What we learned from Joplin

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Overview

- Tornado damage and impact
- State response
- Post-event responses and activities
- Lessons learned
“A fist coming out of the sky …”

- Joplin, Missouri / 5-22-2011 / 5:34 pm
- EF5 multiple-vortex tornado
- Single most costly tornado in US history
  - 25% of Joplin destroyed
  - $3 Billion to rebuild
- Seventh deadliest tornado in US history
  - 161 fatalities
  - 1000 injured
“Feeling the Pressure”

- Scope of damage
  - Large loss of life
  - Crippling catastrophic damage
  - Large volume of insured claims
- National attention
  - Media, all levels of government
  - Attraction for fraudulent activity
Insurance Data

<table>
<thead>
<tr>
<th>Line of Business</th>
<th>Claims Received</th>
<th>Claims Expected</th>
<th>Losses Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Property</td>
<td>2,142</td>
<td>2,159</td>
<td>$986,829,440</td>
</tr>
<tr>
<td>Residential Property</td>
<td>8,647</td>
<td>8,784</td>
<td>$535,724,886</td>
</tr>
<tr>
<td>Commercial Auto</td>
<td>309</td>
<td>309</td>
<td>$4,377,076</td>
</tr>
<tr>
<td>Private Auto</td>
<td>6,982</td>
<td>7,117</td>
<td>$47,898,047</td>
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<tr>
<td>Other Commercial</td>
<td>313</td>
<td>315</td>
<td>$15,031,287</td>
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<tr>
<td>County Mutuals</td>
<td>1,477</td>
<td>1,516</td>
<td>$61,789,887</td>
</tr>
<tr>
<td>Total</td>
<td>19,870</td>
<td>20,199</td>
<td>$1,651,650,623</td>
</tr>
</tbody>
</table>

Responsive Government

- Executive Orders
- Unified delivery of state services
- Bulletins and Guidance
- Expedited complaint process
- Recovery Round-Up
Post-Event Activities

- Legislative proposals introduced, but not enacted
  - Valued policy law
- Close monitoring of rate activity
- Market Conduct reviews
  - No exams or investigations initiated
- Consumer outreach on 1 year anniversary

Lessons Learned

- 2011 Legislation:
  - Senate Bill 132
    - Insurance company access to damage areas
  - Senate Bill 101
    - Residential contractors – aka “Storm Chasers”
- Build a “regulatory response toolbox”
  - Identify potential issues and options
  - Seek uniformity with other states
  - Coordinated communication with other state agencies
  - Flexibility in response is essential
Questions

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