

**Financial Regulatory Services Department – Financial Analysis & Examination Unit**  
**P&C, Title, Life, Fraternal and Health Industry Snapshots**  
**for the Period Ended March 31, 2016**

Below are the March 31, 2016 Industry Financial Snapshots for the Property/Casualty, Title, Life, Fraternal, and Health Industries. The Snapshots were produced from data filed with the NAIC as of May 18, 2016. Where applicable, the aggregated figures have been adjusted to eliminate affiliated amounts.

**Property & Casualty**

| (In Millions)                 | <u>Chg.</u> | <u>1Q 2016</u> | <u>1Q 2015</u> | <u>1Q 2014</u> | <u>1Q 2013</u> | <u>1Q 2012</u> |
|-------------------------------|-------------|----------------|----------------|----------------|----------------|----------------|
| Net Premiums Written          | 2.7%        | \$132,734      | \$129,300      | \$124,139      | \$120,076      | \$114,797      |
| Net Premiums Earned           | 3.3%        | \$128,728      | \$124,628      | \$120,225      | \$115,147      | \$110,069      |
| Net Losses Incurred           | 5.4%        | \$73,297       | \$69,529       | \$68,572       | \$60,723       | \$64,185       |
| Loss Expenses Incurred        | 7.2%        | \$15,348       | \$14,324       | \$13,871       | \$13,455       | \$12,912       |
| Other Underwriting Expenses   | 2.8%        | \$36,634       | \$35,646       | \$34,477       | \$33,557       | \$32,655       |
| Net Underwriting Gain/(Loss)  | (34.3)%     | \$3,202        | \$4,876        | \$3,102        | \$7,448        | \$343          |
| Net Income                    | (23.9)%     | \$14,521       | \$19,093       | \$14,656       | \$24,360       | \$13,216       |
| Loss Ratio                    | 1.6-pts     | 68.9%          | 67.3%          | 68.6%          | 64.4%          | 70.0%          |
| Expense Ratio                 | 0.0-pts     | 27.6%          | 27.6%          | 27.8%          | 27.9%          | 28.4%          |
| Dividend Ratio                | 0.1-pts     | 0.8%           | 0.7%           | 0.6%           | 0.5%           | 0.5%           |
| Combined Ratio                | 1.7-pts     | 97.2%          | 95.5%          | 97.0%          | 92.9%          | 99.0%          |
| Net Unrealized Gain/(Loss)    | 91.2%       | (\$329)        | (\$3,745)      | \$5,242        | \$11,328       | \$17,266       |
| Net Investment Income Earned  | (3.2)%      | \$11,884       | \$12,278       | \$11,780       | \$14,337       | \$12,597       |
| Investment Yield (Annualized) | (0.1)-pts   | 3.20%          | 3.31%          | 3.27%          | 4.21%          | 3.81%          |
| Net Realized Gain/(Loss)      | (49.3)%     | \$2,493        | \$4,919        | \$3,116        | \$8,199        | \$2,831        |
| Return on Revenue             | (3.3)-pts   | 10.1%          | 13.5%          | 10.8%          | 17.7%          | 10.5%          |
| Net Cash from Operations      | 40.5%       | \$12,844       | \$9,139        | \$8,555        | \$13,578       | \$10,510       |

## Industry Snapshots – March 31, 2016

|                              | <b>Title</b> |                |                |                |                |                |
|------------------------------|--------------|----------------|----------------|----------------|----------------|----------------|
| (In Millions)                | <b>Chg.</b>  | <b>1Q 2016</b> | <b>1Q 2015</b> | <b>1Q 2014</b> | <b>1Q 2013</b> | <b>1Q 2012</b> |
| Direct Premiums Written      | 10.6%        | \$2,958        | \$2,674        | \$2,398        | \$2,870        | \$2,293        |
| Direct Operations            | 0.8%         | \$316          | \$313          | \$246          | \$284          | \$290          |
| Non-Aff. Agency Operations   | 16.8%        | \$1,882        | \$1,611        | \$1,510        | \$1,773        | \$1,359        |
| Affiliated Agency Operations | 1.5%         | \$760          | \$749          | \$642          | \$813          | \$644          |
| Title Premiums Earned        | 11.6%        | \$2,932        | \$2,627        | \$2,420        | \$2,853        | \$2,324        |
| Loss & LAE Incurred          | (21.0)%      | \$127          | \$161          | \$167          | \$204          | \$197          |
| Operating Expense Incurred   | 10.7%        | \$2,854        | \$2,578        | \$2,365        | \$2,753        | \$2,322        |
| Net Operating Gain/(Loss)    | 73.9%        | \$149          | \$86           | \$70           | \$119          | \$64           |
| Loss Ratio                   | (1.8)-pts    | 4.3%           | 6.1%           | 6.9%           | 7.1%           | 8.5%           |
| Expense Ratio                | (0.8)-pts    | 97.4%          | 98.2%          | 97.8%          | 96.5%          | 100.0%         |
| Combined Ratio               | (2.6)-pts    | 101.7%         | 104.3%         | 104.7%         | 103.7%         | 108.5%         |
| Net Inv. Income Earned       | (12.0)%      | \$52           | \$59           | \$72           | \$49           | \$69           |
| Net Realized Gain/(Loss)*    | NM**         | \$155          | \$1            | \$2            | \$5            | \$2            |
| Net Investment Gain/(Loss)   | 243.9%       | \$207          | \$60           | \$74           | \$54           | \$71           |
| Net Income                   | 154.7%       | \$291          | \$114          | \$123          | \$136          | \$106          |
| Net Unrealized Gain/(Loss)   | (118.8)%     | (\$3)          | \$16           | \$(41)         | \$27           | \$26           |
| Net Cash from Operations     | 752.4%       | \$55           | (\$8)          | (\$72)         | (\$62)         | (\$119)        |

\*Divested of certain BA Assets used to pay dividend to parent. Impacted by two particular companies.

\*\*NM=Not Meaningful

## Life and Accident & Health Insurers

| (In Millions)                 | <b>Chg.</b>       | <b>1Q 2016</b> | <b>1Q 2015</b> | <b>1Q 2014</b> | <b>1Q 2013</b> | <b>1Q 2012</b> |
|-------------------------------|-------------------|----------------|----------------|----------------|----------------|----------------|
| Direct Written Premium        | 4.8%              | \$201,396      | \$192,100      | \$184,418      | \$186,439      | \$199,243      |
| Life Direct Written Premium   | 6.4%              | \$44,352       | \$41,694       | \$40,395       | \$41,607       | \$43,239       |
| A&H Direct Written Premium    | 2.8%              | \$43,643       | \$42,457       | \$41,333       | \$45,015       | \$47,443       |
| Annuities                     | 8.0%              | \$63,027       | \$58,365       | \$60,848       | \$54,948       | \$58,350       |
| Deposits & Other DPW          | 1.6%              | \$50,374       | \$49,585       | \$41,842       | \$44,868       | \$50,210       |
| Net Earned Premium            | 5.2%              | \$156,293      | \$148,593      | \$146,899      | \$139,011      | \$156,182      |
| Net Investment Income         | 3.0%              | \$43,489       | \$42,226       | \$43,475       | \$41,878       | \$40,802       |
| General Expenses              | 4.0%              | \$15,074       | \$14,493       | \$13,970       | \$14,404       | \$14,924       |
| Operating Income              | (47.9)%           | \$5,632        | \$10,805       | \$11,345       | \$16,847       | \$20,548       |
| Realized Gains/(Losses)       | (114.5)%          | (\$440)        | \$3,044        | \$(1,584)      | \$(4,153)      | (\$5,508)      |
| Net Income/(Loss)             | (62.5)%           | \$5,192        | \$13,849       | \$9,761        | \$12,694       | \$15,041       |
| ROA (Annualized)              | (0.6)pts          | 0.3%           | 0.9%           | 0.7%           | 0.9%           | 1.1%           |
| Unrealized Gains/(Losses)     | 77.1%             | \$2,390        | \$1,350        | \$3,638        | (\$640)        | (\$1,953)      |
| Investment Yield (Annualized) | 0.0 pts           | 4.9%           | 4.9%           | 5.2%           | 5.1%           | 5.1%           |
|                               | <b>3-mo. Chg.</b> |                |                |                |                |                |
| Capital & Surplus             | 2.3%              | \$367,535      | \$359,165      | \$336,382      | \$328,565      | \$314,740      |

## Industry Snapshots – March 31, 2016

### Fraternal Societies

| (In Millions)                        | <b>Chg.</b>       | <b>1Q 2016</b> | <b>1Q 2015</b> | <b>1Q 2014</b> | <b>1Q 2013</b> | <b>1Q 2012</b> |
|--------------------------------------|-------------------|----------------|----------------|----------------|----------------|----------------|
| Direct Written Premium & Deposits    | 9.5%              | \$3,053        | \$2,787        | \$2,898        | \$2,728        | \$2,896        |
| Life Direct Written Premium          | 5.4%              | \$1,040        | \$987          | \$1,006        | \$994          | \$1,070        |
| A&H Direct Written Premium           | 1.6%              | \$157          | \$154          | \$160          | \$165          | \$172          |
| Annuities                            | 12.5%             | \$1,670        | \$1,485        | \$1,569        | \$1,379        | \$1,440        |
| Deposits & Other DWP                 | 15.6%             | \$186          | \$161          | \$162          | \$189          | \$214          |
| Net Earned Premium                   | (2.5)%            | \$2,491        | \$2,553        | \$2,622        | \$2,439        | \$2,583        |
| Investment Income                    | (1.3)%            | \$1,355        | \$1,373        | \$1,346        | \$1,289        | \$1,324        |
| Benefits                             | 2.6%              | \$1,900        | \$1,851        | \$1,691        | \$1,641        | \$1,667        |
| General Expenses                     | 4.3%              | \$426          | \$409          | \$388          | \$395          | \$391          |
| Op. Inc. (before refunds to members) | (22.1)%           | \$297          | \$381          | \$402          | \$340          | \$341          |
| Refunds to Members                   | 10.0%             | \$169          | \$154          | \$163          | \$157          | \$196          |
| Realized Gains/(Losses)              | (140.9)%          | (\$17)         | \$42           | \$44           | \$5            | \$8            |
| Net Income/(Loss)                    | (58.9)%           | \$111          | \$269          | \$284          | \$188          | \$153          |
| ROA (Annualized)                     | (0.5)pts          | 0.3%           | 0.8%           | 0.8%           | 0.6%           | 0.5%           |
| Investment Yield (Annualized)        | (0.3)pts          | 4.4%           | 4.7%           | 4.7%           | 4.7%           | 5.1%           |
|                                      | <b>3-mo. Chg.</b> |                |                |                |                |                |
| Surplus                              | 6.5%              | \$13,592       | \$12,760       | \$12,020       | \$9,927        | \$9,214        |

### Health Entities

| (In Millions)                 | <b>Chg.</b> | <b>1Q 2016</b> | <b>1Q 2015</b> | <b>1Q 2014</b> | <b>1Q 2013</b> | <b>1Q 2012</b> |
|-------------------------------|-------------|----------------|----------------|----------------|----------------|----------------|
| Direct Written Premium        | 7.3%        | \$157,156      | \$146,429      | \$127,856      | \$113,622      | \$109,007      |
| Net Earned Premium            | 7.3%        | \$155,657      | \$145,054      | \$125,777      | \$111,557      | \$106,334      |
| Net Investment Income Earned  | 5.3%        | \$802          | \$762          | \$745          | \$692          | \$775          |
| Underwriting Gain/(Loss)      | (38.8)%     | (\$1,966)      | (\$1,416)      | (\$601)        | \$3,533        | \$3,632        |
| Net Income/(Loss)             | (29.0)%     | (\$3,304)      | (\$2,561)      | (\$1,243)      | \$3,325        | \$3,423        |
| Total Hospital & Medical Exp. | 8.2%        | \$131,803      | \$121,778      | \$106,328      | \$95,503       | \$91,079       |
| Loss Ratio                    | 0.8 pts     | 84.4%          | 83.6%          | 84.0%          | 85.2%          | 85.2%          |
| Administrative Expense Ratio  | (0.6) pts   | 16.9%          | 17.5%          | 16.5%          | 11.6%          | 11.4%          |
| Combined Ratio                | 0.3 pts     | 101.3%         | 101.0%         | 100.5%         | 96.8%          | 96.6%          |
| Profit Margin                 | (0.3) pts   | (2.1)%         | (1.8)%         | (1.0)%         | 3.0%           | 3.2%           |
| Enrollment                    | 2.8%        | 219            | 213            | 193            | 177            | 178            |
| Premium PMPM                  | 4.0%        | \$239          | \$230          | \$220          | \$194          | \$210          |
| Claims PMPM                   | 5.1%        | \$203          | \$193          | \$186          | \$166          | \$180          |

**Note:** Aggregate results include only health entities who file quarterly statements with the NAIC.

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