



[***The Regulator's Point of View on Catastrophe Issues***](#)

By Anthony C. Yoder

This is a presentation given by Anthony C. Yoder, Principal Actuary for the New York State Department of Insurance, for the International Quality and Productivity Center 3rd Annual Catastrophe Protection Summit on July 29, 1997 in New York, NY. In this presentation the need and use of catastrophe modeling is discussed from a regulators' point of view.



[***Title Insurance: An Overview***](#)

By Teresa Walker

This article is a brief description of the title insurance industry. It includes definitions and some history of title insurance. This size of the title insurance industry is demonstrated with a table that includes the number of title insurers filing financial data with the NAIC.



[***Looking Ahead to the Year-End 1998 Blanks Changes***](#)

By NAIC Staff

Changes to the 1998 year-end annual statement filing blanks voted on by the NAIC Blanks (EX4) Task Force are highlighted within this article. Upcoming education opportunities which will provide further detail of any reporting changes are also included.



[***1996 Insurance Department Resources Report Preview***](#)

Compiled by NAIC Staff

Each year the NAIC surveys member insurance departments to obtain data on their resources and activities during the previous year. This article previews the 1996 Insurance Department Resources Report by providing a sampling of the information found within the report.



[***The Insurance Industry: How Many People Does It Employ?***](#)

By Teresa Walker

Using data from the Bureau of Labor Statistics, this article summarizes the number of insurance industry employees in recent years. Some factors contributing to the changes in the insurance industry in recent years are also discussed.



[***Median Combined Ratios By Line By State***](#)

Compiled by NAIC Staff

Data on state insurance market results is usually published in the aggregate, and those aggregates can be biased by the results for the largest insurers in that market. This article measures the median combined ratio for all companies participating in a state's insurance market, and therefore produces a measure of how well the typical company is doing.

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The National Association of Insurance Commissioners (NAIC) is a voluntary organization of the chief insurance regulatory officials of the 50 states, the District of Columbia, American Samoa, Guam, Puerto Rico and the Virgin Islands. The NAIC provides its members with a forum for discussing common interests and for working cooperatively on regulatory matters that transcend the boundaries of their own jurisdictions.

The views expressed in these articles do not necessarily represent the view of the NAIC members, individually or collectively.

The Regulators' Point of View on Catastrophe Issues

by Anthony C. Yoder

The following was presented for the International Quality and Productivity Center 3rd Annual Catastrophe Protection Summit on July 29, 1997 in New York, NY

Anthony C. Yoder is the Principal Actuary for the New York State Department of Insurance.

Catastrophe modeling is a topic that has garnered significant attention from the insurance regulatory community since the industry wake-up call known as Hurricane Andrew. When considering the insured losses resulting not only from Hurricane Andrew, but also from Hurricanes Hugo, Iniki and Opal and the Northridge earthquake, as well as the impact these events had on insurer solvency, it is easy to see how flawed the methodologies used by most insurers to manage and price for catastrophe risk really have been. Over the last couple of years, with the advent of catastrophe modeling, both primary insurers and reinsurers have become more sophisticated in measuring their catastrophic exposure, and virtually all major property insurers have found that their potential for catastrophic loss far exceeds what their management feels are acceptable levels. This in turn has led to both insurance availability and affordability concerns, most notably for homeowners. The availability problem has not only affected Florida and California, but it has been and continues to be prevalent in coastal areas all along the Gulf and Atlantic seaboard. In New York, insurers have placed certain restrictions on writing new business in the coastal sections of the state, including Long Island, as well as implemented hurricane deductibles, in order to get their existing books of business down to acceptable probable maximum loss levels.

So what is that magical solution which is going to help tame the industry's catastrophe exposure problem? Is it the use of catastrophe modeling?

Apparently, the majority of the industry thinks so, judging by the significant number of filings that we've received in New York from insurers seeking substantial rate increases in the coastal areas which have been predicated, in one form or another, on estimated losses derived from a catastrophe model. Not all regulators, though, have been convinced that catastrophe modeling is the answer. However, one thing most regulators are convinced of is that current or pre-Andrew catastrophe rate-making methodologies (including ISO's excess wind procedure, which for quite some time has been the procedure used by most insurers to account for projected catastrophe losses in the rates, as well as catastrophe factors based on historical insurer experience), are not entirely appropriate for projecting prospective

catastrophe losses for a number of reasons including the scarcity of historical hurricane data in both ISO and insurer data bases due to below average catastrophe activity over the last 20 to 30 years, changes in population demographics, changes in coverage and construction practices, etc.

In light of these shortcomings in the current catastrophe rate-making methodologies and the fact that the industry appears to have jumped on the catastrophe modeling bandwagon, does this mean that all regulators should simply accept the premise that catastrophe modeling, while far from being perfect, is still a much better methodology than those currently being used? This may sound logical but there are a lot of factors a regulator has to consider before making such a decision.

Insurance Departments and their respective insurance Commissioner or Superintendent generally have a statutory responsibility to ensure that the rates filed by an insurer are adequate, not excessive and not unfairly discriminatory. In order to make these determinations, regulators require insurers to provide them with all of the underlying support and assumptions which were considered in the derivation of their proposed rates. With respect to catastrophe models, this implies that it is the regulators' responsibility to obtain sufficient information and documentation regarding the various components of the models and how they interrelate as well as the model assumptions. This is of paramount concern to the modelers, who have all invested considerable resources in developing and marketing their models. Modeling firms want certain elements of their model to remain proprietary as they believe that, in light of the various state public information laws, disclosure of their model's proprietary aspects would adversely affect their competitive positions. The public information laws I just referred to are known in Florida as the sunshine law and in New York as the Freedom of Information Law, better known as (FOIL). In New York, we also have an open competition rating law which is similar in intent to and pre-dates the Freedom of Information Laws. These are very important laws because they enable an insurer or any other member of the public to have full access to any rate filing acknowledged, approved and, at least in New York, disapproved by the Insurance

Department. Unfortunately, this problem of the regulators balancing their need to know with the modelers need for confidentiality leaves the insurers caught in the middle.

The most common question I am asked by insurers when the Insurance Department tells them we are not accepting the results of catastrophe modeling for rate-making purposes is: WHY? Well, given the statutory responsibilities I just spoke about, the Insurance Department cannot place itself in a position of not being able to justify its actions. Homeowners insurance is a sensitive issue in New York, especially in the coastal areas. There are some very vocal policyholders living in Long Island, which are bearing the brunt of insurers' rate increases over the last eighteen to twenty-four months, who complain to their local and state legislators when they receive a rate increase that the Insurance Department is permitting insurers to increase homeowners rates on Long Island without justification. The legislators, responding to their constituent's concerns, want to know why the Insurance Department is approving any rate increases at all since their constituent's historical loss experience has been so good. At this point, the legislators are not interested in becoming students and enrolling in catastrophe modeling 101. Their primary focus is on ascertaining how the Insurance Department validated all of the model's assumptions and output.

Some other issues facing the Insurance Department are questions from legislators about what insurers are doing in terms of writing new business in consideration of rate increases granted, as well as the general affordability of the homeowners premium. On one hand, the public believes their rates are too high and on the other hand, the insurers believe their rates are too low. The regulators get caught in the cross-fire as they try to balance the public's need for reasonably available and affordable homeowners coverage with their need for financially strong insurance companies.

It should be pretty evident how essential it is for everyone to work together on these issues. Working together is very important to the regulators if we are to satisfy the consumer's and legislator's concerns as well as our statutory responsibilities. The first step in this process is to be able to strike a balance between proprietary

and public interest. I definitely think this is possible, especially considering that full disclosure of the contents of the models may not be of any practical use to anyone outside of the Insurance Department given the models' high degree of complexity. We recognize that the modelers need to have assurance that by disclosing certain things about their model or assumptions, this information will not become public. We have attempted to provide this assurance by offering to sign confidentiality, or non-disclosure agreements, with the modelers. But while the modelers we have spoken to have been receptive to this, they are understandably a little hesitant to give us possession of too much information because they still have no guarantee as to its confidentiality. By this I mean that even if the Insurance Department signs confidentiality agreements with the modelers, any member of the public still has the right to request the information under the public information laws and to request a hearing if it is not turned over to them. Ultimately, confidentiality of the model information will have to be determined by the courts. We have spoken and met with some of the modelers and have found them to be very cooperative with us in this area. I think we have reached a point in New York where the modelers do feel comfortable talking openly about their models with us and most have agreed to permit us to look at the models as well as specific assumptions as long as it is done on their premises. Since the review is being done on the modelers' premises, any information we see or notes we take would not be subject to our public information laws.

This process of educating ourselves is the key to understanding the catastrophe models, not only for the regulators, but for the consumers and insurers as well. The reason I mention the insurers here is because, surprisingly, we've been involved in a number of discussions where it seemed that we knew more about the model an insurer was using to develop its rates than the insurer did.

As regulators, we have found during the course of our education process that the part of the models which require the most attention and review are the model assumptions since they have proven to be the most sensitive aspect of the models. In concept, catastrophe models are simple in design but, in practice, they incorporate

countless assumptions. Adding to this is the fact that meteorologists and engineers cannot even reach agreement within their own fields on items such as the damageability of a building under certain weather conditions or the return period of a particular intensity storm. Knowing this should hopefully enable regulators to understand why results can vary substantially among modelers, which is something all regulators have encountered during their review process. While this does not necessarily imply that the assumptions being used by one modeler are correct while the assumptions being used by another modeler are incorrect, it certainly raises the issue that since there are so many model parameters where assumptions have to be made, there is a need to determine what are reasonable ranges of assumptions for each parameter. These ranges will vary from state to state, especially when you get into something like central pressure differences of hurricanes. Making this determination, however, would require expertise not only in actuarial science but also in engineering, meteorology and computer design.

This presents a bit of a problem for regulators which do not tend to have experts in these disciplines on staff. In recognition of this, the New York Insurance Department has decided to monitor the actions taken and conclusions reached by both the Florida Commission on Hurricane Loss Projection Methodology, which is comprised of numerous members who have the required expertise in these areas, and the Florida Department of Insurance as opposed to having the review of catastrophe modeling outsourced to our own independent experts. As you may be aware, the Florida Hurricane Commission recently determined that the Applied Insurance Research model was in compliance with the Commission's 1996 standards for the specification of computer models for hurricane loss projection. Pursuant to Florida statutes, this implies that the Florida Insurance Department must now consider results of the AIR model to be admissible and relevant in the context of rate filings. However, it is interesting to note that Florida Insurance Department Commissioner Bill Nelson recently ruled that since it was felt that the Florida Hurricane Commission was not able to provide the Insurance Department with sufficient documentation underlying the specific reasons for how the AIR model was determined to be in compliance with the Commission's standards, the

Insurance Department will still not permit rate changes in Florida to be based on the results of catastrophe modeling.

Another insurance department whose activities New York is following on this issue is the Louisiana Insurance Department which has assembled an extensive questionnaire for companies and modelers to complete, and which is working very closely with one of the modelers in reviewing all aspects of their model with, perhaps, the thought of developing a regulatory benchmark model.

Most regulators, not just us in New York, are interested in what neighboring states are doing to address the catastrophe modeling issue. Our hope is that we can learn from each other so as not to reinvent the wheel, so to speak, when it comes to reviewing the models, not only for the first time, but also for down the road if a problem or concern about a particular model should arise or when a new version of a model is developed. The primary way we have been able to accomplish the sharing of information about catastrophe models among state regulators has been through the NAIC, which has several committees, groups and subgroups devoted to catastrophe issues and which is in the process of assembling a catastrophe modeling handbook.

What lies ahead?

As more research is done by both regulators and insurers, there is going to be greater understanding of the models and their assumptions and hence less mystery. I'd like to think we've gotten past the point of referring to the models as "black boxes." We should also begin to see more stability in the output of the models as fewer technical revisions are made and as additional hurricane data yields more information upon which to validate the model results and to measure model assumptions.

The New York Insurance Department is committed to obtaining as much information and understanding as possible about catastrophe models so that we can make the most informed decision on whether to accept catastrophe modeling results for rate-making and, if so, to what extent. One secondary issue that I did want to mention since it is of paramount concern for a

lot of regulators is that if companies are permitted to include a load for catastrophe model based losses in the rates, what will happen to the resulting additional premium after it is collected in the event there is no catastrophe? For example, if no hurricane or earthquake occurs during a given year, any additional premium which was collected for purposes of paying these losses will most likely end up as excess profit, a portion of which will make its way to the company's stockholders. The reason for this is that segregated catastrophe reserves are not afforded tax-free status under current IRS tax laws. Conversely, if a hurricane or earthquake does occur, the additional catastrophe premium collected in that year alone will most likely not even make a dent in what the company will ultimately have to pay in catastrophe losses that year. Certainly this is a logical argument for the IRS to grant tax-free status for catastrophe reserves, but that's another discussion altogether.

In conclusion, I would like to stress that this whole process of reviewing and evaluating catastrophe models is not an overnight one. In the meantime, the New York Insurance Department will continue to work closely with insurers on a company by company basis to determine appropriate rate levels so that they may continue to provide a viable homeowners market in New York.

Title Insurance: An Overview

by Teresa Walker

Title insurance is generally obtained in connection with the purchase of real estate. The purpose of title insurance is to protect the policyholder (property or mortgage owner) against title defects that took place in the past but are not discovered until after the effective date of the policy. This differs from most other types of insurance. Most insurance deals strictly with future occurrences of risk. Some of the risks from the past that title insurance protects against are forged documents, undisclosed heirs, mistaken legal interpretation of wills, misfiled documents, confusion arising from similarity of names, incorrectly given marital status, defective probate procedures, faulty real estate transfers and mental incompetence.

Before title insurance became common, a property buyer would often hire an attorney to search the title records and render an opinion on the validity of the title. Abstracts, which are a brief history of the title to the land, were used in large part to determine the opinions. The abstracts reveal the nature of any legal obstacle that may make the title questionable or leave a way open for someone else to make a legal claim against the land. However, the hired attorney could only be held liable for negligence in the title search, which caused a need for an accuracy guarantee for the title search in the case that it was contested in the future.

Title insurance companies provide protection against title defects by some of the same means as the previously hired attorneys. The title searches include the review of abstracts, deeds, mortgages, municipal tax rolls, judgments filed in a number of state and federal courts, and various other legal instruments. To review these documents, the insurer must either go to the recorder's office, courthouse or other various locations to physically view the records, or it must maintain its own updated records system. The latter requires much time and detailed work to ensure a complete and accurate system for searching title histories. This type of historical records system is called a "title plant."

Who Purchases Title Insurance?

The property owner or buyer purchases title insurance to protect against loss in the case that defects are found in the property title. It is possible for a property owner to have possession of a property for several years before a defect surfaces from the title records. Therefore, a property owner's title insurance policy remains in affect for as long as the property is in the possession of the policyholder.

Mortgage holders also purchase title insurance policies. These types of policies ensure there is a valid lien on the property in the case that the mortgage is foreclosed and protects against losses resulting from title defects. A title insurance policy purchased by a mortgage holder remains in effect until the mortgage has been paid in full and protects only the mortgage holder. The policy amount of the mortgage holder's title policy generally decreases as the amount of the mortgage decreases.

If a property is purchased and paid for in cash, then only the buyer would need to purchase a title insurance policy for the property. Regardless of the length of time that a title insurance policy remains in affect, there is only one premium payment that is paid at the inception of the policy. The title insurance company does not expect to have any claims if a complete search is done on the property's title history. Therefore, a large part of the premiums cover the cost of the search that is done on the abstracts and records.

Financial Reporting for Title Insurance Companies

Title insurance companies, like most other types of insurance companies, are required to complete an annual financial statement. Because of the differences between title insurance and other types of property and casualty insurance, it is necessary for title insurance companies to report in different formats and to have a separate statement for reporting. These statements are completed on a calendar basis and are used by state regulators in determining the financial condition of the companies. Through the years there have been reporting and format changes made to the title insurance annual financial statement, bringing it to the current version used by title insurers today.

Title Insurers Through the Years

Each state determines the filing requirements for the insurance companies domiciled (organized) in their state. Table 1 and Table 2 show a summary of the number of companies that have filed annual financial data with the NAIC for the years 1988 through 1996. According to this data found on the NAIC database, the number of title insurers filing annual financial data with the NAIC has somewhat varied through the years. Table 1 lists the number of companies that have

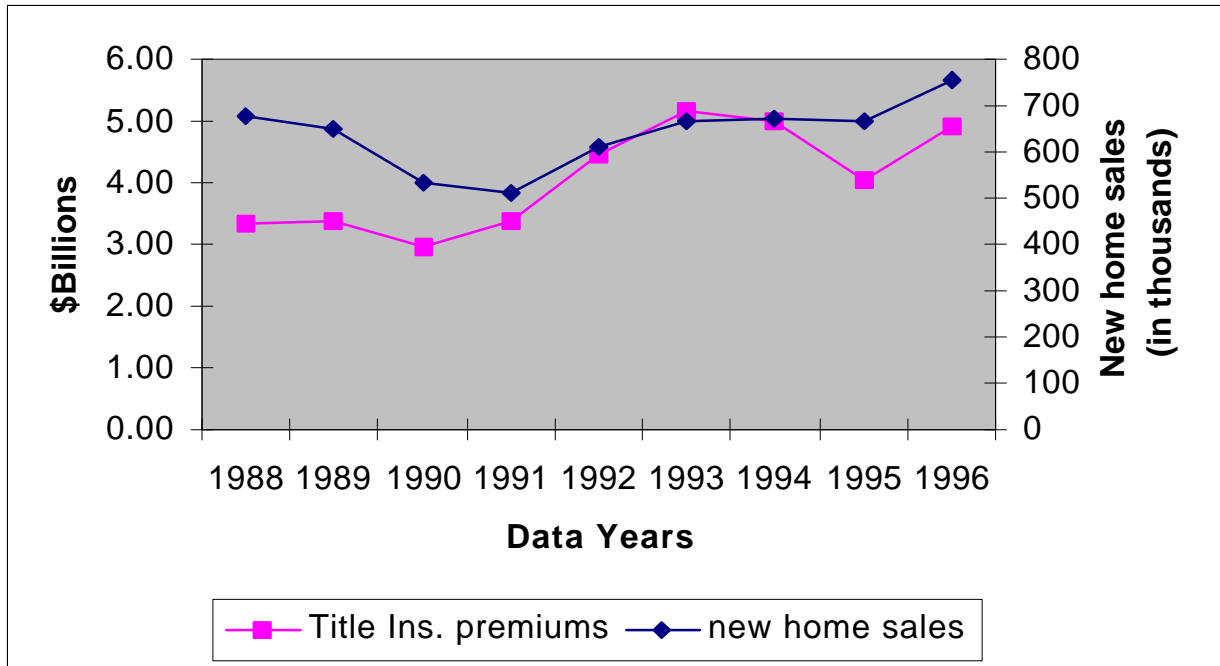
indicated that they are required to file with the NAIC and also the number of title insurers that actually filed with the NAIC for the years 1988 through 1996. Table 2 shows the title insurance companies required to file with the NAIC listed by state of domicile. (Companies are not necessarily domiciled in the state where they have their home offices.)

Ups and Downs

Between 1988 and 1996 there was an 18.4 percent decrease in the number of title insurers found on the NAIC database. However, the total direct earned premiums for the same companies increased by 47.3 percent. As with all types of insurance, many variables affect the growth of title insurance business. Two of the most common are mortgage interest rates and real estate sales. Since interest rates are constantly fluctuating, it is more difficult to chart the relationship. However, Chart 1 shows the relationship between the number of new homes sold in the years 1988 through 1996 and the direct earned premiums for title insurers that filed annual financial data with the NAIC for the same years. The sale of new homes does not encompass all of the title insurance industry business. However, it is a large portion of the business and by looking at the chart, the relationship is clear.

Chart 1

Title Insurance Premiums and to New Home Sales for the Years 1988 thru 1996



**Table 1
Assets and Premiums for Title Insurers that File Annual Financial Data with the NAIC**

<u>Data Year</u>	<u>Companies required to file with NAIC</u>	<u>Companies filing with the NAIC</u>	<u>Total Net Admitted Assets</u>	<u>Total Direct Earned Premiums</u>
1988	102	90	2,738,856,761	3,332,403,122
1989	102	91	2,891,635,400	3,380,145,075
1990	90	86	2,740,807,777	2,977,262,954
1991	97	93	3,000,391,952	3,360,095,130
1992	90	89	3,407,713,265	4,439,307,654
1993	92	88	3,687,870,246	5,179,313,573
1994	94	91	3,686,444,993	4,986,576,841
1995	93	71	3,548,640,565	4,059,386,792
1996	96	76	3,870,489,395	4,908,293,587

Table 2
Number of Title Insurance Companies Required to Annual File Financial Data with the NAIC
Listed by State of Domicile

	1988	1989	1990	1991	1992	1993	1994	1995	1996
Alabama	2	2	1	2	2	2	2	2	2
Arkansas	1	1	0	1	1	1	1	1	2
Arizona	2	2	1	1	2	2	1	1	1
California	10	10	9	9	8	8	8	9	9
Colorado	1	3	3	3	2	2	3	2	2
Connecticut	1	1	1	2	1	1	1	1	1
District of Columbia	1	1	0	0	0	0	0	0	0
Florida	7	7	8	7	5	6	7	6	6
Idaho	1	1	1	1	0	0	0	0	0
Illinois	0	0	0	0	0	0	0	0	2
Indiana	2	2	2	1	1	1	1	0	0
Kansas	0	0	0	0	0	0	0	2	0
Louisiana	5	4	5	5	5	4	4	4	4
Massachusetts	2	2	2	2	2	2	2	2	1
Maryland	4	4	2	3	2	2	2	2	2
Minnesota	2	2	1	1	1	1	1	1	1
Missouri	3	3	2	2	2	2	2	2	2
Mississippi	1	1	1	1	1	1	1	1	1
Montana	1	1	0	1	1	1	1	1	1
North Carolina	5	5	5	5	3	3	3	3	3
New Jersey	3	3	3	2	2	2	2	2	2
Nevada	0	0	0	0	0	1	1	1	1
New York	8	8	7	8	8	8	8	8	10
Ohio	12	12	10	11	10	11	10	11	11
Oklahoma	0	0	0	0	2	2	3	2	3
Oregon	3	3	3	3	3	3	3	3	3
Pennsylvania	11	11	11	11	11	11	11	11	11
Puerto Rico	1	1	1	1	1	1	1	1	1
South Carolina	2	2	2	2	2	2	2	2	2
Tennessee	0	0	0	3	3	3	3	3	3
Texas	6	5	5	5	5	5	5	4	4
Utah	1	1	1	1	1	1	1	1	1
Virginia	2	2	2	2	2	2	2	2	2
Washington	2	2	1	1	1	1	2	2	2
	102	102	90	97	90	92	94	93	96

Looking Ahead to the Year-End 1998 Blanks Changes

by NAIC Staff

The Blanks (EX4) Task Force met October 6, 1997, to consider changes to financial reporting requirements for year-end 1998. Continuing its efforts to promote uniformity between all insurance types, the task force took action to standardize Schedule B (Mortgage Loans) and Schedule BA (Other Long Term Invested Assets). Related to this change, the task force adopted a new interrogatory to capture the gross amount of unpaid taxes and interest due and unpaid on mortgages. This interrogatory will provide information necessary to calculate risk-based capital.

The task force also voted to move Schedule DC (Insurance Futures), the Medicare Supplement Insurance Experience Exhibit and the Long-Term Care Experience Reporting Forms outside the annual statement. The task force agreed to add supplemental interrogatories to determine whether the reporting company should file these forms. This will eliminate the need for companies to account for pages in the annual statement that they may not be required to file.

The task force also agreed to change the "hard copy" filing requirement of certain investment schedule details. This change will limit the "hard copy" filing of these schedule details to the state of domicile and the NAIC, based upon the successful capture of the data on the NAIC database and the state's ability to utilize the database. At year-end 1998, this will include Schedule D - Parts 1 through 6 and Schedule DA - Part 1. Any states, other than the domiciliary state, will include these schedules in

their state-specific filing requirements, if they choose to receive this hard copy filing. Other investment schedules will be included as the detail is captured on the NAIC database and the quality of such electronically filed data is reasonably certain.

The task force adopted several changes to Schedule D and the Asset Valuation Reserve calculation. These changes included a modification to the terms used in Schedule D. The new terms are more clearly defined, particularly for structured securities. This change will also incorporate consistent line numbers for all of Schedule D - Parts 1 through 5. The Schedule D - Part 1A footnote was modified to provide subtotals for the new designations for bonds not rated by the SVO. The new designations are: Z* designating obligations under regulatory review, 5* designating obligations that do not have audited financial statements, and 6* designating obligations that are not current in interest and principal payments. With each of these new designations, the reporting company will use a value for the obligation that it has determined based on its knowledge of the obligation. Schedule D - Part 1A, Section 2 was modified to reflect the new terms used in other parts of Schedule D. The task force implemented several changes to the Asset Valuation Reserve (AVR) and the Interest Maintenance Reserve (IMR) forwarded to it by the Valuation of Securities (EX4) Task Force. These changes included clarification of the portfolio beta for unaffiliated common stocks, a requirement to include capital gains from capital and surplus notes in the IMR calculation, and a modification to the preferred stock components for the AVR calculation.

Prior year references were removed from the various Five-Year Historical Data pages. These references will reside in the *Annual Statement Instructions*. Instructions for Schedule Y - Part 1 were modified to clarify that the ultimate controlling person should be included on the organizational chart. This ultimate controlling person may be an individual, a corporation, a partnership or any other business structure. The Schedule Y - Part 2 instructions were modified to clarify that non-insurers are only to appear in this schedule if the non-insurer has transactions with insurance companies in the holding company group. The instructions were also modified to include a materiality threshold for

inclusion of inter-company transactions and to give direction for proper completion of the schedule. The Fraternal blank was modified to include the same Schedule Y format and instructions as the Life, Accident & Health blank.

The task force modified the Property/Casualty (P&C) blank and instructions to provide companies with reporting guidance when issuing capital notes. The P&C blank was also modified to include a new interrogatory for disclosing additional information on reinsurance contracts and the instructions for Schedule P were modified to include guidance on the new definitions of allocated and unallocated loss adjustment expenses. The task force clarified that the instructions for reporting allocated and unallocated loss adjustment expenses were meant solely to give guidance on reporting loss adjustment expenses in the annual statement. These instructions are not intended to provide guidance on the types of expenses to be included in loss adjustment expenses. Additionally, the instructions for Notes to Financial Statements were modified to require disclosure of delinquent paid loss recoveries under retroactive reinsurance contracts.

The task force adopted several proposals to facilitate the development of the Managed Care Organizations Risk-Based Capital formula. The Health Annual Statement Working Group of the Blanks Task Force worked closely with the Health Organizations Risk-Based Capital Working Group to ensure that all changes are compatible with the development of the new uniform health blank. The task force also adopted a number of other proposals that clarify instructions or add lines to address significant items previously included on write-in lines.

The proposals adopted by the task force will be taken before the Financial Condition (EX4) Subcommittee at the December 1997 NAIC meeting and will receive final approval by the Executive Committee and Plenary in March 1998.

In 1998 the NAIC will continue to offer several seminars on topics related to the completion of the annual statements. Following is a listing of the seminars currently scheduled for 1998:

Annual Statement Changes/Codification

June 13 and 14 - Indianapolis

June 15 and 16 - Atlanta

Preparation of the Investment Schedules

August 20 - Boston

Preparation of the HMO Annual Statement

August 17 thru 19 - Boston

August 31 thru Sept 2 - Dallas

Preparation of the P/C Annual Statement

October 19 thru 23 - Dallas

Preparation of the Life Annual Statement

November 16 thru 20 - Washington, DC

For enrollment information you may contact the NAIC Education Department at 816-374-7192. If you have questions regarding the content of any of the seminars call Connie Woodroof at 816-374-7260.

1996 Insurance Department Resources Report Preview

Compiled by NAIC Staff

Each year the NAIC surveys member insurance departments to obtain data on their resources and activities during the previous year. Data is collected on staffing, budgets, revenues, premium taxes, number and type of companies licensed, premiums written by major category (e.g., life, health, property), company examinations initiated and completed (both financial and market conduct) and much more. That information is then collated into an annual report published by the NAIC. The *Insurance Department Resources Report* is the only publication of its kind and is the definitive source of information on the resources and activities of the insurance departments in the United States. Included here is a preview of some of the data most frequently requested from the published report.

Figure 1 shows a breakdown of insurance department staff according to the data provided to the NAIC. The graph shows that the largest area of

employment at the state insurance departments is in their supervisory and support areas. Likewise, the smallest number of employees are within the research and statistical information areas of the departments. The graph also indicates the wide variety of expertise that the state insurance departments employ.

Figure 2 shows the aggregate state insurance department budgets for 1988 through 1998. Each year state insurance departments are asked to provide budget information including a projected budget amount for the upcoming fiscal year. In the following year, insurance departments update the projected amount to reflect the actual budget amount for the fiscal year. Therefore, the 1998 budget amount provided in Figure 2 is only a projection of the upcoming fiscal budget. The projected 1998 budget amount allows for only a 1.1 percent increase from the 1997 fiscal budget.

Figure 3 shows the aggregate number of domestic insurers for the period 1991 through 1996. These numbers include life/health insurers; property/casualty insurers; health maintenance organizations (HMOs); hospital, medical and dental service indemnity companies (HMDIs); Blue Cross and Blue Shield plans; limited health service organizations (LHSOs); and title insurers. Consolidations in the insurance industry and increases in alternative risk transfer mechanisms (e.g., captives, self-insured retentions) have led to fewer companies overall, although premium volume continues to increase each year.

Figure 4 shows the aggregate premium volume during the period 1987-1996. As can be seen from the graph, the premium volume continued to grow during 1996. This is a trend that has remained true for many years. In 1986 the national premium volume was \$376.9 billion compared to the 1996 premium volume of \$748.0 billion. This is a 98.5 percent increase in premium volume from 1986 to 1996.

Only a small sample of the wealth of information contained in the 1996 *Insurance Department Resources Report* is contained within this article. That complete report will be available at the end of the current calendar year and may be obtained from the NAIC Publications Department by calling (816) 374-7259.

Figure 1
1996 Insurance Department Staff Breakdown

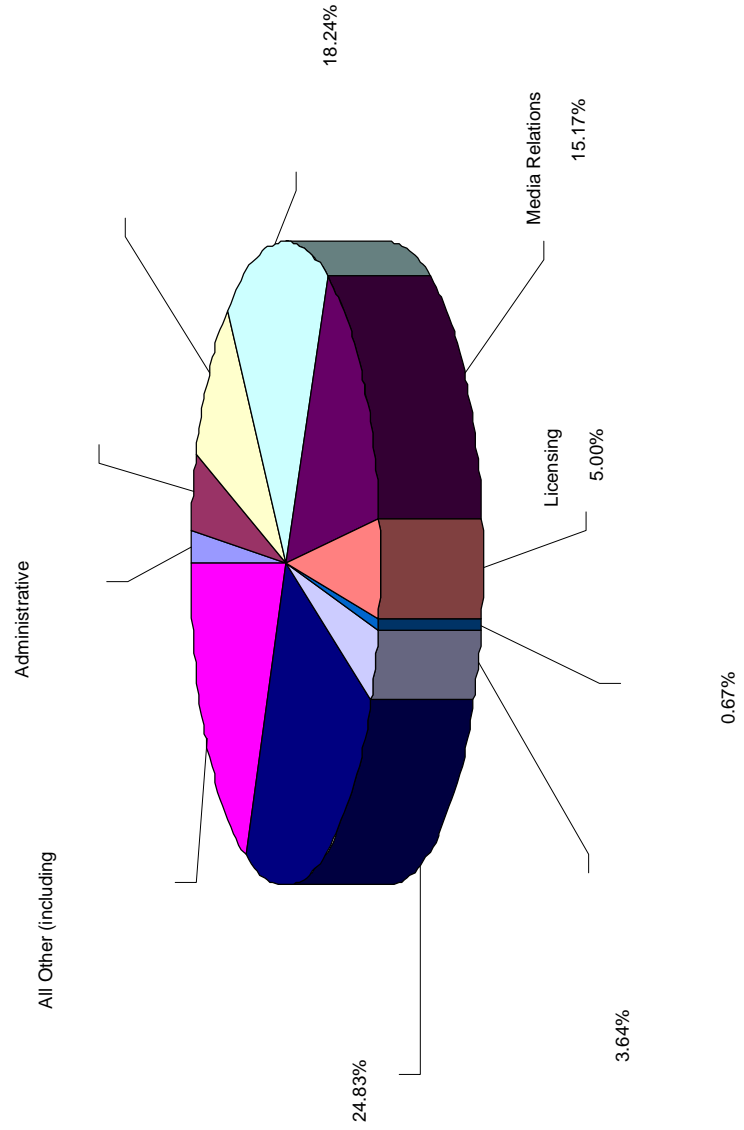
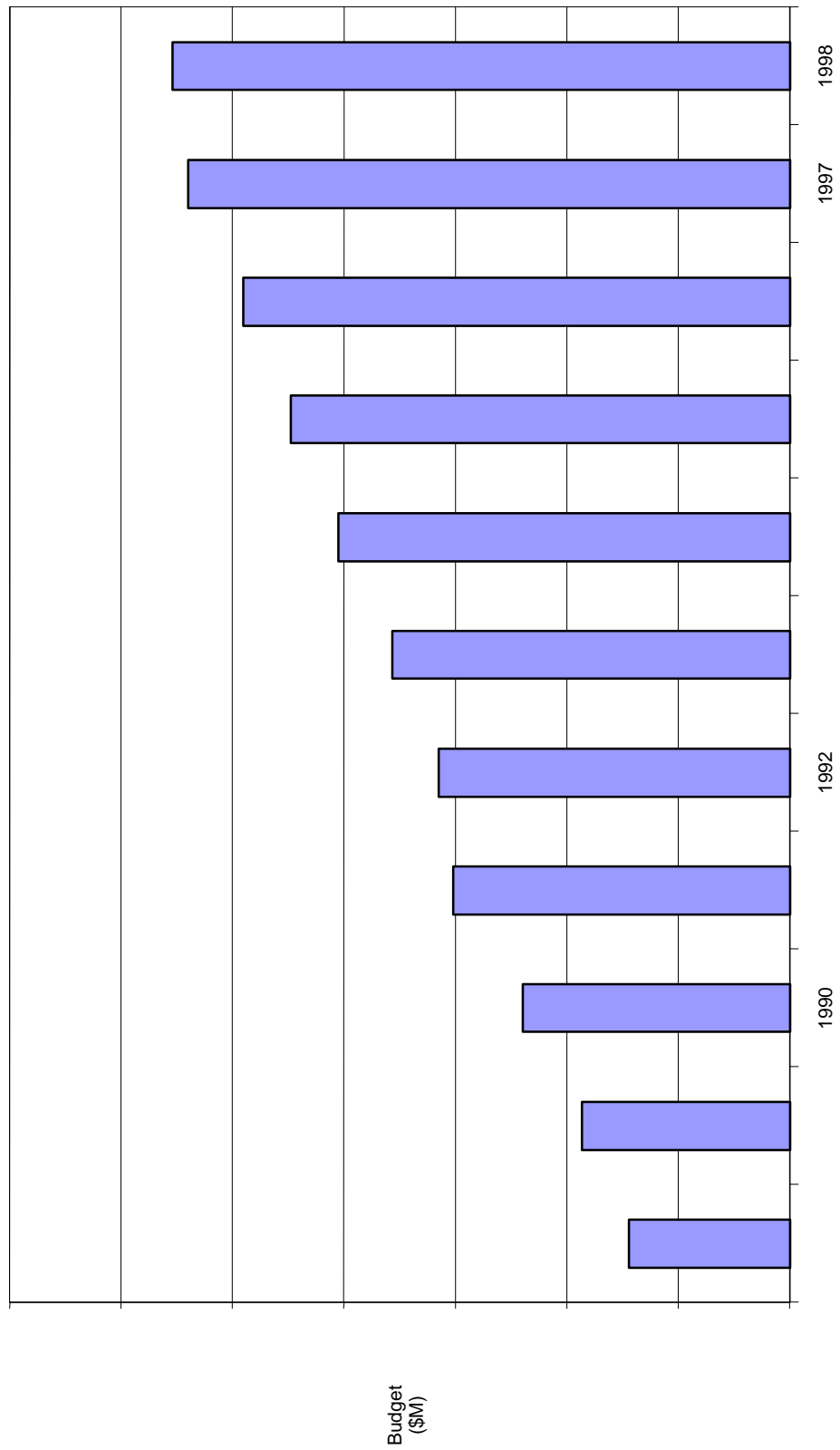


Figure 2



Number of Domestic Insurers, 1991-1996

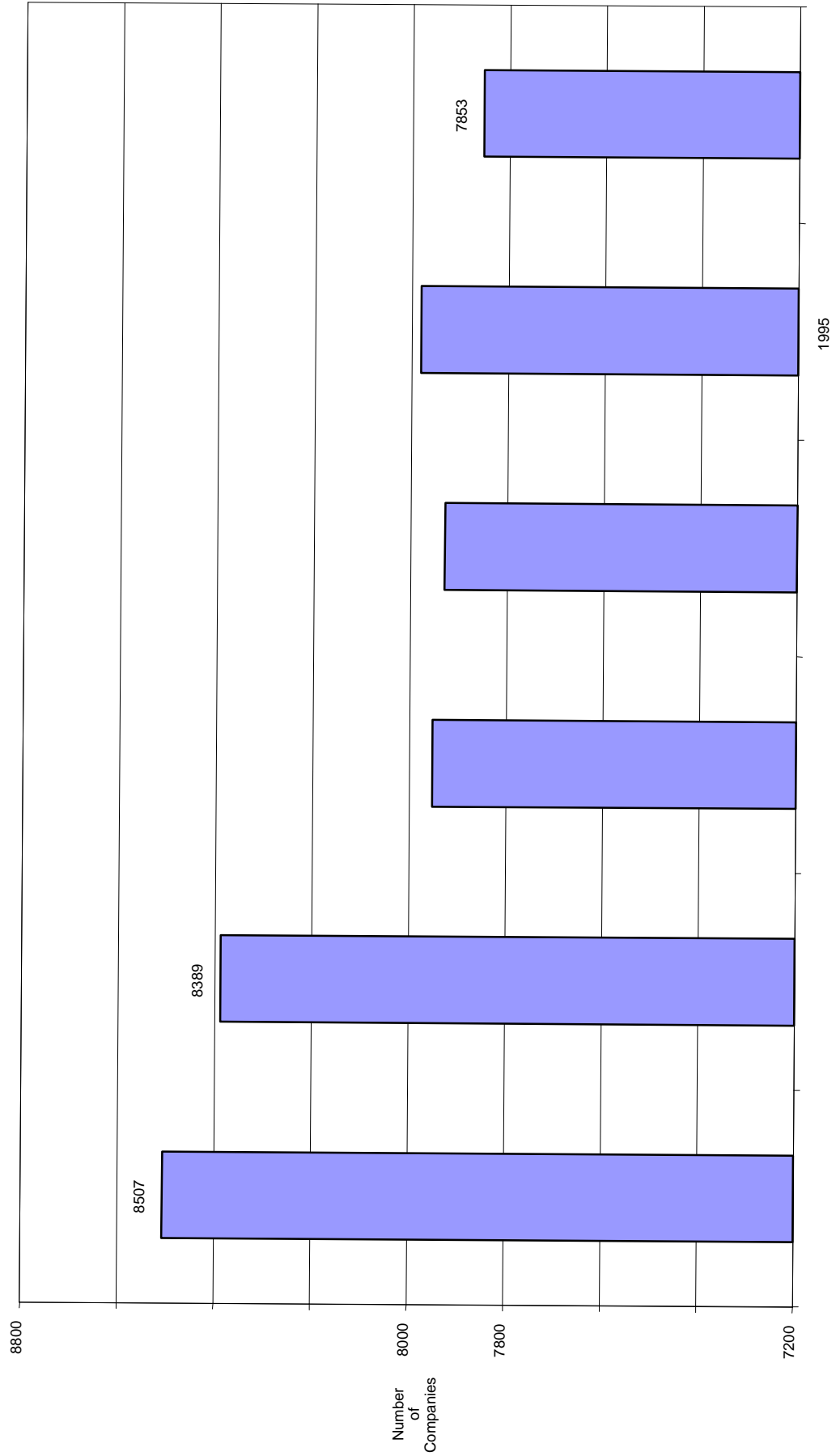
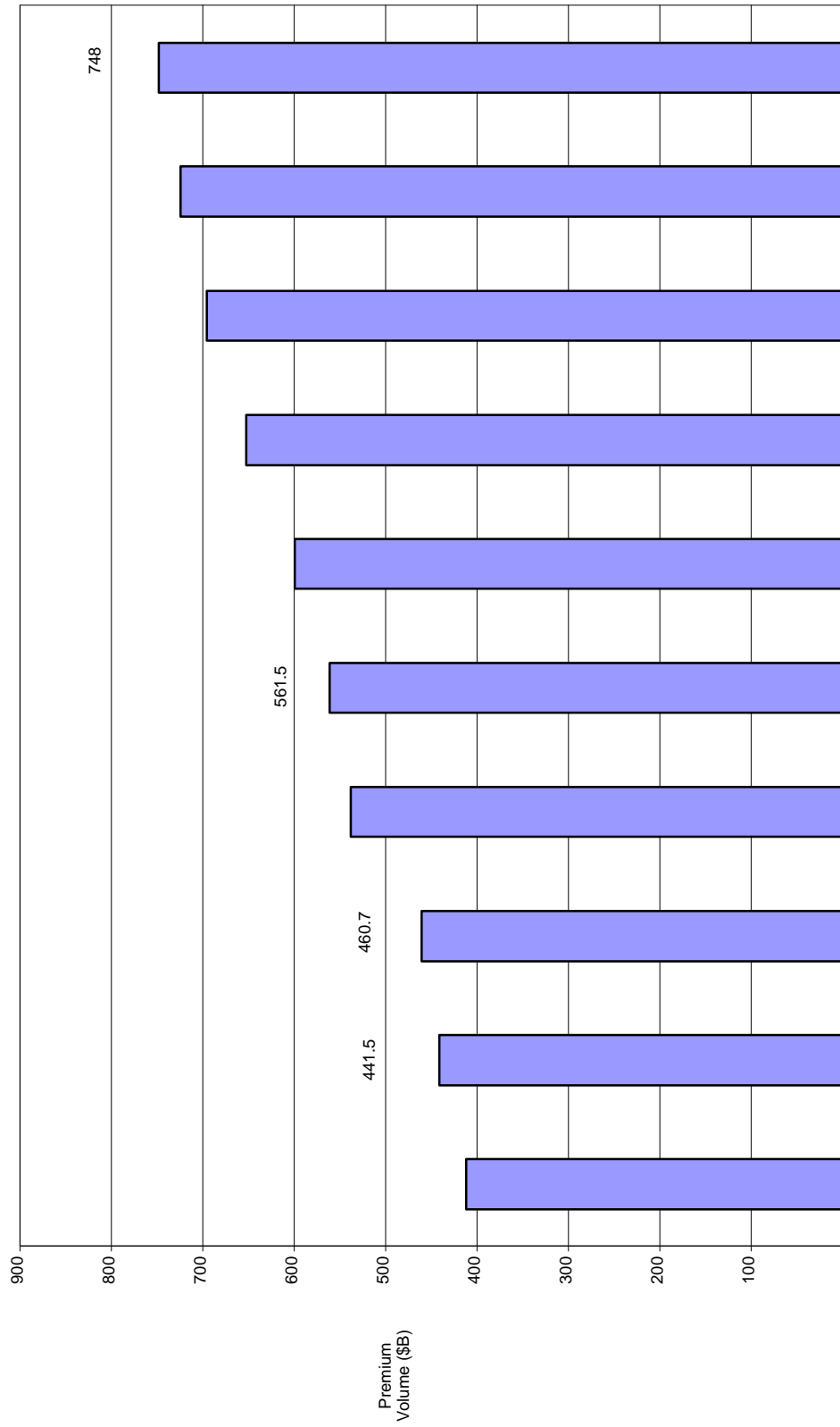


Figure 4
Aggregate Premium Volume 1987-1996



The Insurance Industry: How Many People Does it Employ?

by Teresa Walker

The insurance industry in the United States currently employs millions of people each year. In recent decades many changes have taken place that have affected the growth of the insurance industry as well as the number of employees of the industry. Data processing, communications and computer technology have risen to levels that were never imagined which has both created and eliminated positions. Catastrophes such as fire, hurricane, earthquake, tornado and flooding have occurred throughout the nation resulting in cutbacks for some insurers. Transportation has increased causing the need for additional insurance coverages. Health insurance and health providers have become partners in providing their

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services, which has created a new area within the industry that is still rapidly evolving today. The financial reporting of insurance companies has become much more standardized as a result of regulatory entities working together with members of the industry. Insurers have become more closely monitored by state regulators in part because of the increased number of liquidations in the late 1980s and early 1990s. These factors along with many more have resulted in increases and decreases in the number of people employed by the insurance industry and have led to an overall employee increase of more than 85 percent nationwide since the late 1950s.

Figures 1, 2 and 3 represent the change in the number of employees of the life; the fire, marine & casualty; and the medical service and health insurance industries, respectively, over the period of time from 1958 through 1996. These representations show the varying growth rates of the different types of insurance companies. Insurers of different types grow at varying rates because of variables that affect the individual types of insurance. For example, life insurance is limited in that there are only a limited number of lives that can be insured. This limitation of life insurers is reflected in the growth of the number of employees of life insurers as seen in Figure 1. In 1958, life insurers employed 447,700 people which was a much higher number than the other types of insurance. Then the number of employees of life insurers grew at a much slower rate compared to the other insurance types. The number of employees of life insurers grew only 16.5 percent from 1958 through 1996.

On the other hand, fire, marine and casualty insurers have through the years continued to increase the number of "items" that are and can be insured. Figure 2 shows that the fire, marine and casualty insurance industry has increased its number of employees from 277,800 in 1958 to 531,700 at the end of 1996. This represents a 91.4 percent increase. During this time of overall increase, there have been times of slight decreases as seen in the graph. These times of decreasing employee numbers may have been caused in part to economic downturns.

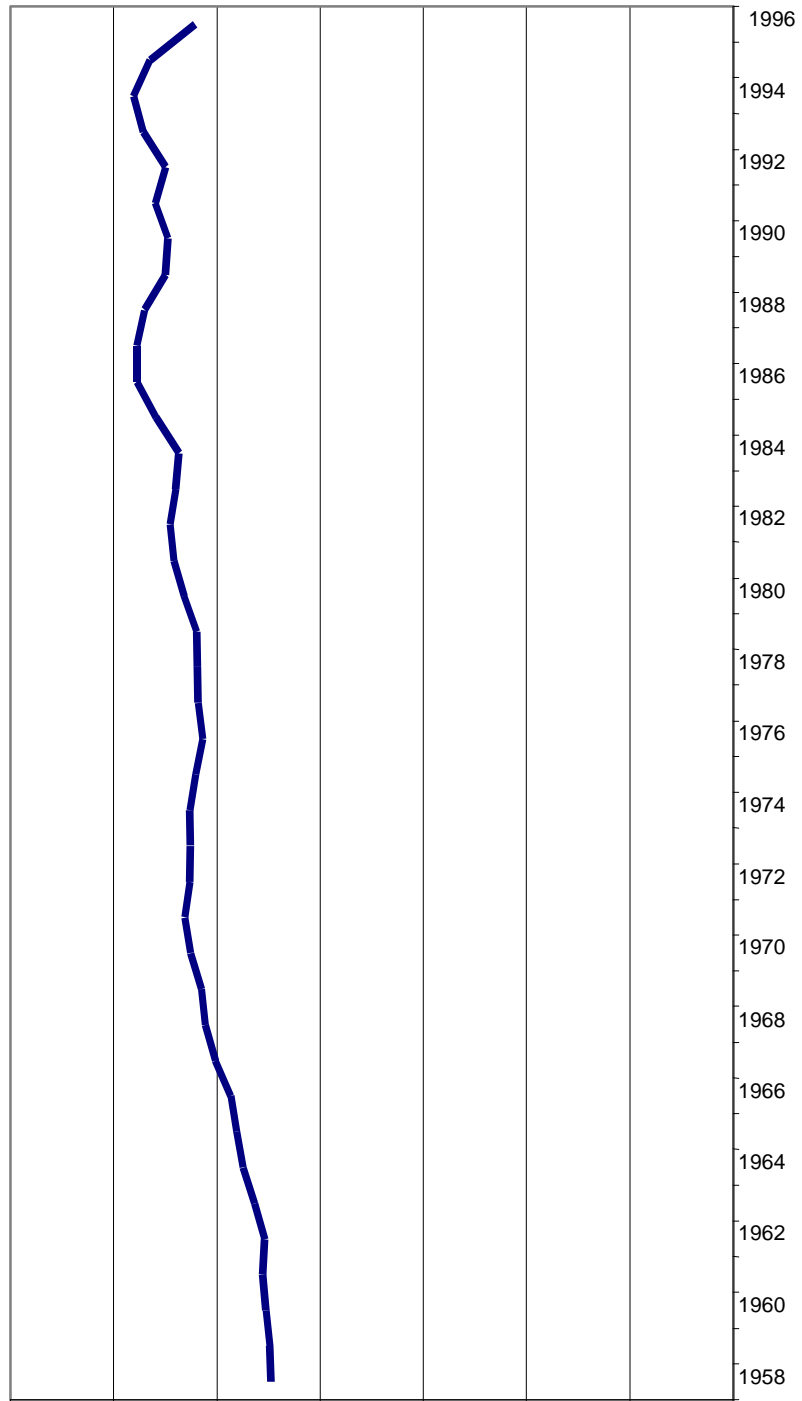
Figure 3 indicates that medical service and health insurers have been continually increasing the number of employees since 1982. In 1982, the

medical service and health insurance industry had 142,100 employees and at the end of 1996 there were 322,100 employees. This was a 126.7 percent increase in the number of employees from 1982 through 1996. However, the overall percentage of increase in the number of employees from 1958 through 1996 was more than 540 percent.

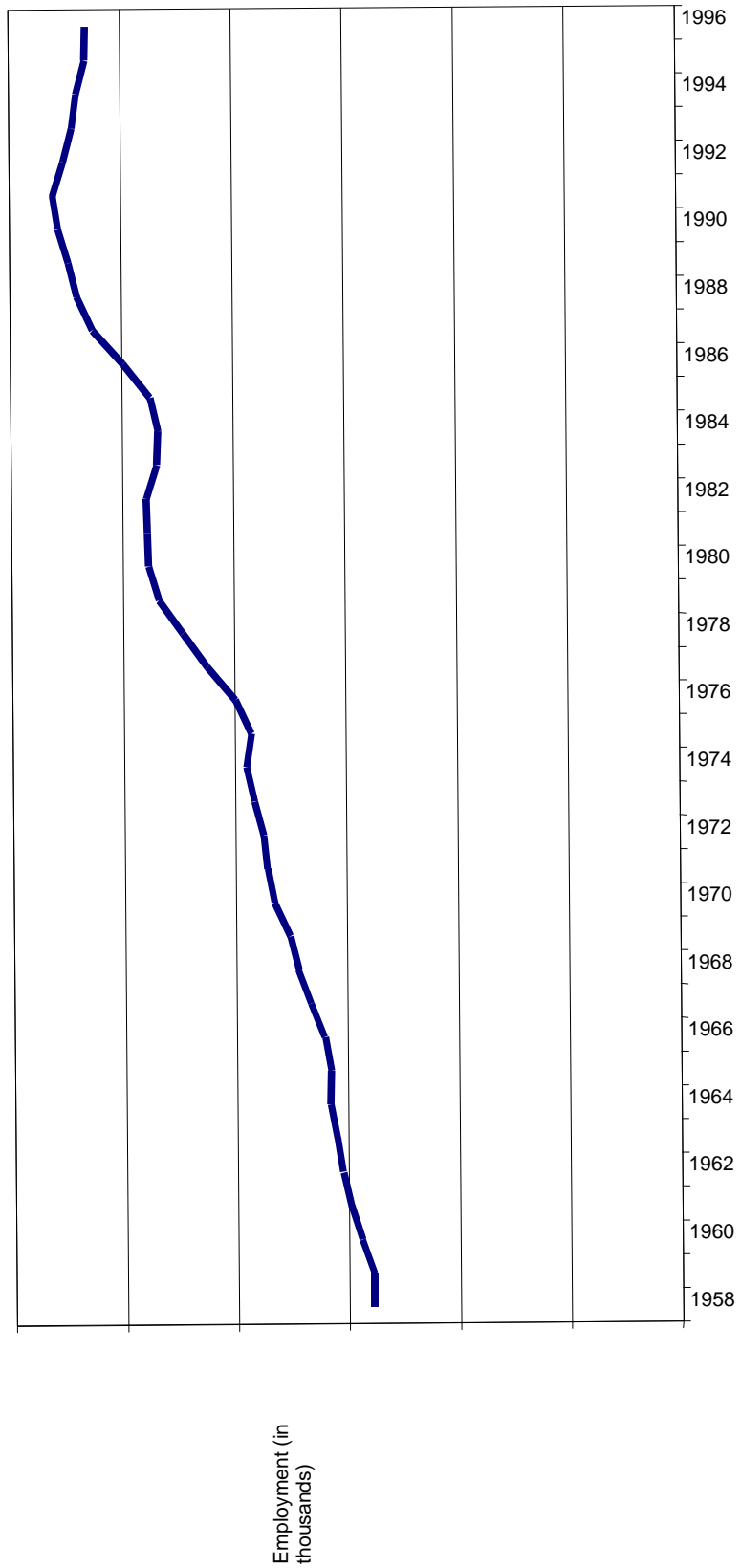
Figure 4 provides the breakdown of the total insurance industry employees in 1996 by types of insurers. It can be seen that the fire, marine and casualty insurers employ the largest number of employees with the life insurance industry very close behind. Industrywide, there was a 85.6 percent increase in the number of employees from

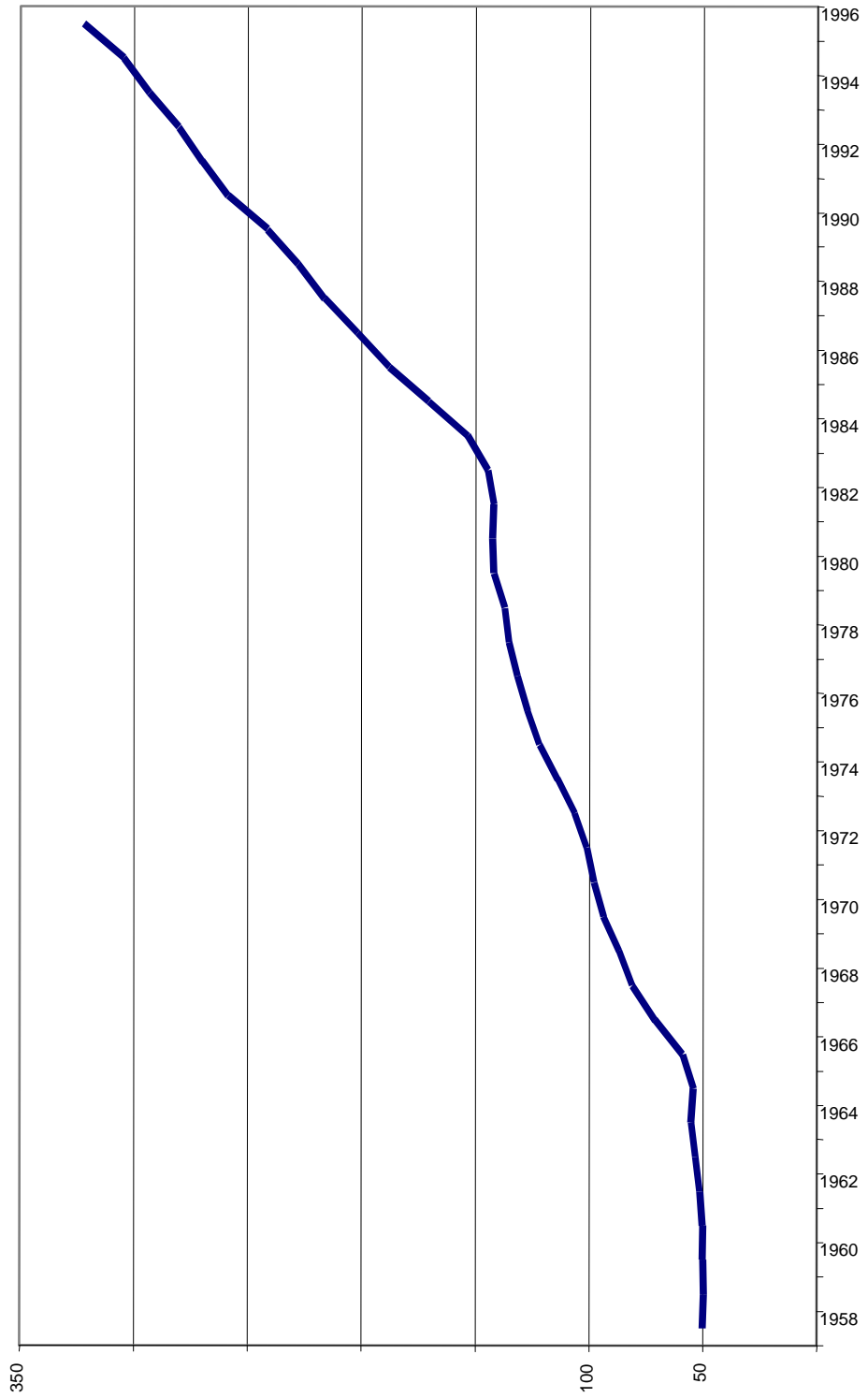
1958 through 1996. This increase encompasses the ups and downs and the large and small increases through the years for all types of insurance companies.

The data used within this article was taken from the Bureau of Labor Statistics in order to provide a summary of the employees of the insurance industry. The insurance industry is ever changing and growing, and this article only touches on a few of the factors that have contributed to the changes in the insurance industry in recent years.

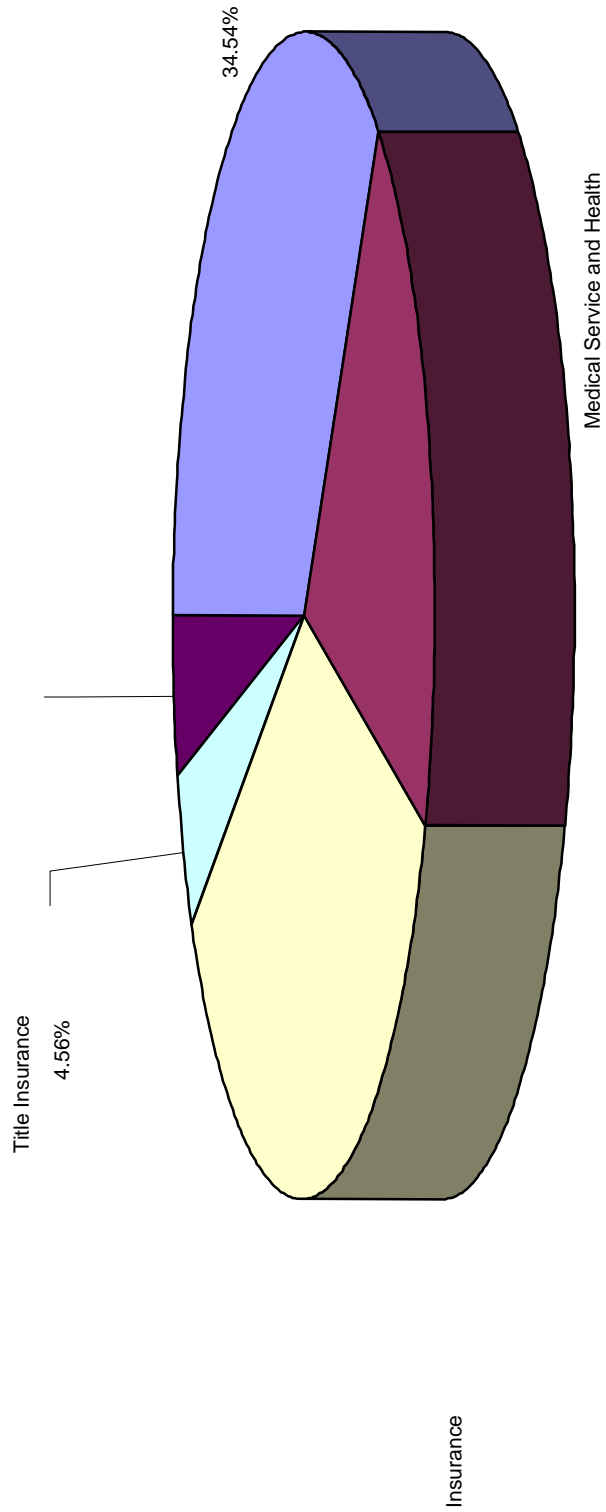


Total Employment - Fire, Marine & Casualty Insurance





(by Line of Business)



Median Combined Ratios By Line By State, 1992-1996

Compiled by NAIC Staff

The combined ratio is a measure of statutory profitability for the underwriting operations of a property-casualty insurer. The statutory combined ratio is calculated as total expenses (both losses and administrative expenses) divided by earned premium. When the combined ratio is greater than 100 percent, there is a decrease in statutory surplus because expenses were greater than the earned premiums. A combined ratio of less than 100 percent indicates that a statutory underwriting profit occurred. That is, the premium earned was greater than the expenses incurred.

The combined ratio ignores the investment income earnings potential for longer tailed lines of business, which makes it ineffectual as a true measure of economic profits. Long-tailed lines, such as workers' compensation and medical malpractice, typically have combined ratios in excess of 100 percent because insurers can earn significant investment income through the years as the losses are slowly paid out over time. The NAIC releases an annual report on the profitability of insurance lines by state that includes modifications for investment income, income taxes and other adjustments to reflect generally accepted accounting practices. The *NAIC Report on Profitability By-Line By-State* is, therefore, a more appropriate measure of economic profits for the insurance industry. The purpose of the tables in this article is to present an average measure of statutory accounting

profits over a five-year period, but care should be taken when trying to interpret these results.

The by-line, by-state combined ratios in the following tables were generated from both the Insurance Expense Exhibit (IEE) and the Exhibit of Premium and Loss (EPL) for all companies that filed with the NAIC in statement years 1992 through 1996. The EPL includes a breakdown by-line and by-state, but is limited to premiums; incurred losses; allocated loss adjustment expenses; dividends; commissions and brokers fees; and taxes, licenses and fees by state. The EPL does not report other acquisition expenses, general expenses, unallocated loss adjustment expenses, or other revenue/expenses. Those expenses, which are necessary to compute the combined ratio, are reported in the IEE by major line of business. The combined ratios in the following tables assume that these expenses are consistent across states as a percentage of earned premiums. While that is an exaggerated simplification, there is no alternative source of public information that can be used to estimate those "overhead" expenses by state.

These tables show the median combined ratio in each state over the entire five-year period for all companies that had earned premiums of at least \$10,000. If there were less than 10 observations during the period, or if a particular line of business was not reported for a state or territory, an "n/a" appears in the table. There were almost 900,000 combined ratios generated for the period, but the number of companies writing in a state or territory varied widely.

The median combined ratio is the middle value for all companies in all years, so if the median combined ratio is 105 percent, it means that half of the combined ratios were higher than 105 percent and half were lower than 105 percent. Most measures of by-state by-line profitability are based on weighted averages, so if the largest insurers have a bad year, the results for that line in that state are biased upward. The median, on the other hand, is unaffected by either extreme values or by the results for any single company. It is therefore a better measure of the "average" statutory underwriting results for individual companies operating in that particular market over the time frame 1992-1996.

	FIRE	ALLIED LINES	CROP MULTI PERIL	FARM MULTI PERIL	HOME MULTI PERIL
Alaska	43%	56%	n/a	66%	104%
Alabama	69%	81%	100%	100%	113%
Arkansas	69%	78%	100%	89%	103%
American Samoa	n/a	n/a	n/a	n/a	n/a
Arizona	57%	91%	122%	76%	105%
California	82%	102%	55%	98%	106%
Colorado	56%	80%	124%	97%	97%
Connecticut	56%	74%	n/a	75%	107%
District of Columbia	47%	65%	n/a	n/a	85%
Delaware	47%	59%	n/a	87%	90%
Florida	75%	99%	88%	90%	113%
Georgia	78%	83%	92%	92%	109%
Guam	39%	42%	n/a	n/a	98%
Hawaii	47%	51%	n/a	63%	73%
Iowa	60%	79%	67%	93%	101%
Idaho	46%	61%	134%	99%	98%
Illinois	78%	73%	63%	87%	104%
Indiana	66%	73%	57%	94%	110%
Kansas	70%	104%	152%	119%	128%
Kentucky	66%	79%	67%	107%	121%
Louisiana	66%	76%	104%	84%	95%
Massachusetts	80%	86%	n/a	85%	101%
Maryland	61%	79%	12%	90%	110%
Maine	55%	69%	n/a	88%	96%
Michigan	66%	71%	140%	90%	104%
Minnesota	65%	72%	103%	109%	96%
Missouri	71%	79%	90%	96%	106%
Mississippi	67%	69%	103%	105%	103%
Montana	54%	69%	96%	95%	99%
North Carolina	75%	81%	171%	104%	107%

	FIRE	ALLIED LINES	CROP MULTI PERIL	FARM MULTI PERIL	HOME MULTI PERIL
North Dakota	46%	86%	112%	107%	130%
Nebraska	55%	95%	126%	131%	123%
New Hampshire	50%	65%	n/a	65%	99%
New Jersey	70%	86%	n/a	83%	109%
New Mexico	50%	74%	128%	88%	101%
Nevada	50%	58%	n/a	74%	95%
New York	77%	83%	27%	107%	105%
Ohio	67%	75%	76%	91%	108%
Oklahoma	67%	94%	186%	99%	107%
Oregon	54%	65%	73%	87%	102%
Pennsylvania	70%	98%	23%	101%	121%
Puerto Rico	47%	39%	n/a	n/a	71%
Rhode Island	59%	76%	n/a	n/a	85%
South Carolina	69%	71%	118%	84%	95%
South Dakota	50%	87%	136%	110%	116%
Tennessee	78%	84%	85%	98%	108%
Texas	74%	106%	147%	98%	111%
Utah	52%	71%	131%	86%	99%
Virginia	68%	82%	55%	85%	109%
Virgin Islands	39%	56%	n/a	n/a	58%
Vermont	47%	58%	n/a	87%	88%
Washington	62%	74%	68%	98%	106%
Wisconsin	63%	65%	108%	95%	99%
West Virginia	62%	72%	12%	74%	104%
Wyoming	43%	67%	155%	88%	100%
Canada	61%	77%	n/a	n/a	98%
Other	64%	90%	n/a	n/a	57%
Grand Total	84%	97%	107%	102%	111%

	COMM MULTI PERIL NON-LIAB	COMM MULTI PERIL LIAB	MORTGAGE GUARANTY	OCEAN MARINE	INLAND MARINE
Alaska	59%	90%	73%	64%	57%
Alabama	86%	117%	45%	76%	76%
Arkansas	81%	98%	56%	55%	76%
American Samoa	n/a	n/a	n/a	n/a	n/a
Arizona	85%	115%	77%	63%	76%
California	97%	125%	123%	84%	80%
Colorado	77%	101%	41%	58%	70%
Connecticut	85%	113%	81%	78%	70%
District of Columbia	69%	98%	97%	57%	61%
Delaware	65%	97%	52%	59%	62%
Florida	99%	113%	71%	104%	79%
Georgia	86%	99%	59%	67%	78%
Guam	67%	n/a	n/a	n/a	50%
Hawaii	62%	103%	75%	80%	57%
Iowa	76%	90%	42%	60%	72%
Idaho	64%	91%	42%	60%	66%
Illinois	82%	119%	48%	80%	73%
Indiana	80%	109%	39%	62%	72%
Kansas	98%	100%	49%	65%	75%
Kentucky	84%	104%	53%	67%	74%
Louisiana	78%	129%	68%	85%	69%
Massachusetts	84%	115%	110%	81%	70%
Maryland	81%	94%	59%	77%	73%
Maine	79%	106%	69%	71%	65%
Michigan	82%	107%	43%	76%	76%
Minnesota	80%	107%	67%	66%	75%
Missouri	82%	102%	46%	76%	77%
Mississippi	76%	108%	42%	69%	78%
Montana	68%	97%	44%	66%	68%
North Carolina	84%	97%	47%	75%	78%

	COMM MULTI PERIL NON-LIAB	COMM MULTI PERIL LIAB	MORTGAGE GUARANTY	OCEAN MARINE	INLAND MARINE
North Dakota	73%	96%	43%	77%	73%
Nebraska	77%	94%	41%	62%	73%
New Hampshire	72%	107%	106%	71%	64%
New Jersey	86%	131%	86%	94%	75%
New Mexico	75%	109%	38%	63%	66%
Nevada	71%	119%	63%	73%	66%
New York	90%	126%	98%	91%	73%
Ohio	84%	100%	39%	68%	72%
Oklahoma	91%	103%	59%	56%	74%
Oregon	75%	97%	38%	74%	73%
Pennsylvania	95%	115%	55%	81%	74%
Puerto Rico	55%	97%	81%	82%	56%
Rhode Island	72%	109%	77%	78%	65%
South Carolina	76%	103%	57%	75%	75%
South Dakota	71%	99%	36%	62%	73%
Tennessee	87%	99%	44%	70%	74%
Texas	110%	125%	82%	83%	74%
Utah	71%	100%	39%	64%	63%
Virginia	82%	90%	61%	75%	73%
Virgin Islands	58%	92%	n/a	67%	48%
Vermont	72%	104%	57%	64%	61%
Washington	81%	104%	43%	76%	72%
Wisconsin	77%	104%	42%	68%	72%
West Virginia	70%	113%	48%	57%	69%
Wyoming	65%	97%	56%	56%	57%
Canada	102%	152%	n/a	94%	83%
Other	58%	64%	n/a	76%	59%
Grand Total	99%	109%	87%	88%	77%

	FINANICAL GUARANTY	MEDICAL MALPRACTICE	EARTH- QUAKE	GROUP A&H	CREDIT A&H
Alaska	43%	91%	28%	75%	91%
Alabama	55%	112%	34%	101%	86%
Arkansas	57%	112%	33%	96%	74%
American Samoa	n/a	n/a	n/a	n/a	n/a
Arizona	44%	102%	29%	94%	72%
California	57%	109%	47%	98%	83%
Colorado	49%	90%	30%	94%	77%
Connecticut	69%	97%	31%	93%	n/a
District of Columbia	47%	115%	25%	70%	58%
Delaware	51%	84%	29%	67%	83%
Florida	57%	122%	32%	99%	68%
Georgia	49%	106%	31%	93%	97%
Guam	70%	n/a	n/a	n/a	n/a
Hawaii	52%	92%	32%	79%	85%
Iowa	42%	90%	31%	92%	72%
Idaho	46%	97%	32%	87%	95%
Illinois	53%	115%	32%	94%	89%
Indiana	42%	99%	33%	98%	87%
Kansas	42%	95%	31%	95%	86%
Kentucky	47%	103%	35%	102%	100%
Louisiana	52%	116%	30%	98%	82%
Massachusetts	58%	102%	36%	88%	n/a
Maryland	53%	102%	33%	85%	75%
Maine	56%	94%	34%	92%	n/a
Michigan	47%	103%	30%	88%	90%
Minnesota	49%	88%	32%	89%	86%
Missouri	60%	106%	33%	93%	72%
Mississippi	56%	115%	34%	97%	71%
Montana	46%	85%	31%	101%	73%
North Carolina	48%	109%	34%	97%	104%

	FINANICAL GUARANTY	MEDICAL MALPRACTICE	EARTH- QUAKE	GROUP A&H	CREDIT A&H
North Dakota	40%	73%	n/a	87%	83%
Nebraska	42%	83%	29%	86%	74%
New Hampshire	52%	93%	32%	97%	87%
New Jersey	43%	106%	31%	93%	79%
New Mexico	51%	122%	28%	91%	102%
Nevada	44%	117%	29%	100%	76%
New York	64%	103%	33%	100%	100%
Ohio	45%	116%	33%	94%	80%
Oklahoma	48%	104%	30%	95%	85%
Oregon	51%	87%	37%	83%	72%
Pennsylvania	55%	115%	35%	91%	102%
Puerto Rico	60%	125%	26%	103%	n/a
Rhode Island	47%	98%	32%	107%	102%
South Carolina	51%	96%	36%	96%	113%
South Dakota	45%	92%	28%	96%	76%
Tennessee	49%	90%	33%	95%	94%
Texas	78%	127%	29%	96%	115%
Utah	43%	100%	32%	97%	82%
Virginia	56%	104%	32%	85%	94%
Virgin Islands	n/a	n/a	31%	76%	n/a
Vermont	46%	80%	36%	77%	n/a
Washington	60%	98%	34%	75%	80%
Wisconsin	43%	87%	29%	93%	80%
West Virginia	42%	109%	36%	103%	91%
Wyoming	52%	83%	34%	94%	73%
Canada	n/a	n/a	29%	74%	n/a
Other	59%	133%	24%	69%	n/a
Grand Total	68%	111%	36%	96%	80%

	OTHER A&H	WORKERS COMP	OTHER LIABILITY	PRODUCTS LIABILITY	P/P AUTO LIABILITY
Alaska	82%	100%	89%	99%	103%
Alabama	94%	105%	93%	113%	104%
Arkansas	87%	92%	79%	93%	107%
American Samoa	n/a	n/a	n/a	n/a	n/a
Arizona	96%	94%	96%	104%	102%
California	101%	112%	113%	163%	97%
Colorado	87%	107%	83%	98%	99%
Connecticut	89%	99%	91%	114%	107%
District of Columbia	76%	96%	82%	84%	104%
Delaware	69%	106%	84%	100%	113%
Florida	99%	126%	101%	109%	106%
Georgia	85%	97%	90%	93%	115%
Guam	n/a	96%	83%	n/a	124%
Hawaii	77%	118%	93%	103%	93%
Iowa	90%	93%	78%	92%	104%
Idaho	87%	92%	80%	91%	102%
Illinois	86%	93%	99%	104%	110%
Indiana	90%	94%	84%	93%	104%
Kansas	90%	100%	81%	92%	102%
Kentucky	92%	111%	83%	88%	114%
Louisiana	94%	101%	104%	112%	106%
Massachusetts	76%	91%	93%	104%	91%
Maryland	72%	108%	81%	91%	96%
Maine	84%	126%	75%	98%	102%
Michigan	75%	96%	91%	99%	93%
Minnesota	87%	107%	90%	94%	108%
Missouri	95%	95%	87%	96%	103%
Mississippi	96%	93%	91%	92%	101%
Montana	89%	86%	83%	87%	106%
North Carolina	83%	97%	81%	96%	102%

	OTHER A&H	WORKERS COMP	OTHER LIABILITY	PRODUCTS LIABILITY	P/P AUTO LIABILITY
North Dakota	90%	52%	73%	78%	108%
Nebraska	76%	89%	75%	74%	108%
New Hampshire	78%	104%	86%	102%	100%
New Jersey	89%	114%	109%	124%	134%
New Mexico	80%	80%	89%	93%	107%
Nevada	77%	60%	94%	112%	110%
New York	95%	104%	111%	124%	113%
Ohio	94%	75%	83%	101%	105%
Oklahoma	85%	109%	89%	95%	108%
Oregon	72%	92%	80%	99%	100%
Pennsylvania	94%	107%	95%	106%	110%
Puerto Rico	n/a	59%	93%	66%	124%
Rhode Island	94%	108%	88%	102%	101%
South Carolina	92%	96%	88%	96%	107%
South Dakota	96%	96%	73%	75%	112%
Tennessee	93%	95%	80%	90%	107%
Texas	95%	92%	110%	113%	99%
Utah	81%	97%	83%	83%	104%
Virginia	77%	103%	75%	84%	104%
Virgin Islands	n/a	61%	85%	95%	92%
Vermont	72%	99%	92%	96%	108%
Washington	78%	58%	91%	111%	107%
Wisconsin	87%	91%	85%	104%	104%
West Virginia	78%	67%	87%	101%	107%
Wyoming	85%	69%	85%	78%	103%
Canada	69%	n/a	103%	112%	109%
Other	65%	57%	86%	97%	92%
Grand Total	95%	97%	94%	97%	106%

	COMM AUTO LIABILITY	P/P AUTO PHYSICAL DAMAGE	COMM AUTO PHYSICAL DAMAGE	AIRCRAFT	FIDELITY
Alaska	79%	79%	70%	63%	53%
Alabama	102%	89%	89%	74%	66%
Arkansas	95%	93%	93%	111%	54%
American Samoa	n/a	n/a	n/a	n/a	n/a
Arizona	107%	96%	96%	56%	67%
California	102%	91%	87%	95%	88%
Colorado	94%	88%	91%	86%	58%
Connecticut	101%	86%	92%	60%	68%
District of Columbia	83%	86%	86%	61%	62%
Delaware	93%	83%	83%	62%	55%
Florida	106%	97%	97%	103%	79%
Georgia	101%	85%	90%	84%	71%
Guam	146%	109%	86%	n/a	n/a
Hawaii	93%	75%	84%	49%	61%
Iowa	89%	92%	92%	63%	55%
Idaho	87%	86%	82%	54%	60%
Illinois	103%	92%	89%	70%	68%
Indiana	102%	91%	91%	60%	63%
Kansas	87%	106%	100%	94%	56%
Kentucky	106%	94%	93%	60%	63%
Louisiana	115%	88%	81%	80%	69%
Massachusetts	92%	93%	89%	73%	66%
Maryland	90%	93%	97%	65%	61%
Maine	81%	83%	82%	84%	54%
Michigan	88%	92%	94%	70%	66%
Minnesota	92%	95%	95%	73%	63%
Missouri	90%	93%	93%	91%	56%
Mississippi	100%	91%	92%	99%	65%
Montana	81%	90%	86%	62%	51%
North Carolina	95%	104%	95%	73%	63%

	COMM AUTO LIABILITY	P/P AUTO PHYSICAL DAMAGE	COMM AUTO PHYSICAL DAMAGE	AIRCRAFT	FIDELITY
North Dakota	80%	104%	96%	79%	44%
Nebraska	89%	95%	88%	48%	55%
New Hampshire	80%	80%	79%	55%	60%
New Jersey	106%	79%	93%	59%	70%
New Mexico	97%	86%	80%	71%	68%
Nevada	103%	86%	79%	64%	74%
New York	109%	85%	90%	90%	74%
Ohio	97%	90%	94%	76%	65%
Oklahoma	103%	87%	85%	63%	60%
Oregon	86%	93%	91%	85%	60%
Pennsylvania	103%	89%	91%	75%	64%
Puerto Rico	104%	117%	85%	54%	78%
Rhode Island	85%	73%	77%	44%	56%
South Carolina	92%	88%	90%	72%	61%
South Dakota	77%	98%	87%	56%	49%
Tennessee	90%	90%	93%	69%	66%
Texas	111%	96%	92%	104%	75%
Utah	91%	86%	84%	72%	67%
Virginia	89%	92%	91%	86%	64%
Virgin Islands	79%	104%	58%	n/a	30%
Vermont	81%	81%	79%	52%	58%
Washington	94%	89%	83%	74%	61%
Wisconsin	96%	93%	92%	64%	64%
West Virginia	88%	85%	83%	50%	57%
Wyoming	69%	85%	71%	85%	45%
Canada	84%	101%	108%	83%	63%
Other	76%	102%	87%	84%	57%
Grand Total	106%	94%	91%	101%	74%

	SURETY	GLASS	BURGLARY & THEFT	BOILER/ MACHINERY	CREDIT
Alaska	66%	n/a	24%	55%	86%
Alabama	72%	80%	53%	69%	71%
Arkansas	66%	75%	52%	65%	72%
American Samoa	n/a	n/a	n/a	n/a	n/a
Arizona	69%	62%	46%	67%	73%
California	85%	72%	55%	58%	93%
Colorado	63%	77%	50%	62%	66%
Connecticut	72%	80%	44%	53%	77%
District of Columbia	70%	n/a	42%	77%	73%
Delaware	60%	n/a	46%	56%	74%
Florida	83%	80%	57%	65%	85%
Georgia	77%	63%	53%	68%	82%
Guam	73%	n/a	n/a	n/a	n/a
Hawaii	71%	54%	37%	70%	90%
Iowa	59%	84%	60%	66%	62%
Idaho	63%	n/a	34%	56%	70%
Illinois	68%	89%	57%	56%	78%
Indiana	67%	103%	47%	61%	77%
Kansas	63%	70%	51%	65%	72%
Kentucky	69%	80%	50%	60%	74%
Louisiana	66%	n/a	48%	73%	77%
Massachusetts	76%	59%	51%	72%	72%
Maryland	71%	72%	61%	71%	79%
Maine	61%	n/a	51%	64%	74%
Michigan	66%	83%	49%	62%	69%
Minnesota	65%	84%	61%	62%	64%
Missouri	66%	81%	47%	71%	74%
Mississippi	69%	n/a	62%	53%	94%
Montana	65%	n/a	41%	61%	61%
North Carolina	68%	78%	64%	62%	88%

	SURETY	GLASS	BURGLARY & THEFT	BOILER/ MACHINERY	CREDIT
North Dakota	63%	n/a	33%	65%	61%
Nebraska	59%	65%	55%	54%	49%
New Hampshire	62%	n/a	48%	55%	70%
New Jersey	83%	87%	56%	70%	90%
New Mexico	66%	n/a	45%	60%	79%
Nevada	71%	n/a	57%	51%	82%
New York	85%	78%	60%	60%	83%
Ohio	72%	92%	56%	57%	73%
Oklahoma	64%	n/a	48%	69%	79%
Oregon	69%	66%	52%	56%	75%
Pennsylvania	73%	89%	66%	69%	79%
Puerto Rico	71%	n/a	64%	53%	n/a
Rhode Island	65%	n/a	39%	62%	75%
South Carolina	74%	n/a	57%	87%	80%
South Dakota	62%	n/a	42%	55%	67%
Tennessee	70%	52%	61%	59%	77%
Texas	77%	58%	56%	61%	75%
Utah	64%	n/a	43%	47%	71%
Virginia	73%	80%	54%	57%	74%
Virgin Islands	63%	n/a	n/a	54%	n/a
Vermont	61%	n/a	39%	61%	61%
Washington	64%	71%	43%	60%	67%
Wisconsin	63%	102%	54%	61%	65%
West Virginia	67%	83%	53%	75%	80%
Wyoming	56%	n/a	29%	50%	61%
Canada	52%	n/a	45%	79%	n/a
Other	62%	n/a	47%	62%	n/a
Grand Total	79%	72%	61%	68%	86%

	AGGREGATE WRITE-INS	ALL LINES TOTAL
Alaska	92%	87%
Alabama	86%	100%
Arkansas	79%	96%
American Samoa	n/a	n/a
Arizona	92%	99%
California	83%	104%
Colorado	83%	93%
Connecticut	94%	96%
District of Columbia	98%	90%
Delaware	79%	90%
Florida	105%	105%
Georgia	84%	99%
Guam	n/a	79%
Hawaii	92%	86%
Iowa	82%	92%
Idaho	71%	89%
Illinois	94%	98%
Indiana	82%	95%
Kansas	90%	100%
Kentucky	83%	100%
Louisiana	95%	100%
Massachusetts	85%	92%
Maryland	85%	93%
Maine	72%	92%
Michigan	84%	93%
Minnesota	86%	97%
Missouri	87%	95%
Mississippi	92%	96%
Montana	74%	88%
North Carolina	82%	98%

	AGGREGATE WRITE-INS	ALL LINES TOTAL
North Dakota	90%	92%
Nebraska	80%	92%
New Hampshire	81%	92%
New Jersey	85%	105%
New Mexico	77%	92%
Nevada	90%	96%
New York	96%	104%
Ohio	88%	95%
Oklahoma	90%	99%
Oregon	78%	89%
Pennsylvania	82%	102%
Puerto Rico	81%	78%
Rhode Island	77%	90%
South Carolina	76%	93%
South Dakota	84%	94%
Tennessee	83%	94%
Texas	100%	102%
Utah	71%	90%
Virginia	83%	95%
Virgin Islands	n/a	74%
Vermont	81%	89%
Washington	79%	95%
Wisconsin	87%	93%
West Virginia	84%	93%
Wyoming	74%	85%
Canada	95%	98%
Other	65%	84%
Grand Total	94%	101%