

VI. Financial and Statistical Data



Notes to Tables

The financial information was obtained from the NAIC database downloaded on June 11, 2012, 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, 2011, and the results of their 2011 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 include 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 2011. The “*Nationwide Operations*” columns report the net premiums and losses for all operations for 2011.

“*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 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, 2011
Counts by Type and Domicile

| TYPE OF COMPANY | DOMESTIC COMPANIES | NONDOMESTIC COMPANIES | TOTAL |
|---|-----------------------|--------------------------|--------------|
| REGULATED ENTITIES | | | |
| STOCK LIFE AND HEALTH | 27 | 396 | 423 |
| MUTUAL LIFE AND HEALTH | 3 | 26 | 29 |
| FRATERNALS | 6 | 39 | 45 |
| HEALTH MAINTENANCE ORGANIZATIONS | 23 | 0 | 23 |
| OTHER HEALTH INSURERS | 14 | 0 | 14 |
| STOCK PROPERTY AND CASUALTY | 80 | 777 | 857 |
| MUTUAL PROPERTY AND CASUALTY | 33 | 64 | 97 |
| RECIPROCAL EXCHANGES | 0 | 18 | 18 |
| TOWN MUTUALS | 61 | 0 | 61 |
| SUBTOTAL | 247 | 1,320 | 1,567 |
| OTHER ENTITIES SUBJECT TO LIMITED REGULATION * | | | |
| CARE MANAGEMENT ORGANIZATIONS | 9 | 0 | 9 |
| CONTINUING CARE RETIREMENT COMMUNITIES | 24 | 0 | 24 |
| GIFT ANNUITIES | 92 | 182 | 274 |
| LIFE SETTLEMENT PROVIDER | 0 | 9 | 9 |
| MOTOR CLUBS | 0 | 25 | 25 |
| VEHICLE PROTECTION PLANS | 0 | 19 | 19 |
| WARRANTY PLANS | 12 | 116 | 128 |
| SUBTOTAL | 137 | 351 | 488 |
| GRAND TOTAL | 384 | 1,671 | 2,055 |

TABLE B
2011 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 | \$13,718,450,693 | \$11,692,393,869 | |
| MUTUAL LIFE AND HEALTH | 1,658,826,143 | 1,509,723,702 | |
| FRATERNALS | 922,700,484 | 650,301,396 | |
| TOTALS | \$16,299,977,320 | \$13,852,418,967 | |
| TYPE OF COMPANY | DIRECT PREMIUMS EARNED | DIRECT LOSSES PAID | LOSS RATIO |
| HEALTH MAINTENANCE ORGANIZATIONS | \$ 7,270,587,889 | \$ 6,585,550,076 | 91 |
| OTHER HEALTH INSURERS | 726,329,100 | 626,333,842 | 86 |
| STOCK PROPERTY AND CASUALTY | 5,047,982,378 | 3,092,720,894 | 61 |
| MUTUAL PROPERTY AND CASUALTY | 3,339,939,249 | 2,110,503,162 | 63 |
| RECIPROCAL EXCHANGES | 283,580,077 | 223,007,738 | 79 |
| TOWN MUTUALS | 59,650,718 | 42,990,446 | 72 |
| TOTALS | \$16,728,069,411 | \$12,681,106,158 | 76 |

* See Notes to Tables.

TABLE C
2011 Summary of Nationwide
Financial Operations of Wisconsin Insurers

❖ **LIFE AND HEALTH INSURERS** ❖

| | |
|---|-------------------|
| ASSETS | \$274,537,459,447 |
| CAPITAL AND SURPLUS | 24,506,565,880 |
| NET PREMIUMS AND ANNUITY CONSIDERATIONS | 42,452,967,728 |
| NET BENEFITS INCURRED | 39,102,624,623 |
| NET INCOME | 2,048,300,185 |
| DIRECT PREMIUMS, ANNUITY CONSIDERATIONS, AND DEPOSITS | 43,893,753,084 |

❖ **PROPERTY AND CASUALTY INSURERS** ❖

| | |
|-------------------------|-------------------|
| ASSETS | \$ 67,421,660,042 |
| CAPITAL AND SURPLUS | 23,451,352,586 |
| NET EARNED PREMIUMS | 19,304,461,651 |
| NET LOSSES INCURRED | 14,130,689,085 |
| NET INCOME | -574,345,759 |
| DIRECT PREMIUMS WRITTEN | 27,020,948,392 |

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

| | |
|-------------------------|------------------|
| ASSETS | \$ 2,288,579,883 |
| CAPITAL AND SURPLUS | 1,199,890,300 |
| NET EARNED PREMIUMS | 7,954,252,678 |
| NET LOSSES INCURRED | 7,101,216,959 |
| NET INCOME | 123,893,875 |
| DIRECT PREMIUMS WRITTEN | 8,004,566,627 |

❖ **ALL INSURERS COMBINED** ❖

| | |
|---|-------------------|
| ASSETS | \$344,247,699,372 |
| CAPITAL AND SURPLUS | 49,157,808,766 |
| NET PREMIUMS AND ANNUITY CONSIDERATIONS | 42,452,967,728 |
| NET BENEFITS INCURRED | 39,102,624,623 |
| NET EARNED PREMIUMS | 27,258,714,329 |
| NET LOSSES INCURRED | 21,231,906,044 |
| NET INCOME | 1,597,848,301 |
| DIRECT PREMIUMS, ANNUITY CONSIDERATIONS, AND DEPOSITS | \$ 78,919,268,103 |

TABLE D
2011 Summary of Wisconsin Operations
of All Insurers by Line of Insurance

| LINE OF INSURANCE | DIRECT PREMIUMS AND DEPOSITS* |
|-------------------|----------------------------------|
| LIFE INSURANCE | |
| ORDINARY | \$2,495,886,694 |
| CREDIT | 12,817,476 |
| GROUP | 529,158,107 |
| INDUSTRIAL | 4,042,672 |
| TOTAL | \$3,041,904,949 |
| ANNUITIES | \$5,534,230,252 |
| DEPOSITS | 535,623,311 |
| OTHER | 1,380,928,656 |

| BENEFIT TYPE | DIRECT BENEFITS AND DIVIDENDS PAID* |
|--------------------|--|
| DIVIDENDS | \$ 569,001,293 |
| DEATH BENEFITS | 1,431,603,644 |
| ANNUITY BENEFITS | 1,575,900,004 |
| ALL OTHER BENEFITS | 5,707,573,521 |

| LINE OF INSURANCE | DIRECT PREMIUMS EARNED | DIRECT LOSSES INCURRED | LOSS RATIO |
|------------------------|------------------------------|------------------------------|---------------|
| ACCIDENT AND HEALTH | | | |
| GROUP | \$10,278,164,569 | \$ 9,033,700,884 | 88 |
| CREDIT | 20,042,339 | 10,799,337 | 54 |
| INDIVIDUAL | 3,946,309,356 | 3,155,465,596 | 80 |
| TOTAL | \$14,244,516,264 | \$12,199,965,817 | 86 |
| MULTIPLE PERIL | | | |
| FARMOWNERS | \$ 132,522,068 | \$ 102,529,537 | 77 |
| HOMEOWNERS | 1,048,873,463 | 893,148,191 | 85 |
| COMMERCIAL | 560,448,390 | 312,008,474 | 56 |
| TOTAL | \$ 1,741,843,921 | \$ 1,307,686,202 | 75 |
| AUTOMOBILE | | | |
| PRIVATE PASSENGER CARS | \$ 2,440,788,113 | \$ 1,572,562,327 | 64 |
| COMMERCIAL VEHICLES | 433,883,893 | 231,570,907 | 53 |
| TOTAL | \$ 2,874,672,006 | \$ 1,804,133,234 | 63 |

* See Notes to Tables.

TABLE D (continued)

| LINE OF INSURANCE | DIRECT PREMIUMS EARNED | DIRECT LOSSES INCURRED | LOSS RATIO |
|-----------------------------|---------------------------------------|---------------------------------------|-----------------------|
| ALL OTHER LINES | | | |
| FIRE | \$ 147,199,543 | \$ 91,682,055 | 62 |
| MEDICAL MALPRACTICE | 81,424,162 | 11,434,898 | 14 |
| WORKERS COMPENSATION | 1,659,793,633 | 1,095,632,125 | 66 |
| EXCESS WORKERS COMPENSATION | 7,823,138 | 6,607,892 | 84 |
| OTHER LIABILITY | 631,372,018 | 180,247,650 | 29 |
| FIDELITY | 19,773,519 | 13,558,188 | 69 |
| SURETY | 44,864,984 | 1,987,886 | 4 |
| CREDIT | 21,588,283 | 46,738,610 | 216 |
| TITLE | 114,185,591 | 7,668,628 | 7 |
| MORTGAGE GUARANTY | 85,160,928 | 117,093,448 | 137 |
| ALL OTHER | 837,874,300 | 368,640,940 | 44 |
| TOTAL | \$ 3,651,060,099 | \$ 1,941,292,320 | 53 |