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2015 Life & Annuity Market Conduct Annual Statement

The Market Conduct Annual Statement (MCAS) is an analysis tool that states can use to review market activity of the entire insurance marketplace in a consistent manner and to identify companies whose practices are outside normal ranges. For the 2015 Life & Annuity MCAS, licensed companies with at least \$50,000 in subject life insurance premium and/or annuity considerations were required to participate in the project in Wisconsin. A total of 248 companies participated in the project.

Statewide averages are calculated for up to seven categories depending on the type of insurance reported in the Life & Annuity MCAS. The following statewide averages and charts indicating where the number of reporting companies whose ratios fall within various ranges are for informational purposes only and do not represent standards for market behavior. This information does not establish compliance or non-compliance. MCAS data, company specific ratios and/or statewide averages, may not be used in any form of company advertising or marketing.

Individual Life Cash Value Products	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	8.45%
Ratio 2. The number of replacements where insureds age >= 65 to total replacements	21.77%
Ratio 3. The number of policies surrendered compared to the number of policies issued	43.24%
Ratio 4. The number of policies surrendered under 10 years from policy issuance to total policies surrendered	33.57%
Ratio 5. The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	0.90%
Ratio 6. The number of claims denied, resisted or compromised compared to the number of claims closed	0.26%
Ratio 7. Number of complaints received from consumers per 1,000 policies in force	0.17#

	Number of companies with ratios falling in the range:											
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	50	55	31	10	10	7	1	0	0	0	0	0
Ratio 2	29	12	24	9	5	11	9	3	3	1	8	0
Ratio 3	9	24	22	16	8	12	8	5	11	6	5	38
Ratio 4	52	22	26	18	13	19	4	12	9	12	29	0
Ratio 5	144	44	12	1	3	1	0	0	1	0	0	0
Ratio 6	178	26	0	1	0	1	0	0	0	0	0	0

	Number of complaints received from consumers per 1,000 policies in force											
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 7	174	27	13	9	1	3	2	2	0	0	0	2

Individual Life Non-Cash Value Products	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	17.63%
Ratio 5. The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	1.00%
Ratio 6. The number of claims denied, resisted or compromised compared to the number of claims closed	2.40%
Ratio 7. Number of complaints received from consumers per 1,000 policies in force	0.14#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	32	20	21	17	11	6	0	1	1	0	3	0
Ratio 5	103	8	3	0	2	1	0	0	0	0	1	0
Ratio 6	102	8	2	2	3	1	0	0	0	0	0	0

Number of complaints received from consumers per 1,000 policies in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 7	163	9	8	5	2	4	3	0	1	1	0	5

Individual Fixed Annuities	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of contracts issued	22.34%
Ratio 2. The number of replacements for annuitants age > 80 to total replacements	10.72%
Ratio 3. The number of deferred contracts issued to annuitants age > 80 to total deferred contracts issued	13.60%
Ratio 4. The number of contract surrenders < 10 years from contract issuance to total contract surrenders	65.23%
Ratio 7. Number of complaints received from consumers per 1,000 contracts in force	0.27#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	21	14	16	17	17	3	1	3	0	0	1	1
Ratio 2	23	19	14	9	2	2	1	1	0	0	2	0
Ratio 3	29	31	22	2	3	0	1	1	0	1	1	0
Ratio 4	12	1	3	4	10	8	7	11	14	10	27	0

Number of complaints received from consumers per 1,000 contracts in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 7	82	10	4	6	5	6	3	0	0	0	0	2

Individual Variable Annuities	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of contracts issued	33.97%
Ratio 2. The number of replacements for annuitants age > 80 to total replacements	7.23%
Ratio 3. The number of deferred contracts issued to annuitants age > 80 to total deferred contracts issued	3.32%
Ratio 4. The number of contract surrenders < 10 years from contract issuance to total contract surrenders	54.33%
Ratio 7. Number of complaints received from consumers per 1,000 contracts in force	0.25#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	9	3	7	5	8	2	4	2	2	2	1	1
Ratio 2	15	17	4	0	0	1	0	0	0	0	0	0
Ratio 3	16	24	3	0	0	1	0	0	0	0	0	0
Ratio 4	10	6	3	6	3	10	9	9	8	2	4	0

Number of complaints received from consumers per 1,000 contracts in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 7	48	5	10	5	0	4	0	1	0	0	0	0