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## **A FIRM FOUNDATION: HOW INSURANCE SUPPORTS THE KENTUCKY ECONOMY**



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## To The Reader

### Introduction

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Insurance affects everything, and everything affects insurance. It is generally understood that insurance allows those who participate in the economy to produce goods and services without the paralyzing fear that some adverse incident could leave them destitute or unable to function. However, few people are aware of the extraordinary impact the industry has on state, local and national economies.

To explain the ways that both property/casualty and life insurance contribute to our economy far beyond their core function of helping to manage risk, the Insurance Information Institute has produced a website, *A Firm Foundation: How Insurance Supports the Economy*, which is updated frequently.

The insurance industry is a major U.S. employer, providing some 2.5 million jobs that encompass a wide variety of careers, from human resource administrators to public relations managers to financial analysts.

Insurance companies also help support the economy through their investments. As part of the financial services industry, insurers act as financial intermediaries, investing the funds they collect for providing insurance protection. The industry's financial assets were about \$5.1 trillion in 2014, including \$1.5 trillion for the property/casualty sector and \$3.6 trillion for the life sector.

Insurers contributed more than \$421 billion to the nation's gross domestic product in 2013. Their taxes include special levies on insurance premiums, which amounted to about \$18.1 billion in 2014, or \$57 for every person living in the United States.

This publication shows the myriad ways in which insurance supports the economy. Each chart illustrates one or more elements. Together they tell a tale that is rarely told—that insurance helps provide the firm foundation for a functioning economy.

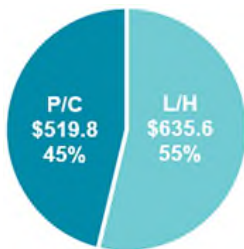
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# Insurance Industry at a Glance

- The U.S. insurance industry's net premiums written totaled \$1.1 trillion in 2014, with premiums recorded by life/health (L/H) insurers accounting for 56 percent and premiums by property/casualty (P/C) insurers accounting for 44 percent, according to SNL Financial.
- P/C insurance consists primarily of auto, home and commercial insurance. Net premiums written for the sector totaled \$502.6 billion in 2014.
- The L/H insurance sector consists primarily of annuities and life insurance. Net premiums written for the sector totaled \$644.5 billion in 2014.
- Health insurance is generally considered separate. The sector includes private health insurance companies as well as government programs. P/C and L/H insurers also write some health insurance.
- There were 6,118 insurance companies in 2014 in the United States (including territories), including P/C (2,583), life/annuities (895), health (857), fraternal (85), title (56), risk retention groups (252) and other companies (1,390), according to the National Association of Insurance Commissioners.
- Insurance carriers and related activities contributed \$450.3 billion, or 2.6 percent, of U.S. gross domestic product in 2014, according to the U.S. Bureau of Economic Analysis.
- The U.S. insurance industry employed 2.5 million people in 2014, according to the U.S. Department of Labor. Of those, 1.5 million worked for insurance companies, including life, health and medical insurers (838,200 workers), P/C insurers (596,000 workers) and reinsurers (25,200 workers). The remaining 1 million people worked for insurance agencies, brokers and other insurance-related enterprises.
- Total P/C cash and invested assets were \$1.5 trillion in 2014, according to SNL Financial. L/H cash and invested assets totaled \$3.6 trillion in 2014. The majority of these assets were in bonds (61 percent of P/C assets and 74 percent of L/H assets).
- P/C and L/H insurance companies paid \$18.1 billion in premium taxes in 2014, or \$57 for every person living in the United States, according to the U.S. Department of Commerce.
- P/C insurers paid out \$15.5 billion in property losses related to catastrophes in 2014, compared with \$12.9 billion in 2013, according to the Property Claims Services division of Verisk Analytics. There were 31 catastrophes in 2014, compared with 28 in 2013.

## U.S. P/C And L/H Insurance Premiums, 2015

(\$ billions)



Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

# Employment

## A 50-State Commitment

### CONTRIBUTION TO STATE ECONOMIES

The insurance industry is a major contributor to state economies, providing employment, paying taxes and supporting community development. In addition, insurance company claims payments help ensure the economic security of individuals and businesses, and help sustain a number of related industries. The magnitude of these claims payments for major insurance lines is highlighted in the "Incurred Losses by State" section. Incurred losses are a measurement of insurance claims occurring within a fixed period.

### INSURANCE CARRIERS AND RELATED ACTIVITIES EMPLOYMENT BY STATE, 2014 (1)

State	Number of employees	State	Number of employees
Alabama	37,319	Montana	8,758
Alaska	2,661	Nebraska	33,791
Arizona	59,953	Nevada	18,333
Arkansas	21,349	New Hampshire	17,476
California	297,159	New Jersey	98,774
Colorado	54,231	New Mexico	12,085
Connecticut	67,623	New York	196,781
Delaware	8,877	North Carolina	77,615
D.C.	4,569	North Dakota	11,000
Florida	203,275	Ohio	133,618
Georgia	101,796	Oklahoma	31,030
Hawaii	10,326	Oregon	33,319
Idaho	12,832	Pennsylvania	157,051
Illinois	144,723	Rhode Island	11,860
Indiana	61,502	South Carolina	41,501
Iowa	55,423	South Dakota	12,273
Kansas	39,578	Tennessee	61,674
Kentucky	41,789	Texas	259,251
Louisiana	35,470	Utah	25,554
Maine	13,571	Vermont	5,090
Maryland	48,009	Virginia	66,237
Massachusetts	80,564	Washington	54,985
Michigan	79,301	West Virginia	11,425
Minnesota	79,851	Wisconsin	79,188
Mississippi	18,656	Wyoming	3,483
Missouri	66,641	<b>United States</b>	<b>3,109,200</b>

(1) Total full-time and part-time employment.

Note: Does not match data shown elsewhere due to the use of different surveys. Data as of September 2015.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

## INSURANCE CARRIERS AND RELATED ACTIVITIES COMPENSATION BY STATE, 2013-2014

(\$000)

State	Annual payroll		State	Annual payroll	
	2013	2014		2013	2014
Alabama	\$2,295,963	\$2,513,611	Montana	\$410,185	\$439,053
Alaska	165,039	165,284	Nebraska	2,047,992	2,145,973
Arizona	3,242,289	3,744,871	Nevada	978,325	1,068,614
Arkansas	992,062	1,029,013	New Hampshire	1,402,425	1,516,743
California	20,949,233	22,299,758	New Jersey	10,029,831	10,413,696
Colorado	3,487,396	3,766,241	New Mexico	559,054	619,841
Connecticut	8,403,407	8,579,518	New York	19,217,806	20,383,140
Delaware	708,213	720,270	North Carolina	4,242,315	4,892,074
D.C.	585,367	629,161	North Dakota	500,121	550,194
Florida	12,296,580	13,366,059	Ohio	8,918,709	9,610,991
Georgia	6,902,817	7,419,754	Oklahoma	1,532,591	1,620,101
Hawaii	588,925	600,908	Oregon	2,140,198	2,246,749
Idaho	552,773	592,010	Pennsylvania	11,693,057	12,434,871
Illinois	11,625,482	12,014,509	Rhode Island	891,515	951,597
Indiana	3,617,504	3,986,716	South Carolina	2,250,125	2,299,954
Iowa	3,739,838	3,931,997	South Dakota	519,071	568,785
Kansas	2,331,040	2,489,694	Tennessee	3,634,774	3,999,452
Kentucky	2,545,043	2,822,078	Texas	15,702,161	17,269,279
Louisiana	1,947,454	2,104,880	Utah	1,286,020	1,355,151
Maine	943,155	996,808	Vermont	342,714	356,164
Maryland	3,662,849	3,794,494	Virginia	4,303,036	4,719,371
Massachusetts	7,677,513	7,944,859	Washington	3,737,916	4,006,547
Michigan	4,763,995	5,126,797	West Virginia	543,174	543,686
Minnesota	7,135,476	7,406,378	Wisconsin	5,552,055	5,503,486
Mississippi	823,224	847,703	Wyoming	149,099	154,746
Missouri	4,149,094	4,424,371	<b>United States</b>	<b>\$218,716,000</b>	<b>\$232,988,000</b>

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

# Premiums

## Direct Premiums Written, P/C Insurance By State, 2015 (1)

(\$000)

State	Total, all lines	State	Total, all lines
Alabama	\$7,788,908	Montana	\$2,240,077
Alaska	1,667,043	Nebraska	4,485,562
Arizona	9,605,269	Nevada	4,486,525
Arkansas	4,738,870	New Hampshire	2,284,780
California	69,464,495	New Jersey	20,102,839
Colorado	10,727,291	New Mexico	3,087,127
Connecticut	8,225,865	New York	43,283,391
Delaware	2,342,982	North Carolina	14,223,016
D.C.	1,729,032	North Dakota	2,488,807
Florida	44,925,094	Ohio	15,483,542
Georgia	17,119,570	Oklahoma	7,814,964
Hawaii	2,339,270	Oregon	6,206,281
Idaho	2,460,311	Pennsylvania	22,992,115
Illinois	24,234,963	Rhode Island	2,233,945
Indiana	10,596,498	South Carolina	8,329,788
Iowa	6,183,482	South Dakota	2,355,727
Kansas	6,195,200	Tennessee	10,531,541
Kentucky	6,926,410	Texas	49,124,353
Louisiana	10,881,835	Utah	4,150,335
Maine	2,136,170	Vermont	1,394,114
Maryland	10,654,571	Virginia	12,601,788
Massachusetts	13,696,275	Washington	10,609,797
Michigan	18,144,575	West Virginia	2,911,489
Minnesota	11,010,676	Wisconsin	9,940,655
Mississippi	4,899,035	Wyoming	1,115,145
Missouri	10,624,938	<b>United States</b>	<b>\$583,796,332</b>

(1) Before reinsurance transactions, includes state funds, excludes territories.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Life/Health Insurers Direct Premiums Written And Annuity Considerations By State, 2015 (1)

(\$ millions)

State	Life insurance	Annuities	Accident and health insurance (2)	Deposit-type contract funds	Other considerations	Total
Alabama	\$2,077	\$2,969	\$1,487	\$292	\$477	\$7,301
Alaska	532	380	333	24	175	1,443
Arizona	2,287	4,726	3,826	314	1,330	12,483
Arkansas	1,103	1,502	1,002	88	230	3,924
California	15,840	24,497	14,286	2,510	8,374	65,508
Colorado	2,627	4,692	3,420	1,031	980	12,750
Connecticut	3,228	4,195	2,865	7,581	2,256	20,126
Delaware	1,176	2,483	550	57,516	506	62,231
D.C.	397	619	781	200	1,279	3,276
Florida	8,839	18,664	12,584	1,542	3,699	45,328
Georgia	4,636	5,462	5,151	631	2,741	18,621
Hawaii	718	1,273	998	82	419	3,490
Idaho	576	977	560	88	239	2,440
Illinois	6,693	9,799	6,086	1,327	2,881	26,786
Indiana	2,616	5,264	3,986	1,309	838	14,013
Iowa	1,677	3,022	1,327	7,122	2,502	15,649
Kansas	1,418	2,588	3,269	1,819	380	9,474
Kentucky	1,494	2,444	1,594	246	718	6,497
Louisiana	2,225	3,575	1,964	218	629	8,612
Maine	522	1,170	823	93	175	2,783
Maryland	2,911	5,118	3,253	698	1,156	13,135
Massachusetts	4,768	7,072	3,110	1,000	3,509	19,458
Michigan	4,379	9,317	3,392	910	1,832	19,829
Minnesota	4,198	4,650	1,511	1,014	1,939	13,311
Mississippi	1,169	1,527	1,442	112	171	4,420
Missouri	2,751	6,651	3,714	926	1,028	15,069
Montana	360	529	362	29	111	1,391
Nebraska	1,008	1,584	1,271	459	385	4,707
Nevada	952	2,117	1,120	292	407	4,889
New Hampshire	600	1,748	655	189	558	3,750
New Jersey	6,301	11,514	5,420	1,493	2,910	27,637
New Mexico	626	997	757	79	354	2,813
New York	11,738	17,808	9,209	26,564	8,967	74,286
North Carolina	4,490	7,232	4,610	1,492	2,930	20,754
North Dakota	449	629	305	62	217	1,661
Ohio	4,937	11,600	6,796	3,806	2,236	29,376
Oklahoma	1,411	2,074	1,599	199	546	5,829
Oregon	1,175	2,415	1,782	241	1,160	6,773
Pennsylvania	6,373	13,469	6,331	5,670	3,322	35,166
Rhode Island	510	1,277	476	64	281	2,608
South Carolina	2,041	3,824	1,973	196	476	8,509
South Dakota	818	640	374	72	91	1,996
Tennessee	2,876	4,765	2,839	1,568	1,065	13,112
Texas	11,038	16,911	16,182	1,399	3,114	48,644
Utah	1,314	2,253	998	348	585	5,499
Vermont	252	542	347	44	191	1,377
Virginia	4,158	6,262	4,108	746	1,806	17,081
Washington	2,341	4,687	2,902	466	1,373	11,769
West Virginia	631	1,221	656	96	182	2,787
Wisconsin	2,500	5,489	3,569	622	1,108	13,289
Wyoming	284	427	324	22	43	1,100
<b>United States (3)</b>	<b>\$150,041</b>	<b>\$256,650</b>	<b>\$158,281</b>	<b>\$134,910</b>	<b>\$74,879</b>	<b>\$774,761</b>

(1) Direct premiums written before reinsurance transactions, excludes state funds.

(2) Excludes accident and health premiums reported on property/casualty and health annual statements.

(3) Excludes territories, dividends and other nonstate specific data.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Direct Premiums Written, Property/Casualty Insurance By State By Line, 2015 (1)

(\$000)

State	Private Passenger Auto		Commercial Auto		Homeowners multiple peril	Farmowners multiple peril	Commercial multiple peril
	Liability	Coll./Comp.	Liability	Coll./Comp.			
Alabama	\$1,508,342	\$1,282,032	\$332,404	\$112,408	\$1,657,676	\$74,050	\$568,579
Alaska	275,311	176,403	53,597	17,242	164,273	633	107,869
Arizona	2,384,847	1,623,295	361,338	94,409	1,519,049	15,988	610,403
Arkansas	903,538	776,709	231,834	98,807	863,215	28,608	323,955
California	13,076,221	10,171,421	2,532,792	737,019	7,462,747	209,485	4,552,394
Colorado	2,172,631	1,462,220	351,663	131,784	2,024,785	78,943	761,544
Connecticut	1,652,325	1,018,396	307,229	75,802	1,408,185	5,894	638,210
Delaware	531,599	234,045	89,433	18,828	244,064	5,756	303,839
D.C.	161,084	144,789	34,675	8,303	151,109	0	163,331
Florida	11,507,025	4,266,241	1,741,263	332,358	8,772,206	23,481	2,221,245
Georgia	4,209,292	2,648,118	731,313	194,876	2,844,022	118,657	981,971
Hawaii	411,791	279,008	84,856	21,748	368,755	460	174,298
Idaho	458,875	327,863	104,101	49,276	315,632	57,224	195,885
Illinois	3,689,342	2,961,992	1,015,310	314,375	3,423,857	170,482	1,721,225
Indiana	1,870,338	1,412,730	442,786	181,571	1,851,696	201,698	803,114
Iowa	768,221	794,093	222,219	146,781	731,293	194,132	373,834
Kansas	838,873	817,742	182,763	118,571	1,104,651	233,692	380,403
Kentucky	1,731,028	907,113	289,741	99,006	1,115,395	158,011	506,951
Louisiana	2,373,772	1,433,621	545,084	107,638	1,851,819	13,541	530,484
Maine	356,032	297,110	93,909	39,450	387,943	4,607	226,195
Maryland	2,563,615	1,734,216	413,885	114,678	1,628,226	26,987	636,161
Massachusetts	2,647,008	2,009,122	584,015	194,661	2,155,538	3,257	1,124,973
Michigan	5,153,560	2,922,954	618,902	282,383	2,658,451	142,183	1,066,692
Minnesota	1,851,128	1,390,794	357,317	182,120	2,013,736	145,046	707,248
Mississippi	912,578	751,930	244,087	93,934	957,972	22,557	328,052
Missouri	1,841,243	1,510,163	393,455	163,444	1,912,187	169,216	764,843
Montana	339,566	291,454	96,894	57,029	300,539	65,832	174,613
Nebraska	582,233	516,969	140,435	103,582	649,522	216,270	262,711
Nevada	1,342,378	611,390	197,144	33,972	535,066	7,843	310,843
New Hampshire	395,181	374,013	89,479	33,361	383,096	3,150	231,881
New Jersey	4,851,134	2,237,735	1,053,833	194,960	2,556,089	2,622	1,424,250
New Mexico	768,815	450,507	139,010	46,631	489,700	25,354	225,469
New York	7,724,377	4,220,344	1,912,401	321,298	5,220,744	41,296	3,706,915
North Carolina	2,777,884	2,379,626	561,356	176,543	2,376,336	58,237	935,094
North Dakota	205,695	246,377	91,591	73,512	196,937	115,129	143,982
Ohio	3,351,659	2,642,568	654,731	241,300	2,785,059	163,692	1,265,653
Oklahoma	1,325,907	1,086,545	311,135	134,858	1,595,082	161,694	527,709
Oregon	1,664,350	747,023	248,739	73,318	749,220	64,656	459,370
Pennsylvania	4,442,481	3,398,391	985,726	364,695	3,248,515	103,859	1,704,178
Rhode Island	532,672	272,326	80,395	20,320	370,153	276	150,488
South Carolina	2,004,321	1,270,757	289,557	88,193	1,601,721	13,152	471,680
South Dakota	229,958	252,966	66,454	52,439	221,501	116,988	128,504
Tennessee	1,974,694	1,582,309	392,528	185,811	1,909,045	143,342	696,206
Texas	9,683,925	7,828,538	2,275,072	707,959	7,994,072	285,031	2,674,326
Utah	988,494	594,727	181,504	68,619	489,732	13,563	259,607
Vermont	173,906	172,454	42,935	22,176	190,047	14,677	135,019
Virginia	2,753,821	2,112,626	480,476	143,741	2,126,210	75,397	779,795
Washington	2,947,369	1,480,636	420,902	126,933	1,585,812	71,375	791,229
West Virginia	671,203	515,921	123,786	42,953	427,551	14,364	204,764
Wisconsin	1,556,803	1,226,494	382,244	167,266	1,344,070	175,143	686,942
Wyoming	173,265	195,442	59,221	32,618	188,617	28,801	101,855
<b>United States</b>	<b>\$119,311,710</b>	<b>\$80,062,258</b>	<b>\$23,637,523</b>	<b>\$7,445,556</b>	<b>\$89,122,918</b>	<b>\$4,086,331</b>	<b>\$39,226,781</b>

(1) Includes some state funds.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.



## Direct Premiums Written, Property/Casualty Insurance By State By Line, 2015 (1) (Cont'd)

(\$000)

State	Workers compensation	Excess workers compensation	Medical malpractice	Product liability	Other liability	Fire	Allied lines
Alabama	\$349,379	\$22,482	\$122,485	\$33,851	\$594,528	\$204,159	\$196,178
Alaska	281,738	4,829	23,547	4,370	154,052	51,660	29,906
Arizona	841,693	13,249	220,314	36,666	794,500	130,857	119,302
Arkansas	259,624	7,888	64,074	17,710	317,625	148,588	118,168
California	12,334,022	239,208	752,021	463,741	7,237,187	1,185,644	788,076
Colorado	1,057,358	13,034	160,999	64,623	1,103,463	142,584	156,788
Connecticut	892,281	23,420	157,007	57,727	1,007,433	130,236	111,834
Delaware	197,234	1,659	33,662	7,579	330,898	29,215	25,762
D.C.	198,170	2,635	26,459	5,254	364,576	30,606	28,050
Florida	2,650,681	60,679	572,191	209,081	4,493,713	1,292,683	2,633,607
Georgia	1,446,665	39,563	241,936	89,599	1,428,160	327,497	266,334
Hawaii	261,805	5,311	27,272	9,310	264,065	68,302	92,178
Idaho	368,128	1,897	30,210	12,906	192,078	30,361	27,323
Illinois	2,826,687	60,481	499,549	160,032	3,805,176	367,963	322,788
Indiana	889,525	13,038	116,197	82,981	852,538	320,670	185,235
Iowa	770,150	10,427	66,109	40,974	540,735	107,291	119,701
Kansas	473,902	11,026	61,133	39,258	422,832	99,850	146,407
Kentucky	512,806	19,112	106,286	29,057	454,986	124,202	100,240
Louisiana	834,136	50,313	102,058	44,140	869,399	337,373	466,070
Maine	220,659	3,113	46,581	8,271	156,732	41,940	41,209
Maryland	962,920	12,084	276,782	47,936	999,564	147,039	120,137
Massachusetts	1,150,611	24,079	300,740	101,034	1,740,127	297,693	208,668
Michigan	1,197,085	35,167	190,342	89,938	1,227,428	313,377	172,071
Minnesota	998,846	1,208	78,305	87,711	1,059,133	192,982	290,126
Mississippi	361,104	11,493	48,354	19,101	306,401	136,349	126,563
Missouri	923,617	39,372	141,780	56,364	943,874	210,796	182,225
Montana	287,327	6,290	41,208	11,084	158,709	30,730	30,578
Nebraska	388,612	5,547	33,171	23,443	320,853	58,524	79,597
Nevada	364,126	17,891	71,348	59,778	345,528	81,307	70,405
New Hampshire	265,035	4,058	37,784	13,200	188,396	36,823	29,167
New Jersey	2,434,552	37,039	423,483	205,513	2,331,570	372,581	334,645
New Mexico	296,101	6,521	51,208	10,255	220,414	38,929	42,186
New York	5,523,560	59,256	1,651,460	302,454	7,131,634	820,460	653,181
North Carolina	1,487,632	28,957	180,665	86,663	1,146,112	278,303	277,822
North Dakota	7,042	0	9,754	14,861	178,072	34,746	49,373
Ohio	20,656	74,265	265,801	114,097	1,553,922	382,665	240,699
Oklahoma	810,551	24,391	99,583	42,861	599,589	164,860	189,727
Oregon	678,682	11,690	93,174	36,359	512,151	96,489	72,262
Pennsylvania	2,724,970	43,210	655,048	143,084	2,494,374	441,435	297,035
Rhode Island	213,035	1,864	31,129	11,223	224,372	45,407	39,834
South Carolina	729,091	10,982	65,229	42,802	486,009	213,072	182,313
South Dakota	180,816	1,297	17,003	11,132	120,143	28,442	33,594
Tennessee	858,644	20,336	229,468	56,039	914,507	244,852	181,959
Texas	2,741,890	31,155	295,300	297,827	4,835,733	1,590,866	1,829,521
Utah	422,609	4,083	63,050	30,635	386,273	102,523	50,515
Vermont	196,611	1,406	16,305	6,592	105,338	22,338	13,607
Virginia	981,402	25,197	193,276	54,397	1,249,637	222,575	182,854
Washington	24,346	24,203	160,753	54,248	1,075,503	205,542	142,402
West Virginia	323,086	4,990	63,887	11,987	200,993	62,128	36,752
Wisconsin	1,941,027	9,159	78,561	81,717	964,089	158,564	137,281
Wyoming	6,291	276	23,777	5,993	103,853	19,266	17,988
<b>United States</b>	<b>\$57,168,518</b>	<b>\$1,180,828</b>	<b>\$9,317,817</b>	<b>\$3,547,454</b>	<b>\$59,508,974</b>	<b>\$12,223,345</b>	<b>\$12,290,243</b>

(1) Includes some state funds.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Direct Premiums Written, Property/Casualty Insurance By State By Line, 2015 (1) (Cont'd)

(\$000)

State	Inland marine	Ocean marine	Surety	Fidelity	Burglary and theft	Boiler and machinery	Financial guaranty
Alabama	\$276,700	\$37,875	\$65,448	\$13,501	\$2,933	\$26,949	\$2,005
Alaska	146,994	37,391	27,527	2,215	663	9,777	79
Arizona	326,234	19,143	92,080	12,516	3,432	25,326	2,075
Arkansas	202,279	16,690	38,058	10,040	2,014	15,920	1,716
California	2,613,836	280,178	700,960	121,784	32,558	158,166	51,102
Colorado	352,254	12,813	118,973	22,948	4,531	21,672	3,613
Connecticut	293,180	87,409	65,330	26,639	4,562	21,316	4,040
Delaware	77,982	7,658	21,302	3,465	1,720	4,070	22,247
D.C.	111,023	3,642	127,412	13,524	2,743	6,525	151
Florida	1,210,054	313,912	355,920	63,636	17,041	67,360	7,099
Georgia	569,795	55,871	142,469	31,760	8,319	40,670	875
Hawaii	97,662	15,693	39,707	5,116	620	5,425	4,108
Idaho	101,675	5,071	20,355	2,824	602	7,031	130
Illinois	747,640	92,191	208,310	63,495	15,025	67,352	11,329
Indiana	312,147	29,554	74,002	18,801	4,031	63,322	1,059
Iowa	194,324	7,598	46,593	14,280	2,205	23,553	3,186
Kansas	188,697	8,857	62,238	11,951	2,181	19,307	2,034
Kentucky	259,232	26,726	78,982	10,663	1,986	25,151	3,212
Louisiana	418,461	185,278	106,015	13,635	4,135	29,527	7,006
Maine	94,505	26,244	16,679	4,026	667	9,137	356
Maryland	323,970	96,325	153,869	27,222	4,633	24,053	4,946
Massachusetts	455,437	86,661	139,365	41,042	7,064	38,419	4,337
Michigan	519,758	65,390	88,290	32,852	8,398	55,183	2,064
Minnesota	362,785	24,997	86,685	29,089	5,297	33,922	4,795
Mississippi	182,656	17,810	42,560	8,212	1,839	14,423	2,064
Missouri	331,130	37,043	74,987	24,065	4,916	27,942	5,746
Montana	96,631	3,435	29,629	2,747	457	5,659	41
Nebraska	166,990	5,422	38,339	7,922	1,441	13,615	598
Nevada	172,582	6,696	73,946	6,829	2,076	10,993	1,203
New Hampshire	83,979	11,249	15,683	3,561	949	6,499	365
New Jersey	550,979	135,249	161,294	45,759	9,657	47,948	23,016
New Mexico	102,292	2,764	42,947	3,902	627	8,967	1,008
New York	1,510,929	406,485	366,065	149,415	30,746	117,613	226,759
North Carolina	511,480	44,524	132,591	34,941	5,434	41,313	2,140
North Dakota	88,736	1,570	28,262	3,174	415	12,391	760
Ohio	539,840	52,694	138,829	41,484	10,475	59,869	3,708
Oklahoma	247,880	20,981	64,115	11,741	2,260	19,335	224
Oregon	242,845	32,858	57,396	10,433	2,780	18,214	1,085
Pennsylvania	652,790	60,086	227,544	51,450	11,066	71,085	9,584
Rhode Island	86,344	45,318	13,319	4,253	873	5,530	1,261
South Carolina	291,455	28,162	74,922	10,164	2,281	22,195	1,030
South Dakota	70,927	1,063	26,285	3,535	436	6,741	0
Tennessee	393,089	55,573	85,805	18,367	6,598	30,688	189
Texas	1,961,471	311,755	533,181	77,540	24,802	135,384	14,286
Utah	149,880	10,467	41,991	6,779	1,795	10,604	652
Vermont	48,653	5,163	8,263	4,064	419	4,684	1,140
Virginia	413,208	64,187	140,060	31,122	7,497	31,846	682
Washington	457,716	130,224	138,073	17,699	4,945	35,805	1,156
West Virginia	76,566	3,704	36,305	4,010	720	8,282	253
Wisconsin	254,510	35,530	55,469	23,644	4,714	40,524	250
Wyoming	47,996	1,053	29,727	1,558	298	7,979	0
<b>United States</b>	<b>\$19,990,177</b>	<b>\$3,074,234</b>	<b>\$5,554,157</b>	<b>\$1,205,395</b>	<b>\$277,874</b>	<b>\$1,615,261</b>	<b>\$442,766</b>

(1) Includes some state funds.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Direct Premiums Written, Property/Casualty Insurance By State By Line, 2015 (1) (Cont'd)

(\$000)

State	Aircraft	Earthquake	Federal flood	Credit	Warranty	Accident and health
Alabama	\$16,211	\$8,029	\$26,362	\$27,134	\$9,157	\$62,312
Alaska	31,312	25,182	1,759	6,163	2,209	12,116
Arizona	56,999	8,840	17,487	17,320	15,948	86,661
Arkansas	21,218	31,615	10,736	13,320	4,546	50,357
California	139,449	1,615,393	163,226	159,694	177,398	461,636
Colorado	32,300	10,800	14,331	16,170	20,856	80,851
Connecticut	33,283	8,277	43,032	27,769	11,447	41,866
Delaware	13,943	1,173	14,944	13,053	7,425	68,871
D.C.	2,123	2,610	1,250	6,963	105	98,278
Florida	98,909	23,490	812,917	85,946	444,037	202,527
Georgia	62,561	14,871	51,622	45,000	38,540	150,730
Hawaii	11,053	11,557	32,891	5,695	2,592	13,675
Idaho	12,689	3,597	3,361	2,965	3,806	18,022
Illinois	60,200	67,210	28,816	63,109	183,354	254,847
Indiana	21,460	36,466	17,316	26,552	35,895	242,662
Iowa	11,351	5,844	10,124	9,244	4,166	70,376
Kansas	17,732	7,119	6,513	11,839	145,332	61,752
Kentucky	7,251	41,992	15,373	35,416	14,903	50,641
Louisiana	44,951	6,262	255,937	23,811	8,350	55,456
Maine	3,312	2,035	7,514	6,266	3,988	10,350
Maryland	16,944	12,270	32,062	18,362	19,188	67,719
Massachusetts	13,568	20,926	63,632	33,189	15,160	84,963
Michigan	26,382	8,340	16,165	89,595	544,363	197,210
Minnesota	28,714	6,850	6,650	18,301	32,223	111,295
Mississippi	11,779	17,364	32,290	19,109	4,934	55,368
Missouri	24,566	91,411	16,251	31,541	34,039	168,151
Montana	9,581	4,692	2,834	697	993	25,161
Nebraska	11,804	2,701	7,354	4,505	4,539	64,391
Nevada	19,707	19,481	6,731	22,267	6,013	28,097
New Hampshire	5,791	2,579	7,326	5,523	6,127	17,557
New Jersey	22,479	19,597	197,323	69,511	28,787	147,809
New Mexico	7,990	2,525	8,593	4,610	3,926	23,143
New York	62,777	53,503	170,628	159,612	66,954	406,851
North Carolina	27,512	13,809	87,145	45,478	46,890	130,692
North Dakota	7,340	989	6,245	1,022	1,199	8,508
Ohio	55,226	29,806	26,795	55,579	50,616	188,784
Oklahoma	17,088	18,858	8,697	20,167	14,035	60,774
Oregon	24,010	79,096	19,241	26,401	5,120	59,390
Pennsylvania	31,414	16,953	54,655	63,702	76,073	352,105
Rhode Island	12,051	2,421	18,122	4,160	803	24,672
South Carolina	11,055	40,740	111,255	19,964	7,225	86,719
South Dakota	6,552	1,007	3,304	1,917	1,339	20,017
Tennessee	23,843	78,908	18,844	36,331	39,707	153,407
Texas	157,714	35,706	284,365	233,165	372,370	504,478
Utah	26,459	44,999	1,982	13,518	29,034	61,894
Vermont	2,211	28,341	4,591	6,014	6,531	4,980
Virginia	40,971	18,759	60,388	23,907	23,034	120,135
Washington	35,357	169,354	28,038	26,837	50,679	82,840
West Virginia	2,960	1,281	13,093	6,136	3,892	32,256
Wisconsin	18,172	5,864	9,753	18,435	30,129	156,804
Wyoming	5,528	2,952	1,279	839	552	23,646
<b>United States</b>	<b>\$1,465,850</b>	<b>\$2,784,445</b>	<b>\$2,861,144</b>	<b>\$1,683,822</b>	<b>\$2,660,530</b>	<b>\$5,563,802</b>

(1) Includes some state funds.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## Direct Premiums Written, Property/Casualty Insurance By State By Line, 2015 (1) (Cont'd)

(\$000)

State	Multiple peril crop	Private crop	Mortgage guaranty	Misc.
Alabama	\$61,103	\$642	\$68,348	\$25,647
Alaska	83	0	16,912	1,229
Arizona	18,919	2,310	109,755	24,313
Arkansas	110,612	9,785	31,627	7,993
California	488,837	15,077	458,719	84,501
Colorado	168,919	16,397	131,372	16,073
Connecticut	5,139	0	61,253	5,346
Delaware	10,042	64	20,827	624
D.C.	0	0	32,943	696
Florida	82,588	425	253,800	108,979
Georgia	131,588	1,449	175,638	29,811
Hawaii	1,378	0	20,725	2,214
Idaho	58,257	15,360	30,420	2,389
Illinois	689,548	83,739	223,611	35,926
Indiana	347,136	26,566	102,094	13,319
Iowa	714,656	125,599	48,589	5,832
Kansas	616,745	50,477	45,762	5,563
Kentucky	144,031	11,401	41,149	4,369
Louisiana	77,895	1,890	60,806	22,972
Maine	9,288	0	16,948	1,105
Maryland	31,010	87	128,027	9,655
Massachusetts	3,710	0	131,418	15,856
Michigan	194,520	7,721	181,245	36,566
Minnesota	635,566	109,826	142,170	15,811
Mississippi	120,168	2,928	26,753	18,303
Missouri	379,106	21,464	88,452	11,551
Montana	143,431	4,897	15,041	2,298
Nebraska	555,728	183,986	28,363	6,395
Nevada	13,026	54	42,712	5,095
New Hampshire	465	0	28,936	3,570
New Jersey	2,627	27	153,542	27,230
New Mexico	25,729	1,908	27,309	7,785
New York	39,664	28	169,550	56,431
North Carolina	161,872	7,578	156,490	21,894
North Dakota	863,655	85,246	11,157	1,064
Ohio	250,088	14,217	162,779	45,987
Oklahoma	172,484	7,863	41,936	12,033
Oregon	28,452	3,226	73,876	14,376
Pennsylvania	56,735	148	181,376	28,348
Rhode Island	123	0	17,304	3,898
South Carolina	62,619	233	79,868	11,022
South Dakota	691,370	46,663	11,575	1,759
Tennessee	92,082	3,549	90,865	13,957
Texas	836,373	56,310	379,260	134,976
Utah	5,230	164	84,819	4,136
Vermont	5,043	0	10,058	140,549
Virginia	62,950	2,672	160,555	18,413
Washington	117,650	15,081	155,252	31,838
West Virginia	2,016	3	12,741	2,907
Wisconsin	252,426	13,619	101,506	9,946
Wyoming	17,993	2,685	13,142	656
<b>United States</b>	<b>\$9,560,677</b>	<b>\$953,362</b>	<b>\$4,859,375</b>	<b>\$1,113,204</b>

(1) Includes some state funds.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

# Surplus Lines

## SURPLUS LINES BY STATE

The surplus lines market, a group of highly specialized insurers exists to provide coverage that is not available through licensed insurers in the standard insurance market. Each state has surplus lines regulations and each surplus lines company is overseen for solvency by its home state. A number of states maintain lists of eligible surplus lines companies and some keep a list of those that are not eligible to do business in that state. In addition, depending on the state, the surplus lines agent or broker, who must be licensed, is responsible for checking the eligibility of the company.

For the many thousands of businesses that rely on some level of surplus line protection to keep their doors open, surplus lines is an important segment of the market. In 2014, surplus lines accounted for about 13.9 percent of the U.S. commercial lines market, up from 6.1 percent in 1994, according to an August 2015 A.M. Best report.

## TOP 10 STATES BY GROSS SURPLUS LINES PREMIUMS, 2013-2014

(\$ millions)

Rank	State	2014	2013
1	California	\$5,990.7	\$5,187.8
2	Texas	5,042.9	4,883.8
3	Florida	4,646.0	4,592.5
4	New York	3,403.1	2,911.3
5	New Jersey	1,633.0	1,458.3
6	Louisiana	1,443.8	1,374.5
7	Illinois	1,238.4	1,160.1
8	Pennsylvania	1,081.0	1,276.4
9	Georgia	1,003.8	848.0
10	Massachusetts	799.2	696.4

Source: Business Insurance ([www.businessinsurance.com](http://www.businessinsurance.com)), August 31, 2015.

## GROSS SURPLUS LINES PREMIUMS BY STATE, 2014 (1)

(\$ millions)

State	Total all lines
Alabama	\$508.6
Alaska	120.2
Arizona	436.4
Arkansas	23.3
California	5,990.7
Colorado	695.5
Connecticut	528.5
Delaware	82.7
D.C.	176.9
Florida	4,646.0
Georgia	1,003.8
Hawaii	231.6
Idaho	78.8
Illinois	1,238.4
Indiana	508.2
Iowa	232.2
Kansas	169.4
Kentucky	182.1
Louisiana	1,443.8
Maine	90.5
Maryland	489.1
Massachusetts	799.2
Michigan	598.4
Minnesota	456.4
Mississippi	361.4
Missouri	606.2
Montana	78.2
Nebraska	151.7
Nevada	261.7
New Hampshire	84.2
New Jersey	1,633.0
New Mexico	11.1
New York	3,403.1
North Carolina	683.0
North Dakota	96.1
Ohio	773.9
Oklahoma	379.0
Oregon	283.9
Pennsylvania	1,081.0
Rhode Island	21.9
South Carolina	354.7
South Dakota	48.9
Tennessee	588.0
Texas	5,042.9
Utah	213.3
Vermont	47.3
Virginia	635.5
Washington	735.2
West Virginia	86.0
Wisconsin	318.9
Wyoming	58.2
<b>United States</b>	<b>\$38,768.8</b>

Source: Business Insurance ([www.businessinsurance.com](http://www.businessinsurance.com)), August 31, 2015.

# Gross State Product

## GROSS STATE PRODUCT (GSP), INSURANCE CARRIERS AND RELATED ACTIVITIES, 2012-2013

(\$ millions)

State	2012	2013	As a percent of 2013 total GSP
Alabama	\$3,429	\$3,594	1.86%
Alaska	313	357	0.62
Arizona	8,106	7,921	2.89
Arkansas	1,575	1,700	1.46
California	30,466	31,352	1.41
Colorado	5,814	5,912	2.06
Connecticut	17,448	17,139	7.06
Delaware	6,282	5,874	9.75
D.C.	1,132	1,163	1.04
Florida	18,531	19,845	2.48
Georgia	8,941	9,869	2.18
Hawaii	1,210	1,267	1.71
Idaho	873	926	1.53
Illinois	26,840	26,283	3.67
Indiana	9,297	8,796	2.86
Iowa	11,509	10,821	6.58
Kansas	3,988	4,098	2.92
Kentucky	3,650	4,084	2.25
Louisiana	3,396	3,523	1.44
Maine	1,540	1,593	2.99
Maryland	7,047	6,945	2.06
Massachusetts	13,401	13,201	3.02
Michigan	11,619	11,459	2.65
Minnesota	10,774	10,933	3.57
Mississippi	1,408	1,580	1.54
Missouri	7,120	7,377	2.70
Montana	604	626	1.47
Nebraska	5,039	5,374	5.02
Nevada	1,638	1,762	1.38
New Hampshire	2,962	3,037	4.50
New Jersey	19,959	19,688	3.69
New Mexico	1,044	1,085	1.22
New York	40,903	39,978	3.02
North Carolina	6,064	6,809	1.49
North Dakota	939	760	1.47
Ohio	17,326	17,673	3.17
Oklahoma	2,607	2,754	1.56
Oregon	3,346	3,499	1.71
Pennsylvania	19,793	20,882	3.28
Rhode Island	1,936	2,087	3.97
South Carolina	3,412	3,613	1.99
South Dakota	846	916	2.05
Tennessee	6,335	6,902	2.41
Texas	24,144	26,495	1.70
Utah	2,021	2,173	1.62
Vermont	786	777	2.71
Virginia	5,910	6,240	1.38
Washington	5,651	5,943	1.48
West Virginia	1,051	1,110	1.58
Wisconsin	12,369	12,220	4.35
Wyoming	250	264	0.64
<b>United States</b>	<b>\$402,646</b>	<b>\$410,277</b>	<b>2.48%</b>

Note: Last updated: December 10, 2015.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

# State Taxes

All insurance companies pay a state tax based on their premiums. Other payments are made to states for licenses and fees, income and property taxes, sales and use taxes, unemployment compensation taxes and franchise taxes.

## PREMIUM TAXES BY STATE, PROPERTY/CASUALTY AND LIFE/HEALTH INSURANCE, 2014

(\$000)

State	Amount	State	Amount
Alabama	\$304,441	Montana	\$88,106
Alaska	62,292	Nebraska	42,746
Arizona	448,115	Nevada	264,522
Arkansas	182,092	New Hampshire	84,518
California	2,362,738	New Jersey	599,169
Colorado	239,431	New Mexico	99,832
Connecticut	205,690	New York	1,345,394
Delaware	85,735	North Carolina	476,376
Florida	702,340	North Dakota	51,047
Georgia	372,122	Ohio	510,345
Hawaii	142,051	Oklahoma	294,762
Idaho	75,205	Oregon	85,196
Illinois	359,240	Pennsylvania	773,462
Indiana	223,072	Rhode Island	85,801
Iowa	105,532	South Carolina	214,600
Kansas	198,355	South Dakota	77,374
Kentucky	141,639	Tennessee	749,470
Louisiana	429,146	Texas	1,886,289
Maine	106,372	Utah	113,316
Maryland	475,294	Vermont	60,020
Massachusetts	346,828	Virginia	459,993
Michigan	362,397	Washington	467,351
Minnesota	403,280	West Virginia	155,021
Mississippi	263,809	Wisconsin	185,502
Missouri	302,166	Wyoming	25,310
		<b>United States</b>	<b>\$18,094,904</b>

Source: U.S. Department of Commerce, Bureau of the Census.



# Insurance Companies By State

## Domestic Insurance Companies By State, Property/Casualty And Life/Annuities, 2015

State	Property/casualty	Life/annuities	State	Property/casualty	Life/annuities
Alabama	19	6	Montana	14	1
Alaska	7	0	Nebraska	34	28
Arizona	40	29	Nevada	11	3
Arkansas	11	29	New Hampshire	51	1
California	100	14	New Jersey	68	3
Colorado	11	10	New Mexico	13	1
Connecticut	69	27	New York	179	80
Delaware	100	29	North Carolina	60	9
D.C.	6	0	North Dakota	13	3
Florida	122	10	Ohio	136	38
Georgia	33	12	Oklahoma	36	24
Hawaii	17	3	Oregon	17	3
Idaho	8	1	Pennsylvania	181	26
Illinois	193	55	Rhode Island	21	2
Indiana	66	27	South Carolina	22	9
Iowa	71	38	South Dakota	18	3
Kansas	28	12	Tennessee	15	13
Kentucky	7	7	Texas	199	120
Louisiana	30	35	Utah	10	16
Maine	11	3	Vermont	13	1
Maryland	31	4	Virginia	18	4
Massachusetts	50	17	Washington	8	7
Michigan	71	23	West Virginia	19	0
Minnesota	38	11	Wisconsin	170	20
Mississippi	14	15	Wyoming	2	1
Missouri	45	25	<b>United States (1)</b>	<b>2,526</b>	<b>858</b>

(1) Excludes territories. Excludes health insurers, risk retention groups, fraternal, title and other insurers.

Source: Insurance Department Resources Report, 2015, published by the National Association of Insurance Commissioners (NAIC). Reprinted with permission. Further reprint or redistribution strictly prohibited without written permission of NAIC.

## Licensed Insurers by State

An insurance company is said to be "domiciled" in the state that issued its primary license; it is "domestic" in that state. Once licensed in one state, it may seek licenses in other states as a "foreign" insurer (referred to as "licensed out-of-state insurers" in the chart below). An insurer incorporated in a foreign country is called an "alien" insurer in the U.S. states in which it is licensed (not included in the chart). The chart also shows self-insured groups and risk purchasing groups (organizations consisting of firms engaged in similar businesses that band together to purchase commercial insurance). Many insurers do business outside their state of domicile. For example, there are only 40 insurance companies domiciled in Alabama, but 1,481 insurers have licenses to do business in the state.

## REGULATED INSURANCE ENTITIES BY STATE, 2014

State	Domestic insurers (1)	Licensed out-of-state insurers (2)	Chartered self-insured groups or pools	Chartered purchasing groups	All companies doing business in state
Alabama	40	1,441	0	0	1,481
Alaska	8	671	0	2	681
Arizona	121	1,518	24	23	1,686
Arkansas	56	1,496	0	1	1,553
California	143	1,112	0	43	1,298
Colorado	48	1,438	9	39	1,534
Connecticut	110	1,207	0	25	1,342
Delaware	151	1,333	0	189	1,673
D.C.	48	1,355	0	19	1,422
Florida	445	1,659	14	50	2,168
Georgia	93	1,578	34	0	1,705
Hawaii	46	1,057	12	7	1,122
Idaho	14	1,401	12	3	1,430
Illinois	351	1,399	14	141	1,905
Indiana	153	1,623	13	19	1,808
Iowa	216	1,381	2	0	1,599
Kansas	48	1,596	16	15	1,675
Kentucky	40	1,522	12	11	1,585
Louisiana	109	1,478	26	3	1,616
Maine	17	1,119	19	1	1,156
Maryland	66	1,476	5	10	1,557
Massachusetts	86	1,265	21	8	1,380
Michigan	140	1,386	18	8	1,552
Minnesota	154	1,362	17	24	1,557
Mississippi	38	1,495	0	2	1,535
Missouri	177	1,485	10	7	1,679
Montana	43	1,393	0	9	1,445
Nebraska	88	1,447	6	5	1,546
Nevada	58	1,486	9	6	1,559
New Hampshire	61	1,071	0	6	1,138
New Jersey	115	1,301	47	38	1,501
New Mexico	25	1,440	4	0	1,469
New York	582	1,164	13	67	1,826
North Carolina	81	1,408	3	0	1,492
North Dakota	32	1,336	2	2	1,372
Ohio	238	1,486	0	24	1,748
Oklahoma	75	1,711	3	5	1,794
Oregon	46	1,474	0	6	1,526
Pennsylvania	271	1,533	17	28	1,849
Rhode Island	27	1,257	1	26	1,311
South Carolina	207	1,698	0	0	1,905
South Dakota	40	1,357	0	0	1,397
Tennessee	66	1,447	8	6	1,527
Texas	407	1,552	6	64	2,029
Utah	76	1,573	0	14	1,663
Vermont	112	1,592	0	8	1,712
Virginia	61	1,505	17	18	1,601
Washington	39	1,415	0	11	1,465
West Virginia	28	1,362	1	2	1,393
Wisconsin	325	1,541	0	9	1,875
Wyoming	7	1,352	0	1	1,360
<b>Total U.S. (3)</b>	<b>6,118</b>	<b>(4)</b>	<b>415</b>	<b>1,005</b>	<b>7,538</b>

(1) Insurers that are domiciled in the state. Includes property/casualty, life/annuities, health, fraternal, title, risk retention groups and "other".

(2) This category is comprised of insurers designated by the NAIC as "foreign insurers"—i.e., insurers whose state of domicile is other than the state in which it is writing business. There is no total in this column to avoid double counting—i.e., insurers are only included in the figures for states in which they are domiciled.

(3) Totals include U.S. territories and possessions.

(4) No totals shown, so as to avoid double counting. Totals reflect insurers physically located in the state.

Source: Insurance Department Resources Report, 2014, published by the National Association of Insurance Commissioners (NAIC). Reprinted with permission. Further reprint or redistribution strictly prohibited without written permission of NAIC.

# Catastrophes By State

The insurance industry plays a vital role in helping individuals and businesses prepare for and recover from the potentially devastating effects of a disaster such as a catastrophic hurricane or storm or wildfire. Information on catastrophes, including earthquakes, terrorism, hurricanes, wildfires and tornadoes is provided in the "Defraying the Costs of Disasters" section of the Firm Foundation (see chapter navigation on the left). In addition, the section below provides state catastrophe rankings, followed by information on the following types of disasters:

- Hailstorms
- Hurricanes
- Tornadoes
- Wildfires

## State Catastrophe Rankings

ISO defines a catastrophe as an event that causes \$25 million or more in insured property losses and affects a significant number of property/casualty policyholders and insurers. The estimates in the following charts represent anticipated insured losses from catastrophes on an industrywide basis, reflecting the total net insurance payment for personal and commercial property lines of insurance covering fixed property, vehicles, boats, related-property items, business interruption and additional living expenses. They exclude loss-adjustment expenses.

### Top Five States By Insured Catastrophe Losses, 2015 (1)

(\$ millions)

Rank	State	Estimated insured loss
1	Texas	\$3,382.9
2	California	1,229.8
3	Massachusetts	1,192.0
4	Illinois	969.2
5	Oklahoma	942.6

(1) Includes catastrophes causing insured property losses of at least \$25 million in 1997 dollars and affecting a significant number of policyholders and insurers. Does not include losses covered by the federally administered National Flood Insurance Program.

Source: Property Claim Services®, a unit of ISO®, a Verisk Analytics® business.

### TOP FIVE STATES FOR MAJOR HAIL EVENTS, 2015 (1)

Rank	State	Number of hail events
1	Texas	783
2	Kansas	519
3	Nebraska	458
4	Oklahoma	349
5	South Dakota	283
	<b>United States</b>	<b>5,411</b>

(1) One inch in diameter or larger.

Source: U.S. Department of Commerce, National Oceanic and Atmospheric Administration, National Weather Service.

## Top 10 Most Costly Hurricanes In The United States (1)

(\$ millions)

Rank	Date	Location	Hurricane	Estimated insured loss (2)	
				Dollars when occurred	In 2015 dollars (3)
1	Aug. 25-30, 2005	AL, FL, GA, LA, MS, TN	Hurricane Katrina	\$41,100	\$49,047
2	Aug. 24-26, 1992	FL, LA	Hurricane Andrew	15,500	24,111
3	Oct. 28-31, 2012	CT, DC, DE, MA, MD, ME, NC, NH, NJ, NY, OH, PA, RI, VA, VT, WV	Hurricane Sandy	18,750	19,563
4	Sep. 12-14, 2008	AR, IL, IN, KY, LA, MO, OH, PA, TX	Hurricane Ike	12,500	13,826
5	Oct. 24, 2005	FL	Hurricane Wilma	10,300	12,292
6	Aug. 13-14, 2004	FL, NC, SC	Hurricane Charley	7,475	9,207
7	Sep. 15-21, 2004	AL, DE, FL, GA, LA, MD, MS, NC, NJ, NY, OH, PA, TN, VA, WV	Hurricane Ivan	7,110	8,758
8	Sep. 17-22, 1989	GA, NC, PR, SC, UV, VA	Hurricane Hugo	4,195	7,152
9	Sep. 20-26, 2005	AL, AR, FL, LA, MS, TN, TX	Hurricane Rita	5,627	6,715
10	Sep. 3-9, 2004	FL, GA, NC, NY, SC	Hurricane Frances	4,595	5,660

(1) Includes hurricanes occurring through 2015.

(2) Property coverage only. Does not include flood damage covered by the federally administered National Flood Insurance Program.

(3) Adjusted for inflation through 2015 by ISO using the GDP implicit price deflator.

Source: Property Claim Services®, a unit of ISO®, a Verisk Analytics® business.

## Estimated Value Of Insured Coastal Properties Vulnerable To Hurricanes By State, 2012 (1)

(\$ billions)

Rank	State	Coastal	Total exposure (2)	Coastal as a percent of total
1	New York	\$2,923.1	\$4,724.2	62%
2	Florida	2,862.3	3,640.1	79
3	Texas	1,175.3	4,580.7	26
4	Massachusetts	849.6	1,561.4	54
5	New Jersey	713.9	2,129.9	34
6	Connecticut	567.8	879.1	65
7	Louisiana	293.5	823.0	36
8	South Carolina	239.3	843.6	28
9	Virginia	182.3	1,761.7	10
10	Maine	164.6	285.5	58
11	North Carolina	163.5	1,795.1	9
12	Alabama	118.2	917.8	13
13	Georgia	106.7	1,932.2	6
14	Delaware	81.9	208.9	39
15	New Hampshire	64.0	278.7	23
16	Mississippi	60.6	468.5	13
17	Rhode Island	58.3	207.5	28
18	Maryland	17.3	1,293.4	1
	<b>Total, states shown</b>	<b>\$10,642.2</b>	<b>\$28,331.4</b>	<b>38%</b>
	<b>Total, United States</b>	<b>\$10,642.2</b>	<b>\$64,624.3</b>	<b>16%</b>

(1) Includes residential and commercial properties, as of December 31, 2012. Ranked by value of insured coastal property.

(2) Total exposure is an estimate of the actual total value of all property in the state that is insured or can be insured, including the full replacement value of structures and their contents, additional living expenses and the time value of business interruption coverage.

Source: AIR Worldwide.

- The insured value of properties in coastal areas in the United States totaled \$10.6 trillion in 2012, according to AIR Worldwide.

While individual hurricanes and earthquakes tend to produce higher losses, tornadoes account for a major share of catastrophe losses because of their frequency.

## TORNADOES AND RELATED DEATHS BY STATE, 2015 (1)

State	Tornadoes	Fatalities	Rank (2)	State	Tornadoes	Fatalities	Rank (2)
Alabama	32	0	12	Montana	1	0	39
Alaska	0	0	(3)	Nebraska	38	0	9
Arizona	3	0	32	Nevada	2	0	37
Arkansas	25	2	14	New Hampshire	1	0	39
California	13	0	23	New Jersey	0	0	(3)
Colorado	52	0	6	New Mexico	4	0	30
Connecticut	0	0	(3)	New York	3	0	32
D.C.	0	0	(3)	North Carolina	10	0	26
Delaware	1	0	39	North Dakota	35	0	10
Florida	24	0	15	Ohio	6	0	29
Georgia	24	0	15	Oklahoma	111	2	3
Hawaii	0	0	(3)	Oregon	1	0	39
Idaho	1	0	39	Pennsylvania	12	0	25
Illinois	82	2	4	Rhode Island	0	0	(3)
Indiana	17	0	20	South Carolina	13	0	23
Iowa	46	0	8	South Dakota	26	0	13
Kansas	178	0	2	Tennessee	18	2	19
Kentucky	17	0	20	Texas	228	17	1
Louisiana	34	0	11	Utah	3	0	32
Maine	0	0	(3)	Vermont	0	0	(3)
Maryland	3	0	32	Virginia	7	0	28
Massachusetts	2	0	37	Washington	4	0	30
Michigan	9	0	27	West Virginia	3	0	32
Minnesota	24	0	15	Wisconsin	20	0	18
Mississippi	63	11	5	Wyoming	15	0	22
Missouri	48	0	7	<b>United States</b>	<b>1,259 (4)</b>	<b>36</b>	

(1) Ranked by total number of tornadoes.

(2) States with the same number receive the same ranking.

(3) State had no tornadoes in 2015.

(4) The U.S. total will not match data used in other charts because it counts tornadoes that cross state lines.

Source: U.S. Department of Commerce, Storm Prediction Center, National Weather Service.

## WILDFIRES BY STATE, 2015

State	Number of fires	Number of acres burned
Alabama	3,198	47,380
Alaska	768	5,111,404
Arizona	1,662	160,152
Arkansas	1,837	26,630
California	8,745	893,362
Colorado	709	22,602
Connecticut	76	159
Delaware	(1)	(1)
Florida	2,422	73,432
Georgia	2,331	10,556
Hawaii	17	5,611
Idaho	1,324	804,094
Illinois	18	806
Indiana	16	868
Iowa	533	14,945
Kansas	154	53,936
Kentucky	774	19,207
Louisiana	1,172	21,036
Maine	375	574
Maryland	158	1,078
Massachusetts	1,525	1,763
Michigan	526	3,806
Minnesota	1,849	30,563
Mississippi	2,294	34,769
Missouri	3,161	29,893
Montana	2,432	351,264
Nebraska	51	4,854
Nevada	551	42,479
New Hampshire	114	622
New Jersey	1,013	2,685
New Mexico	696	44,104
New York	186	3,844
North Carolina	3,828	15,220
North Dakota	726	32,321
Ohio	69	548
Oklahoma	1,309	100,382
Oregon	2,588	685,809
Pennsylvania	831	4,473
Rhode Island	86	132
South Carolina	976	3,800
South Dakota	1,032	72,985
Tennessee	611	8,478
Texas	9,272	184,418
Utah	930	10,203
Vermont	102	346
Virginia	631	6,574
Washington	2,013	1,137,664
West Virginia	8	219
Wisconsin	993	2,970
Wyoming	512	35,652
<b>United States (2)</b>	<b>68,151</b>	<b>10,125,149</b>

(1) Delaware had no wildfires in 2015.

(2) Includes Puerto Rico which had 947 fires that burned 4,477 acres.

Source: National Interagency Fire Center.

**TOP 10 STATES FOR WILDFIRES RANKED BY NUMBER OF FIRES AND BY NUMBER OF ACRES BURNED, 2015**

Rank	State	Number of fires	Rank	State	Number of acres burned
1	Texas	9,272	1	Alaska	5,111,404
2	California	8,745	2	Washington	1,137,664
3	North Carolina	3,828	3	California	893,362
4	Alabama	3,198	4	Idaho	804,094
5	Missouri	3,161	5	Oregon	685,809
6	Oregon	2,588	6	Montana	351,264
7	Montana	2,432	7	Texas	184,418
8	Florida	2,422	8	Arizona	160,152
9	Georgia	2,331	9	Oklahoma	100,382
10	Mississippi	2,294	10	Florida	73,432

Source: National Interagency Fire Center.



# Residual Markets

A myriad of different programs in place across the United States provide insurance to high risk policyholders who may have difficulty obtaining coverage from the standard market. So called residual, shared or involuntary market programs make basic insurance coverage more readily available. Today, property insurance from the residual market is provided by Fair Access to Insurance Requirements (FAIR) Plans, Beach and Windstorm Plans, and two state-run insurance companies in Florida and Louisiana: Florida Citizens Property Insurance Company (CPIC) and Louisiana Citizens Property Insurance Corporation (Louisiana Citizens). Established in the late 1960s to ensure the continued provision of insurance in urban areas, FAIR Plans often provide property insurance in both urban and coastal areas, while Beach and Windstorm Plans cover predominantly wind-only risks in designated coastal areas. Hybrid plans, like Florida's and Louisiana's plans, provide property insurance throughout those states. It is important to note that in addition to windstorm risk, these plans routinely cover a range of other exposures, such as vandalism and fire.

## Insurance Provided By FAIR Plans By State, Fiscal Year 2015 (1)

State	Number of policies			Exposure (2) (\$000)	Direct written premiums (\$000)
	Habitational	Commercial	Total		
California	123,162	4,701	127,863	\$45,551,156	\$76,448
Connecticut	2,538	80	2,618	487,144	3,632
Delaware	1,732	76	1,808	281,471	617
D.C.	276	42	318	89,000	287
Florida (3)	671,641	29,456	701,097	150,495,190	1,267,754
Georgia	24,865	1,872	26,737	3,741,795	25,554
Illinois	6,067	81	6,148	678,952	6,921
Indiana	2,029	50	2,079	230,413	2,123
Iowa	1,437	50	1,487	96,174	999
Kansas	17,482	197	17,679	1,009,000	9,166
Kentucky	10,947	478	11,425	557,853	7,257
Louisiana (3)	100,555	3,529	104,084	13,861,836	140,386
Maryland	1,730	181	1,911	358,000	1,261
Massachusetts	215,808	334	216,142	80,844,528	285,495
Michigan	20,712	381	21,093	2,664,680	20,719
Minnesota	5,389	47	5,436	929,115	4,297
Mississippi (4)	9,518	0	9,518	592,423	7,431
Missouri	3,957	162	4,119	230,213	2,380
New Jersey	15,826	416	16,242	2,283,978	10,261
New Mexico	11,514	298	11,812	105,842	4,771
New York	48,199	3,098	51,297	13,419,000	35,490
North Carolina	165,189	3,166	168,355	15,663,995	72,832
Ohio	25,648	533	26,181	6,157,943	22,391
Oregon	1,867	53	1,920	289,475	1,063
Pennsylvania	17,515	1,329	18,844	1,568,967	8,006
Rhode Island	17,497	131	17,628	4,372,091	23,006
Texas (4)	165,073	0	165,073	22,154,369	132,879
Virginia	33,325	510	33,835	4,654,544	20,947
Washington	67	21	88	20,776	133
West Virginia	476	55	531	32,519	330
Wisconsin	6,382	116	6,498	407,000	3,346
<b>Total</b>	<b>1,728,423</b>	<b>51,443</b>	<b>1,779,866</b>	<b>\$373,829,442</b>	<b>\$2,198,182</b>

(1) Excludes the FAIR Plans of Arkansas and Hawaii.

(2) Exposure is the estimate of the aggregate value of all insurance in force in all FAIR Plans in all lines (except liability, where applicable, and crime) for 12 months ending September through December.

(3) Citizens Property Insurance Corporation, which combined the FAIR and Beach Plans.

(4) The Mississippi and Texas FAIR Plans do not offer a commercial policy.

Source: Property Insurance Plans Service Office (PIPSO).

## Insurance Provided By Beach And Windstorm Plans, Fiscal Year 2015 (1)

State	Number of policies		Total	Exposure (2) (\$000)	Direct written premiums (\$000)
	Habitational	Commercial			
Alabama	31,530	92	31,622	\$5,502,703	\$41,685
Mississippi	37,524	853	38,377	5,869,340	64,209
North Carolina	243,172	11,959	255,131	88,605,091	386,893
South Carolina	34,499	691	35,190	12,250,367	73,587
Texas	272,304	14,556	286,860	78,551,742	503,824
<b>Total</b>	<b>619,029</b>	<b>28,151</b>	<b>647,180</b>	<b>\$190,779,243</b>	<b>\$1,070,198</b>

(1) The Florida and Louisiana Beach Plans merged with their FAIR Plans, see chart on page \_\_\_\_.

(2) Exposure is the estimate of the aggregate value of all insurance in force in each state's Beach and Windstorm Plan in all lines (except liability, where applicable, and crime) for 12 months ending September through December.

Source: Property Insurance Plans Service Office (PIPSO).

# Captives By State

Over the years, a number of alternatives to traditional commercial insurance have emerged to respond to fluctuations in the marketplace. Captives—a special type of insurer set up by a company to insure its own risks—first emerged in the 1980s. With 596 licensed captives, Vermont was the largest U.S. captive domicile in 2015, based on data in an annual survey of the world's largest captive domiciles conducted by Business Insurance magazine. On a worldwide basis, Vermont was the third largest captive domicile, topped only by Bermuda with 797 and the Cayman Islands with 708 captives.

According to Business Insurance, there are 29 captive domiciles in the U.S., including 28 states and the District of Columbia.

## CAPTIVES BY STATE, 2014-2015

Rank	Domicile	2014	2015
1	Vermont	587	596
2	Utah	422	450
3	Delaware	333	323
4	Nevada	160	202
5	Hawaii	194	197
6	Montana	177	196
7	D.C.	191	193
8	South Carolina	158	167
9	Tennessee	70 (1)	127
10	Arizona	114	110
11	North Carolina	52	94
12	Kentucky	122	92
13	Oklahoma	47	73
14	New York	63	63 (2)
15	Missouri	47	50
16	Alabama	40	42
17	Michigan	15	23
18	New Jersey	17	22
19	Texas	12	21
20	Georgia	9	16
21	South Dakota	9 (1)	14
22	Connecticut	7	10
23	Nebraska	4	4
24	Colorado	3	3
25	Maine	3	3
26	Arkansas	2	2
27	Illinois	1	2
28	Kansas	1	2
29	West Virginia	1	0
	<b>United States (3)</b>	<b>2,782</b>	<b>3,034</b>

(1) Restated.

(2) Estimated.

(3) Excludes territories.

Source: Business Insurance ([www.businessinsurance.com](http://www.businessinsurance.com)), March 16, 2015.

Issues Updates Paper [Captives & Other Risk-Financing Options](#).

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## Incurred Losses By State

Property/casualty insurers pay out billions of dollars each year to settle claims. Many of the payments go to businesses, such as auto repair companies, that help claimants get their lives back together after an accident, fire, windstorm or other incident that caused the injury or property damage. Insurance claim payments support local businesses, enabling them to provide jobs and pay taxes that support the local economy. When life insurance claims are paid, funds flow into the general economy, as beneficiaries spend the money they receive. When property/casualty insurance claims are paid, funds flow to the industries that supply claimants with the goods and services necessary for their recovery. The charts below show incurred losses, i.e. losses occurring during a fixed period, whether or not adjusted or paid during the same period.

## Incurred Losses By State, Property/Casualty Insurance, 2015 (1)

(\$000)

State	Incurred losses
Alabama	\$4,093,192
Alaska	719,288
Arizona	5,446,616
Arkansas	2,910,023
California	39,547,703
Colorado	6,396,637
Connecticut	4,533,879
Delaware	1,383,315
D.C.	878,280
Florida	22,014,264
Georgia	10,489,728
Hawaii	1,014,650
Idaho	1,414,387
Illinois	13,392,906
Indiana	5,771,409
Iowa	3,153,050
Kansas	2,997,963
Kentucky	4,331,174
Louisiana	5,609,416
Maine	1,044,592
Maryland	6,409,320
Massachusetts	8,836,136
Michigan	11,187,648
Minnesota	5,731,502
Mississippi	2,520,682
Missouri	6,369,204
Montana	1,309,551
Nebraska	2,322,393
Nevada	2,819,262
New Hampshire	1,156,725
New Jersey	11,946,823
New Mexico	1,897,250
New York	24,944,776
North Carolina	7,503,427
North Dakota	1,119,926
Ohio	7,974,601
Oklahoma	4,491,760
Oregon	3,346,175
Pennsylvania	13,301,894
Rhode Island	1,565,774
South Carolina	5,073,633
South Dakota	1,194,828
Tennessee	5,766,943
Texas	29,009,021
Utah	2,171,672
Vermont	628,825
Virginia	6,617,186
Washington	6,373,962
West Virginia	1,422,841
Wisconsin	4,948,732
Wyoming	510,973
<b>United States</b>	<b>\$327,615,917</b>

(1) Losses occurring within a fixed period whether or not adjusted or paid during the same period, on a direct basis before reinsurance.

Source: NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute.

## INCURRED LOSSES BY STATE, PRIVATE PASSENGER AUTO INSURANCE, 2014 (1)

(\$000)

State	Incurred losses
Alabama	\$1,718,336
Alaska	244,975
Arizona	2,379,165
Arkansas	979,378
California	13,507,902
Colorado	2,696,778
Connecticut	1,701,158
Delaware	476,378
D.C.	178,602
Florida	9,823,902
Georgia	4,288,621
Hawaii	358,451
Idaho	434,906
Illinois	3,964,854
Indiana	1,938,083
Iowa	950,413
Kansas	955,382
Kentucky	1,612,666
Louisiana	2,483,201
Maine	405,725
Maryland	2,713,244
Massachusetts	2,790,315
Michigan	6,723,217
Minnesota	1,810,245
Mississippi	1,001,568
Missouri	2,048,204
Montana	406,973
Nebraska	781,512
Nevada	1,197,456
New Hampshire	447,390
New Jersey	4,410,344
New Mexico	699,799
New York	7,522,247
North Carolina	3,078,855
North Dakota	231,908
Ohio	3,404,633
Oklahoma	1,310,706
Oregon	1,374,947
Pennsylvania	5,189,607
Rhode Island	511,375
South Carolina	2,123,595
South Dakota	370,822
Tennessee	2,002,806
Texas	10,477,469
Utah	921,164
Vermont	233,428
Virginia	2,926,521
Washington	2,675,027
West Virginia	633,135
Wisconsin	1,754,011
Wyoming	220,377
<b>United States</b>	<b>\$123,091,777</b>

(1) Losses occurring within a fixed period whether or not adjusted or paid during the same period, on a direct basis before reinsurance.

Source: SNL Financial LC.

## INCURRED LOSSES BY STATE, HOMEOWNERS INSURANCE, 2014 (1)

(\$'000)

State	Incurred losses
Alaska	\$57,642
Alabama	755,341
Arizona	683,840
Arkansas	478,205
California	3,396,417
Colorado	1,823,339
Connecticut	522,447
Delaware	133,077
D.C.	55,837
Florida	2,179,774
Georgia	1,605,767
Hawaii	93,523
Idaho	191,678
Illinois	2,383,793
Indiana	921,475
Iowa	540,856
Kansas	409,634
Kentucky	484,820
Louisiana	551,933
Maine	175,034
Maryland	882,941
Massachusetts	709,584
Michigan	1,984,282
Minnesota	780,936
Mississippi	505,454
Missouri	1,026,139
Montana	372,786
Nebraska	751,906
Nevada	208,515
New Hampshire	164,446
New Jersey	1,157,821
New Mexico	206,738
New York	2,163,059
North Carolina	1,023,219
North Dakota	58,704
Ohio	1,259,252
Oklahoma	368,407
Oregon	352,603
Pennsylvania	2,030,249
Rhode Island	125,408
South Carolina	771,663
South Dakota	224,475
Tennessee	900,619
Texas	3,483,489
Utah	190,957
Vermont	122,970
Virginia	752,140
Washington	841,559
West Virginia	232,643
Wisconsin	685,792
Wyoming	105,608
<b>United States</b>	<b>\$41,888,793</b>

(1) Losses occurring within a fixed period whether or not adjusted or paid during the same period, on a direct basis before reinsurance.

Source: SNL Financial LC.

## INCURRED LOSSES BY STATE, COMMERCIAL INSURANCE, 2014 (1)

(\$000)

State	Incurred losses
Alabama	\$1,495,748
Alaska	354,590
Arizona	2,263,801
Arkansas	1,018,892
California	18,196,025
Colorado	2,550,219
Connecticut	1,998,051
Delaware	736,707
D.C.	331,541
Florida	7,585,560
Georgia	3,629,165
Hawaii	468,546
Idaho	597,766
Illinois	6,688,699
Indiana	2,390,025
Iowa	3,402,218
Kansas	1,778,685
Kentucky	1,524,719
Louisiana	2,235,586
Maine	481,085
Maryland	2,168,978
Massachusetts	2,969,447
Michigan	3,898,697
Minnesota	3,454,399
Mississippi	1,155,107
Missouri	2,399,880
Montana	683,237
Nebraska	2,027,290
Nevada	915,854
New Hampshire	427,786
New Jersey	5,451,193
New Mexico	671,253
New York	13,087,099
North Carolina	2,582,441
North Dakota	1,018,619
Ohio	2,508,092
Oklahoma	2,028,700
Oregon	1,016,389
Pennsylvania	6,280,488
Rhode Island	468,837
South Carolina	1,565,125
South Dakota	686,286
Tennessee	2,173,336
Texas	10,401,192
Utah	721,127
Vermont	289,934
Virginia	2,475,766
Washington	1,977,455
West Virginia	441,903
Wisconsin	2,898,467
Wyoming	224,048
<b>United States</b>	<b>\$138,796,055</b>

(1) Losses occurring within a fixed period whether or not adjusted or paid during the same period, on a direct basis before reinsurance.

Source: SNL Financial LC.



## INCURRED LOSSES BY STATE, WORKERS COMPENSATION INSURANCE, 2014 (1)

(\$000)

State	Incurred losses
Alabama	\$190,038
Alaska	150,957
Arizona	526,839
Arkansas	118,476
California	7,114,954
Colorado	584,500
Connecticut	540,049
Delaware	124,067
D.C.	79,252
Florida	1,382,569
Georgia	740,547
Hawaii	156,994
Idaho	256,642
Illinois	1,674,233
Indiana	494,663
Iowa	450,962
Kansas	227,650
Kentucky	383,061
Louisiana	444,291
Maine	120,284
Maryland	633,550
Massachusetts	756,034
Michigan	444,362
Minnesota	546,163
Mississippi	206,667
Missouri	499,197
Montana	185,176
Nebraska	243,948
Nevada	70,918
New Hampshire	139,642
New Jersey	1,381,067
New Mexico	169,887
New York	3,832,827
North Carolina	774,675
North Dakota	483
Ohio	-1,125
Oklahoma	530,226
Oregon	282,841
Pennsylvania	1,672,449
Rhode Island	92,645
South Carolina	425,373
South Dakota	101,298
Tennessee	496,631
Texas	1,285,473
Utah	206,801
Vermont	114,327
Virginia	599,859
Washington	6,332
West Virginia	67,603
Wisconsin	1,150,236
Wyoming	2,101
<b>United States</b>	<b>\$32,678,696</b>

(1) Losses occurring within a fixed period whether or not adjusted or paid during the same period, on a direct basis before reinsurance.

Source: SNL Financial LC.

## LIFE INSURANCE CLAIMS AND BENEFITS PAID BY STATE, 2014 (1)

(\$000)

State	Incurred losses
Alabama	\$5,534,562
Alaska	1,050,496
Arizona	8,689,046
Arkansas	2,969,649
California	46,549,358
Colorado	8,432,780
Connecticut	18,424,037
Delaware	7,040,066
D.C.	2,320,962
Florida	31,859,905
Georgia	11,652,406
Hawaii	2,351,999
Idaho	1,842,329
Illinois	19,437,723
Indiana	9,141,049
Iowa	5,413,499
Kansas	6,019,788
Kentucky	5,270,547
Louisiana	5,690,525
Maine	2,071,977
Maryland	9,799,677
Massachusetts	14,654,968
Michigan	17,127,075
Minnesota	10,545,360
Mississippi	2,643,386
Missouri	10,511,193
Montana	1,073,476
Nebraska	3,592,246
Nevada	2,852,399
New Hampshire	2,572,098
New Jersey	21,048,797
New Mexico	2,352,877
New York	38,836,378
North Carolina	12,973,603
North Dakota	1,009,809
Ohio	17,722,061
Oklahoma	4,030,311
Oregon	5,107,450
Pennsylvania	24,127,056
Rhode Island	1,790,984
South Carolina	5,819,922
South Dakota	1,224,037
Tennessee	8,310,031
Texas	27,554,611
Utah	3,653,223
Vermont	997,154
Virginia	10,986,423
Washington	8,590,255
West Virginia	2,126,152
Wisconsin	9,295,479
Wyoming	708,265
<b>United States</b>	<b>\$485,399,457</b>

(1) On a direct basis before reinsurance. Includes life insurance, death benefits, matured endowments, annuity benefits, and other life insurance benefits. Does not include accident and health benefits.

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## Insured Cars By State

All states and the District of Columbia use special systems to guarantee that auto insurance is available to those who cannot obtain it in the private market. Each type of system is commonly known as an assigned risk plan, although the term technically applies to only one type of plan. The assigned risk and other plans are known in the insurance industry as the shared, or residual, market. Policyholders in assigned risk plans are, as the name suggests, assigned to various insurance companies doing business in the state. Hence the term voluntary (regular) market, where auto insurers are free to select policyholders rather than have them assigned. The chart below shows the number of vehicles insured by state, including those in the voluntary and residual markets.

## Private Passenger Cars Insured In The Shared And Voluntary Markets, 2014

State	Voluntary market	Shared market	Total	Shared market as a percent of total
Alabama	3,761,830	1	3,761,831	(1)
Alaska	498,512	23	498,535	0.461%
Arizona	4,465,315	0	4,465,315	(1)
Arkansas	2,135,039	4	2,135,043	(1)
California	26,193,318	331	26,193,649	0.001
Colorado	4,007,532	0	4,007,532	(1)
Connecticut	2,513,014	105	2,513,119	0.004
Delaware	648,565	1	648,566	(1)
D.C.	245,775	110	245,885	0.045
Florida	12,175,011	178	12,175,189	0.001
Georgia	7,372,180	0	7,372,180	(1)
Hawaii	868,883	3,126	872,009	0.358
Idaho	1,126,812	2	1,126,814	(1)
Illinois	8,153,935	311	8,154,246	0.004
Indiana	4,797,686	2	4,797,688	(1)
Iowa	2,492,910	8	2,492,918	(1)
Kansas	2,286,148	1,709	2,287,857	0.075
Kentucky	3,196,910	278	3,197,188	0.009
Louisiana	3,012,620	1	3,012,621	(1)
Maine	1,038,587	4	1,038,591	(1)
Maryland	4,022,954	42,872	4,065,826	1.054
Massachusetts	4,320,839	62,401	4,383,240	1.424
Michigan	6,215,682	4,959	6,220,641	0.080
Minnesota	3,934,513	4	3,934,517	(1)
Mississippi	1,958,600	5	1,958,605	(1)
Missouri	4,337,047	0	4,337,047	(1)
Montana	792,550	9	792,559	0.001
Nebraska	1,557,743	-2	1,557,741	(1)
Nevada	1,868,413	0	1,868,413	(1)
New Hampshire	939,602	172	939,774	0.018
New Jersey	5,461,412	23,201	5,484,613	0.423
New Mexico	1,534,787	0	1,534,787	(1)
New York	9,445,133	41,894	9,487,027	0.442
North Carolina	5,666,816	2,437,076	8,103,892	30.073
North Dakota	673,309	3	673,312	(1)
Ohio	8,350,922	0	8,350,922	(1)
Oklahoma	2,791,740	9	2,791,749	(1)
Oregon	2,750,778	1	2,750,779	(1)
Pennsylvania	8,774,172	6,897	8,781,069	0.079
Rhode Island	672,178	13,235	685,413	1.931
South Carolina	3,637,020	0	3,637,020	(1)
South Dakota	743,255	1	743,256	(1)
Tennessee	4,514,935	4	4,514,939	(1)
Texas (2)	NA	NA	NA	(1)
Utah	1,943,746	6	1,943,752	(1)
Vermont	500,041	38	500,079	0.008
Virginia	6,312,905	413	6,313,318	0.007
Washington	4,835,225	1	4,835,226	(1)
West Virginia	1,338,054	10	1,338,064	0.001
Wisconsin	4,098,048	1	4,098,049	(1)
Wyoming	539,771	0	539,771	(1)
<b>United States</b>	<b>195,522,772</b>	<b>2,639,404</b>	<b>198,162,176</b>	<b>1.332%</b>

(1) Less than 0.001 percent.

(2) Texas information is no longer available.

NA=Data not available.

Source: AIPSO.

# Insured Homes By State

## HOMES BY STATE

A 2015 Insurance Information Institute poll conducted by ORC International found that 95 percent of homeowners had homeowners insurance but only 40 percent of renters had renters insurance.

## PERCENT OF OCCUPIED HOUSING UNITS THAT ARE OWNER OCCUPIED, 2014

State	Percent	Rank (1)	State	Percent	Rank (1)
Alabama	67.7%	15	Montana	66.4%	22
Alaska	62.5	39	Nebraska	65.9	26
Arizona	61.1	44	Nevada	53.6	49
Arkansas	65.8	28	New Hampshire	70.2	6
California	53.7	48	New Jersey	63.3	38
Colorado	63.9	36	New Mexico	66.9	17
Connecticut	66.4	22	New York	53.0	50
Delaware	70.3	5	North Carolina	64.2	34
D.C.	40.6	51	North Dakota	63.8	37
Florida	64.1	35	Ohio	65.3	30
Georgia	62.2	40	Oklahoma	65.1	32
Hawaii	56.7	47	Oregon	60.7	45
Idaho	68.0	13	Pennsylvania	68.8	10
Illinois	65.5	29	Rhode Island	58.8	46
Indiana	68.6	11	South Carolina	68.0	13
Iowa	70.9	4	South Dakota	68.2	12
Kansas	66.6	20	Tennessee	66.1	24
Kentucky	66.1	24	Texas	61.2	43
Louisiana	64.4	33	Utah	69.2	9
Maine	71.3	3	Vermont	70.0	8
Maryland	65.9	26	Virginia	65.3	30
Massachusetts	61.6	42	Washington	61.7	41
Michigan	70.2	6	West Virginia	72.2	1
Minnesota	71.7	2	Wisconsin	66.6	20
Mississippi	67.7	15	Wyoming	66.9	17
Missouri	66.9	17	<b>United States</b>	<b>63.1%</b>	

(1) States with the same percentages receive the same rank.

Source: U.S. Department of Commerce, Census Bureau; American Community Survey.

# Businesses By State

There are about 6 million small businesses (those with 500 employees or fewer), accounting for about \$2 trillion in payroll, according data from the U.S. Census.

## SMALL BUSINESSES BY STATE, 2013 (1)

State	Number of establishments	Employment	Annual payroll (\$000)
Alabama	77,763	765,293	\$27,181,000
Alaska	17,629	141,316	6,854,241
Arizona	106,469	979,412	36,319,467
Arkansas	53,322	476,232	14,996,778
California	752,629	6,650,576	304,748,094
Colorado	131,776	1,021,340	42,827,814
Connecticut	74,191	721,350	35,349,547
Delaware	19,224	174,196	7,518,119
D.C.	16,848	233,821	14,785,716
Florida	432,153	3,084,153	115,387,570
Georgia	176,200	1,521,593	58,077,581
Hawaii	26,521	263,364	9,519,064
Idaho	37,594	284,882	9,073,464
Illinois	265,823	2,417,351	106,662,251
Indiana	115,580	1,168,837	40,964,843
Iowa	68,044	633,270	22,042,092
Kansas	61,561	596,279	21,618,494
Kentucky	72,440	688,540	23,044,748
Louisiana	86,003	903,281	34,436,895
Maine	35,117	278,996	9,732,947
Maryland	112,270	1,101,816	49,475,944
Massachusetts	145,420	1,423,606	71,633,527
Michigan	183,379	1,774,955	69,314,994
Minnesota	124,839	1,206,822	47,470,793
Mississippi	46,878	425,573	13,428,672
Missouri	124,314	1,110,183	39,387,588
Montana	32,853	235,935	7,554,138
Nebraska	44,729	394,009	13,714,720
Nevada	48,933	428,174	16,258,620
New Hampshire	31,098	286,708	12,033,207
New Jersey	198,772	1,749,404	81,041,497
New Mexico	36,023	331,630	11,387,682
New York	471,633	3,893,674	189,909,426
North Carolina	177,450	1,574,251	55,381,952
North Dakota	20,973	199,617	8,010,489
Ohio	200,296	2,118,828	78,494,535
Oklahoma	76,468	699,648	25,429,685
Oregon	93,963	777,655	28,128,790
Pennsylvania	244,142	2,429,326	94,456,715
Rhode Island	24,175	223,651	8,894,485
South Carolina	81,544	743,262	24,309,256
South Dakota	23,005	200,080	6,517,533
Tennessee	102,255	1,037,160	39,121,182
Texas	439,409	4,407,131	184,197,945
Utah	61,313	520,366	19,411,043
Vermont	18,842	155,444	5,692,802
Virginia	156,477	1,467,589	64,364,585
Washington	151,679	1,263,615	53,571,690
West Virginia	29,874	290,950	9,284,856
Wisconsin	116,402	1,216,148	44,017,454
Wyoming	18,099	132,085	5,126,901
<b>United States</b>	<b>6,264,394</b>	<b>56,823,377</b>	<b>\$2,318,163,431</b>

(1) Number of establishments with less than 500 employees.

Source: U.S. Census, County Business.

# Kentucky Firm Foundation

## State Fact Sheets

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### **KEY FACTS: THE INSURANCE INDUSTRY'S CONTRIBUTION TO THE KENTUCKY ECONOMY**

The insurance industry in Kentucky has a significant impact on the state's economy that extends well beyond its responsibilities to collect premiums and settle claims. It employs licensed professionals, pays taxes, owns municipal bonds and serves people in their times of greatest need.

#### **EMPLOYMENT**

U.S. Department of Commerce data show the insurance industry provided 41,789 jobs in Kentucky in 2014. The Kentucky insurance industry accounted for about \$2.8 billion in compensation in 2014.

#### **GROSS STATE PRODUCT**

The insurance industry contributed \$4.1 billion to the Kentucky gross state product (GSP) in 2013, accounting for 2.25 percent of the state GSP.

#### **TAXES**

Premium taxes paid by insurance companies in Kentucky totaled \$141.6 million in 2014.

#### **PREMIUMS**

Direct premiums written by property/casualty insurance companies in Kentucky totaled \$6.7 billion in 2014. In addition, premiums written by life/health insurance companies totaled \$6.4 billion (including life insurance, annuities, accident and health insurance, deposit type funds and other considerations).

#### **SURPLUS LINES**

The surplus lines market, a group of highly specialized insurers, exists to provide coverage that is not available through licensed insurers in the standard insurance market. For the many thousands of businesses that rely on some level of surplus line protection to keep their doors open, surplus lines is an important segment of the market. The Kentucky surplus lines market accounted for \$182.1 million in gross premiums written in 2014, according to a survey by Business Insurance.

#### **CLAIMS PAYMENTS**

Insurance company claims payments help ensure the economic security of individuals and businesses and help sustain a number of related industries. In 2014 these payments in Kentucky as measured by direct property/casualty incurred losses, were \$3.7 billion. Life insurance claims and benefits payouts in Kentucky totaled \$5.3 billion in 2014, on a direct basis before reinsurance. Includes life insurance, health benefits, matured endowments, annuity benefits and other life insurance benefits. Does not include accident and health.

#### **LEADING WRITERS**

**LEADING WRITERS OF COMMERCIAL INSURANCE IN KENTUCKY BY DIRECT PREMIUMS WRITTEN, 2014 (1)**

Rank	Group/company	Direct premiums written (\$000)	Market share
1	Liberty Mutual	\$208,968	7.2%
2	Kentucky Employers' Mutual Insurance	158,146	5.5
3	Travelers Companies Inc.	157,443	5.5
4	American International Group (AIG)	129,441	4.5
5	Zurich Insurance Group	118,527	4.1
6	Cincinnati Financial Corp.	102,055	3.5
7	Kentucky Farm Bureau Mutual Insurance Co.	99,647	3.5
8	CNA Financial Corp.	96,422	3.3
9	Chubb Corp.	70,459	2.4
10	Berkshire Hathaway Inc.	61,982	2.2

(1) Before reinsurance transactions.

Source: SNL Financial LC.

**LEADING WRITERS OF HOMEOWNERS INSURANCE IN KENTUCKY BY DIRECT PREMIUMS WRITTEN, 2014 (1)**

Rank	Group/company	Direct premiums written (\$000)	Market share
1	State Farm Mutual Automobile Insurance	\$259,340	24.3%
2	Kentucky Farm Bureau Mutual Insurance Co.	235,475	22.0
3	Liberty Mutual	108,953	10.2
4	Allstate Corp.	76,460	7.2
5	USAA Insurance Group	43,687	4.1
6	State Auto Insurance Companies	30,258	2.8
7	Auto-Owners Insurance Co.	28,528	2.7
8	Nationwide Mutual Group	27,887	2.6
9	Travelers Companies Inc.	27,315	2.6
10	Cincinnati Financial Corp.	26,496	2.5

(1) Before reinsurance transactions.

Source: SNL Financial LC.



## LEADING WRITERS OF LIFE INSURANCE AND ANNUITY CONSIDERATIONS IN KENTUCKY, 2014 (1)

Rank	Group/company	Premiums and annuity considerations (\$000)	Market share
1	MetLife Inc.	\$356,243	7.4%
2	Prudential Financial Inc.	334,403	6.9
3	Lincoln National Corp.	262,177	5.4
4	American International Group (AIG)	259,984	5.4
5	AEGON	258,032	5.3
6	Jackson National Life Group	243,633	5.0
7	New York Life Insurance Group	164,741	3.4
8	Nationwide Mutual Group	149,517	3.1
9	Manulife Financial Corp.	148,435	3.1
10	Allianz Group	146,170	3.0

(1) Includes life insurance, annuity consideration, deposit-type contract funds and other considerations; excludes accident and health insurance from life/health insurers. Before reinsurance transactions.

Source: SNL Financial LC.

## LEADING WRITERS OF PRIVATE PASSENGER AUTO INSURANCE IN KENTUCKY BY DIRECT PREMIUMS WRITTEN, 2014 (1)

Rank	Group/company	Direct premiums written (\$000)	Market share
1	State Farm Mutual Automobile Insurance	\$598,844	23.7%
2	Kentucky Farm Bureau Mutual Insurance Co.	457,404	18.1
3	Allstate Corp.	191,049	7.6
4	Liberty Mutual	180,754	7.2
5	Progressive Corp.	175,239	7.0
6	Berkshire Hathaway Inc.	164,617	6.5
7	USAA Insurance Group	113,971	4.5
8	Nationwide Mutual Group	91,560	3.6
9	State Auto Insurance Companies	53,240	2.1
10	Shelter Mutual Insurance Co.	48,873	1.9

(1) Before reinsurance transactions.

Source: SNL Financial LC.

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