

VI. Financial and Statistical Data



Notes to Tables

The financial information was obtained from the NAIC database downloaded on May 5, 2009, for those companies filing electronically with the NAIC and annual statements filed with OCI for those companies not filing electronically with the NAIC. The tables report the financial position of companies licensed to do business in Wisconsin as of December 31, 2008, and the results of their 2008 operations. Companies in rehabilitation and liquidation may not be included in the financial data.

Table A includes Risk Retention Groups and Vehicle Protection Plans as authorized insurers. Neither group of entities is technically authorized as they are not issued a certificate of authority to write business. Risk Retention Groups are required to register with this office pursuant to the Federal Liability Risk Retention Act of 1986. Vehicle Protection Plans register with this office pursuant to the requirements of s. 100.203, Wis. Stat., and ch. Ins 14, Wis. Adm. Code.

Tables B-I do not contain financial data for the Other Entities Subject to Limited Regulation.

Direct premiums and deposits for life business reported in Tables B and D includes direct premiums written, annuity, deposit, and other considerations and policyholder dividends used for renewals and paid-up additions. Direct premiums written reported in Table E excludes dividends, and deposit and other considerations. Direct benefits and dividends paid includes both benefits paid and dividends paid or applied during the year.

Direct premiums written in Table E includes insurers with negative premiums written. This results in premiums written for the 20 ranked insurers in certain lines of business to be greater than all insurers writing that line of business.

All of the amounts in Tables F-I, except ratio amounts, have been rounded to thousands. Ratios in excess of 999% were reported as "999" and ratios less than 0 were reported as "0". Ratio results outside these thresholds are meaningless.

Explanation of Terms Used in Tables

The “*Wisconsin Operations*” columns report the direct premiums and losses for Wisconsin only business for 2007. The “*Nationwide Operations*” columns report the net premiums and losses for all operations for 2008.

“*Direct*” business refers to business for which the insurer issued an insurance policy and accepted the premium. “*Net*” business is direct business plus reinsurance assumed and less reinsurance ceded.

“*Reinsurance*” is the transfer of risk between insurance companies. Almost all direct writing companies use reinsurance to transfer a portion of the risk associated with its direct policies. Reinsurance assumed is accepting the risk of other insurers, while reinsurance ceded is transferring the risk to other insurers. Some companies specialize in providing reinsurance to other companies versus writing business directly.

“*Premium Written*” is usually defined as premium billed by fire and casualty companies. Rules of life insurance accounting require reporting premiums actually collected. Premium written is a measure of sales activity in the state for the year.

“*Premium Earned*” is the result of premiums written in the current and previous years, and in some instances, premiums to be written in the future for current coverages. It is approximately the pro-rata portion of the premium charged for each policy for the portion of coverage provided within the calendar year.

“*Losses Incurred*” equals losses paid, plus an estimate at the close of the current year of the amounts to be paid in the future for all unsettled claims as of the financial statement date, less the corresponding estimate made at the end of the prior year. If the estimates were exactly correct, then the incurred losses would be the actual cost of all claims arising from coverage provided during the current year. The estimates would also include amounts for IBNR claims (incurred but not reported). Loss

adjustment expenses are also included in the losses incurred for nationwide operations of Title Companies.

“*Annuity Considerations*” is revenue received for annuity contracts during the year. The amount corresponds to premiums written on insurance contracts.

“*Deposits*” are amounts placed with the insurer that do not incorporate risk from the death or disability of the policyholder and are more comparable to financial or investment instruments than insurance contracts.

“*Other Considerations*” are annuity considerations or other deposits, which are not allocated to a specific policy, but include an insurable risk.

The “*Net Loss Ratio*” is equal to net losses incurred plus net loss adjustment expenses incurred, divided by net premiums earned. The “*Expense Ratio*” is equal to underwriting expenses divided by net premiums written. The loss ratio is determined based on net premiums earned as losses occur randomly throughout the policy term which matches the period the premiums are earned. The expense ratio is determined using net premiums written, because most underwriting expenses (commissions, home office underwriting, and clerical expenses) are incurred at the time the policy is written, not evenly throughout the policy term.

The “*Wisconsin Direct Loss Ratio*” is a pure loss ratio equal to the direct losses incurred divided by the direct premiums earned for Wisconsin business. This ratio does not include Loss Adjustment Expenses. For insurers with small direct premiums earned, this ratio may not be a meaningful representation of their overall operations. Negative losses incurred would result from the company overestimating the cost to settle open claims as of the end of the prior year or the receipt of salvage or other recoveries from claims paid in prior years which were in excess of amounts incurred for the current year claims.

TABLE A
Summary of Insurers Authorized to Write Insurance in Wisconsin
as of December 31, 2008
Counts by Type and Domicile

TYPE OF COMPANY	DOMESTIC COMPANIES	NONDOMESTIC COMPANIES	TOTAL
REGULATED ENTITIES			
STOCK LIFE AND HEALTH	26	400	426
MUTUAL LIFE AND HEALTH	4	27	31
FRATERNALS	8	40	48
HEALTH MAINTENANCE ORGANIZATIONS	23	0	23
OTHER HEALTH INSURERS	14	0	14
STOCK PROPERTY AND CASUALTY	78	769	847
MUTUAL PROPERTY AND CASUALTY	34	67	101
RECIPROCAL EXCHANGES	0	17	17
TOWN MUTUALS	66	0	66
SUBTOTAL	253	1,320	1,573
OTHER ENTITIES SUBJECT TO LIMITED REGULATION *			
CONTINUING CARE RETIREMENT COMMUNITIES	24	0	24
GIFT ANNUITIES	90	154	244
MOTOR CLUBS	0	27	27
VEHICLE PROTECTION PLANS	0	18	18
VIATICALS	0	5	5
WARRANTY PLANS	11	107	118
SUBTOTAL	124	311	436
GRAND TOTAL	377	1,631	2,009

TABLE B
2008 Summary of Wisconsin Operations of All Insurers by Type of Company

TYPE OF COMPANY	DIRECT PREMIUMS AND DEPOSITS *	DIRECT BENEFITS AND DIVIDENDS PAID *	
STOCK LIFE AND HEALTH	\$14,574,056,338	\$11,781,352,038	
MUTUAL LIFE AND HEALTH	1,512,288,890	1,564,481,150	
FRATERNALS	716,848,918	630,721,280	
TOTALS	\$16,803,194,146	\$13,976,554,468	

TYPE OF COMPANY	DIRECT PREMIUMS EARNED	DIRECT LOSSES INCURRED	LOSS RATIO
HEALTH MAINTENANCE ORGANIZATIONS	\$ 5,260,396,223	\$ 4,690,384,407	89
OTHER HEALTH INSURERS	596,112,704	511,044,652	86
STOCK PROPERTY AND CASUALTY	4,736,573,776	2,950,915,153	62
MUTUAL PROPERTY AND CASUALTY	3,150,386,922	2,004,340,583	64
RECIPROCAL EXCHANGES	260,263,817	184,596,760	71
TOWN MUTUALS	69,420,097	43,503,641	63
TOTALS	\$14,073,153,539	\$10,384,785,196	74

* See Notes to Tables.

TABLE C
2008 Summary of Nationwide
Financial Operations of Wisconsin Insurers

❖ **LIFE AND HEALTH INSURERS** ❖

ASSETS	\$223,151,048,056
CAPITAL AND SURPLUS	20,959,076,185
NET PREMIUMS AND ANNUITY CONSIDERATIONS	37,804,038,891
NET BENEFITS INCURRED	36,490,344,020
NET INCOME	562,495,905
DIRECT PREMIUMS, ANNUITY CONSIDERATIONS, AND DEPOSITS	39,022,911,020

❖ **PROPERTY AND CASUALTY INSURERS** ❖

ASSETS	\$ 67,915,470,636
CAPITAL AND SURPLUS	20,486,941,994
NET EARNED PREMIUMS	20,399,677,089
NET LOSSES INCURRED	16,179,546,435
NET INCOME	-3,753,641,145
DIRECT PREMIUMS WRITTEN	27,598,509,882

❖ **HEALTH MAINTENANCE ORGANIZATIONS** ❖
❖ **AND OTHER HEALTH INSURERS** ❖

ASSETS	\$ 1,749,435,868
CAPITAL AND SURPLUS	955,594,400
NET EARNED PREMIUMS	5,770,206,065
NET LOSSES INCURRED	5,030,185,428
NET INCOME	147,957,413
DIRECT PREMIUMS WRITTEN	5,880,422,739

❖ **ALL INSURERS COMBINED** ❖

ASSETS	\$292,815,954,560
CAPITAL AND SURPLUS	42,401,612,579
NET PREMIUMS AND ANNUITY CONSIDERATIONS	37,804,038,891
NET BENEFITS INCURRED	36,490,344,020
NET EARNED PREMIUMS	26,169,883,154
NET LOSSES INCURRED	21,209,731,863
NET INCOME	-3,043,187,827
DIRECT PREMIUMS, ANNUITY CONSIDERATIONS, AND DEPOSITS	72,501,843,641

TABLE D
2008 Summary of Wisconsin Operations
of All Insurers by Line of Insurance

LINE OF INSURANCE	DIRECT PREMIUMS AND DEPOSITS*
LIFE INSURANCE	
ORDINARY	\$2,422,588,561
CREDIT	21,552,148
GROUP	480,121,724
INDUSTRIAL	5,529,100
TOTAL	\$2,929,791,533
ANNUITIES	\$5,776,383,824
DEPOSITS	782,525,460
OTHER	1,252,087,415
	DIRECT BENEFITS AND DIVIDENDS PAID*
BENEFIT TYPE	
DIVIDENDS	\$ 653,401,718
DEATH BENEFITS	1,267,002,908
ANNUITY BENEFITS	1,779,402,127
ALL OTHER BENEFITS	5,365,549,270

LINE OF INSURANCE	DIRECT PREMIUMS EARNED	DIRECT LOSSES INCURRED	LOSS RATIO
ACCIDENT AND HEALTH			
GROUP	\$ 9,077,177,787	\$ 7,936,887,191	87
CREDIT	39,084,120	17,779,229	45
INDIVIDUAL	3,178,109,033	2,545,063,567	80
TOTAL	\$12,294,370,940	\$10,499,729,987	85
MULTIPLE PERIL			
FARMOWNERS	\$ 112,270,097	\$ 90,221,757	80
HOMEOWNERS	863,706,276	718,862,937	83
COMMERCIAL	587,073,443	319,891,420	54
TOTAL	\$ 1,563,049,816	\$ 1,128,976,114	72
AUTOMOBILE			
PRIVATE PASSENGER CARS	\$ 2,220,716,976	\$ 1,425,626,784	64
COMMERCIAL VEHICLES	473,959,965	245,692,428	52
TOTAL	\$ 2,694,676,941	\$ 1,671,319,212	62

* See Notes to Tables.

TABLE D (continued)

LINE OF INSURANCE	DIRECT PREMIUMS EARNED	DIRECT LOSSES INCURRED	LOSS RATIO
ALL OTHER LINES			
FIRE	\$ 132,594,219	\$ 82,912,533	63
MEDICAL MALPRACTICE	102,687,076	-5,274,978	-5
WORKERS COMPENSATION	1,640,340,760	1,074,607,183	66
OTHER LIABILITY	615,178,860	285,599,004	46
FIDELITY	20,505,998	7,895,235	39
SURETY	43,090,962	-2,789,501	-6
CREDIT	22,582,399	28,863,425	128
TITLE	108,148,324	6,628,734	6
MORTGAGE GUARANTY	102,420,353	119,179,871	116
ALL OTHER	827,757,721	496,955,956	60
TOTAL	\$3,615,306,672	\$2,094,577,462	58