	129.3	43.4
2008	1,413,313	0.6	171.0	41.6
2009	1,224,474	-13.4	140.8	-30.2
2010	1,344,766	9.8	127.2	-13.6
2011	1,490,135	10.8	94.5	-32.7
2012	1,457,796	-2.2	91.3	-3.2
2013	1,167,315	-19.9	74.9	-16.4
2014	1,191,026	2.0	74.7	-0.1
2015	1,070,048	-10.2	76.5	1.8
2016	1,118,611	4.5	92.1	15.6

(1) After reinsurance transactions, excludes state funds.

(2) After dividends to policyholders. A drop in the combined ratio represents an improvement; an increase represents a deterioration.

(3) Calculated from unrounded data.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

### Private Mortgage Insurance

#### Mortgage Guaranty Insurance

Private mortgage insurance (PMI), also known as mortgage guaranty insurance, guarantees that in the event of a default, the insurer will pay the mortgage lender for any loss resulting from a property foreclosure, up to a specific amount. PMI, which is purchased by the borrower but protects the lender, is sometimes confused with mortgage life insurance, a life insurance product that pays off the mortgage if the borrower dies before the loan is repaid. Banks generally require PMI for all borrowers with down payments of less than 20 percent of the home price. The industry's combined ratio, a measure of profitability, deteriorated (i.e., rose) significantly in

# 2018 A Firm Foundation

2007 and 2008, reflecting the economic downturn and the subsequent rise in mortgage defaults, and remained at high levels through 2012. In 2016 the combined ratio fell to 49.9, the lowest level since it was 47.3 in 2000.

## Mortgage Guaranty Insurance, 2007-2016

(\$000)

Year	Net premiums written (1)	Annual percent change	Combined ratio (2)	Annual point change (3)
2007	\$5,192,104	13.7%	129.0	58.1 pts.
2008	5,371,878	3.5	219.8	90.8
2009	4,564,406	-15.0	201.9	-17.9
2010	4,248,798	-6.9	198.4	-3.6
2011	4,242,340	-0.2	219.0	20.7
2012	3,965,896	-6.5	189.7	-29.4
2013	4,329,947	9.2	98.0	-91.7
2014	4,180,006	-3.5	70.2	-27.7
2015	4,681,917	12.0	58.1	-12.1
2016	4,410,832	-5.8	49.9	-8.1

(1) After reinsurance transactions, excludes state funds.

(2) After dividends to policyholders. A drop in the combined ratio represents an improvement; an increase represents a deterioration.

(3) Calculated from unrounded numbers.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Credit Life/Health

Credit insurance protects merchants, exporters, manufacturers and other businesses that extend credit to their customers from losses or damages resulting from the nonpayment of debts owed them for goods and services provided in the normal course of business. Credit insurance facilitates financing, enabling insured companies to get better credit terms from banks.

## Credit life, And Credit Accident And Health Insurance Direct Premiums Written, 2007-2016

(\$000)

Year	Credit life	Credit accident and health
2007	\$1,631,338	\$1,407,579
2008	1,563,206	1,251,052
2009	1,248,117	964,004
2010	1,247,848	930,578
2011	1,226,910	930,094
2012	1,159,524	957,294
2013	977,557	968,691
2014	961,247	955,261
2015	915,437	910,645
2016	831,283	829,033

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Chapter 7: Supporting Businesses, Workers, Communities

### Life Insurance Payouts

#### Income Replacement

Life insurance benefits and claims totaled \$670 billion in 2016. This includes life insurance death benefits, annuity benefits, disability benefits and other payouts, compared with \$617 billion in 2015. The largest payout, \$265 billion, was for surrender benefits and withdrawals from life insurance contracts made to policyholders who terminated their policies early or withdrew cash from their policies.

#### Life Insurance Industry Benefits And Claims, 2012-2016

(\$000)

	2012	2013	2014	2015	2016
Death benefits	\$61,699,840	\$62,536,974	\$65,961,305	\$72,321,101	\$73,996,399
Matured endowments, excluding annual pure endowments	415,088	368,210	350,488	397,554	420,287
Annuity benefits	70,296,382	74,882,585	69,583,732	73,535,187	74,769,738
Disability, accident and health benefits (1)	107,490,753	110,789,199	113,572,825	115,468,887	120,080,331
Coupons, pure endowment and similar benefits	17,179	17,222	18,992	18,237	19,509
Surrender benefits, withdrawals for life contracts	245,728,199	248,702,088	281,532,892	272,998,652	265,095,216
Group conversions	27,891	52,893	28,088	48,382	30,872
Interest and adjustments on deposit type contracts	7,321,436	8,195,238	7,749,827	8,009,313	9,407,551
Payments on supplementary contracts with life contingencies	1,809,677	1,985,919	2,237,030	2,120,777	2,062,662
Increase in aggregate reserve	76,439,871	78,028,839	100,984,602	72,537,331	123,731,602
<b>Total benefits and claims</b>	<b>\$571,245,692</b>	<b>\$585,558,162</b>	<b>\$642,018,430</b>	<b>\$617,451,787</b>	<b>\$669,614,167</b>

(1) Excludes benefits paid by health insurance companies and property/casualty insurance companies.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

### Disability Insurance Premiums

#### Disability Insurance

Disability insurance pays an insured person an income when he or she is unable to work because of an accident or illness.

# 2018 A Firm Foundation

## Individual Disability Insurance, New Issues Sales, 2016 (1)

	Annualized premiums	Percent change, 2015-2016	Number of policies	Percent change, 2015-2016
Guaranteed renewable	\$227,316,564	(2)	377,561	(3)
Noncancellable	336,912,380	(3)	166,701	1%
<b>Total</b>	<b>\$564,228,944</b>	<b>(3)</b>	<b>544,262</b>	<b>(3)</b>

(1) Short-term and long-term individual disability income insurance. Based on a LIMRA survey of 19 personal disability insurance companies. Excludes commercial disability income.

(2) Greater than one-half of negative one percent.

(3) Less than one-half of one percent.

Source: LIMRA's Quarterly and Annual Individual Disability Income Surveys.

## Individual Disability Insurance In Force, 2016 (1)

	Number of policies	Percent change, 2015-2016	Annualized premiums	Percent change, 2015-2016
Noncancellable	2,380,133	-1%	\$4,332,359,750	2%
Guaranteed renewable	1,648,750	(2)	1,181,162,769	3
<b>Total</b>	<b>4,081,273</b>	<b>-1%</b>	<b>\$5,544,766,502</b>	<b>2%</b>

(1) Short-term and long-term individual disability income insurance. Based on a LIMRA survey of 21 personal disability insurance companies. Excludes commercial disability income.

(2) Less than one-half of negative one percent.

Source: LIMRA's Quarterly and Annual Individual Disability Income Surveys.

## Workers Compensation Indemnity Payouts

### Workers Compensation

Workers compensation insurance provides for the cost of medical care and rehabilitation for injured workers. It also provides for lost wages and death benefits for the dependents of persons killed in work-related accidents. Workers compensation systems vary from state to state. There are two components to workers compensation claims costs: cash payments for lost time (which are usually linked to a state's average weekly wage), known as indemnity costs, and payments for medical care.

### Workers Compensation Benefits, Coverage And Costs, 2014-2015

	2014	2015	Percent change, 2014-2015
Covered workers (ooo)	132,655	135,593	2.2%
Covered wages (\$ billions)	\$6,821	\$7,188	5.4
Workers compensation benefits paid (\$ billions)	62.7	61.9	-1.3
Medical benefits	31.9	31.1	-2.5
Cash benefits	30.8	30.7	-0.3
Employer costs for workers compensation (\$ billions)	92.7	94.8	2.3

Source: *Workers Compensation: Benefits, Coverage, and Costs*, October 2017, National Academy of Social Insurance.



## Chapter 8: A 50-State Commitment

### Employment

#### Contribution To State Economies

The insurance industry is a major contributor to state economies, providing employment, paying taxes and supporting community development. In addition, insurance company claims payments help ensure the economic security of individuals and businesses and help sustain a number of related industries. The magnitude of these claims payments for major insurance lines is highlighted in the "Incurred Losses by State" section. Incurred losses are a measurement of insurance claims occurring within a fixed period.

#### Insurance Carriers And Related Activities Employment By State, 2016 (1)

State	Number of employees	State	Number of employees
Alabama	38,273	Montana	8,750
Alaska	2,631	Nebraska	34,245
Arizona	66,331	Nevada	19,689
Arkansas	22,309	New Hampshire	18,256
California	322,897	New Jersey	101,714
Colorado	55,773	New Mexico	12,472
Connecticut	68,376	New York	197,257
Delaware	7,929	North Carolina	82,812
D.C.	4,130	North Dakota	10,573
Florida	219,494	Ohio	140,336
Georgia	107,238	Oklahoma	31,207
Hawaii	10,855	Oregon	33,589
Idaho	13,551	Pennsylvania	155,103
Illinois	153,401	Rhode Island	11,667
Indiana	63,602	South Carolina	42,923
Iowa	57,742	South Dakota	12,056
Kansas	38,081	Tennessee	64,285
Kentucky	44,137	Texas	279,553
Louisiana	36,538	Utah	27,814
Maine	13,798	Vermont	5,005
Maryland	48,924	Virginia	68,271
Massachusetts	83,230	Washington	55,243
Michigan	81,355	West Virginia	11,125
Minnesota	74,374	Wisconsin	80,794
Mississippi	19,005	Wyoming	3,474
Missouri	68,013	<b>United States</b>	<b>3,230,200</b>

(1) Total full-time and part-time employment.

Note: Does not match data shown elsewhere due to the use of different surveys. Data as of September 2017.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

# 2018 A Firm Foundation

## Insurance Carriers And Related Activities Compensation By State, 2015-2016

(\$000)

Annual payroll			Annual payroll		
State	2015	2016	State	2015	2016
Alabama	\$2,734,261	\$2,696,884	Montana	\$456,693	\$467,914
Alaska	171,738	173,967	Nebraska	2,232,920	2,307,113
Arizona	4,267,486	4,473,347	Nevada	1,162,414	1,198,597
Arkansas	1,099,691	1,172,658	New Hampshire	1,624,541	1,654,416
California	25,130,878	26,222,206	New Jersey	11,236,436	11,346,259
Colorado	4,026,842	4,195,570	New Mexico	671,890	699,622
Connecticut	8,949,030	8,842,446	New York	21,083,844	21,181,108
Delaware	686,717	640,467	North Carolina	5,316,582	5,646,668
D.C.	709,518	653,094	North Dakota	572,179	592,444
Florida	14,597,884	15,236,706	Ohio	10,233,625	10,560,166
Georgia	7,793,092	8,126,951	Oklahoma	1,733,975	1,730,734
Hawaii	649,807	671,792	Oregon	2,452,065	2,566,356
Idaho	650,640	708,961	Pennsylvania	12,856,173	12,661,514
Illinois	13,458,604	13,810,531	Rhode Island	1,001,407	995,112
Indiana	4,210,426	4,340,631	South Carolina	2,460,132	2,555,921
Iowa	4,136,349	4,410,475	South Dakota	597,047	612,120
Kansas	2,624,367	2,557,307	Tennessee	4,139,039	4,402,908
Kentucky	3,132,090	3,217,832	Texas	18,809,998	19,552,085
Louisiana	2,117,446	2,215,562	Utah	1,509,762	1,641,388
Maine	1,036,856	1,057,761	Vermont	380,410	391,796
Maryland	3,964,567	4,062,638	Virginia	4,947,402	5,016,549
Massachusetts	8,570,921	8,665,791	Washington	4,220,758	4,362,764
Michigan	5,341,763	5,594,724	West Virginia	556,532	565,492
Minnesota	7,936,193	6,888,441	Wisconsin	5,814,479	6,005,088
Mississippi	884,172	917,050	Wyoming	160,110	163,035
Missouri	4,708,249	4,833,039	<b>United States</b>	<b>\$249,820,000</b>	<b>\$255,264,000</b>

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

## Premiums

### Direct Premiums Written, P/C Insurance By State, 2016 (1)

(\$000)

State	Total, all lines	State	Total, all lines
Alabama	\$8,045,184	Montana	\$2,265,841
Alaska	1,569,538	Nebraska	4,548,056
Arizona	10,205,525	Nevada	4,738,939
Arkansas	4,913,190	New Hampshire	2,382,162
California	73,120,822	New Jersey	20,815,571
Colorado	11,342,000	New Mexico	3,128,083
Connecticut	8,402,264	New York	44,956,856
Delaware	2,483,706	North Carolina	14,965,395

# 2018 A Firm Foundation

State	Total, all lines	State	Total, all lines
D.C.	\$1,802,509	North Dakota	\$2,421,828
Florida	47,096,213	Ohio	15,844,551
Georgia	18,274,822	Oklahoma	7,757,381
Hawaii	2,443,668	Oregon	6,567,727
Idaho	2,611,138	Pennsylvania	23,674,767
Illinois	24,323,955	Rhode Island	2,303,004
Indiana	10,784,168	South Carolina	8,884,059
Iowa	6,263,585	South Dakota	2,357,449
Kansas	6,216,793	Tennessee	10,855,903
Kentucky	7,101,340	Texas	51,072,549
Louisiana	11,069,569	Utah	4,381,671
Maine	2,206,032	Vermont	1,238,786
Maryland	11,271,411	Virginia	13,072,867
Massachusetts	14,376,714	Washington	11,205,781
Michigan	18,480,037	West Virginia	2,926,618
Minnesota	11,236,931	Wisconsin	10,271,958
Mississippi	4,972,499	Wyoming	1,101,787

(1) Before reinsurance transactions, includes state funds, excludes territories.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Life/Health Insurers Direct Premiums Written And Annuity Considerations By State, 2016 (1)

(\$ millions)

State	Life insurance	Annuities	Accident and health insurance (2)	Deposit-type contract funds	Other considerations	Total
Alabama	\$2,237	\$2,813	\$1,527	\$284	\$441	\$7,301
Alaska	423	367	322	37	211	1,360
Arizona	2,312	4,617	4,078	340	1,676	13,023
Arkansas	1,182	1,417	993	83	306	3,982
California	16,158	23,614	13,754	2,800	8,744	65,070
Colorado	2,489	4,584	3,517	1,287	797	12,674
Connecticut	2,490	4,225	2,822	7,838	2,083	19,459
Delaware	1,179	2,703	616	52,358	394	57,251
D.C.	426	691	879	1,355	-3	3,348
Florida	9,343	17,990	12,924	1,467	4,835	46,559
Georgia	4,726	5,383	5,728	975	3,175	19,986
Hawaii	734	1,296	1,013	67	363	3,473
Idaho	567	883	616	61	220	2,348
Illinois	6,783	9,413	5,511	1,728	3,176	26,612
Indiana	2,738	5,808	4,156	1,595	913	15,210
Iowa	1,742	2,917	1,360	11,303	2,012	19,334
Kansas	1,398	2,148	3,375	1,528	442	8,890
Kentucky	1,570	2,435	1,654	286	1,306	7,252
Louisiana	2,357	3,368	2,033	246	598	8,602
Maine	466	1,033	895	94	218	2,707

## 2018 A Firm Foundation

State	Life insurance	Annuities	Accident and health insurance (2)	Deposit-type contract funds	Other considerations	Total
Maryland	2,942	5,182	3,398	750	1,623	13,895
Massachusetts	\$3,632	\$7,462	\$3,227	\$853	\$3,235	\$18,408
Michigan	4,491	9,286	3,420	1,010	1,542	19,749
Minnesota	4,570	4,785	1,528	739	1,829	13,449
Mississippi	1,216	1,416	1,420	119	199	4,371
Missouri	2,717	6,152	3,957	867	1,132	14,825
Montana	351	510	346	37	132	1,377
Nebraska	1,087	1,582	1,324	297	455	4,746
Nevada	1,030	1,500	1,144	320	359	4,353
New Hampshire	610	1,987	668	293	1,216	4,774
New Jersey	6,133	10,532	6,154	1,625	2,684	27,128
New Mexico	679	984	830	83	425	3,001
New York	11,973	17,151	9,577	29,817	8,614	77,132
North Carolina	4,557	6,781	5,178	749	3,278	20,543
North Dakota	402	595	295	79	188	1,559
Ohio	5,033	9,773	7,154	4,230	2,486	28,677
Oklahoma	1,621	1,863	1,628	207	526	5,845
Oregon	1,232	2,431	1,815	286	1,158	6,923
Pennsylvania	6,368	12,736	6,624	7,639	4,285	37,652
Rhode Island	453	1,102	478	121	230	2,385
South Carolina	2,093	3,615	2,044	191	542	8,485
South Dakota	808	560	377	75	111	1,932
Tennessee	2,949	4,516	3,141	888	1,256	12,750
Texas	11,212	15,836	17,596	3,299	3,208	51,151
Utah	1,331	2,196	1,164	358	492	5,541
Vermont	254	560	359	53	171	1,396
Virginia	4,251	6,482	4,248	949	1,408	17,339
Washington	2,547	4,272	3,222	473	1,480	11,995
West Virginia	606	1,330	727	107	165	2,936
Wisconsin	2,574	4,752	3,570	701	1,253	12,850
Wyoming	271	433	340	21	60	1,126
<b>United States (3)</b>	<b>\$151,314</b>	<b>\$246,069</b>	<b>\$164,728</b>	<b>\$142,967</b>	<b>\$77,651</b>	<b>\$782,728</b>

(1) Direct premiums written before reinsurance transactions, excludes state funds.

(2) Excludes accident and health premiums reported on property/casualty and health annual statements.

(3) Excludes territories, dividends and other nonstate specific data.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

# 2018 A Firm Foundation

## Direct Premiums Written, Property/Casualty Insurance By State By Line, 2016 (1)

(\$000)

	Private passenger auto		Commercial auto				
State	Liability	Coll./comp.	Liability	Coll./comp.	Homeowners multiple peril	Farmowners multiple peril	Commercial multiple peril
Alabama	\$1,650,128	\$1,375,433	\$323,313	\$116,291	\$1,661,374	\$75,553	\$566,890
Alaska	273,558	181,065	52,979	18,655	164,587	647	106,311
Arizona	2,621,148	1,751,908	383,930	104,167	1,556,537	16,505	615,540
Arkansas	954,325	823,592	235,408	107,100	879,492	27,836	326,586
California	14,230,363	11,025,139	2,796,781	762,295	7,704,251	206,932	4,651,407
Colorado	2,435,856	1,621,607	373,589	142,811	2,149,941	81,854	765,285
Connecticut	1,739,714	1,055,701	321,614	80,921	1,451,477	6,275	638,173
Delaware	550,394	251,612	100,354	21,250	254,038	6,249	326,360
D.C.	176,589	148,649	44,090	8,116	155,952	0	163,312
Florida	12,523,509	4,809,845	1,948,499	357,567	8,805,972	22,820	2,141,135
Georgia	4,755,321	2,816,667	804,554	215,526	2,960,464	117,620	1,003,287
Hawaii	422,448	300,101	89,854	23,530	372,556	48	178,658
Idaho	500,986	362,649	108,891	55,337	334,690	61,142	202,421
Illinois	3,920,644	3,108,241	1,048,595	330,445	3,486,799	172,468	1,713,354
Indiana	2,006,092	1,500,407	454,375	197,320	1,877,551	197,421	824,106
Iowa	809,028	841,360	222,308	154,015	764,526	203,944	376,220
Kansas	877,342	848,266	184,167	127,096	1,131,064	237,318	380,611
Kentucky	1,828,239	977,626	296,398	105,742	1,137,067	159,758	511,248
Louisiana	2,618,527	1,517,697	550,054	104,374	1,853,623	13,523	507,897
Maine	379,294	320,264	97,025	42,294	406,168	4,922	232,789
Maryland	2,764,226	1,860,368	441,615	122,049	1,691,101	27,938	637,851
Massachusetts	2,777,008	2,147,729	619,129	215,388	2,278,562	3,401	1,141,206
Michigan	5,310,266	3,151,876	637,433	310,682	2,714,508	144,785	1,076,839
Minnesota	1,942,010	1,470,450	354,554	190,839	2,055,471	146,014	715,665
Mississippi	954,105	806,075	252,614	86,347	960,348	22,289	319,657
Missouri	1,995,379	1,611,212	407,596	174,415	1,968,443	174,750	773,749
Montana	353,458	315,055	95,621	59,441	313,983	68,176	175,481
Nebraska	621,969	545,166	143,163	114,410	691,252	226,944	268,857
Nevada	1,470,019	659,809	225,174	38,756	558,814	8,053	317,556
New Hampshire	410,517	396,029	94,112	36,020	395,772	3,134	238,124
New Jersey	5,063,861	2,311,963	1,098,626	208,337	2,618,481	2,846	1,430,887
New Mexico	802,045	482,385	136,059	46,580	500,393	25,212	224,076
New York	8,098,580	4,535,401	2,064,153	347,854	5,250,251	41,687	3,772,530
North Carolina	2,897,130	2,646,570	606,965	193,594	2,461,554	60,026	948,315
North Dakota	205,425	248,951	82,623	66,812	202,600	117,539	136,048
Ohio	3,505,893	2,797,255	669,943	261,831	2,815,711	167,333	1,246,903
Oklahoma	1,380,153	1,135,689	307,606	138,921	1,607,498	157,168	519,914
Oregon	1,839,649	807,785	266,179	81,994	779,801	66,267	473,559
Pennsylvania	4,633,552	3,636,774	1,018,230	391,704	3,281,102	105,177	1,728,326
Rhode Island	573,364	294,195	82,106	21,529	382,840	344	153,789
South Carolina	2,212,668	1,371,250	309,560	98,140	1,641,208	13,437	479,677

# 2018 A Firm Foundation

	Private passenger auto		Commercial auto				
State	Liability	Coll./comp.	Liability	Coll./comp.	Homeowners multiple peril	Farmowners multiple peril	Commercial multiple peril
South Dakota	237,268	271,301	67,265	53,640	233,544	120,602	132,750
Tennessee	\$2,077,886	\$1,691,765	\$409,801	\$197,644	\$1,951,466	\$145,904	\$706,752
Texas	10,694,899	8,485,917	2,370,330	740,637	8,474,799	296,726	2,662,647
Utah	1,078,511	645,420	194,352	71,633	504,191	14,214	266,020
Vermont	178,412	181,583	42,929	23,933	194,307	15,069	137,713
Virginia	2,888,995	2,231,906	499,164	162,258	2,153,594	75,990	786,014
Washington	3,169,525	1,611,091	455,874	143,671	1,645,738	74,827	814,613
West Virginia	680,469	529,403	132,866	43,153	432,957	14,999	198,266
Wisconsin	1,640,620	1,310,091	380,197	180,272	1,379,295	179,413	703,211
Wyoming	174,405	199,764	52,512	30,238	193,836	29,406	97,490
Alabama	\$1,650,128	\$1,375,433	\$323,313	\$116,291	\$1,661,374	\$75,553	\$566,890

(1) Includes some state funds.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Direct Premiums Written, Property/Casualty Insurance By State By Line, 2016 (1) (Cont'd)

(\$000)

State	Workers compensation	Excess workers compensation	Medical malpractice	Products liability	Other liability	Fire	Allied lines
Alabama	\$360,838	\$21,732	\$116,183	\$30,613	\$604,414	\$192,571	\$183,882
Alaska	268,052	3,794	23,480	4,400	139,752	47,593	29,159
Arizona	859,161	13,171	215,921	40,930	850,116	130,048	119,313
Arkansas	249,254	8,501	64,137	18,517	338,396	146,841	114,492
California	12,960,736	243,589	756,925	485,303	7,439,521	1,198,459	751,567
Colorado	1,065,344	14,197	152,112	63,576	1,124,429	144,361	163,820
Connecticut	873,331	23,877	171,555	46,009	1,010,479	134,101	117,327
Delaware	206,232	1,689	32,760	11,366	366,268	23,388	22,738
D.C.	158,175	2,489	26,989	5,714	358,247	35,813	27,294
Florida	2,802,317	60,622	594,491	215,734	4,899,231	1,242,358	2,272,458
Georgia	1,524,764	38,833	235,901	84,011	1,513,473	314,483	261,163
Hawaii	279,199	5,322	28,412	10,179	281,841	70,200	92,404
Idaho	390,827	11,611	31,246	12,960	192,524	31,557	24,888
Illinois	2,720,458	62,476	474,192	154,306	3,548,049	364,043	292,374
Indiana	876,183	13,571	113,765	83,882	853,409	236,898	145,800
Iowa	762,853	11,576	66,967	43,542	563,532	115,275	111,977
Kansas	435,002	10,666	63,128	37,498	423,363	102,058	142,797
Kentucky	508,096	18,560	103,601	26,555	462,893	119,901	99,022
Louisiana	813,831	44,665	94,683	38,110	860,100	344,208	429,661
Maine	224,041	3,401	45,221	8,637	163,348	42,331	40,517
Maryland	979,503	12,890	283,621	44,820	1,075,345	149,204	120,829
Massachusetts	1,222,865	23,627	314,337	102,013	1,774,257	306,281	216,284
Michigan	1,150,349	34,892	186,117	90,951	1,215,257	311,808	165,875
Minnesota	1,036,071	1,226	78,627	85,927	1,048,568	184,277	287,897
Mississippi	354,450	11,092	47,675	17,608	306,756	124,578	122,959

## 2018 A Firm Foundation

State	Workers compensation	Excess workers compensation	Medical malpractice	Products liability	Other liability	Fire	Allied lines
Missouri	933,616	32,212	143,206	53,944	981,824	200,286	174,021
Montana	\$287,361	\$5,506	\$37,378	\$10,606	\$159,627	\$30,077	\$30,483
Nebraska	384,904	6,842	31,724	22,686	336,992	61,829	73,990
Nevada	371,244	19,901	69,759	22,001	417,049	76,018	65,910
New Hampshire	259,262	3,632	64,685	11,321	189,564	36,845	29,238
New Jersey	2,494,825	36,451	417,398	195,797	2,417,708	372,713	326,795
New Mexico	269,112	6,674	52,429	9,552	206,985	45,215	40,453
New York	5,893,911	60,060	1,629,018	294,620	7,452,759	841,224	630,079
North Carolina	1,493,077	26,520	163,948	84,339	1,187,276	284,722	296,809
North Dakota	6,389	0	9,588	11,532	162,127	35,706	38,260
Ohio	21,012	77,643	230,992	107,089	1,574,516	361,842	226,962
Oklahoma	692,555	14,971	94,743	35,522	586,812	162,570	181,432
Oregon	707,430	12,583	91,826	40,631	517,420	88,419	67,607
Pennsylvania	2,668,868	44,147	683,902	142,763	2,510,825	433,045	296,295
Rhode Island	226,916	1,623	29,011	10,869	224,203	43,659	39,612
South Carolina	782,395	10,588	64,584	44,801	534,597	213,122	168,436
South Dakota	177,474	1,647	15,209	11,144	122,543	28,903	27,261
Tennessee	873,188	19,675	208,516	56,304	936,358	249,935	187,716
Texas	2,364,887	28,564	305,093	274,194	4,835,410	1,589,847	1,755,450
Utah	441,901	4,137	59,303	28,311	395,548	83,723	44,956
Vermont	200,346	1,450	17,078	6,220	101,338	22,305	14,549
Virginia	1,020,917	28,525	187,621	52,725	1,260,848	211,204	177,301
Washington	24,481	31,965	156,826	62,642	1,121,011	186,008	127,984
West Virginia	262,260	3,698	62,836	10,985	246,387	59,710	36,140
Wisconsin	2,004,583	9,727	76,378	81,447	982,051	164,934	141,178
Wyoming	4,321	209	23,767	4,201	92,905	19,165	17,945
<b>United States</b>	<b>\$57,949,164</b>	<b>\$1,187,018</b>	<b>\$9,248,862</b>	<b>\$3,449,409</b>	<b>\$60,968,253</b>	<b>\$12,015,663</b>	<b>\$11,573,355</b>

(1) Includes some state funds.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

### Direct Premiums Written, Property/Casualty Insurance By State By Line, 2016 (1) (Cont'd)

(\$000)

State	Inland marine	Ocean marine	Surety	Fidelity	Burglary and theft	Boiler and machinery	Financial guaranty
Alabama	\$297,538	\$36,388	\$66,318	\$13,514	\$3,292	\$27,076	\$2,848
Alaska	83,517	34,606	28,021	2,341	693	8,543	420
Arizona	329,388	18,443	99,482	12,986	4,429	24,366	1,741
Arkansas	219,909	18,518	34,440	10,378	2,369	15,387	4,962
California	2,691,799	278,951	759,898	124,105	35,472	137,817	47,699
Colorado	384,657	14,214	118,757	24,216	5,282	21,546	5,301
Connecticut	317,007	51,061	61,613	25,134	5,080	18,333	2,659
Delaware	78,388	7,978	21,545	3,836	1,491	3,911	17,908



# 2018 A Firm Foundation

State	Inland marine	Ocean marine	Surety	Fidelity	Burglary and theft	Boiler and machinery	Financial guaranty
D.C.	128,921	4,121	136,392	14,013	2,889	5,743	139
Florida	1,281,535	317,726	361,632	64,152	18,550	68,364	5,521
Georgia	633,385	61,012	151,440	32,441	8,498	40,934	687
Hawaii	100,410	15,272	55,551	4,490	732	5,612	3,942
Idaho	\$87,968	\$6,012	\$19,917	\$3,099	\$663	\$8,073	0
Illinois	773,196	90,032	173,896	64,748	15,557	67,619	\$15,873
Indiana	328,853	25,897	87,415	18,828	4,432	39,277	1,692
Iowa	218,447	7,343	45,358	13,767	2,484	23,173	3,324
Kansas	185,697	8,668	48,402	12,142	2,197	19,323	1,762
Kentucky	243,170	23,467	80,125	10,296	2,417	27,820	2,841
Louisiana	406,170	162,086	112,147	13,128	4,132	31,273	3,308
Maine	71,201	26,548	16,296	3,923	742	7,794	304
Maryland	360,307	97,193	179,492	27,217	5,276	25,592	6,556
Massachusetts	504,101	82,789	129,998	43,249	8,697	38,276	5,627
Michigan	474,400	50,722	88,987	34,529	8,454	56,623	2,519
Minnesota	342,933	25,823	90,550	29,403	5,441	35,998	4,336
Mississippi	181,375	15,574	41,759	7,971	1,932	14,206	740
Missouri	382,841	35,790	75,277	24,553	5,534	29,763	5,960
Montana	62,392	2,902	28,271	3,223	579	6,023	0
Nebraska	113,783	5,766	36,545	8,680	1,532	13,922	1,359
Nevada	162,970	6,351	72,514	7,335	2,318	10,786	372
New Hampshire	88,810	11,495	17,334	4,422	1,019	5,607	301
New Jersey	711,382	133,345	161,225	44,840	10,009	47,464	7,470
New Mexico	102,699	2,887	45,278	3,921	719	7,585	1,198
New York	1,520,378	395,393	399,339	146,386	31,923	120,346	208,875
North Carolina	600,471	66,839	136,349	41,411	5,986	44,884	1,590
North Dakota	70,602	1,449	24,422	3,200	453	13,389	67
Ohio	617,105	51,850	133,283	41,895	12,140	57,560	3,696
Oklahoma	236,046	16,419	65,440	11,381	2,413	19,736	272
Oregon	252,064	33,251	63,795	10,683	2,729	18,327	513
Pennsylvania	756,304	59,114	216,865	51,657	11,915	75,020	19,700
Rhode Island	76,343	34,624	14,368	4,179	886	5,156	111
South Carolina	332,721	29,864	84,735	10,122	2,720	21,993	1,130
South Dakota	59,876	1,255	20,239	3,323	511	6,492	27
Tennessee	402,684	52,447	90,568	18,819	5,848	31,294	136
Texas	2,016,286	293,589	563,080	76,895	25,414	128,337	14,502
Utah	168,028	10,373	66,051	6,709	1,886	9,206	970
Vermont	43,865	3,877	8,195	2,824	402	4,947	1,091
Virginia	454,044	69,946	175,784	32,579	7,543	30,384	3,568
Washington	489,772	126,842	149,621	18,955	5,243	31,126	1,070
West Virginia	72,570	3,677	42,654	4,367	726	7,570	463
Wisconsin	285,561	36,665	61,341	23,508	5,111	40,764	1,559
Wyoming	44,602	983	40,001	1,528	304	6,714	0
<b>United States</b>	<b>\$20,848,472</b>	<b>\$2,967,439</b>	<b>\$5,802,008</b>	<b>\$1,221,302</b>	<b>\$297,067</b>	<b>\$1,567,074</b>	<b>\$418,710</b>

(1) Includes some state funds.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

# 2018 A Firm Foundation

## Direct Premiums Written, Property/Casualty Insurance By State By Line, 2016 (1) (Cont'd)

(\$000)

State	Aircraft	Earthquake	Federal flood	Credit	Warranty	Accident and health
Alabama	\$15,548	\$7,420	\$26,967	\$27,759	\$9,681	\$76,282
Alaska	30,963	25,554	1,705	5,974	608	13,027
Arizona	44,505	8,781	16,889	22,291	16,694	84,100
Arkansas	22,909	31,365	10,601	12,243	5,794	56,790
California	142,177	1,621,988	154,471	165,601	192,261	470,481
Colorado	40,733	8,935	14,281	16,691	18,517	72,676
Connecticut	29,124	6,799	46,223	32,617	11,400	44,384
Delaware	11,820	1,070	15,275	12,358	11,572	90,854
D.C.	2,328	2,316	985	56,361	44	103,955
Florida	103,010	22,175	822,361	114,834	468,934	201,216
Georgia	68,521	12,303	51,378	41,393	36,007	143,583
Hawaii	8,858	10,924	34,033	6,061	3,065	12,831
Idaho	11,385	3,818	3,430	3,115	4,100	20,748
Illinois	66,190	64,575	28,858	67,562	204,654	303,076
Indiana	18,662	35,805	16,425	27,050	38,564	293,885
Iowa	11,966	4,133	10,395	14,548	7,337	78,523
Kansas	19,585	6,933	6,348	12,880	158,083	61,623
Kentucky	6,886	41,443	15,323	34,060	15,065	48,257
Louisiana	32,739	5,354	252,369	24,504	6,379	60,143
Maine	3,861	1,907	7,798	7,491	3,965	12,961
Maryland	24,364	10,139	31,153	18,378	27,117	70,563
Massachusetts	15,281	21,613	66,420	36,469	38,278	87,407
Michigan	25,787	6,838	15,866	70,268	552,116	213,389
Minnesota	28,181	4,866	6,562	16,588	41,807	135,448
Mississippi	11,565	16,388	32,739	18,655	4,282	62,713
Missouri	26,590	90,652	16,260	27,450	39,285	167,459
Montana	10,669	4,651	2,582	1,212	1,172	31,845
Nebraska	12,718	2,253	7,166	5,716	4,401	72,863
Nevada	23,008	20,884	6,589	5,073	8,722	29,275
New Hampshire	6,041	2,629	7,407	5,622	6,318	21,922
New Jersey	14,269	21,438	193,468	76,446	27,833	164,255
New Mexico	5,786	2,303	8,596	4,792	4,599	20,127
New York	44,218	48,859	171,582	183,021	56,615	428,487
North Carolina	31,369	11,539	89,411	38,261	47,067	134,901
North Dakota	7,937	500	5,509	552	1,235	6,827
Ohio	53,236	26,884	26,203	44,922	48,800	198,941
Oklahoma	17,862	23,803	8,484	20,777	15,089	64,899
Oregon	24,853	81,900	19,187	15,958	5,231	60,033
Pennsylvania	32,956	15,800	52,264	64,620	79,164	379,987
Rhode Island	11,313	2,083	17,459	3,913	1,909	23,314
South Carolina	12,315	41,437	112,117	21,506	9,010	92,232
South Dakota	6,705	483	3,174	1,820	1,722	19,007
Tennessee	26,778	80,555	19,372	35,404	12,230	158,081
Texas	162,213	27,835	293,117	267,641	377,272	537,681

# 2018 A Firm Foundation

State	Aircraft	Earthquake	Federal flood	Credit	Warranty	Accident and health
Utah	\$24,668	\$45,219	\$1,985	\$10,900	\$29,515	\$71,238
Vermont	1,568	882	4,800	2,067	5,259	7,757
Virginia	42,481	15,709	60,266	24,690	24,704	136,461
Washington	37,753	165,309	28,186	28,330	50,747	76,640
West Virginia	2,920	1,319	12,690	4,885	3,548	34,972
Wisconsin	18,536	4,199	9,572	19,031	31,081	155,306
Wyoming	5,053	2,969	1,218	757	641	22,606
<b>United States</b>	<b>\$1,460,760</b>	<b>\$2,725,535</b>	<b>\$2,867,513</b>	<b>\$1,781,116</b>	<b>\$2,769,494</b>	<b>\$5,936,033</b>

(1) Includes some state funds.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Direct Premiums Written, Property/Casualty Insurance By State By Line, 2016 (1) (Cont'd)

(\$'000)

State	Multiple peril crop	Private crop	Mortgage guaranty	Misc.	Private flood
Alabama	\$60,223	\$675	\$63,373	\$28,061	\$3,005
Alaska	72	0	17,640	1,267	555
Arizona	85,066	2,905	124,651	24,153	6,260
Arkansas	115,291	15,691	31,524	8,932	1,608
California	466,846	14,849	459,017	95,340	48,786
Colorado	140,317	14,383	122,483	15,493	4,736
Connecticut	5,162	4	63,867	4,456	6,788
Delaware	8,747	97	20,760	658	740
D.C.	0	0	30,364	679	1,829
Florida	92,342	449	284,405	124,655	47,796
Georgia	130,938	2,443	174,390	32,449	6,953
Hawaii	1,543	0	20,172	2,270	3,150
Idaho	64,276	15,076	34,059	2,826	843
Illinois	616,005	99,019	228,010	38,870	9,771
Indiana	312,001	34,515	101,404	12,848	5,835
Iowa	589,209	123,188	49,792	6,736	6,739
Kansas	554,831	63,317	44,979	6,126	3,520
Kentucky	138,760	7,579	40,162	5,329	3,636
Louisiana	71,541	3,092	60,853	17,903	11,495
Maine	10,363	0	17,418	1,757	1,449
Maryland	29,264	85	132,464	11,887	3,005
Massachusetts	2,590	0	126,005	18,847	8,980
Michigan	144,997	8,086	180,821	40,883	3,112
Minnesota	587,472	106,536	148,944	24,066	4,382
Mississippi	120,920	3,529	25,900	22,151	3,546
Missouri	347,963	24,967	89,006	14,816	5,611
Montana	139,595	9,817	15,838	2,271	546
Nebraska	494,758	197,555	28,989	7,503	1,820
Nevada	6,998	0	50,009	3,232	2,440
New Hampshire	822	0	29,172	3,471	1,517

# 2018 A Firm Foundation

State	Multiple peril crop	Private crop	Mortgage guaranty	Misc.	Private flood
New Jersey	\$3,963	\$968	\$147,640	\$35,833	\$17,035
New Mexico	32,053	2,680	27,345	7,681	663
New York	54,995	65	168,238	38,589	27,419
North Carolina	172,635	7,495	156,227	22,198	5,916
North Dakota	853,476	94,438	11,917	1,221	1,033
Ohio	226,556	18,136	162,618	50,170	5,628
Oklahoma	170,989	12,132	42,473	11,867	1,747
Oregon	39,134	2,705	74,079	19,226	2,910
Pennsylvania	58,676	145	176,933	35,696	13,241
Rhode Island	25	0	18,280	3,696	1,287
South Carolina	66,957	119	79,067	10,917	10,633
South Dakota	665,342	53,020	11,717	1,611	573
Tennessee	93,649	3,581	90,389	15,216	5,939
Texas	793,916	63,587	387,031	132,983	31,771
Utah	3,991	107	86,373	11,178	1,050
Vermont	2,445	0	10,219	1,057	297
Virginia	64,544	2,761	165,451	20,166	4,727
Washington	157,051	18,158	160,358	24,756	9,609
West Virginia	2,060	1	13,199	3,250	1,614
Wisconsin	212,345	15,593	105,648	10,440	2,300
Wyoming	17,600	2,721	12,555	657	714
<b>United States</b>	<b>\$9,031,316</b>	<b>\$1,046,270</b>	<b>\$4,924,229</b>	<b>\$1,038,347</b>	<b>\$356,562</b>

(1) Includes some state funds.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Surplus Lines

### Surplus Lines By State

The surplus lines market, a group of highly specialized insurers exists to provide coverage that is not available through licensed insurers in the standard insurance market. Each state has surplus lines regulations and each surplus lines company is overseen for solvency by its home state. A number of states maintain lists of eligible surplus lines companies and some keep a list of those that are not eligible to do business in that state. In addition, depending on the state, the surplus lines agent or broker, who must be licensed, is responsible for checking the eligibility of the company.

For the many thousands of businesses that rely on some level of surplus line protection to keep their doors open, surplus lines is an important segment of the market. In 2016, surplus lines accounted for about 14.1 percent of the U.S. commercial lines market, up from 6.3 percent in 1995, according to a September 2017 A.M. Best report.

# 2018 A Firm Foundation

## Top 10 States By Gross Surplus Lines Premiums, 2015-2016

(\$ millions)

Rank	State	2016	2015
1	California	\$8,224.6	\$6,899.3
2	Texas	5,285.2	5,203.8
3	Florida	4,952.1	4,925.4
4	New York	3,722.0	3,631.2
5	New Jersey	1,614.0	1,710.0
6	Illinois	1,406.2	1,419.2
7	Louisiana	1,381.2	1,370.0
8	Pennsylvania	1,214.8	NA
9	Georgia	1,087.4	1,039.3
10	Massachusetts	952.6	907.9

NA=Data not available.

Source: Business Insurance ([www.businessinsurance.com](http://www.businessinsurance.com)), September 2017.

## Gross Surplus Lines Premiums By State, 2016 (1)

(\$ millions)

State	Total all lines
Alabama	\$552.1
Alaska	121.6
Arizona	479.2
Arkansas	230.6
California	8,224.6
Colorado	749.8
Connecticut	552.3
Delaware	119.8
D.C.	244.8
Florida	4,952.1
Georgia	1,087.4
Hawaii	252.9
Idaho	101.5
Illinois	1,406.2
Indiana	475.3
Iowa	278.9
Kansas	213.6
Kentucky	205.9
Louisiana	1,381.2
Maine	99.6
Maryland	460.9
Massachusetts	952.6
Michigan	NA
Minnesota	450.5
Mississippi	386.4
Missouri	626.3
Montana	91.4

# 2018 A Firm Foundation

State	Total all lines
Nebraska	\$152.7
Nevada	273.6
New Hampshire	91.8
New Jersey	1,614.0
New Mexico	99.5
New York	3,722.0
North Carolina	625.7
North Dakota	94.9
Ohio	747.8
Oklahoma	362.3
Oregon	328.4
Pennsylvania	1,214.8
Rhode Island	165.9
South Carolina	391.6
South Dakota	58.3
Tennessee	588.3
Texas	5,285.2
Utah	227.8
Vermont	65.8
Virginia	NA
Washington	824.7
West Virginia	113.5
Wisconsin	340.9
Wyoming	55.9
<b>United States</b>	<b>\$42,143.0</b>

(1) Business Insurance survey.

NA=Data not available.

Source: Business Insurance ([www.businessinsurance.com](http://www.businessinsurance.com)), September, 2017.

## Gross State Product

### Gross State Product (Gsp), Insurance Carriers And Related Activities, 2014-2015

(\$ millions)

State	2014	2015	As a percent of 2015 total GSP
Alabama	\$3,967	\$4,119	2.06%
Alaska	371	354	0.66
Arizona	6,737	7,311	2.51
Arkansas	1,899	2,059	1.73
California	34,105	35,335	1.42
Colorado	5,703	5,962	1.90
Connecticut	16,747	17,624	6.88
Delaware	8,961	9,295	13.50
D.C.	1,394	1,507	1.24
Florida	23,148	24,861	2.81

## 2018 A Firm Foundation

State	2014	2015	As a percent of 2015 total GSP
Georgia	10,963	11,275	2.25
Hawaii	\$1,393	\$1,442	1.79%
Idaho	1,012	1,078	1.65
Illinois	32,648	34,086	4.41
Indiana	12,126	12,123	3.64
Iowa	13,572	15,545	8.84
Kansas	4,658	4,453	2.93
Kentucky	4,891	5,316	2.77
Louisiana	4,008	4,094	1.72
Maine	1,767	1,864	3.25
Maryland	8,182	8,172	2.23
Massachusetts	13,558	15,116	3.10
Michigan	12,197	13,545	2.88
Minnesota	12,796	12,912	3.95
Mississippi	1,771	1,880	1.78
Missouri	7,998	8,140	2.78
Montana	694	690	1.51
Nebraska	6,883	7,368	6.49
Nevada	2,017	2,536	1.80
New Hampshire	3,986	3,906	5.26
New Jersey	14,917	16,610	2.94
New Mexico	1,272	1,284	1.38
New York	46,638	49,085	3.40
North Carolina	8,081	8,517	1.70
North Dakota	1,159	1,156	2.07
Ohio	21,985	23,131	3.81
Oklahoma	3,082	3,122	1.66
Oregon	4,021	4,159	1.92
Pennsylvania	23,486	23,821	3.36
Rhode Island	2,663	2,514	4.52
South Carolina	4,225	4,291	2.13
South Dakota	1,063	1,088	2.31
Tennessee	7,447	7,845	2.48
Texas	31,829	33,904	2.10
Utah	2,394	2,534	1.70
Vermont	1,124	1,176	3.88
Virginia	7,158	7,329	1.52
Washington	6,569	6,838	1.53
West Virginia	1,206	1,202	1.64
Wisconsin	14,921	15,408	5.11
Wyoming	275	291	0.74
<b>United States</b>	<b>\$410,277</b>	<b>\$450,336</b>	<b>2.51%</b>

Note: Last updated: May 11, 2017.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.



# 2018 A Firm Foundation

## State Taxes

All insurance companies pay a state tax based on their premiums. Other payments are made to states for licenses and fees, income and property taxes, sales and use taxes, unemployment compensation taxes and franchise taxes.

### Premium Taxes By State, Property/Casualty And Life/Health Insurance, 2016

(\$000)

State	Amount	State	Amount
Alabama	\$317,657	Montana	\$98,463
Alaska	64,400	Nebraska	65,465
Arizona	545,124	Nevada	310,223
Arkansas	192,020	New Hampshire	113,473
California	2,561,932	New Jersey	605,447
Colorado	277,647	New Mexico	214,688
Connecticut	208,895	New York	1,539,422
Delaware	96,279	North Carolina	503,407
D.C.	106,887	North Dakota	65,113
Florida	705,400	Ohio	579,408
Georgia	428,700	Oklahoma	322,604
Hawaii	157,900	Oregon	86,283
Idaho	87,727	Pennsylvania	820,513
Illinois	424,959	Rhode Island	113,993
Indiana	235,024	South Carolina	246,059
Iowa	119,571	South Dakota	86,879
Kansas	305,631	Tennessee	885,037
Kentucky	145,250	Texas	2,171,362
Louisiana	518,906	Utah	133,157
Maine	102,528	Vermont	59,055
Maryland	552,526	Virginia	491,495
Massachusetts	406,796	Washington	534,663
Michigan	328,138	West Virginia	158,315
Minnesota	457,876	Wisconsin	196,543
Mississippi	317,659	Wyoming	27,991
Missouri	400,734	<b>United States</b>	<b>\$20,495,224</b>

Source: U.S. Department of Commerce, Bureau of the Census.

## Insurance Companies by State

### Domestic Insurance Companies By State, Property/Casualty And Life/Annuities, 2016

State	Property/ casualty	Life/ annuities	State	Property/ casualty	Life/ annuities
Alabama	19	6	Montana	14	1
Alaska	5	0	Nebraska	34	31
Arizona	41	24	Nevada	11	3
Arkansas	11	25	New Hampshire	50	1

# 2018 A Firm Foundation

State	Property/ casualty	Life/ annuities	State	Property/ casualty	Life/ annuities
California	100	14	New Jersey	68	3
Colorado	10	11	New Mexico	15	1
Connecticut	69	27	New York	173	80
Delaware	99	28	North Carolina	58	10
D.C.	6	0	North Dakota	12	3
Florida	118	9	Ohio	138	37
Georgia	23	12	Oklahoma	29	24
Hawaii	17	3	Oregon	18	3
Idaho	8	1	Pennsylvania	180	26
Illinois	191	53	Rhode Island	20	2
Indiana	67	27	South Carolina	21	7
Iowa	72	38	South Dakota	16	2
Kansas	25	11	Tennessee	15	13
Kentucky	6	7	Texas	199	121
Louisiana	32	37	Utah	10	17
Maine	9	2	Vermont	12	1
Maryland	32	4	Virginia	19	3
Massachusetts	49	17	Washington	8	7
Michigan	68	22	West Virginia	19	1
Minnesota	39	10	Wisconsin	170	18
Mississippi	15	15	Wyoming	2	0
Missouri	45	25	<b>United States</b>	<b>2,487</b>	<b>84</b>
<b>(1)</b>					

(1) Excludes territories. Excludes health insurers, risk retention groups, fraternal, title and other insurers.

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## Licensed Insurers By State

An insurance company is said to be “domiciled” in the state that issued its primary license; it is “domestic” in that state. Once licensed in one state, it may seek licenses in other states as a “foreign” insurer (referred to as “licensed out-of-state insurers” in the chart below). An insurer incorporated in a foreign country is called an “alien” insurer in the U.S. states in which it is licensed (not included in the chart). The chart also shows self-insured groups and risk purchasing groups (organizations consisting of firms engaged in similar businesses that band together to purchase commercial insurance). Many insurers do business outside their state of domicile. For example, there are only 38 insurance companies domiciled in Alabama, but 1,437 insurers have licenses to do business in the state.

## Regulated Insurance Entities By State, 2016

State	Domestic insurers (1)	Licensed out-of- state insurers (2)	Chartered self- insured groups or pools	Chartered purchasing groups	All companies doing business in state (3)
Alabama	38	1,390	0	9	1,437

## 2018 A Firm Foundation

State	Domestic insurers (1)	Licensed out-of-state insurers (2)	Chartered self-insured groups or pools	Chartered purchasing groups	All companies doing business in state (3)
Alaska	7	759	0	2	768
Arizona	114	1,576	25	23	1,738
Arkansas	52	1,488	0	1	1,541
California	135	1,107	0	44	1,286
Colorado	46	1,453	9	40	1,548
Connecticut	106	1,206	0	26	1,338
Delaware	144	1,322	0	110	1,576
D.C.	51	1,341	0	16	1,408
Florida	439	1,611	11	50	2,111
Georgia	88	1,579	21	0	1,688
Hawaii	46	1,058	12	7	1,123
Idaho	15	1,389	12	1	1,417
Illinois	339	1,389	12	151	1,891
Indiana	152	1,615	15	20	1,802
Iowa	221	1,375	3	0	1,599
Kansas	46	1,507	17	14	1,584
Kentucky	53	1,479	12	11	1,555
Louisiana	108	1,473	22	2	1,605
Maine	15	1,132	18	1	1,166
Maryland	61	1,474	5	16	1,556
Massachusetts	83	1,297	25	6	1,411
Michigan	132	1,391	16	11	1,550
Minnesota	154	1,351	18	20	1,543
Mississippi	41	1,468	0	2	1,511
Missouri	177	1,482	11	6	1,676
Montana	43	1,371	0	5	1,419
Nebraska	102	1,434	6	5	1,547
Nevada	55	1,493	9	4	1,561
New Hampshire	59	1,103	0	0	1,162
New Jersey	119	1,304	50	33	1,506
New Mexico	26	1,426	5	0	1,457
New York	580	1,165	11	76	1,832
North Carolina	79	1,423	3	0	1,505
North Dakota	30	1,344	2	2	1,378
Ohio	245	1,485	0	23	1,753
Oklahoma	78	1,453	3	5	1,539
Oregon	49	1,450	0	7	1,506
Pennsylvania	270	1,539	15	30	1,854
Rhode Island	26	1,277	1	23	1,327
South Carolina	76	1,552	0	10	1,638
South Dakota	37	1,382	0	0	1,419
Tennessee	69	1,436	8	6	1,519
Texas	401	1,546	6	54	2,007
Utah	88	1,633	0	11	1,732
Vermont	115	1,659	0	5	1,779

# 2018 A Firm Foundation

State	Domestic insurers (1)	Licensed out-of-state insurers (2)	Chartered self-insured groups or pools	Chartered purchasing groups	All companies doing business in state (3)
Virginia	65	1,507	16	19	1,607
Washington	36	1,409	0	7	1,452
West Virginia	29	1,364	1	2	1,396
Wisconsin	326	1,547	0	7	1,880
Wyoming	5	1,372	0	1	1,378
<b>Total U.S. (3)</b>	<b>5,977</b>	<b>(4)</b>	<b>400</b>	<b>924</b>	<b>7,301</b>

(1) Insurers that are domiciled in the state. Includes property/casualty, life/annuities, health, fraternal, title, risk retention groups and "other."

(2) This category is comprised of insurers designated by the NAIC as "foreign insurers"—i.e., insurers whose state of domicile is other than the state in which it is writing business. There is no total in this column to avoid double counting—i.e., insurers are only included in the figures for states in which they are domiciled.

(3) Totals include U.S. territories and possessions.

(4) No totals shown, so as to avoid double counting. Totals reflect insurers physically located in the state.

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## Catastrophes by State

The insurance industry plays a vital role in helping individuals and businesses prepare for and recover from the potentially devastating effects of a disaster such as a catastrophic hurricane or storm or wildfire. Information on catastrophes, including earthquakes, terrorism, hurricanes, wildfires and tornadoes is provided in the "Supporting Resiliency and Disaster Recovery" section of the Firm Foundation. In addition, the section below provides state catastrophe rankings, followed by information on the following types of disasters:

- Hailstorms
- Hurricanes
- Tornadoes
- Wildfires

### State Catastrophe Rankings

ISO defines a catastrophe as an event that causes \$25 million or more in insured property losses and affects a significant number of property/casualty policyholders and insurers. The estimates in the following charts represent anticipated insured losses from catastrophes on an industrywide basis, reflecting the total net insurance payment for personal and commercial property lines of insurance covering fixed property, vehicles, boats, related-property items, business interruption and additional living expenses. They exclude loss-adjustment expenses.

#### Top Five States By Insured Catastrophe Losses, 2016 (1)

(\$ millions)

Rank	State	Estimated insured losses
1	Texas	\$8,025.3
2	Colorado	1,467.8

# 2018 A Firm Foundation

Rank	State	Estimated insured losses
3	Louisiana	1,230.3
4	Florida	1,122.0
5	Tennessee	1,118.6

(1) Includes catastrophes causing insured property losses of at least \$25 million in 1997 dollars and affecting a significant number of policyholders and insurers. Excludes losses covered by the federally administered National Flood Insurance Program.

Source: The Property Claim Services® (PCS®) unit of ISO®, a Verisk Analytics® company.

## Top Five States For Major Hail Events, 2016 (1)

Rank	State	Number of hail events
1	Texas	830
2	Kansas	569
3	Nebraska	376
4	South Dakota	324
5	Oklahoma	315
	United States	5,601

(1) One inch in diameter or larger.

Source: U.S. Department of Commerce, National Oceanic and Atmospheric Administration, National Weather Service.

## Top 10 Costliest Hurricanes In The United States (1)

(\$ millions)

Rank	Date	Location	Hurricane	Estimated insured loss (2)	
				Dollars when occurred	In 2016 dollars (3)
1	Aug. 25-30, 2005	AL, FL, GA, LA, MS, TN	Hurricane Katrina	\$41,100	\$49,793
2	Aug. 24-26, 1992	FL, LA	Hurricane Andrew	15,500	24,478
3	Oct. 28-31, 2012	CT, DC, DE, MA, MD, ME, NC, NH, NJ, NY, OH, PA, RI, VA, VT, WV	Hurricane Sandy	18,750	19,860
4	Sep. 12-14, 2008	AR, IL, IN, KY, LA, MO, OH, PA, TX	Hurricane Ike	12,500	14,036
5	Oct. 24, 2005	FL	Hurricane Wilma	10,300	12,479
6	Aug. 13-14, 2004	FL, NC, SC	Hurricane Charley	7,475	9,348
7	Sep. 15-21, 2004	AL, DE, FL, GA, LA, MD, MS, NC, NJ, NY, OH, PA, TN, VA, WV	Hurricane Ivan	7,110	8,891
8	Sep. 17-22, 1989	GA, NC, PR, SC, UV, VA	Hurricane Hugo	4,195	7,260
9	Sep. 20-26, 2005	AL, AR, FL, LA, MS, TN, TX	Hurricane Rita	5,627	6,817
10	Sep. 3-9, 2004	FL, GA, NC, NY, SC	Hurricane Frances	4,595	5,746

(1) Includes hurricanes occurring through 2016.

(2) Property coverage only. Excludes flood damage covered by the federally administered National Flood Insurance Program.

(3) Adjusted for inflation through 2016 by ISO using the GDP implicit price deflator.

Source: The Property Claim Services® (PCS®) unit of ISO®, a Verisk Analytics® company.

# 2018 A Firm Foundation

## Estimated Value Of Insured Coastal Properties Vulnerable To Hurricanes By State, 2015 (1)

(\$ billions)

Rank	State	Commercial	Residential	Total coastal	Total exposure (2)	Coastal as a percent of total
1	New York	\$2,093.0	\$1,272.0	\$3,365.0	\$5,571.0	68%
2	Florida	1,483.0	1,718.0	3,200.0	4,058.0	79
3	Virginia	92.0	106.0	1,993.0	2,078.0	10
4	Texas	725.0	638.0	1,363.0	5,358.0	28
5	Massachusetts	441.0	511.0	953.0	1,765.0	54
6	New Jersey	373.0	422.0	795.0	2,453.0	32
7	Connecticut	290.0	385.0	675.0	1,025.0	64
8	Louisiana	182.0	147.0	329.0	896.0	38
9	South Carolina	112.0	126.0	239.0	931.0	26
10	Maine	73.0	111.0	184.0	321.0	53
11	North Carolina	69.0	109.0	178.0	2,014.0	8
12	Alabama	63.0	65.0	128.0	1,014.0	13
13	Georgia	53.0	56.0	109.0	2,171.0	5
14	Delaware	34.0	59.0	93.0	241.0	29
15	New Hampshire	32.0	42.0	74.0	328.0	23
16	Mississippi	36.0	35.0	71.0	527.0	14
17	Rhode Island	25.0	46.0	71.0	241.0	22
18	Maryland	8.0	10.0	18.0	1,476.0	1
	<b>All states shown</b>	<b>\$6,184.0</b>	<b>\$5,858.0</b>	<b>\$13,838.0</b>	<b>\$32,468.0</b>	<b>38%</b>
	<b>Total, United States</b>	<b>\$6,184.0</b>	<b>\$5,858.0</b>	<b>\$13,838.0</b>	<b>NA</b>	<b>16%</b>

(1) Includes residential and commercial Gulf and East Coast properties, as of December 31, 2015. Ranked by value of total insured coastal property.

(2) Total exposure is an estimate of the actual total value of all property in the state that is insured or can be insured, including the full replacement value of structures and their contents, additional living expenses and the time value of business interruption coverage.

NA=Data not available.

Source: AIR Worldwide.

While individual hurricanes and earthquakes tend to produce higher losses, tornadoes account for a major share of catastrophe losses because of their frequency.

## Tornadoes And Related Deaths By State, 2016 (1)

State	Tornadoes	Fatalities	Rank (2)	State	Tornadoes	Fatalities	Rank (2)
Alabama	87	4	3	Montana	4	0	30
Alaska	0	0	(3)	Nebraska	47	0	8
Arizona	3	0	32	Nevada	0	0	(3)
Arkansas	23	0	18	New Hampshire	2	0	36
California	7	0	27	New Jersey	2	0	36
Colorado	45	0	10	New Mexico	3	0	32
Connecticut	0	0	(3)	New York	1	0	41
D.C.	0	0	(3)	North Carolina	16	0	20
Delaware	0	0	(3)	North Dakota	32	0	13
Florida	48	2	7	Ohio	31	0	15

## 2018 A Firm Foundation

State	Tornadoes	Fatalities	Rank (2)	State	Tornadoes	Fatalities	Rank (2)
Georgia	27	0	17	Oklahoma	55	2	5
Hawaii	0	0	(3)	Oregon	4	0	30
Idaho	1	0	41	Pennsylvania	9	0	26
Illinois	50	0	6	Rhode Island	0	0	(3)
Indiana	40	0	12	South Carolina	3	0	32
Iowa	46	0	9	South Dakota	16	0	20
Kansas	99	0	1	Tennessee	11	2	24
Kentucky	32	0	13	Texas	90	1	2
Louisiana	31	2	15	Utah	3	0	32
Maine	2	0	36	Vermont	0	0	(3)
Maryland	2	0	36	Virginia	12	4	23
Massachusetts	2	0	36	Washington	6	0	28
Michigan	15	0	22	West Virginia	6	0	28
Minnesota	44	0	11	Wisconsin	11	0	24
Mississippi	67	1	4	Wyoming	1	0	41
Missouri	23	0	18	<b>United States</b>	<b>1,059 (4)</b>	<b>18</b>	

(1) Ranked by total number of tornadoes.

(2) States with the same number receive the same ranking.

(3) State had no tornadoes in 2016.

(4) The U.S. total will not match data used in other charts because it counts tornadoes that cross state lines.

Source: U.S. Department of Commerce, Storm Prediction Center, National Weather Service.

### Wildfires By State, 2016

State	Number of fires	Number of acres burned
Alaska	572	496,467
Alabama	3,923	59,030
Arizona	2,288	308,245
Arkansas	1,513	33,371
California	7,349	560,815
Colorado	1,190	129,495
Connecticut	268	778
Delaware	(1)	(1)
Florida	3,067	74,416
Georgia	5,086	52,119
Hawaii	10	15,098
Idaho	630	361,649
Illinois	12	133
Indiana	27	620
Iowa	465	21,371
Kansas	75	349,829
Kentucky	1,220	73,864
Louisiana	508	7,799
Maine	796	946
Maryland	120	242
Massachusetts	1,526	1,381
Michigan	389	3,666
Minnesota	1,422	12,268



## 2018 A Firm Foundation

State	Number of fires	Number of acres burned
Mississippi	94	8,128
Missouri	2,610	32,134
Montana	2,026	114,594
Nebraska	45	24,498
Nevada	467	265,156
New Hampshire	148	880
New Jersey	1,050	4,445
New Mexico	1,240	212,425
New York	196	4,236
North Carolina	4,007	88,109
North Dakota	563	4,657
Ohio	410	1,116
Oklahoma	1,938	767,780
Oregon	1,245	219,509
Pennsylvania	871	12,245
Rhode Island	79	57
South Carolina	982	3,804
South Dakota	1,216	81,561
Tennessee	2,165	88,038
Texas	9,300	356,680
Utah	1,078	101,096
Vermont	150	386
Virginia	580	41,441
Washington	1,272	293,717
West Virginia	18	443
Wisconsin	713	695
Wyoming	711	218,077
<b>United States (2)</b>	<b>67,743</b>	<b>5,509,995</b>

(1) Delaware had no wildfires in 2016.

(2) Includes Puerto Rico which had 113 fires that burned 486 acres.

Source: National Interagency Fire Center.

### Top 10 States For Wildfires Ranked By Number Of Fires And By Number Of Acres Burned, 2016

Rank	State	Number of fires	Rank	State	Number of acres burned
1	Texas	9,300	1	Oklahoma	767,780
2	California	7,349	2	California	560,815
3	Georgia	5,086	3	Alaska	496,467
4	North Carolina	4,007	4	Idaho	361,649
5	Alabama	3,923	5	Texas	356,680
6	Florida	3,067	6	Kansas	349,829
7	Missouri	2,610	7	Arizona	308,245
8	Arizona	2,288	8	Washington	293,717
9	Tennessee	2,165	9	Nevada	265,156
10	Montana	2,026	10	Oregon	219,509

Source: National Interagency Fire Center.

# 2018 A Firm Foundation

## Residual Markets

A myriad of different programs in place across the United States provide insurance to high risk policyholders who may have difficulty obtaining coverage from the standard market. So called residual, shared or involuntary market programs make basic insurance coverage more readily available. Today, property insurance from the residual market is provided by Fair Access to Insurance Requirements (FAIR) Plans, Beach and Windstorm Plans, and two state-run insurance companies in Florida and Louisiana: Florida Citizens Property Insurance Company (CPIC) and Louisiana Citizens Property Insurance Corp. (Louisiana Citizens). Established in the late 1960s to ensure the continued provision of insurance in urban areas, FAIR Plans often provide property insurance in both urban and coastal areas, while Beach and Windstorm Plans cover predominantly wind-only risks in designated coastal areas. Hybrid plans, like Florida's and Louisiana's plans, provide property insurance throughout those states. It is important to note that in addition to windstorm risk, these plans routinely cover a range of other exposures, such as vandalism and fire.

### Insurance Provided By Fair Plans By State, Fiscal Year 2016 (1)

	Number of policies				
State	Habitational	Commercial	Total	Exposure (2) (\$000)	Direct premiums written (\$000)
California	122,335	4,355	126,690	\$46,316,568	\$78,775
Connecticut	2,345	72	2,417	440,243	3,384
Delaware	1,778	69	1,847	257,260	605
D.C.	255	36	291	85,241	263
Florida (3)	502,090	18,304	520,394	124,063,056	973,840
Georgia	21,985	859	22,844	2,963,769	23,674
Illinois	5,449	68	5,517	614,579	6,176
Indiana	1,866	48	1,914	197,410	1,758
Iowa	1,529	38	1,567	94,830	985
Kansas	16,486	168	16,654	1,001	8,931
Kentucky	9,924	409	10,333	499,742	6,480
Louisiana (3)	78,174	2,833	81,007	10,349,958	105,099
Maryland	1,596	72	1,668	464,933	1,101
Massachusetts	219,729	299	220,028	84,843,463	299,225
Michigan	19,363	320	19,683	2,446,443	18,219
Minnesota	5,678	49	5,727	865,778	4,300
Mississippi (4)	7,944	0	7,944	477,402	5,997
Missouri	3,361	104	3,465	208,272	2,010
New Jersey	14,685	376	15,061	2,084,152	9,617
New Mexico	11,104	294	11,398	85,104	4,865
New York	43,567	2,728	46,295	12,263,000	34,705
North Carolina	166,344	3,464	169,808	17,113,601	78,079
Ohio	22,720	423	23,143	5,356,782	19,412
Oregon	1,827	56	1,883	282,831	895
Pennsylvania	15,959	1,267	17,226	1,439,726	7,383
Rhode Island	17,895	136	18,031	4,560,594	23,847
Texas (4)	143,599	0	143,599	19,883,768	122,486

## 2018 A Firm Foundation

	Number of policies				
State	Habitational	Commercial	Total	Exposure (2) (\$000)	Direct premiums written (\$000)
Virginia	32,147	508	32,655	4,464,803	19,962
Washington	65	13	78	18,726	115
West Virginia	431	52	483	28,955	307
Wisconsin	6,200	102	6,302	370,000	3,249
<b>Total</b>	<b>1,498,430</b>	<b>37,522</b>	<b>1,535,952</b>	<b>\$343,141,990</b>	<b>\$1,865,744</b>

(1) Excludes the FAIR Plans of Arkansas and Hawaii.

(2) Exposure is the estimate of the aggregate value of all insurance in force in all FAIR Plans in all lines (except liability, where applicable, and crime) for 12 months ending September through December.

(3) Citizens Property Insurance Corporation, which combined the FAIR and Beach Plans.

(4) The Mississippi and Texas FAIR Plans do not offer a commercial policy.

Source: Property Insurance Plans Service Office (PIPSO).

### Insurance Provided By Beach And Windstorm Plans, Fiscal Year 2016 (1)

	Number of policies				
State	Habitational	Commercial	Total	Exposure (2) (\$000)	Direct premiums written (\$000)
Alabama	27,445	70	27,515	\$4,850,621	\$33,237
Mississippi	30,125	814	30,939	4,858,910	51,992
North Carolina	242,021	11,681	253,702	81,451,348	368,292
South Carolina	29,298	535	29,833	9,682,172	59,233
Texas	254,522	12,916	267,438	73,393,573	487,354
<b>Total</b>	<b>583,411</b>	<b>26,016</b>	<b>609,427</b>	<b>\$174,236,624</b>	<b>\$1,000,108</b>

(1) The Florida and Louisiana Beach Plans merged with their FAIR Plans, see chart, Insurance Provided By FAIR Plans By State.

(2) Exposure is the estimate of the aggregate value of all insurance in force in each state's Beach and Windstorm Plan in all lines (except liability, where applicable, and crime) for 12 months ending September through December.

Source: Property Insurance Plans Service Office (PIPSO).

## Captives by State

Over the years, a number of alternatives to traditional commercial insurance have emerged to respond to fluctuations in the marketplace. Captives—a special type of insurer set up by a company to insure its own risks—first emerged in the 1980s. With 593 licensed captives, Vermont was the largest U.S. captive domicile in 2016, based on data in an annual survey of the world's largest captive domiciles conducted by Business Insurance magazine. On a worldwide basis, Vermont was the third largest captive domicile, topped only by Bermuda with 776 and the Cayman Islands with 711 captives.

According to Business Insurance, there are 29 captive domiciles in the U.S., including 28 states and the District of Columbia.

### Captives By State, 2015-2016

Rank	Domicile	2014	2015
1	Vermont	596	593

## 2018 A Firm Foundation

Rank	Domicile	2014	2015
2	Utah	440(1)	462
3	Delaware	323	385
4	Nevada	202	207
5	Hawaii	197	207
6	North Carolina	94	190
7	Montana	196	184
8	South Carolina	167	164
9	Tennessee	127	160
10	Arizona	110	113
11	D.C.	93(1)	100
12	Kentucky	92	84
13	Oklahoma	73	75
14	New York	62(1)	60 (2)
15	Missouri	50	48
16	Alabama	42	48
17	Texas	21	34
18	Georgia	16	28
19	New Jersey	22	23
20	Michigan	23	20
21	South Dakota	14	16
22	Connecticut	10	14
23	Ohio	4	14
24	Nebraska	4	4
25	Colorado	3	4
26	Arkansas	2	3
27	Illinois	2	3
28	Maine	3	2
29	Kansas	2	1
<b>United States (3)</b>		<b>2,990</b>	<b>3,24</b>

(1) Restated.

(2) Estimated.

(3) Excludes territories.

Source: Business Insurance, March 2017.

## Incurred Losses by State

Property/casualty insurers pay out billions of dollars each year to settle claims. Many of the payments go to businesses, such as auto repair companies, that help claimants get their lives back together after an accident, fire, windstorm or other incident that caused the injury or property damage. Insurance claim payments support local businesses, enabling them to provide jobs and pay taxes that support the local economy. When life insurance claims are paid, funds flow into the general economy, as beneficiaries spend the money they receive. When property/casualty insurance claims are paid, funds flow to the industries that supply claimants with the goods and services necessary for their recovery. The following charts show incurred losses, i.e. losses occurring during a fixed period, whether or not adjusted or paid during the same period.

# 2018 A Firm Foundation

## Incurred Losses By State, Property/Casualty Insurance, 2016 (1)

(\$000)

State	Incurred losses	State	Incurred losses
Alabama	\$4,702,498	Montana	\$1,653,947
Alaska	748,965	Nebraska	2,974,883
Arizona	6,262,281	Nevada	3,220,734
Arkansas	3,393,075	New Hampshire	1,092,834
California	42,601,889	New Jersey	11,841,981
Colorado	8,129,467	New Mexico	1,984,835
Connecticut	4,353,785	New York	26,031,972
Delaware	1,368,479	North Carolina	8,924,484
D.C.	1,135,442	North Dakota	1,583,971
Florida	25,578,739	Ohio	8,247,122
Georgia	12,152,213	Oklahoma	4,110,977
Hawaii	1,023,805	Oregon	3,648,622
Idaho	1,410,960	Pennsylvania	13,570,725
Illinois	13,499,993	Rhode Island	1,261,050
Indiana	6,156,129	South Carolina	6,014,985
Iowa	3,058,337	South Dakota	1,159,593
Kansas	3,134,387	Tennessee	6,856,636
Kentucky	4,248,513	Texas	37,067,174
Louisiana	9,459,225	Utah	2,495,715
Maine	1,015,724	Vermont	549,899
Maryland	6,632,433	Virginia	7,730,072
Massachusetts	7,141,010	Washington	6,436,211
Michigan	12,149,171	West Virginia	1,742,627
Minnesota	5,754,919	Wisconsin	5,416,884
Mississippi	2,748,757	Wyoming	680,532
Missouri	6,687,016	<b>United States</b>	<b>\$360,845,678</b>

(1) Losses occurring within a fixed period whether or not adjusted or paid during the same period, on a direct basis before reinsurance.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

# 2018 A Firm Foundation

## Incurred Losses By State, Private Passenger Auto Insurance, 2016 (1)

(\$000)

State	Incurred losses	State	Incurred losses
Alabama	\$2,121,305	Montana	\$495,846
Alaska	282,047	Nebraska	755,188
Arizona	3,114,558	Nevada	1,604,443
Arkansas	1,323,696	New Hampshire	481,237
California	17,927,979	New Jersey	4,866,771
Colorado	3,318,979	New Mexico	864,395
Connecticut	1,840,869	New York	8,587,462
Delaware	572,078	North Carolina	3,824,149
D.C.	232,832	North Dakota	308,189
Florida	12,078,420	Ohio	3,904,974
Georgia	5,695,136	Oklahoma	1,536,205
Hawaii	439,835	Oregon	1,750,300
Idaho	556,799	Pennsylvania	5,320,110
Illinois	4,580,330	Rhode Island	600,539
Indiana	2,284,174	South Carolina	2,694,363
Iowa	1,009,159	South Dakota	326,285
Kansas	1,133,681	Tennessee	2,492,018
Kentucky	1,987,454	Texas	14,834,129
Louisiana	3,739,453	Utah	1,200,233
Maine	407,149	Vermont	201,232
Maryland	3,314,971	Virginia	3,491,531
Massachusetts	3,052,973	Washington	3,292,454
Michigan	7,421,957	West Virginia	730,345
Minnesota	2,085,305	Wisconsin	1,857,748
Mississippi	1,175,771	Wyoming	269,941
Missouri	2,560,012	<b>United States</b>	<b>\$150,547,012</b>

(1) Losses occurring within a fixed period whether or not adjusted or paid during the same period, on a direct basis before reinsurance.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

# 2018 A Firm Foundation

## Incurred Losses By State, Homeowners Insurance, 2016 (1)

(\$000)

State	Incurred losses	State	Incurred losses
Alabama	\$670,506	Montana	\$326,915
Alaska	64,597	Nebraska	698,557
Arizona	757,869	Nevada	314,146
Arkansas	550,629	New Hampshire	153,368
California	4,158,620	New Jersey	1,078,146
Colorado	1,745,328	New Mexico	337,652
Connecticut	536,638	New York	2,170,228
Delaware	118,821	North Carolina	1,379,438
D.C.	61,472	North Dakota	203,795
Florida	3,456,451	Ohio	1,106,456
Georgia	1,773,172	Oklahoma	638,506
Hawaii	98,432	Oregon	361,213
Idaho	170,078	Pennsylvania	1,308,092
Illinois	1,958,191	Rhode Island	171,045
Indiana	1,003,810	South Carolina	891,835
Iowa	291,074	South Dakota	93,309
Kansas	537,799	Tennessee	1,153,112
Kentucky	549,229	Texas	7,247,618
Louisiana	711,090	Utah	306,502
Maine	131,123	Vermont	75,753
Maryland	836,597	Virginia	1,269,321
Massachusetts	808,147	Washington	813,868
Michigan	1,163,733	West Virginia	244,752
Minnesota	897,178	Wisconsin	585,360
Mississippi	414,262	Wyoming	132,496
Missouri	1,060,782	<b>United States</b>	<b>\$47,587,134</b>

(1) Losses occurring within a fixed period whether or not adjusted or paid during the same period, on a direct basis before reinsurance.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.



# 2018 A Firm Foundation

## Incurring Losses By State, Commercial Insurance, 2016 (1)

(\$000)

State	Incurring losses	State	Incurring losses
Alabama	\$1,812,853	Montana	\$755,111
Alaska	394,033	Nebraska	1,348,648
Arizona	2,325,887	Nevada	1,284,564
Arkansas	1,456,670	New Hampshire	435,647
California	20,051,820	New Jersey	5,764,281
Colorado	2,942,038	New Mexico	751,013
Connecticut	1,938,736	New York	14,947,682
Delaware	628,022	North Carolina	3,582,493
D.C.	806,911	North Dakota	956,176
Florida	9,865,939	Ohio	3,011,524
Georgia	4,502,612	Oklahoma	1,798,017
Hawaii	478,369	Oregon	1,458,751
Idaho	637,170	Pennsylvania	6,622,343
Illinois	6,652,153	Rhode Island	476,440
Indiana	2,507,427	South Carolina	2,340,655
Iowa	1,613,975	South Dakota	652,065
Kansas	1,277,400	Tennessee	3,048,422
Kentucky	1,607,906	Texas	14,390,484
Louisiana	4,966,173	Utah	936,417
Maine	460,227	Vermont	258,959
Maryland	2,407,466	Virginia	2,820,819
Massachusetts	3,214,186	Washington	2,220,347
Michigan	3,326,842	West Virginia	732,163
Minnesota	2,611,386	Wisconsin	2,778,268
Mississippi	1,099,026	Wyoming	238,885
Missouri	2,851,109	<b>United States</b>	<b>\$156,046,512</b>

(1) Losses occurring within a fixed period whether or not adjusted or paid during the same period, on a direct basis before reinsurance.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

# 2018 A Firm Foundation

## Incurred Losses By State, Workers Compensation Insurance, 2016 (1)

(\$000)

State	Incurred losses	State	Incurred losses
Alabama	\$217,413	Montana	\$169,473
Alaska	151,715	Nebraska	226,638
Arizona	494,745	Nevada	184,689
Arkansas	114,521	New Hampshire	114,951
California	6,584,210	New Jersey	1,435,776
Colorado	565,407	New Mexico	128,643
Connecticut	422,743	New York	3,647,349
Delaware	138,936	North Carolina	690,370
D.C.	52,180	North Dakota	2,476
Florida	1,347,400	Ohio	2,251
Georgia	869,564	Oklahoma	368,023
Hawaii	108,040	Oregon	265,485
Idaho	252,540	Pennsylvania	1,646,927
Illinois	1,483,557	Rhode Island	120,047
Indiana	482,524	South Carolina	509,537
Iowa	439,335	South Dakota	87,781
Kansas	209,754	Tennessee	398,186
Kentucky	331,619	Texas	980,491
Louisiana	400,650	Utah	237,213
Maine	143,804	Vermont	110,640
Maryland	576,757	Virginia	625,700
Massachusetts	780,241	Washington	9,102
Michigan	413,221	West Virginia	131,835
Minnesota	550,379	Wisconsin	1,234,598
Mississippi	207,986	Wyoming	154
Missouri	582,704	<b>United States</b>	<b>\$32,338,616</b>

(1) Losses occurring within a fixed period whether or not adjusted or paid during the same period, on a direct basis before reinsurance.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

# 2018 A Firm Foundation

## Life Insurance Claims And Benefits Paid By State, 2016 (1)

(\$000)

State	Incurred losses	State	Incurred losses
Alabama	\$5,425,274	Montana	\$1,057,335
Alaska	1,203,460	Nebraska	3,532,189
Arizona	8,886,924	Nevada	3,072,891
Arkansas	2,820,081	New Hampshire	2,565,479
California	44,557,263	New Jersey	18,744,847
Colorado	8,063,699	New Mexico	2,392,382
Connecticut	15,553,182	New York	36,734,538
Delaware	9,874,239	North Carolina	20,227,837
D.C.	1,804,430	North Dakota	967,022
Florida	31,675,331	Ohio	17,128,333
Georgia	11,004,431	Oklahoma	3,954,800
Hawaii	2,190,388	Oregon	5,468,333
Idaho	1,720,052	Pennsylvania	23,577,254
Illinois	18,929,291	Rhode Island	1,778,105
Indiana	9,108,523	South Carolina	5,911,274
Iowa	7,153,761	South Dakota	1,240,757
Kansas	4,146,663	Tennessee	8,727,078
Kentucky	5,276,654	Texas	27,778,226
Louisiana	5,926,900	Utah	3,720,095
Maine	1,902,398	Vermont	975,122
Maryland	8,702,464	Virginia	11,053,003
Massachusetts	14,477,778	Washington	8,142,582
Michigan	16,143,512	West Virginia	2,123,979
Minnesota	10,699,221	Wisconsin	9,072,939
Mississippi	2,545,668	Wyoming	781,785
Missouri	9,556,303	<b>United States</b>	<b>\$470,221,348</b>

(1) On a direct basis before reinsurance. Includes life insurance, death benefits, matured endowments, annuity benefits, and other life insurance benefits. Does not include accident and health benefits.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

# 2018 A Firm Foundation

## Insured Cars by State

All states and the District of Columbia use special systems to guarantee that auto insurance is available to those who cannot obtain it in the private market. Each type of system is commonly known as an assigned risk plan, although the term technically applies to only one type of plan. The assigned risk and other plans are known in the insurance industry as the shared, or residual, market. Policyholders in assigned risk plans are, as the name suggests, assigned to various insurance companies doing business in the state. Hence the term voluntary (regular) market, where auto insurers are free to select policyholders rather than have them assigned. The chart below shows the number of vehicles insured by state, including those in the voluntary and residual markets.

### Private Passenger Cars Insured In The Shared And Voluntary Markets, 2015

State	Voluntary market	Shared market	Total	Shared market as a percent of total
Alabama	3,807,469	1	3,807,470	(1)
Alaska	509,494	18	509,512	0.004%
Arizona	4,671,918	0	4,671,918	(1)
Arkansas	2,250,787	2	2,250,789	(1)
California	26,312,194	239	26,312,433	0.001
Colorado	4,187,782	0	4,187,782	(1)
Connecticut	2,532,825	81	2,532,906	0.003
Delaware	665,075	4	665,079	0.001
D.C.	256,184	65	256,249	0.025
Florida	12,740,030	90	12,740,120	0.001
Georgia	7,541,982	0	7,541,982	(1)
Hawaii	887,514	2,767	890,281	0.311
Idaho	1,358,875	1	1,358,876	(1)
Illinois	8,267,931	263	8,268,194	0.003
Indiana	4,881,984	3	4,881,987	(1)
Iowa	2,544,511	7	2,544,518	(1)
Kansas	2,344,275	1,644	2,345,919	0.070
Kentucky	3,256,990	352	3,257,342	0.011
Louisiana	3,029,199	5	3,029,204	(1)
Maine	1,050,156	5	1,050,161	(1)
Maryland	4,103,099	45,276	4,148,375	1.091
Massachusetts	4,382,442	59,907	4,442,349	1.349
Michigan	6,483,696	3,964	6,487,660	0.061
Minnesota	4,042,588	1	4,042,589	(1)
Mississippi	1,968,741	7	1,968,748	(1)
Missouri	4,411,371	3	4,411,374	(1)
Montana	891,195	7	891,202	0.001
Nebraska	1,594,471	1	1,594,472	(1)
Nevada	1,959,151	5	1,959,156	(1)
New Hampshire	952,617	134	952,751	0.014
New Jersey	5,562,788	17,096	5,579,884	0.306
New Mexico	1,589,949	0	1,589,949	(1)

## 2018 A Firm Foundation

State	Voluntary market	Shared market	Total	Shared market as a percent of total
New York	9,603,497	37,988	9,641,485	0.394
North Carolina	5,801,945	2,527,547	8,329,492	30.345
North Dakota	683,291	3	683,294	(1)
Ohio	8,451,516	0	8,451,516	(1)
Oklahoma	2,958,973	9	2,958,982	(1)
Oregon	2,835,071	3	2,835,074	(1)
Pennsylvania	8,875,394	6,171	8,881,565	0.069
Rhode Island	686,338	14,908	701,246	2.126
South Carolina	3,788,647	0	3,788,647	(1)
South Dakota	761,533	0	761,533	(1)
Tennessee	4,686,626	6	4,686,632	(1)
Texas (2)	NA	NA	NA	NA
Utah	2,022,667	1	2,022,668	(1)
Vermont	506,275	35	506,310	0.007
Virginia	6,324,114	398	6,324,512	0.006
Washington	4,838,049	5	4,838,054	(1)
West Virginia	1,364,829	9	1,364,838	0.001
Wisconsin	4,167,640	2	4,167,642	(1)
Wyoming	566,581	0	566,581	(1)
<b>United States</b>	<b>199,962,269</b>	<b>2,719,033</b>	<b>202,681,302</b>	<b>1.342%</b>

(1) Less than 0.001 percent.

(2) Texas information is no longer available.

NA=Data not available.

Source: AIPSO.

## Insured Homes by State

### Homes By State

A 2016 Insurance Information Institute poll conducted by ORC International found that 95 percent of homeowners had homeowners insurance but only 41 percent of renters had renters insurance.

### Percent Of Occupied Housing Units That Are Owner Occupied, 2016

State	Percent	Rank (1)	State	Percent	Rank (1)
Alabama	68.5%	12	Montana	68.0	16
Alaska	64.5	34	Nebraska	65.3	26
Arizona	63.2	38	Nevada	54.9	48
Arkansas	64.6	33	New Hampshire	70.1	6
California	53.6	49	New Jersey	63.2	38
Colorado	64.8	31	New Mexico	67.4	17
Connecticut	64.8	31	New York	53.3	50
Delaware	69.8	8	North Carolina	64.2	36
D.C.	39.2	51	North Dakota	63.2	38

# 2018 A Firm Foundation

State	Percent	Rank (1)	State	Percent	Rank (1)
Florida	64.1	37	Ohio	65.4	25
Georgia	61.5	44	Oklahoma	64.9	30
Hawaii	57.2	47	Oregon	61.7	43
Idaho	68.5	12	Pennsylvania	68.5	12
Illinois	65.3	26	Rhode Island	58.0	46
Indiana	68.3	15	South Carolina	68.6	11
Iowa	70.6	4	South Dakota	67.2	19
Kansas	65.7	24	Tennessee	65.1	29
Kentucky	66.8	20	Texas	61.1	45
Louisiana	64.3	35	Utah	69.9	7
Maine	71.9	2	Vermont	69.8	8
Maryland	65.9	23	Virginia	65.3	26
Massachusetts	62.0	42	Washington	62.5	41
Michigan	70.3	5	West Virginia	72.4	1
Minnesota	71.3	3	Wisconsin	66.7	21
Mississippi	67.3	18	Wyoming	68.8	10
Missouri	66.1	22	<b>United States</b>	<b>63.1%</b>	

(1) States with the same percentages receive the same rank.

Source: U.S. Department of Commerce, Census Bureau; American Community Survey.

## Businesses by State

There are about 6.4 million small businesses (those with 500 employees or fewer), accounting for about \$2.6 trillion in payroll, according data from the U.S. Census.

### Small Businesses By State, 2015 (1)

State	Number of establishments	Employment	Annual payroll (\$000)
Alabama	77,550	775,829	\$29,150,836
Alaska	17,830	142,448	7,306,330
Arizona	108,825	1,021,274	39,982,791
Arkansas	53,261	479,727	16,086,010
California	780,408	6,996,194	343,743,098
Colorado	137,132	1,095,586	48,424,487
Connecticut	74,231	735,788	37,810,276
Delaware	19,813	180,179	8,106,416
D.C.	17,266	243,121	16,543,619
Florida	449,882	3,280,800	131,080,035
Georgia	180,793	1,596,937	64,692,210
Hawaii	26,647	271,340	10,411,368
Idaho	38,727	304,700	10,358,752
Illinois	267,502	2,469,069	115,903,689
Indiana	115,336	1,198,353	44,824,309
Iowa	67,885	646,525	24,106,702
Kansas	61,647	606,966	23,008,025
Kentucky	72,490	696,183	24,946,243
Louisiana	86,381	917,466	36,266,846
Maine	35,429	284,658	10,428,697

# 2018 A Firm Foundation

State	Number of establishments	Employment	Annual payroll (\$000)
Maryland	113,036	1,124,422	53,889,975
Massachusetts	147,067	1,460,540	79,187,535
Michigan	183,764	1,834,278	75,964,353
Minnesota	125,472	1,249,103	52,415,328
Mississippi	46,695	434,843	14,415,906
Missouri	130,920	1,148,339	43,161,847
Montana	33,360	244,668	8,317,167
Nebraska	45,351	406,745	15,047,584
Nevada	51,424	474,535	18,755,861
New Hampshire	31,287	291,348	13,055,280
New Jersey	198,245	1,772,032	86,258,190
New Mexico	35,590	339,640	12,184,858
New York	477,920	4,015,890	208,558,708
North Carolina	181,045	1,627,666	60,784,704
North Dakota	21,376	210,948	8,806,594
Ohio	199,204	2,171,967	85,487,891
Oklahoma	77,046	712,797	26,690,703
Oregon	97,071	823,658	31,957,677
Pennsylvania	244,177	2,475,788	102,833,214
Rhode Island	24,272	224,254	9,421,866
South Carolina	83,007	777,012	26,932,040
South Dakota	23,347	209,694	7,228,098
Tennessee	102,699	1,071,016	42,930,283
Texas	455,983	4,671,649	203,276,810
Utah	64,292	557,794	21,739,330
Vermont	18,702	158,098	6,191,443
Virginia	158,502	1,503,832	69,092,685
Washington	156,198	1,339,083	60,524,948
West Virginia	29,106	280,213	9,320,530
Wisconsin	116,525	1,245,487	48,196,740
Wyoming	18,457	137,665	5,499,715
<b>United States</b>	<b>6,380,175</b>	<b>58,938,147</b>	<b>\$2,551,308,602</b>

(1) Number of establishments with less than 500 employees.

Source: U.S. Census, County Business.

# 2018 A Firm Foundation

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