



NAIC Financial Regulatory Services Department

Financial Analysis and Examination Unit P&C, Title, Life, Fraternal and Health Industry Snapshots For the Period Ended June 30, 2013

Below are the Industry Financial Snapshots for the Property/Casualty, Title, Life, Fraternal, and Health Industries for the period ended June 30, 2013. These Snapshots were prepared to assist consumers in understanding trends in the insurance industry. The Snapshots were produced from NAIC data as of August 20, 2013, which were required to be submitted to the NAIC Financial Data Repository. The aggregated figures have been adjusted to eliminate affiliated amounts where applicable.

	<i>Property & Casualty</i>					
<i>(In Millions)</i>	<u>Chg.</u>	<u>2Q 2013</u>	<u>2Q 2012</u>	<u>2Q 2011</u>	<u>2Q 2010</u>	<u>2Q 2009</u>
Net Premiums Written	4.0%	\$240,825	\$231,601	\$222,975	\$217,009	\$217,447
Net Premiums Earned	4.0%	\$232,284	\$223,383	\$216,771	\$211,926	\$216,623
Net Losses Incurred	(4.0)%	\$131,439	\$136,892	\$150,269	\$129,855	\$132,037
Loss Expenses Incurred	2.3%	\$27,519	\$26,904	\$27,450	\$25,925	\$26,521
Other Underwriting Expenses	2.6%	\$67,337	\$65,640	\$62,614	\$61,058	\$60,630
Net Underwriting Gain/(Loss)	201.4%	\$5,968	(\$5,887)	(\$23,685)	(\$4,683)	(\$1,821)
Net Income	78.0%	\$35,863	\$20,150	\$6,555	\$22,176	\$6,921
Loss Ratio	(4.9)-pts	68.4%	73.3%	82.0%	73.5%	73.2%
Expense Ratio	(0.4)-pts	28.0%	28.3%	28.1%	28.1%	27.9%
Dividend Ratio	0.1-pts	0.5%	0.5%	0.5%	0.5%	0.5%
Combined Ratio	(5.2)-pts	96.9%	102.2%	110.6%	102.1%	101.5%
Net Unrealized Gain/(Loss)	2.2%	\$15,115	\$14,789	\$4,697	(\$8,815)	\$3,995
Net Investment Income Earned	6.1%	\$27,004	\$25,440	\$27,052	\$27,767	\$25,623
Investment Yield (Annualized)	0.1-pts	4.0%	3.9%	4.1%	4.4%	4.3%
Net Realized Gain/(Loss)	169.6%	\$11,052	\$4,099	\$3,912	\$4,356	(\$11,463)
Return on Revenue	5.3-pts	13.3%	8.0%	2.6%	9.1%	3.0%
Net Cash from Operations	53.2%	\$28,916	\$18,874	\$14,186	\$21,268	\$16,982

Industry Snapshots – June 30, 2013

	<i>Title</i>					
<i>(In Millions)</i>	Chg.	2Q 2013	2Q 2012	2Q 2011	2Q 2010	2Q 2009
Direct Premiums Written	23.3%	\$6,168	\$5,003	\$4,468	\$4,326	\$4,476
Direct Ops.	0.2%	\$630	\$628	\$658	\$600	\$681
Non-Aff. Agency Ops.	27.4%	\$3,742	\$2,937	\$2,746	\$2,676	\$2,732
Aff. Agency Ops.	25.0%	\$1,797	\$1,437	\$1,064	\$1,050	\$1,063
Premiums Earned	21.3%	\$6,106	\$5,035	\$4,529	\$4,268	\$4,403
Loss & LAE Incurred	(2.0)%	\$403	\$411	\$518	\$486	\$380
Operating Exp Incurred	18.1%	\$5,846	\$4,951	\$4,544	\$4,472	\$4,785
Net Operating Gain/(Loss)	63.8%	\$333	\$203	\$(6)	\$(185)	\$(203)
Loss Ratio	(1.6)-pts	6.6%	8.2%	11.4%	11.4%	8.6%
Expense Ratio	(2.5)-pts	95.9%	98.4%	100.4%	104.8%	108.7%
Combined Ratio	(4.1)-pts	102.5%	106.6%	111.8%	116.2%	117.3%
Net Inv. Income Earned	(20.5)%	\$115	\$144	\$129	\$165	\$261
Net Realized Gain/(Loss)	230.1%	\$21	\$6	\$25	\$28	\$(53)
Net Inv. Gain (Loss)	(10.1)%	\$135	\$151	\$154	\$193	\$208
Net Income	45.8%	\$372	\$255	\$127	\$47	\$(10)
Net Unrealized Gain/(Loss)	(94.1)%	\$5	\$87	\$43	\$(43)	\$(56)
Net Cash from Operations	(16.0)%	\$199	\$237	\$(66)	\$(18)	\$11

Life and Accident & Health Entities

<i>(In Millions)</i>	Chg.	2Q 2013	2Q 2012	2Q 2011	2Q 2010	2Q 2009
Direct Written Premium	(5.5)%	\$377,128	\$399,023	\$383,237	\$348,846	\$376,041
Life Direct Written Premium	(4.4)%	\$82,316	\$86,138	\$80,559	\$78,126	\$74,718
A&H Direct Written Premium	(2.8)%	\$90,291	\$92,931	\$88,836	\$86,732	\$84,427
Annuities, Dep. & Other DWP	(7.0)%	\$204,521	\$219,954	\$213,842	\$183,989	\$216,896
Net Earned Premium	(8.8)%	\$288,651	\$316,442	\$314,435	\$282,318	\$299,734
Net Investment Income	1.3%	\$85,118	\$84,025	\$85,328	\$80,732	\$77,678
General Expenses	(0.5)%	\$29,079	\$29,228	\$28,357	\$26,882	\$26,341
Operating Income	26.6%	\$31,234	\$24,680	\$20,988	\$12,246	\$25,057
Realized Gains/(Losses)	(42.3)%	\$(5,941)	\$(4,175)	\$(5,225)	\$(7,681)	\$(16,438)
Net Income/(Loss)	23.3%	\$25,293	\$20,505	\$15,763	\$4,565	\$8,620
ROA (Annualized)	0.14 pts	0.92%	0.78%	0.63%	0.20%	0.37%
Unrealized Gains/(Losses)	(121.2)%	\$(649)	\$3,065	\$6,513	\$8,559	\$(17,644)
Net Investment Yield (Annualized)	(0.1) pt	5.2%	5.3%	5.5%	5.4%	5.3%

Industry Snapshots – June 30, 2013

Fraternal Societies

<i>(In Millions)</i>	Chg.	2Q 2013	2Q 2012	2Q 2011	2Q 2010	2Q 2009
Direct Written Premium & Deposits	(10.1)%	\$4,729	\$5,259	\$5,053	\$5,043	\$4,858
Life Direct Written Premium	(13.2)%	\$1,834	\$2,114	\$1,980	\$1,865	\$1,721
A&H Direct Written Premium	(6.4)%	\$318	\$339	\$347	\$362	\$345
Annuities, Dep. & Other DWP	(9.0)%	\$2,908	\$3,197	\$3,120	\$3,251	\$2,792
Net Earned Premium	(1.4)%	\$4,561	\$4,623	\$4,867	\$4,840	\$4,233
Net Investment Income	(0.6)%	\$2,446	\$2,460	\$2,552	\$2,484	\$2,358
Benefits	(7.4)%	\$4,851	\$5,241	\$5,506	\$5,548	\$5,277
General Expenses	2.8%	\$681	\$662	\$720	\$667	\$708
Op. Inc. (before refunds to members)	(0.3)%	\$673	\$675	\$694	\$640	\$493
Refunds to Members	(19.1)%	\$295	\$365	\$418	\$427	\$430
Realized Gains/(Losses)	(42.2)%	\$29	\$50	\$69	\$33	\$(384)
Net Income/(Loss)	12.9%	\$406	\$360	\$345	\$246	\$(321)
ROA (Annualized)	0.1 pt	0.7%	0.6%	0.6%	0.5%	(0.6)%
Investment Yield (Annualized)	(0.1) pt	4.6%	4.7%	5.2%	5.4%	5.4%

Health Entities

<i>(In Millions)</i>	Chg.	2Q 2013	2Q 2012	2Q 2011	2Q 2010	2Q 2009
Direct Written Premium	3.0%	\$226,166	\$219,657	\$205,478	\$193,935	\$188,762
Net Earned Premium	3.6%	\$222,154	\$214,502	\$201,067	\$189,519	\$184,313
Net Investment Income Earned	(10.5)%	\$1,611	\$1,800	\$1,747	\$1,927	\$1,956
Underwriting Gain/(Loss)	4.0%	\$6,567	\$6,316	\$7,990	\$6,548	\$3,504
Net Income/(Loss)	4.0%	\$6,483	\$6,235	\$7,671	\$6,573	\$3,424
Total Hospital & Medical Exp.	3.2%	\$190,514	\$184,621	\$169,719	\$161,453	\$160,191
Loss Ratio	(0.3) pts	85.4%	85.7%	84.5%	85.1%	86.8%
Administrative Expense Ratio	0.3 pts	11.7%	11.4%	11.5%	11.5%	11.6%
Combined Ratio	0.0 pts	97.1%	97.1%	96.0%	96.6%	98.1%
Profit Margin	0.0 pts	2.9%	2.9%	3.8%	3.4%	1.8%
Enrollment	0.9%	176	174	164	165	161
Premium PMPM	2.7%	\$211	\$206	\$206	\$194	\$191
Claims PMPM	2.3%	\$181	\$177	\$174	\$166	\$166

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