



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor
Theodore K. Nickel, Commissioner

Wisconsin.gov

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The Honorable Scott Walker
Governor, State of Wisconsin
115 East State Capitol
Madison, WI 53702

Dear Governor Walker:

I am pleased to submit the 146th *Wisconsin Insurance Report*, covering calendar year 2014 activities.

Wisconsin's insurance industry remains a vital and growing part of our economy. Over 2,100 companies, 380 of them domiciled in the state, are vying for a piece of Wisconsin's insurance market. This makes Wisconsin the second largest insurance market in the country. The insurance industry is also a major employer in the state with over 80,000 direct jobs and over 200,000 jobs tied to the industry. Wisconsin ranks 8th in the nation for insurance jobs. The average wages paid by insurers are higher than the state average. Wisconsin insurers have boosted employment by 11% over the last decade. As one of the largest industries in Wisconsin, the insurance industry provides an estimated \$10 billion in direct and indirect wages to Wisconsinites. Wisconsin insurers are also good corporate citizens that give back to their communities through charitable and volunteer efforts.

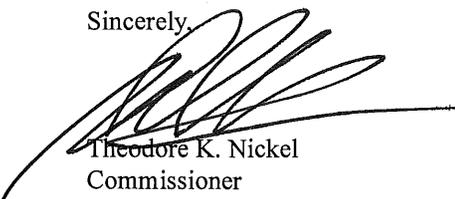
This competitive environment makes Wisconsin very consumer friendly, with multiple choices along all lines of insurance and some of the lowest insurance premiums in the country. With over 120,000 licensed agents, there is always someone for consumers to turn to for advice on insurance products.

As a regulator, Wisconsin has continued its tradition of sound solvency regulation, combined with effective consumer protections. OCI completed 4,100 complaint investigations which resulted in \$4.7 million recovered for consumers during the year. OCI also completed over 40 financial exams and participated in exams of numerous other insurers. We have also worked to become a more efficient regulator through lean initiatives that streamline our processes and the use of business intelligence to better focus on areas of consumer concern.

It is also important to note our involvement in national issues. Wisconsin, like many other states, implemented many changes required under the Affordable Care Act (ACA). Our decisions ensured Wisconsinites could choose from a variety of new plans or choose to keep their existing health plan. In the mortgage market, our work with the National Association of Insurance Commissioners (NAIC) protected Wisconsin companies from federal overreach and ensured that consumers continued to have access to private mortgage insurance products. These are but two examples that demonstrate that our involvement as a national leader on insurance issues at the NAIC—we chair numerous committees on a variety of issues including health insurance, mortgage insurance, and life insurance—ensures that Wisconsin has a voice to protect consumers and our domiciled companies.

The result is an insurance industry that serves Wisconsin consumers, provides jobs, and contributes to the Wisconsin economy. This report will provide you with details about the industry's participants and the activities of the agency.

Sincerely,



Theodore K. Nickel
Commissioner