NAIC

FINANCIAL STABILITY(E) TASK FORCE

Macroprudential Risk Dashboard Summary Report

U.S. INSURANCE INDUSTRY

As of December 31, 2025

Published: November 2026

Table of Contents

Macroprudential Risk Dashboard Summary 3

Executive Summary 5

Recommendations 8

Macroprudential Assessment 10

Macroeconomic Risk: Summary 12

Interconnectedness Risk: Summary 20

Underwriting and Profitability Risk: Summary 25

Market Risk: Summary 36

Credit Risk: Summary 41

Liquidity Risk: Summary 47

Capital Adequacy Risk: Summary 52

Emerging/Other Risk 58

Appendix A: Risk Assessment Scale 60

Appendix B: Insurance Industry by the Numbers 61

Macroprudential Risk Dashboard Summary

Risk Category	Trend	Summary of Assessment
MACROECONOMIC		The U.S. economy is strong based on traditional indicators. This is tempered by rating agency downgrades of the U.S. sovereign credit rating and USD/FX volatility.
INTERCONNECTEDNESS		Funding agreement-backed note (FABN) issuance and life cross-border reinsurance activity continue their upward trend, while most other transmission channels of interconnectedness remain stable.
CAPITAL ADEQUACY		Life and property/casualty (P/C) sectors remain well-capitalized with stable outlooks. However, the health sector has experienced some capital deterioration and has a negative outlook from credit rating agencies.
UNDERWRITING & PROFITABILITY		Life and P/C sectors are profitable. However, health experienced a significant decrease in net income and profit margin. Natural catastrophe and long-term care (LTC) risks were also key risk drivers.
CREDIT		Private credit, structured securities, and offshore life reinsurance exposure are the drivers of the moderate-high assessment.
MARKET		Common equity holdings increased, while private equity and other indicators remain stable. Level 3 assets are significant but remain stable.
LIQUIDITY		P/C and life liquidity ratios, as well as cash flows, improved. Cash, short-term investments, and U.S. government allocations remain increased. Health cash flow and liquid assets have modestly declined.
EMERGING/OTHER		Heightened monitoring of private credit, cross-border reinsurance, AI, and cyber continues and may overlap with other risk categories.

Macroprudential Risk Dashboard Summary

Risk Assessment Scale/Legend

Low	Moderate – Low	Moderate – High	High

Trend Scale (Trend of the risk)



Significant Increase	Increase	Stable	Decrease	Significant Decrease

Executive Summary

Overall, the U.S. insurance industry continues its well-established pattern of adapting to a dynamic risk landscape and playing a key role in the financial sector by helping policyholders manage risk.

Aggregate capital levels continue to increase overall, providing a significant buffer above regulatory capital requirements to absorb risk. Liquidity risk is deemed low, as overall industry allocation to cash, short-term investments, and U.S. government securities is at its highest level in the last five years.

REGULATOR USE

This report was derived from a detailed, regulator-only comprehensive risk dashboard. Each of the eight risk categories summarized in this report contains a set of key risk indicators that provide the basis for the assessment. Key risk indicators that have significantly changed or are key drivers of the risk assessment are highlighted in this report. State regulators may wish to review these industry-wide risk drivers to determine whether the same or similar risks are impacting their individual regulated entities. The risks identified in this report may assist with the risk assessment components of financial analysis and completion of risk matrices during examinations.

Key Highlights:

Health Sector

Several risk indicators across the underwriting, capital adequacy, and liquidity risk categories indicate heightened risk in the health sector. Specifically, capital has deteriorated, loss and combined ratios are elevated, cash flow has decreased, and some rating agencies have a negative outlook on the sector.

Private Credit

Private credit funds have experienced substantial growth in recent years, with assets under management (AUM) now comparable in size to the U.S. high-yield corporate bond and leveraged loan markets, which has led to some increase in insurance company holdings in this area. The size of the exposure and the increased growth in the insurance sector led us to identify private credit as a heightened risk. Limited available information on borrower fundamentals and a lack of secondary market trading can make timely valuations challenging and reduce transparency into the sector. These factors also make quantifying exposure for the insurance industry a challenge.

Level 3 Assets

Level 3 asset exposure continues to grow modestly, currently at 17% of cash and invested assets, which is significant. Level 3 concentration may contribute to valuation and liquidity risk. Note that many private credit investments are also considered Level 3 assets. This is a new risk indicator in the market risk category, and the exposure will continue to be monitored. The Invested Assets (E) Task Force will analyze, research, and discuss the exposure in more detail throughout 2026.

Natural Catastrophe Risk

The overall exposure of the U.S. insurance industry to natural catastrophe risk, primarily affecting property insurers, remains a concern. Meteorological factors, insured losses, rate increases, and residual market activity drive the elevated level of concern.

Key Highlights: (continued)

Macroeconomic Trends

The more significant macroeconomic trends that state insurance regulators closely monitor are inflation and interest rates. Recent higher inflation poses a risk to various property insurance coverages, as rising costs of materials and labor could affect underwriting results.

Significant Shifts in Life Sector

There has been a noted trend of changing strategies and ownership structures to improve the performance and profitability of life insurance operations. Some of these trends have been in response to the previous prolonged low-interest rate environment and other market conditions. In many cases, these trends have been associated with new entrants attempting to utilize their experience in other areas of asset management to enhance returns. Other monitored trends include increases in complex investment structures, pension risk transfer activity, asset-intensive reinsurance, affiliated asset managers, and cross-border reinsurance structures, which are key factors driving the assessment.

Increased issuance of funding agreements backing funding agreement-backed notes (FABNs) and Federal Home Loan Bank (FHLB) advances, along with securities lending and repurchase agreement activity, has significantly increased the life industry's operating leverage to enhance returns. This risk is tempered by asset-liability management practices and the predictability of these types of liabilities.

Recommendations

State regulators and NAIC committee support have raised the following recommendations for further consideration either by the Financial Stability (E) Task Force or the Macroprudential (E) Working Group.

Interconnectedness

Several of the key issues and topics highlighted in this document have the potential to increase or obscure the level of financial interconnectedness between U.S. insurers and other financial institutions and other jurisdictions.

This includes increased complexity in investment practices, greater use of asset-intensive offshore reinsurance, and increased use of off-balance-sheet special purpose vehicles (SPVs), all of which can lead to less transparent forms of interconnectivity among insurers and other financial institutions.

Therefore, we recommend the Task Force, in collaboration with other Financial Condition (E) Committee groups, continue to discuss ways to improve the identification and assessment of industry and group interconnectedness.

Life Reinsurance Counterparty Risk

This report highlights an increase in cross-border life reinsurance, which exposes U.S. insurers to additional credit risk and, if the ceded business does not perform as expected, to recapture risk. While some regulatory enhancements are already underway (*e.g., Actuarial Guideline LV—Application of The Valuation Manual for Testing the Adequacy of Reserves Related to Certain Life Reinsurance Treaties* [AG 55], enhanced disclosures, and enhanced monitoring), the significance of this trend could warrant additional policy considerations, including capital and reserve considerations.

Private Credit

Quantifying insurers' private credit exposure is limited by challenges in identifying and understanding all private credit investments. While several initiatives regarding additional disclosures and identifiers in the annual statement have been implemented or will be implemented in 2026 to assist in identifying private credit investments, there might still be room for additional enhancement in this area. As such, we recommend that enhanced disclosure requirements aimed at improving regulator identification and understanding of private credit exposures continue to be pursued and implemented.

Operating leverage

Federal Home Loan Bank (FHLB) and funding agreement-backed note (FABN) activity represents significant operating leverage in nontraditional insurance products for the industry and may also have interconnectedness and liquidity risk associated with the activity. Given the continued growth in this activity, state insurance regulators have implemented enhanced disclosures planned for the 2026 Annual Statement in this area via the Financial Stability (E) Task Force, the Macroprudential (E) Working Group, the Statutory Accounting Principles (E) Working Group, and the Blanks (E) Working Group. The new disclosures will enable regulators to more accurately quantify the funding agreements that back FABNs and measure the extent of operating leverage. As such, we recommend that the implementation of the new disclosures, including the accuracy and utility of the information received, continue to be monitored and closely reviewed by regulators.

Macroprudential Assessment

Macroprudential policies and practices are intended to provide regulatory oversight to the overall financial system. The financial crisis of 2008 demonstrated that insufficient capital, liquidity, and transparency can lead to substantial consequences in the financial sector during times of stress. In response to the financial crisis, state insurance regulators have increased their focus on the stability of the insurance industry within the overall financial system.

The primary aim of our domestic macroprudential policy is to identify potential financial stability threats to and from the U.S. insurance industry (inward and outward risks). The U.S. Insurance Industry Macroprudential Risk Assessment shall serve as our primary tool for identifying, measuring, and monitoring risks to the insurance industry.

Financial Stability Oversight Council (FSOC)

The state insurance commissioner member of the U.S. Financial Stability Oversight Council (FSOC) has traditionally been the chair or a member of the Financial Stability (E) Task Force. The state insurance commissioner member of FSOC provides regular updates to the Task Force on financial stability and macroprudential topics that may impact the U.S. insurance industry. Additionally, several NAIC staff are members of FSOC committees and working groups in support of the state insurance commissioner FSOC member.

This structure provides a formal mechanism for state insurance regulators to incorporate U.S. financial stability risks into their state-based insurance regulatory system and its macroprudential supervision of the insurance industry. Additionally, the structure provides a mechanism for state-based insurance regulation to communicate potential financial stability risk within the insurance industry to other federal FSOC member regulatory agencies. This process may also be referred to as an inward and outward view of risks to and from the insurance industry.

International Association of Insurance Supervisors (IAIS) and Other International Bodies

The NAIC and a few of its members are members of the International Association of Insurance Supervisors (IAIS) and its macroprudential monitoring process. The NAIC and a few state regulators are members of various IAIS committees and working groups, through which they contribute to and benefit from global financial stability and macroprudential risk monitoring processes. The IAIS Global Monitoring Exercise (GME)[1], is the formal process the IAIS has in place to monitor global insurance risks. A couple of key IAIS risk-monitoring deliverables include the Global Insurance Market Report (GIMAR) and a global risk dashboard.

The NAIC and state regulator members of the IAIS are also the support personnel and members of the NAIC Financial Stability (E) Task Force and the Macroprudential (E) Working Group. This structure is the formal mechanism for exchanging information on potential financial stability risks between the global and U.S. insurance industries. This U.S. Macroprudential Risk Dashboard Report may include global risks if they are also deemed risks in the U.S.

In addition, the IAIS provides the Financial Stability Board (FSB) outcomes of the annual GME and the insurance sector perspective on the FSB cross-sectoral analysis of financial stability.

1 *For more information on the IAIS GME, as an integral element of the IAIS Holistic Framework, please visit* **iais.org**.

Macroeconomic Risk: Summary

The U.S. economy is generally robust, with above-trend growth in 2024 and 2025. However, global trade tensions, financial market volatility, inflation, and geopolitical tensions persist.

Economic growth accelerated in 2025, pushing it further above trend. The unemployment rate slightly increased through 2025, but from a historical perspective, it remains relatively low. Total employment increased 2.8% in 2025 but has since leveled off. The labor force participation rate has remained steady over the past three years, meaning that millions of able-bodied men and women are neither working nor seeking work, limiting economic growth. However, the long-term decline in the labor force participation rate in recent years reflects a secular trend rather than a cyclical trend. Internationally, the highly valued dollar has continued to stifle exports but has put downward pressure on inflation.

ASSESSMENT LEVEL:

Moderate–Low

TREND:

Increasing ↗

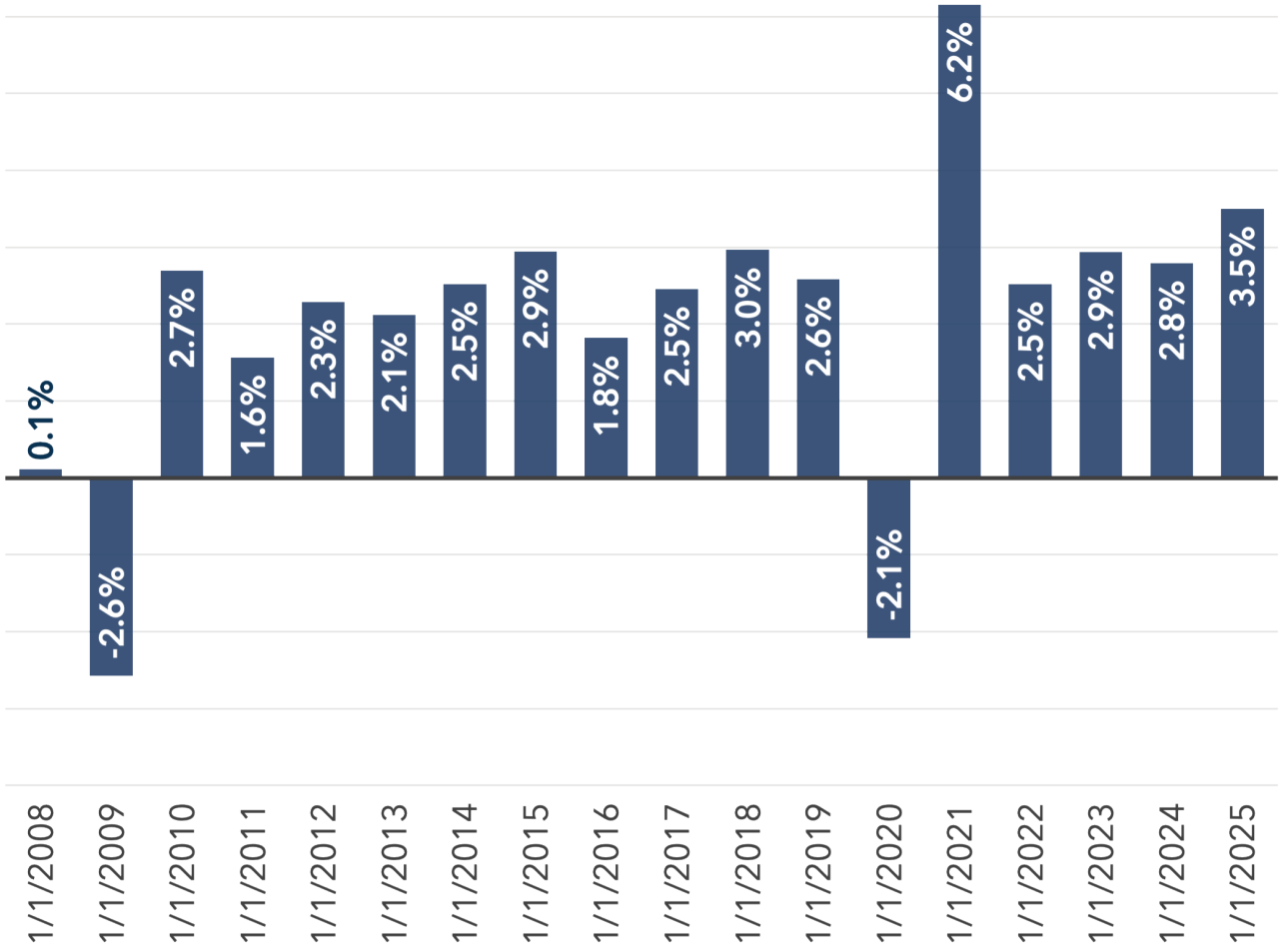
MACROECONOMIC: OVERARCHING OBSERVATIONS

The macroeconomic environment is foundational to the health and stability of the financial sector. Historically, the performance of financial markets has been closely tied to macroeconomic performance. The returns in the equity market, as measured by the S&P 500 Index, have been at historically high levels over the last three years.

The broadest measure of economic output is gross domestic product (GDP), the sum total value of annual output. Adjusted for inflation (real GDP), economic output experienced growth in 2025, well above the historical average over the past few decades.

FIGURE 1.

Annual Percentage Change in Inflation-Adjusted Gross Domestic Product (GDP)



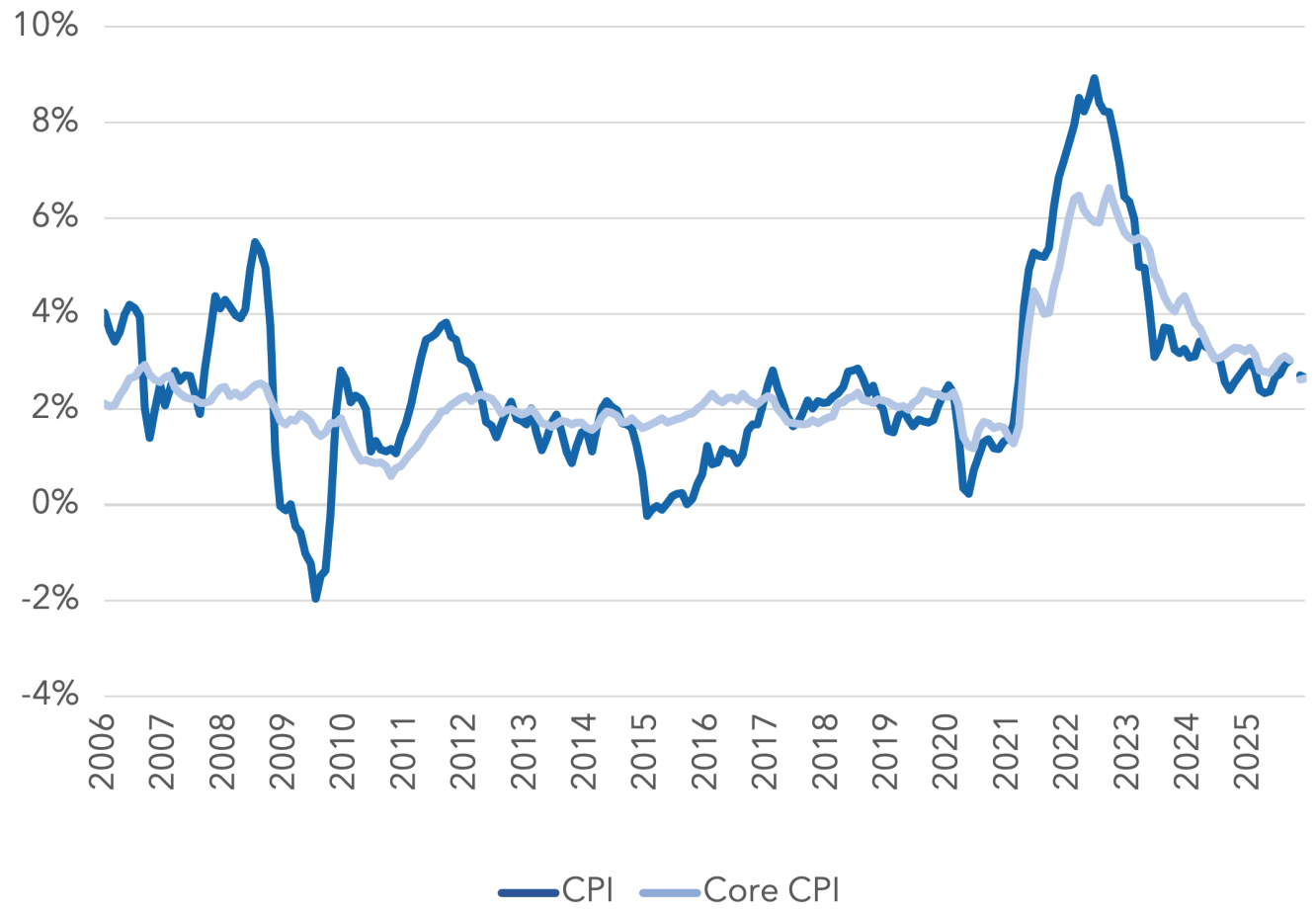
Source: *U.S. Bureau of Labor Statistics*

MACROECONOMIC: GENERAL ECONOMIC TRENDS

Inflation spiked in 2021 following many years of historically low levels. In its April 2021 policy statement, the Federal Reserve cited "transitory factors," ostensibly supply chain disruptions and other pandemic-related causes. Unchecked, inflation erodes the real return on fixed income assets, which make up the largest share of insurance industry assets. Inflation in earnings can be a harbinger of future consumer prices and is also elevated. Inflation remains meaningfully higher than pre-2021 levels. In its January 2026 policy statement, the Federal Reserve stated that the inflation rate "remains somewhat elevated."

FIGURE 2.

Inflation Rate (Annualized)
[Consumer Price Index (CPI)]



Source: *U.S. Bureau of Labor Statistics*
Note*: Core CPI excludes volatile food and energy components*

MACROECONOMIC: ASSET PRICES, INTEREST RATES, AND HOME PRICES

Many economists feel financial asset prices are highly overvalued. The price-earnings ratio (P/E) for the S&P 500 has been as high as 35 in the last three years. The historical average (since 2000) is 26.8, while the long-term historical average is 15–16. A value around 15–18 is generally considered neutral. Moreover, both the stock market, as measured by the S&P 500 Index, and the bond market, as measured by a price index for AA-rated corporate bonds, are more than double their values from 10 years ago (150% for bonds). Bond prices, which are inversely proportional to interest rates, have climbed consistently over the last two decades. Home prices rose modestly in 2025 following a relatively brisk 4.0% increase in 2024.

FIGURE 3.

Interest Rate Trends



Notes: *10-Year Treasury is the Constant Maturity Rate*
AA Corporate is the ICE Bank of America AA Corporate Effective Yield

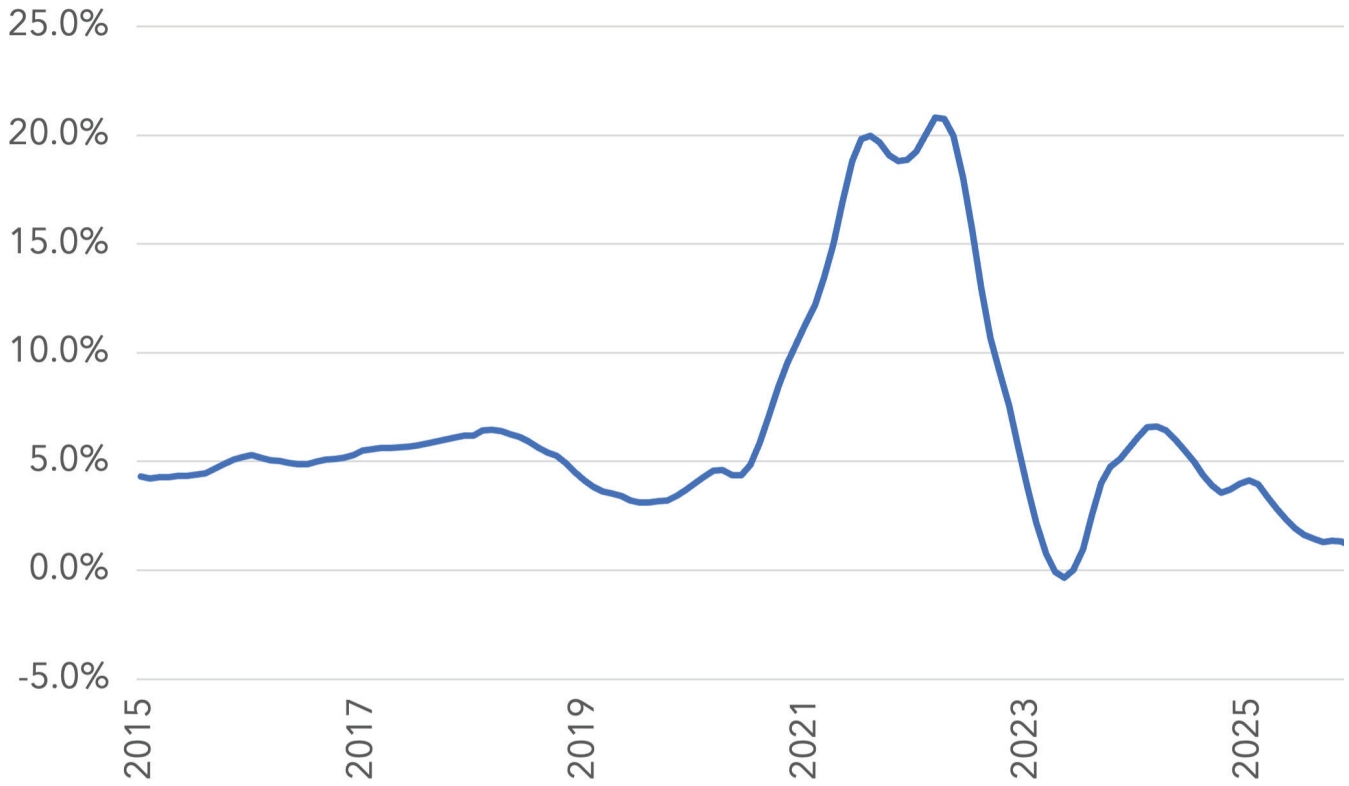
MACROECONOMIC: ASSET PRICES, INTEREST RATES, AND HOME PRICES

(continued)

FIGURE 4.

Percentage Change in S&P/Case-Shiller HPI

(Year Over-Year, Seasonally Adjusted)



Source: *S&P/Case-Shiller U.S. National Home Price Index*

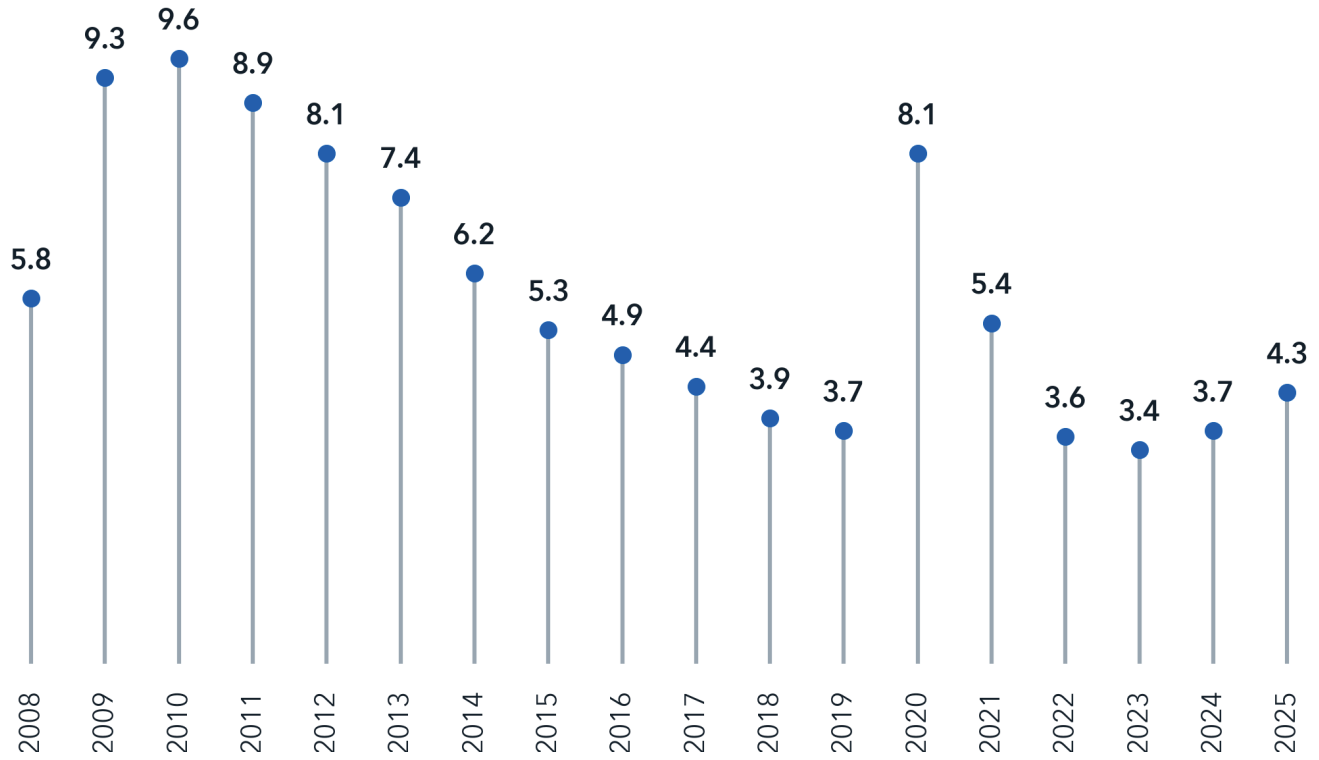
MACROECONOMIC: LABOR, TARIFFS, AND THE U.S. DOLLAR

Unemployment

One of the primary reasons the unemployment rate is used as a risk indicator is that workers' compensation insurance is tied to payrolls and unemployment levels. High unemployment and lower payrolls could reduce workers' compensation premium industry-wide.

FIGURE 5.

The U.S. National Annual Unemployment Rate



Source: *U.S. Bureau of Labor Statistics*

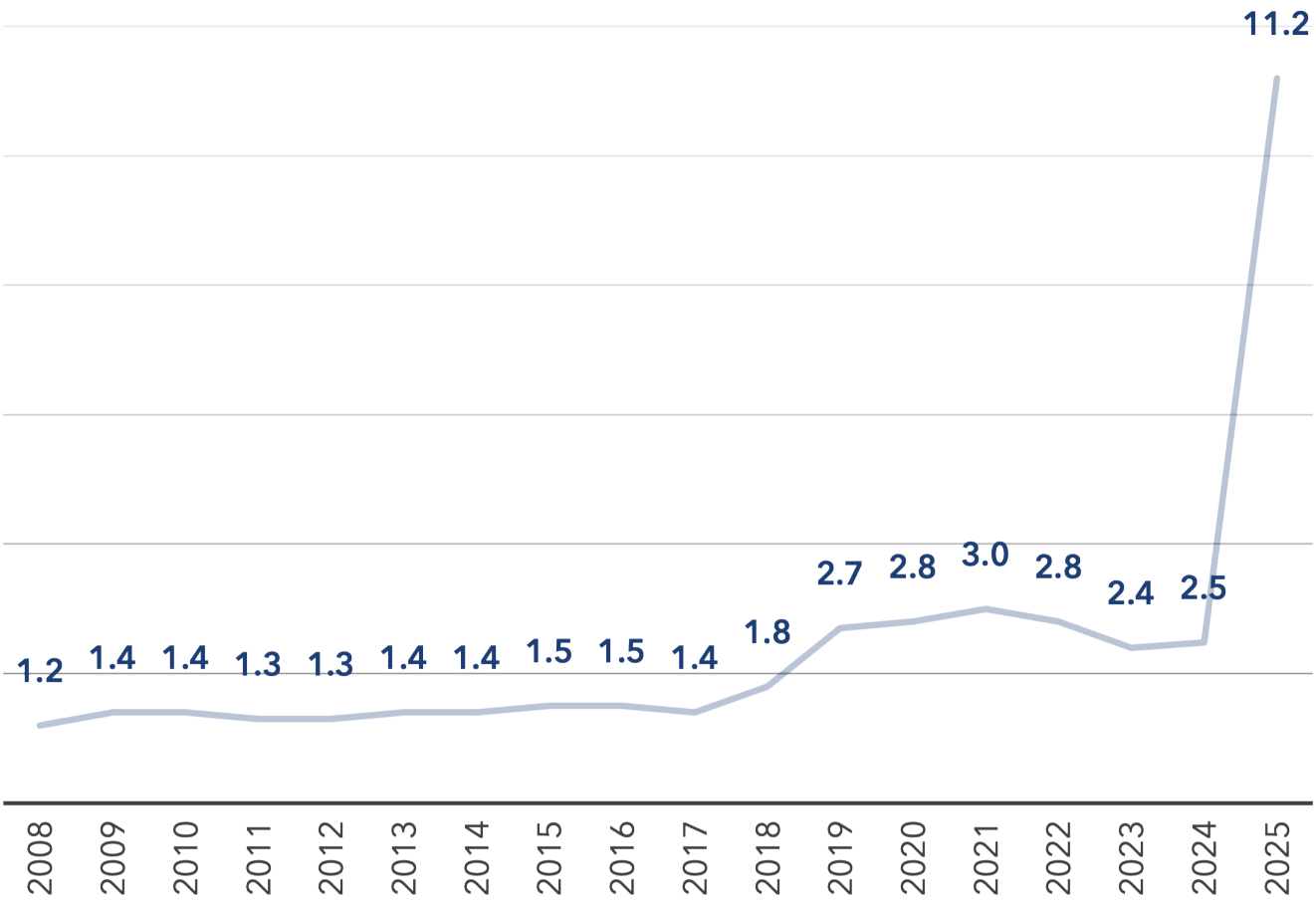
MACROECONOMIC: LABOR, TARIFFS, AND THE U.S. DOLLAR *(continued)*

Tariffs

Tariffs could have a significant impact on insurers, including increased costs of auto parts or building supplies that were not priced into policies at their inception. Significant increases in tariff rates and volatility in tariff policy were evident in 2025 but appear to have tempered in 2026.

FIGURE 6.

Average Tariff Rate on all Imports



MACROECONOMIC: LABOR, TARIFFS, AND THE U.S. DOLLAR *(continued)*

The US Dollar and Foreign Currency Exchange Rates

The value of the U.S. dollar declined by about 4.5% in 2025, the fourth-largest decline since 2006, using the FRED Nominal Broad U.S. Dollar Index. U.S. imports of foreign goods and services become relatively more expensive in the U.S. when the U.S. dollar depreciates. This results in less price competition or pressure to lower prices, leading to increased inflation for goods purchased in the U.S., including some property/casualty (P/C) claim costs for auto parts as an example. Insurers could incur higher expenses and pass them along to consumers through increased premiums when the U.S. dollar declines.

FIGURE 7.

Nominal Broad U.S. Dollar Index



Source: *Board of Governors of the Federal Reserve System (US) via FRED®*
Shaded areas indicate U.S. recessions.

Interconnectedness Risk: Summary

The rising levels of interconnection between the U.S. insurance industry and other financial sectors across the globe (e.g., banking, capital markets) drove the moderate-low assessment.

Additionally, increasing levels of cross-border reinsurance activity by private equity-owned insurers and investment management of insurers' investments by affiliated asset managers pose another point of interconnectedness.

ASSESSMENT LEVEL: **Moderate-Low**

TREND: **Increasing ↗**

When evaluating interconnectedness, state insurance regulators are mindful that risk can accumulate across activities and thus typically focus on significant counterparty exposure.

Highlights include:

Financial Institution Exposure

Investments in financial institutions, although significant, have been decreasing slightly. Insurer investments in financial institutions (e.g., banks, nonaffiliated insurers) across the stock and bond classes remained relatively stable from 2021 to 2025. As a percentage of cash and invested assets, insurer investments in financial institutions totaled 5.4% in 2025.

Derivatives are generally viewed as a risk-mitigation tool, as evidenced by 96% of derivative activity being held for hedging purposes. The connection to bank counterparties is the primary risk for this category. This is mitigated using well-capitalized banks that are highly rated by rating agencies.

Derivative Exposure

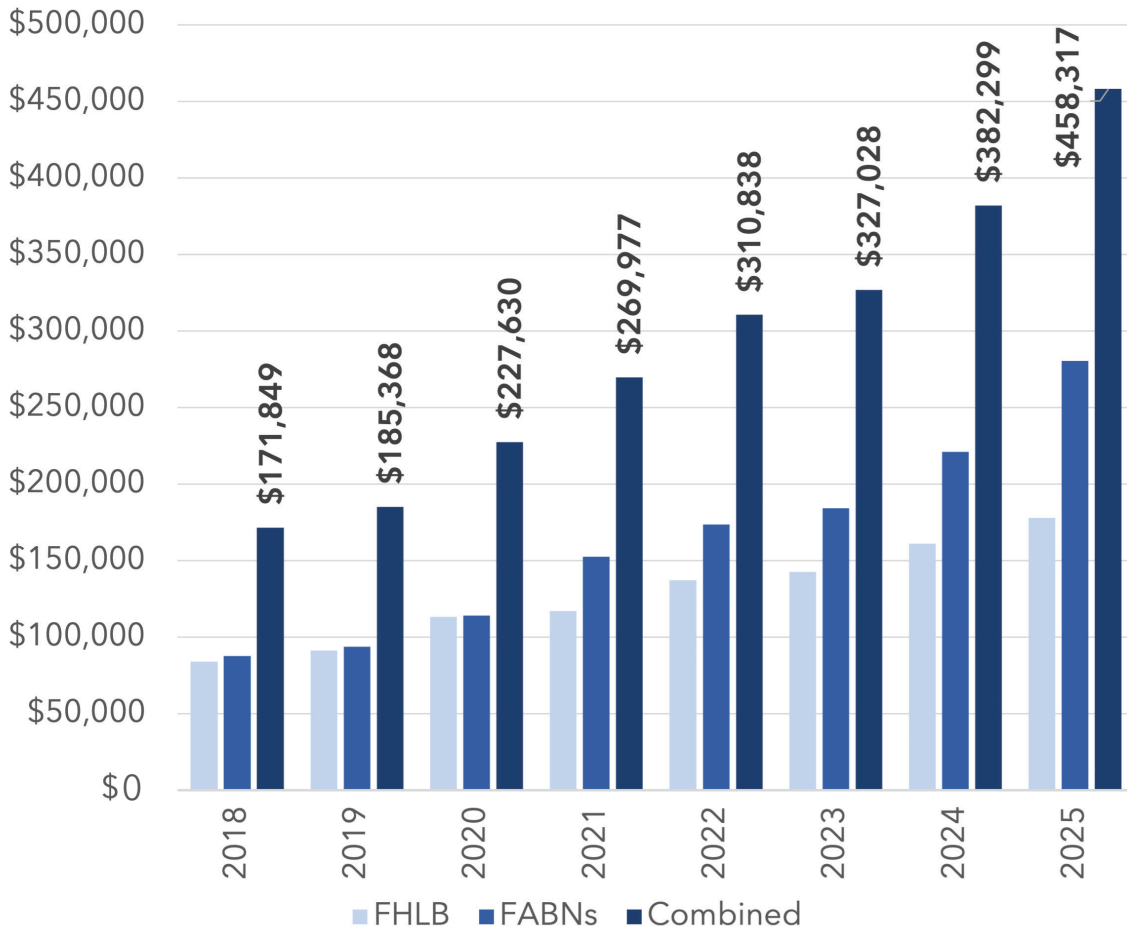
Ninety-six percent of derivatives are held for hedging purposes, which is consistent with prior year use of derivatives. Additional risks of derivatives are noted in the Market Risk section below. Hedges are mostly interest rate hedges, and the majority of market risk is the margin calls that may result if interest rates move against the insurer's position.

FHLB/FABN Exposure

Another connection or transmission channel to the banking system and capital markets is Federal Home Loan Bank (FHLB) loans and funding agreement-backed notes (FABNs). The issuance of funding agreements backing FABNs by the life industry has a clear connection to the fixed-income capital markets. That connection has strengthened as both FHLB and FABNs grew at a significant pace over the past few years. This exposure also represents significant operating leverage in nontraditional insurance products for the industry, which may also have liquidity implications. At year-end 2025, FABN exposure is approximately 5% of the invested assets of the life industry. The key risks associated with FABN programs are leverage, credit risk, and rollover/liquidity risk. These risks are typically mitigated by asset-liability management programs, predictability of these liabilities, and the absence of put features in FABNs.

FIGURE 8.

FABNs and FHLB Combined *(Millions)*



Source: *FHLB Combined Financial Report and The Federal Reserve Bank of NY*

Reinsurance Interconnection

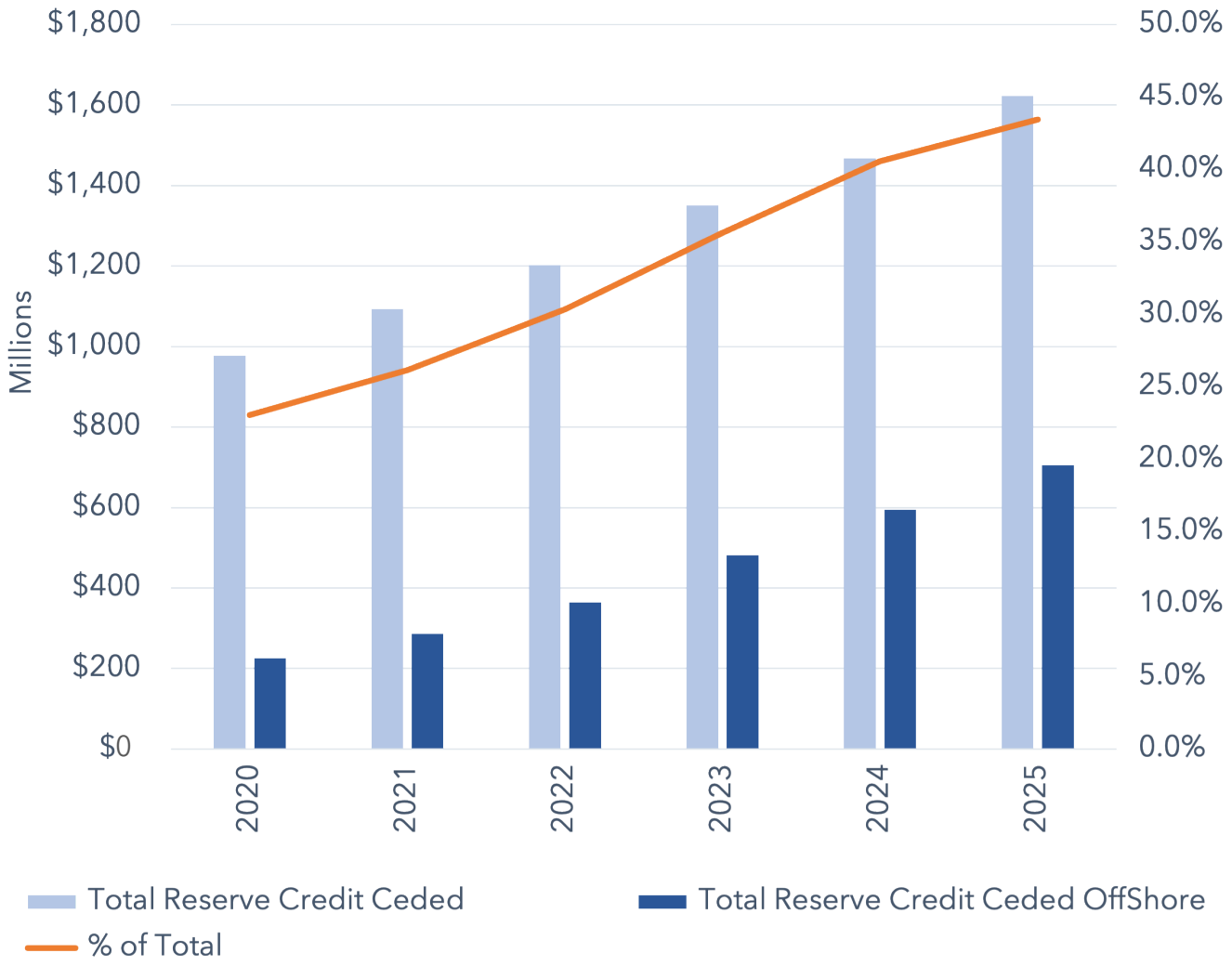
Reinsurance represents another significant interconnection to alien insurers and sovereign nations. Total ceded offshore reserves increased by 16% or $110 billion. Total ceded premium increased 32.8% ($143.4 billion). The annuities line of business increased 28.3% ($61.4 billion) to $278.1 billion, and the accident and health (A&H) insurance line of business increased 42.1% ($32.4 billion) to $109 billion. Life insurance ceded premium increased 32.2% ($39.5 billion) to $162.3 billion. Most of the change in ceded premium was concentrated among 13 companies, with increases or decreases exceeding $5 billion. Of the 719 companies that reported ceded premiums, 88 companies with more than $100 million in ceded premiums reported changes of more than 25% from 2024.

Offshore reinsurance sidecars and captives have been commonly used in the property/casualty (P/C) space to help mitigate risk, but they have become more prevalent in the life insurance industry in recent years. Captives and sidecars can provide additional risk capital, enhance earnings, increase underwriting capacity, and reduce risk exposure. Conversely, these reinsurance vehicles, if not adequately capitalized and supported, can increase counterparty credit risk, thereby increasing the risk of negatively affecting an insurer's financial stability if the sidecar performs poorly.

Reinsurance Interconnection (continued)

FIGURE 9.

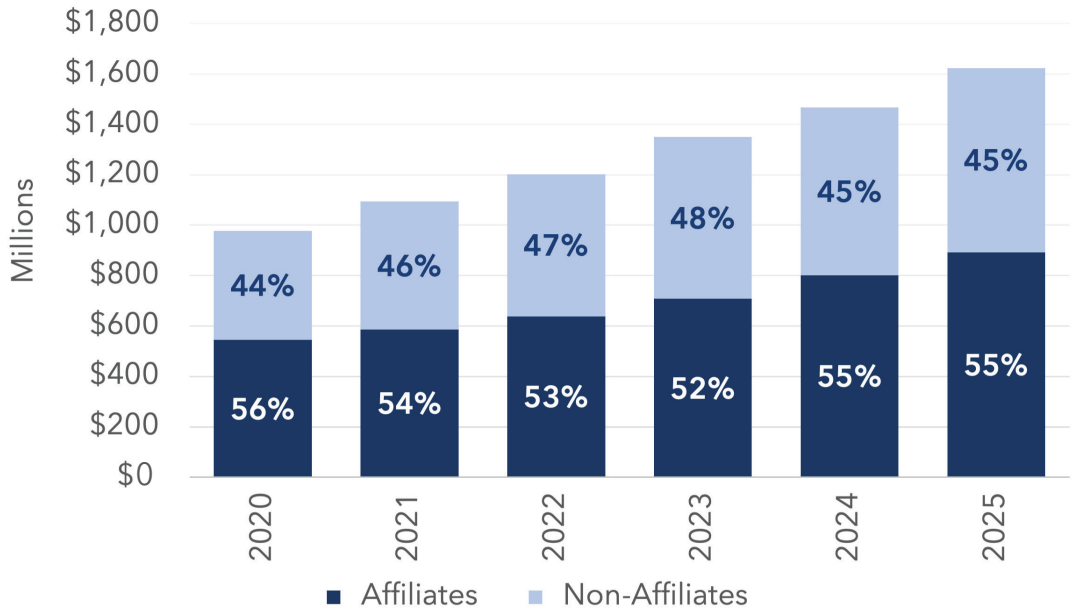
Total U.S. Life and Annuity Ceded vs. Offshore Reserve Credits



Reinsurance Interconnection (continued)

FIGURE 10.

Affiliated vs. Non-Affiliated Reserve Credit Taken



Private Equity Interconnections

State insurance regulators continue to closely monitor the activities of insurers owned by or affiliated with private equity firms and asset managers, due in part to the heightened potential for interconnection with capital markets and other (re)insurance companies and jurisdictions. Private equity-owned insurers' total cash and invested assets increased to approximately $704 billion at year-end 2025, up from $487 billion at year-end 2020.

At year-end 2025, the number of private equity-owned U.S. insurers identified by the NAIC Capital Markets Bureau was 231, an increase from 137 in 2024. Total cash and invested assets for the 137 private equity-owned insurers at year-end 2024 increased 16% based on year-end 2024 NAIC annual statement filings, totaling $704.3 billion, representing 7.8% of all U.S. life insurers' total cash and invested assets.

Private equity-owned insurers continue to invest more heavily in structured securities, private credit, and other nontraditional insurance assets.

Securities Lending and Repurchase Agreement Exposure

Other transmission channels to bank counterparties and the capital markets include securities lending and repurchase agreement activity. Securities lent for U.S. insurers remain consistent with historical averages, with life insurers continuing to account for the bulk of activity. Exposure to repos and reverse repos has traditionally been less than 1% of cash and invested assets, and this trend continues.

Underwriting and Profitability Risk: Summary

Although the insurance industry generally demonstrates resilience in underwriting and profitability, specific trends in long-term care insurance, natural catastrophe exposure, and health sector performance contributed to the overall moderate-low assessment. The risk is tempered by record performance in certain property/casualty (P/C) lines and strong performance in certain life segments.

ASSESSMENT LEVEL:

Moderate–Low

TREND:

Stable→

UNDERWRITING AND PROFITABILITY: LIFE SECTOR

The life insurance industry reported a 30.7% increase in overall profitability from year-end 2024 to $30.6 billion in 2025. The life industry reported a 6.0% ($86.2 billion) increase in total direct written premiums and deposits, bringing the total to $1.5 trillion in 2025. Total net written premiums and deposits increased 2.7% ($31.3 billion) to $1.2 trillion. On a net earned basis, the industry reported a 3.7% ($30.5 billion) decrease in net earned premiums to $792.9 billion. Total net annuity considerations increased 2.0% ($8.5 billion) to $442.9 billion for 2025. The increase was primarily driven by a 23.4% ($17.1 billion) increase in indexed annuities and a 4.8% ($5.3 billion) increase in fixed annuities, partially offset by a 31.3% ($16.7 billion) decrease in life contingent payout. Variable annuities with and without guarantees accounted for 39.1% of total annuity considerations.

The industry's net investment yield increased 0.1 percentage points to 4.5%. Following significant increases in 2023 and 2024, the Federal Reserve decreased the federal funds interest rate in 2025 as follows:

- Sept. 18—to 4.25% from 4.50%
- Oct. 30—to 4.00% from 4.25%
- Dec. 11—to 3.75% from 4.00%

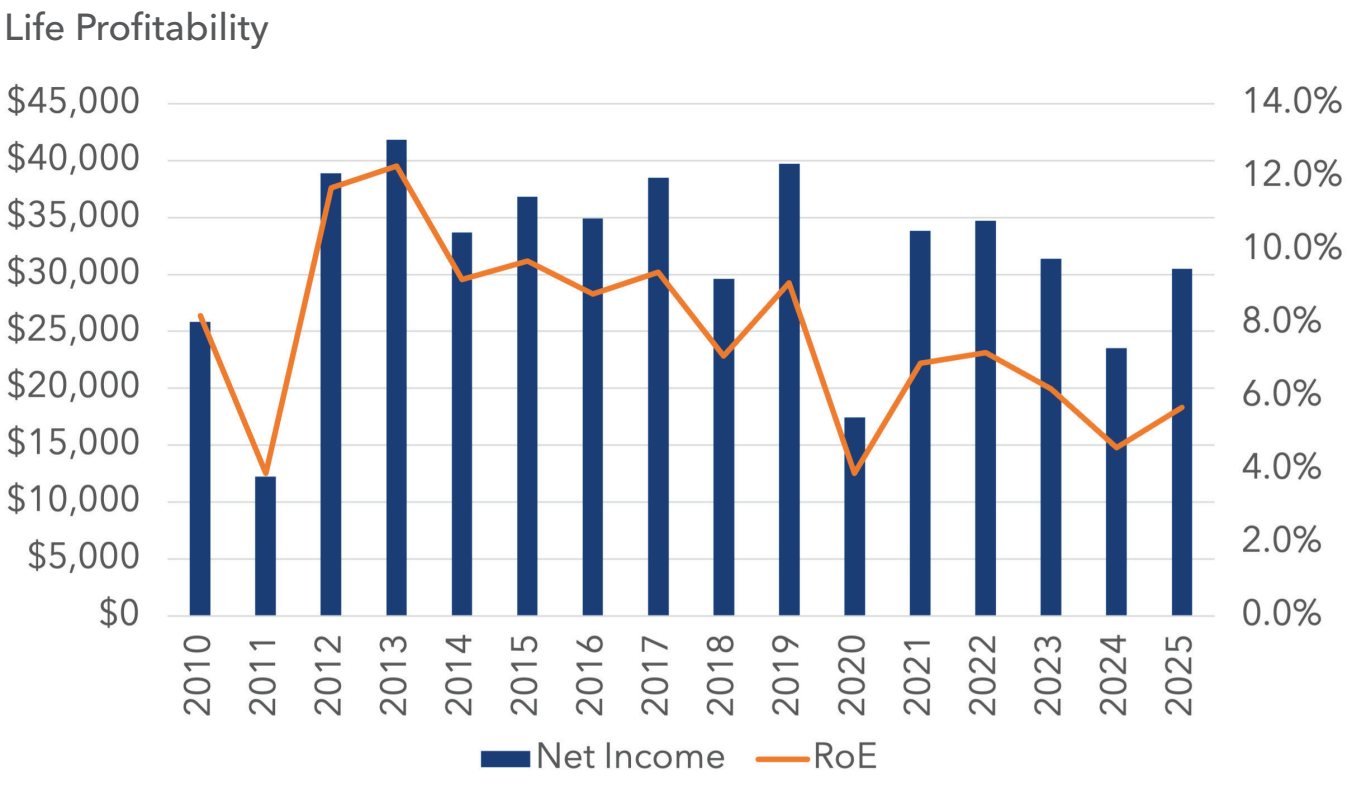
UNDERWRITING AND PROFITABILITY: LIFE SECTOR

(continued)

However, rates remain elevated above the historically low values experienced from 2008 to 2022, and demand for life and retirement products continues to be high, leading to solid underwriting performance for the life insurance industry overall.

Long-term care insurance (LTCI) continues to pose risks for many insurers, with most of the exposure concentrated within life insurers. The primary challenges for insurers and state insurance regulators in LTCI markets stem from older-issue-year policies. These policies were initially priced when LTCI experience used to calculate rates was not fully developed. As experience developed, it became apparent that the initial pricing assumptions regarding the number of policyholders qualifying for LTC benefits and the length of time claimants would remain on claim were understated. Additionally, actual policy lapse rates proved to be much lower than initially assumed, resulting in higher insurer exposure to claims payments. Misestimation of initial pricing assumptions has made it necessary for insurers to increase LTCI rates to ensure their future solvency and to incorporate expectations for approval of future rate increases into reserving assumptions.

FIGURE 11.



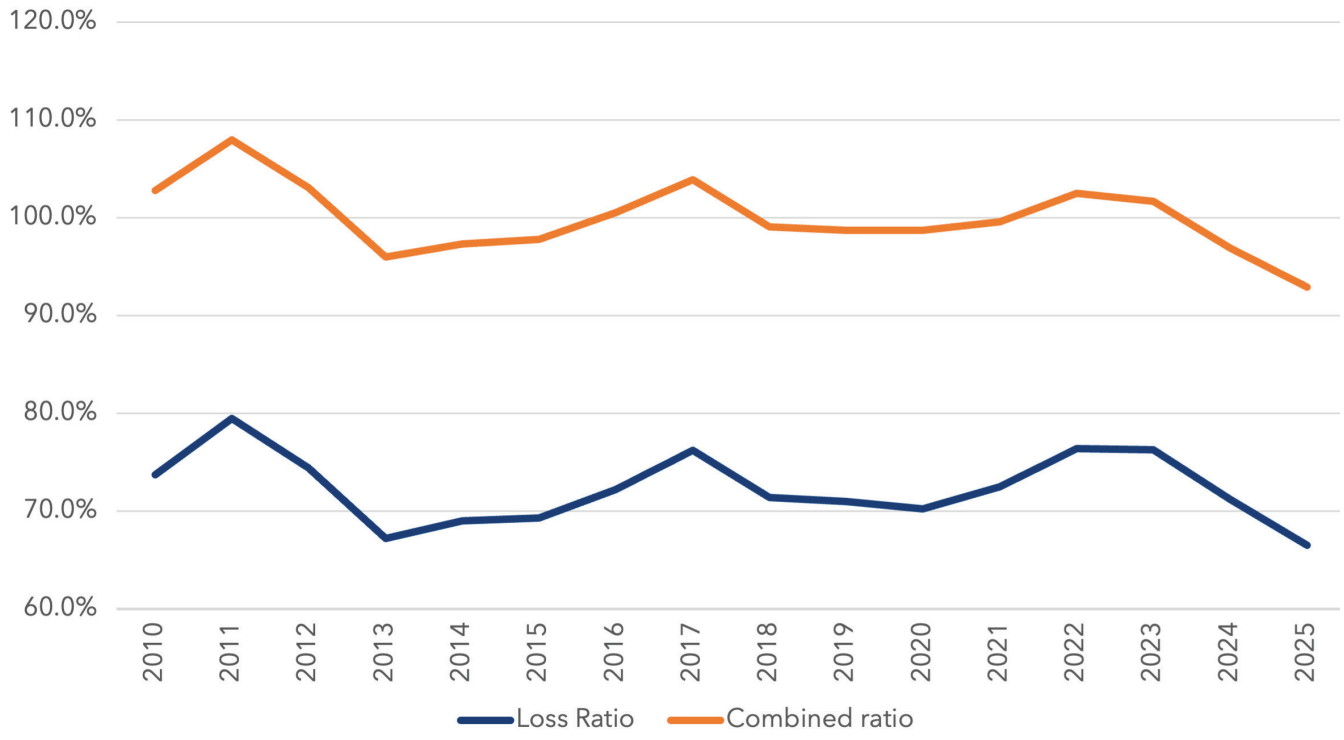
UNDERWRITING AND PROFITABILITY: P/C SECTOR

The U.S. property/casualty (P/C) industry's underwriting income jumped by over $40 billion in 2025 compared to 2024 due to a combination of strong premium growth and lower incurred losses, driven by a meaningful reduction in catastrophe losses, primarily in the second half of the year.

The underwriting gain was partially offset by lower investment income, driven by a significant drop in realized investment gains (generally attributed to large one-time transactions in 2024), resulting in a 10% decline in net income compared to last year. Net income and unrealized investment gains drove policyholders' surplus to a new high of $1.27 trillion at Dec. 31, 2025.

FIGURE 12.

P/C Trends



UNDERWRITING AND PROFITABILITY: P/C SECTOR

(continued)

The U.S. P/C industry posted its strongest underwriting performance in over two decades, driven by improved pricing and lower claims costs on property lines. Premiums grew 8–10% annually over the last four years, and while premiums increased at a lesser pace this year, lower insured losses from natural disasters and favorable prior-year reserve development helped boost underwriting profits. Overall, net premium earned increased 5.5% while net losses and LAE decreased 1.4%, the first decrease in well over a decade, leading to a 4.7-point improvement in the net loss ratio to 66.5%. The expense ratio remained nearly flat at 25.8% as the 4.1% increase in net premiums written was outpaced by a 6.4% increase in other underwriting expenses incurred. Overall, the combined ratio improved 4.0 points to 92.9%.

Despite the positive results in 2025, the industry faces several headwinds in 2026. Slower premium growth could begin to tighten profit margins, challenges with social inflation continue to impact reserve adequacy within commercial liability lines, and continued losses from severe convective storms remain a volatile challenge for property underwriters.

Social Inflation

In addition to the ongoing development of asbestos and environmental claims, new exposures are emerging with the potential to result in casualty catastrophes or latent catastrophes. Of particular concern in this area is "Social Inflation," which refers to the potential for rising insurance claim costs resulting from increased litigation, broader definitions of liability, more plaintiff-friendly legal decisions, and larger compensatory jury awards.

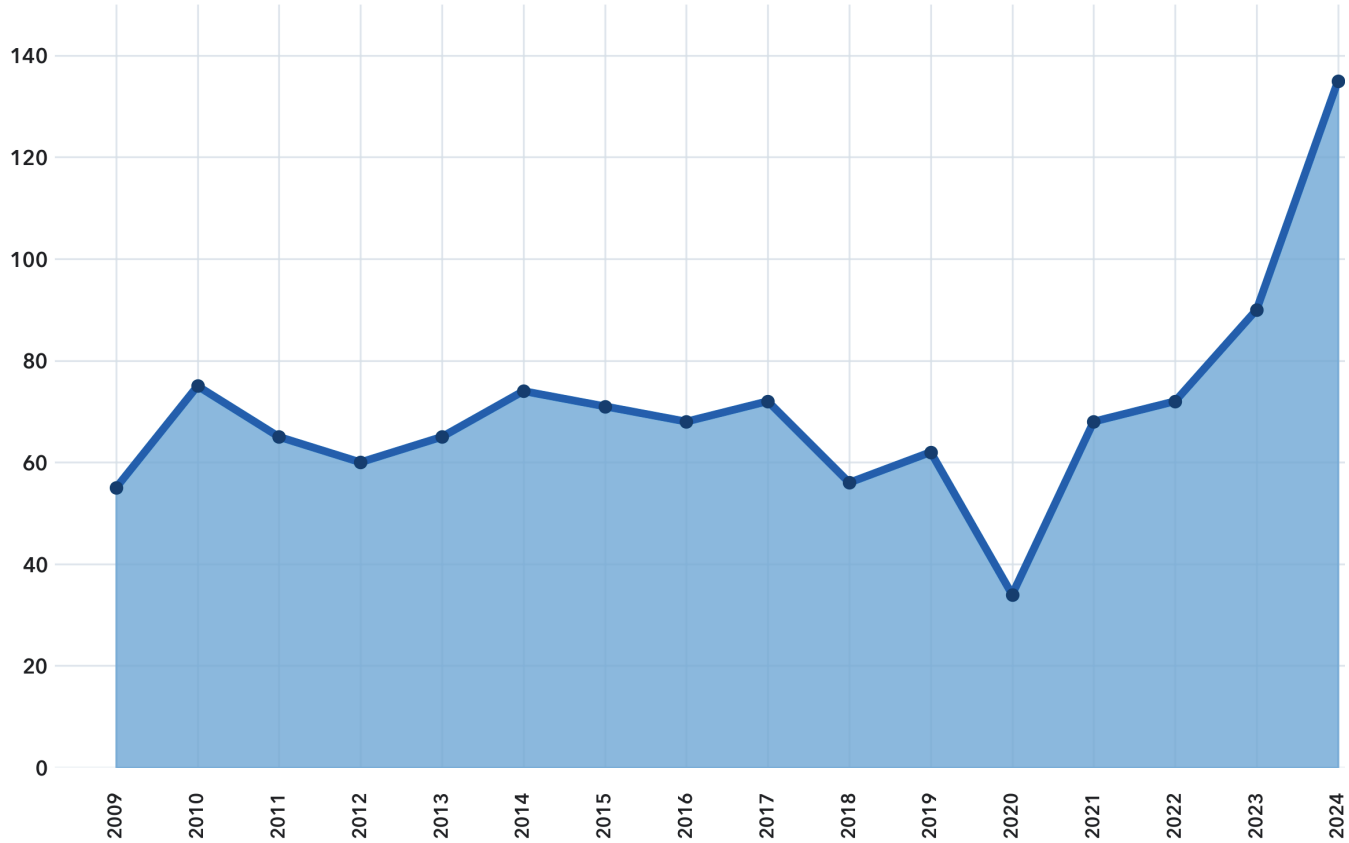
Over the past decade, such factors have accounted for 57% of the increase in liability claims in the U.S. Since 2020, the number of nuclear verdicts (defined as awards over $10 million) in the U.S. has more than quadrupled, while the median verdict value has more than doubled to $51 million. Due in part to higher litigation awards, U.S. liability lines exposed to bodily injury claims saw profitability deteriorate over the five years to 2024, with cumulative underwriting losses mounting to $43 billion. In 2024, the average award in cases against a corporate defendant in the U.S. rose to $65.7 million, up from $41.7 million in 2023, according to data from LexisNexis, as reported by the Financial Times.

Not only does social inflation impact losses for insurers, but it is also a driver of increased premiums and the high cost of insurance—auto in particular. Many states have implemented or are in the process of implementing tort reform measures to mitigate large verdicts.

Social Inflation (continued)

FIGURE 13.

Number of Corporate Nuclear Verdicts: 2009-2024

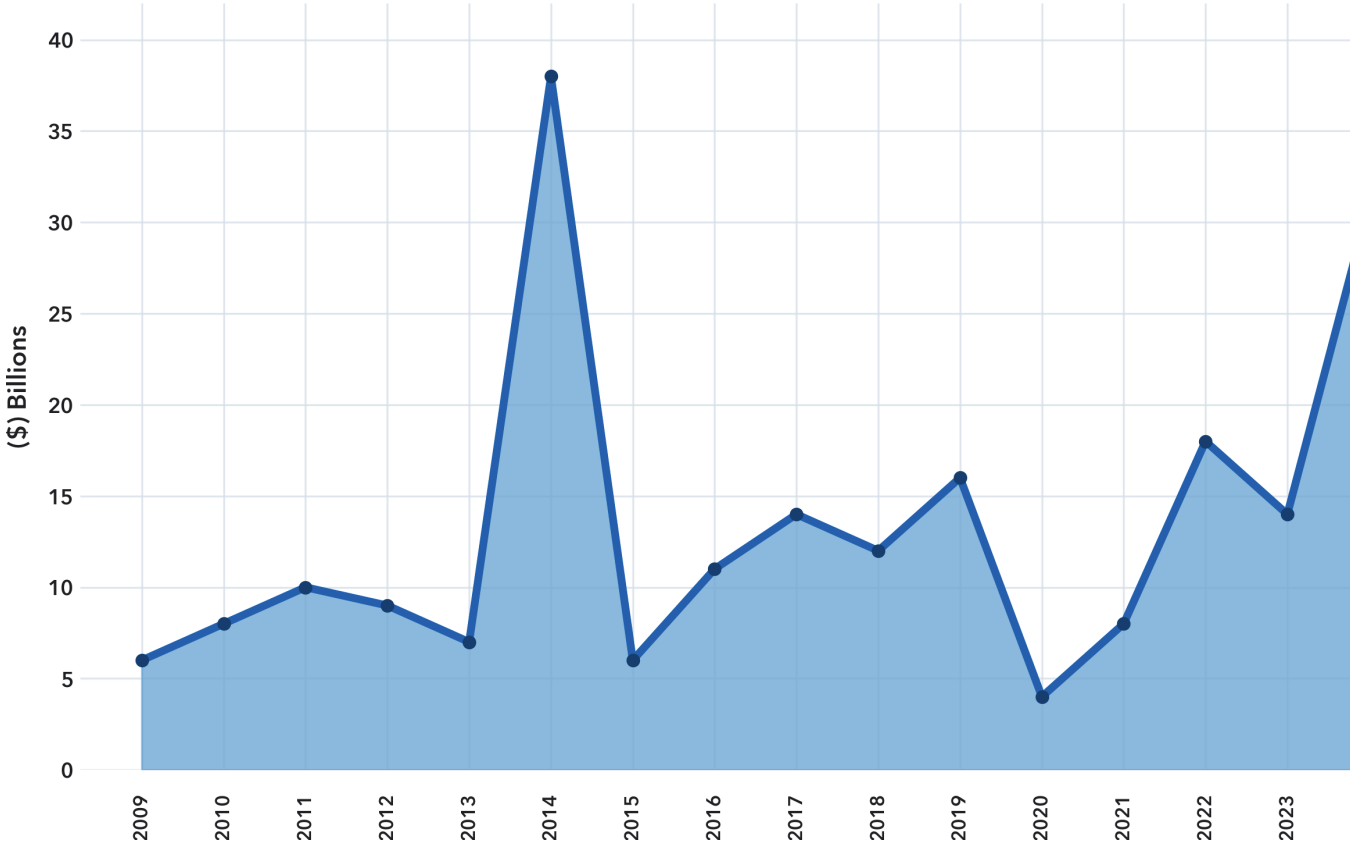


Source: *https://marathonstrategies.com/report/corporate-verdicts-go-thermonuclear-2025-edition/*

Social Inflation (continued)

FIGURE 14.

Sum of Corporate Nuclear Verdicts: 2009-2024



Source: *https://marathonstrategies.com/report/corporate-verdicts-go-thermonuclear-2025-edition/*

Natural Catastrophes

Insured losses from natural disasters in the U.S. amounted to roughly $100 billion in 2025, slightly lower than the prior year. Losses in 2025 differed from those in prior years in that they were driven by wildfires and severe storms rather than tropical cyclone activity, as no hurricanes made landfall in the U.S. The Palisades and Eaton wildfires in California, which occurred in the first quarter of 2025, were the costliest wildfires in world history and accounted for nearly half of all catastrophic losses incurred. Losses from severe convective storms totaled roughly $50 billion for the third year in a row, becoming the most common and destructive natural catastrophe in the U.S.

The overall assessment of natural catastrophe risk, primarily affecting property insurers, is moderate-high. Refer to the separate Natural Catastrophe Risk Dashboard report for further details. The results of the Natural Catastrophe Risk Dashboard feed into this Macroprudential Risk Assessment as part of overall U.S. Insurance Macroprudential Supervision.

There is a public version of the Natural Catastrophe Risk Dashboard report, which may be found here: **https://content.naic.org/sites/default/files/natural-catastrophe-risk-dashboard-report-final.pdf**

There is also a detailed Natural Catastrophe Risk Dashboard, which is regulator-only.

Reserves

Total loss and loss adjustment expenses (LAE) reserves increased 5.1% to $1.03 trillion and consisted of $869.2 billion unpaid losses and $162.9 billion unpaid LAE. Reserve leverage improved 4.8 points to 81.5% due to the increase in policyholders' surplus.

The industry benefited significantly from prior-year reserve releases. There was a one-year redundancy of $20.0 billion, and a two-year redundancy of $13.5 billion. This followed several years of declining prior-year reserve releases, primarily due to adverse development in the commercial liability lines, driven by economic and social inflation. Workers' compensation reserves continued to develop favorably; however, most of the turnaround was attributable to the personal lines of business, which together accounted for $15.9 billion in favorable development.

UNDERWRITING AND PROFITABILITY: HEALTH SECTOR

The health insurance industry's profitability declined considerably for the second year in a row, with net earnings dropping from $9.3 billion to $6 billion and a profit margin dropping from 0.8% to just 0.4%. The combined ratio increased to 100.6% in 2025, up from 100.1% in 2024. These negative trends led to a moderate-low underwriting risk assessment.

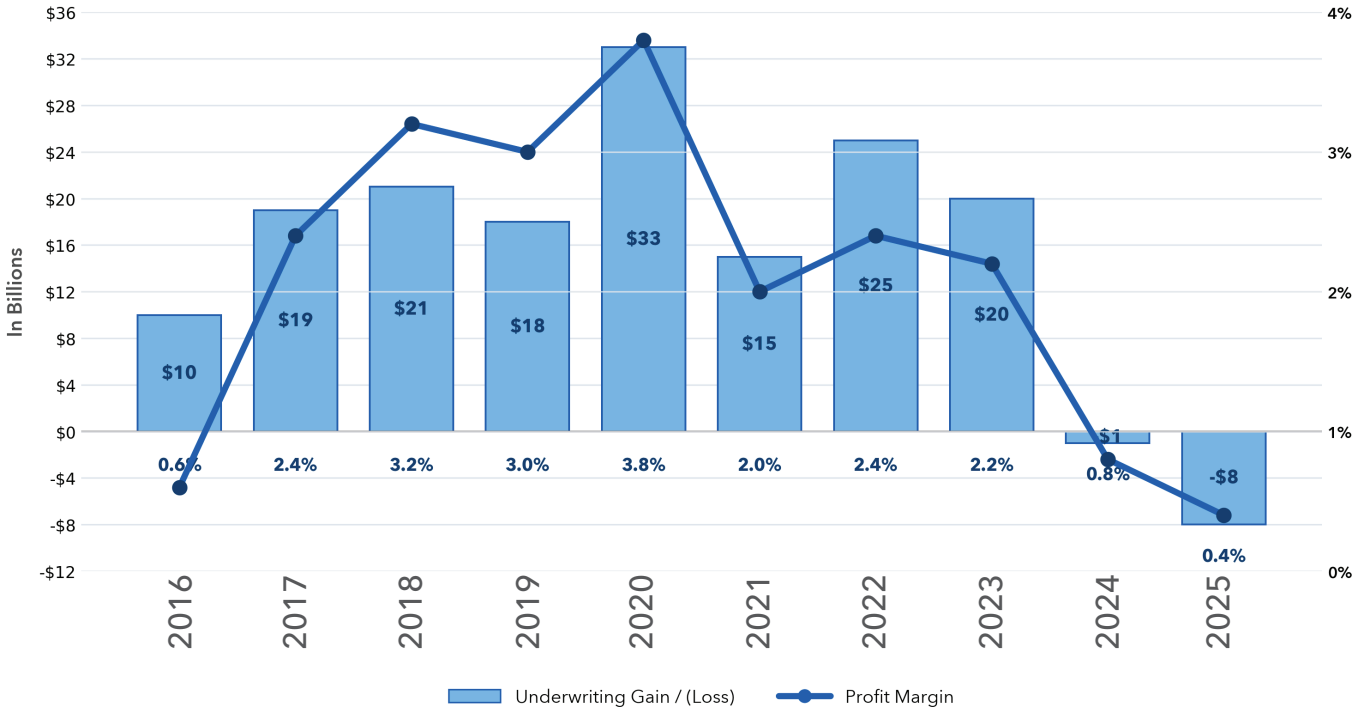
Despite declining performance, the industry remained profitable overall, as investment income of $14.8 billion (a 6.6% year-over-year increase) helped offset an $8.1 billion net underwriting loss (negative 526.7% year-over-year). Adjusted cash flow from operations was negative $3.4 billion, marking the lowest point in at least the past decade and the second year in a row of negative adjusted cash flow from operations.

The considerable decrease in cash flow is due primarily to continued high utilization with a 14.8% ($155 billion) increase in benefits and loss-related payments, while net earned premiums grew only by 13.2% ($153 billion).

UNDERWRITING AND PROFITABILITY: HEALTH SECTOR *(continued)*

FIGURE 15.

Health Underwriting Performance

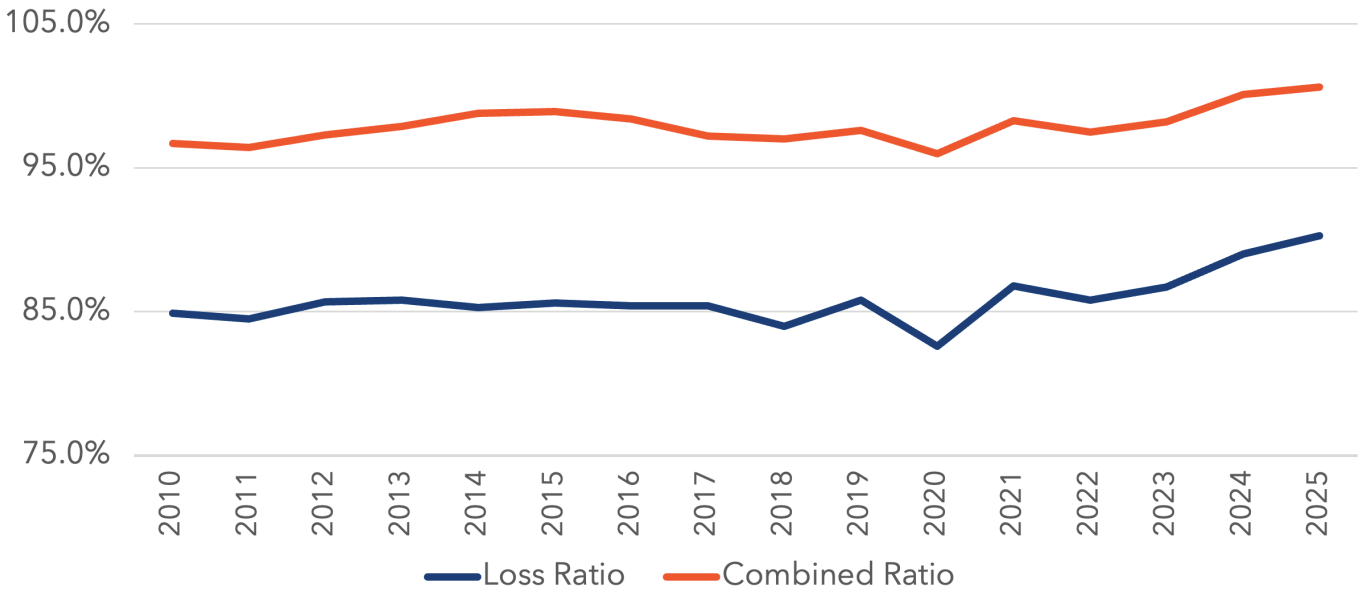


Note: *Aggregate results include only health entities that file annual statements with the NAIC. Figures reflect filings received as of April 6, 2026, and may change due to additional filings or amendments.*

UNDERWRITING AND PROFITABILITY: HEALTH SECTOR *(continued)*

FIGURE 16.

Health Trends



Market Risk: Summary

Significant common stock, Level 3 assets, Schedule BA assets, and derivative exposure were key drivers in determining the moderate-low assessment. Level 3 assets continued to grow and now represent a significant percentage of insurers' investments. Although equity markets continue to experience significant growth, the risk of an immediate downturn remains and could pose a significant risk to insurers, given their significant equity allocations.

ASSESSMENT LEVEL:

Moderate–Low

TREND:

Increasing ↗

MARKET RISK: COMMON STOCK EXPOSURE

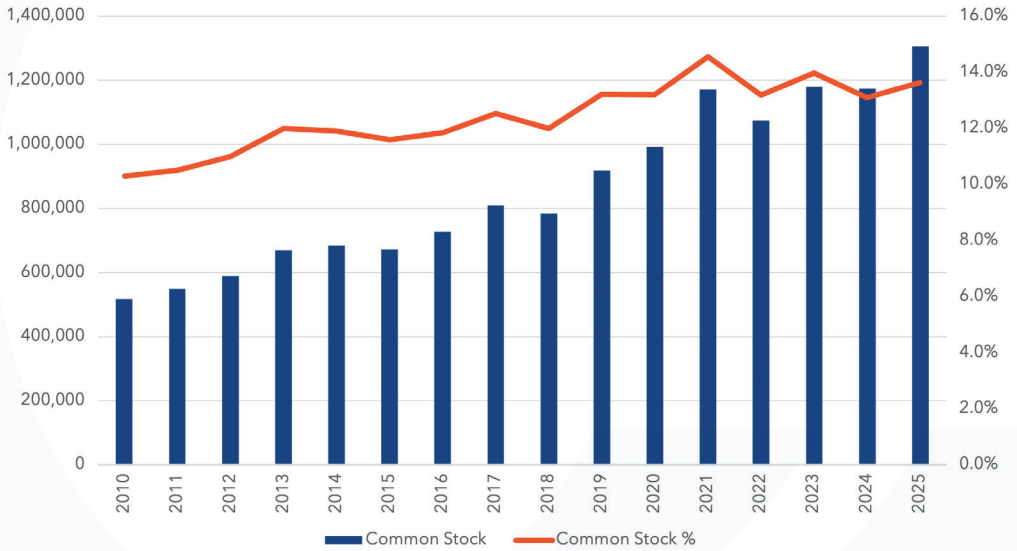
Common stocks remained the second-largest asset class in the U.S. insurance industry's portfolio, increasing by nearly 11% to $1.3 trillion at year-end 2025. Common stock as a percentage of total cash and invested assets increased by about 50 basis points to 13.6% from 13.1% in 2025.

The VIX index ended the year at 14.95, indicating lower-than-average equity volatility.

U.S. insurers' unaffiliated publicly traded common stock holdings experienced a weighted average 12% increase in value in 2025, slightly underperforming the Standard & Poor's 500 index's (S&P 500) 17% return over the same period.

FIGURE 17.

Common Stock Exposure *(billions)*



MARKET RISK: BOND EXPOSURE

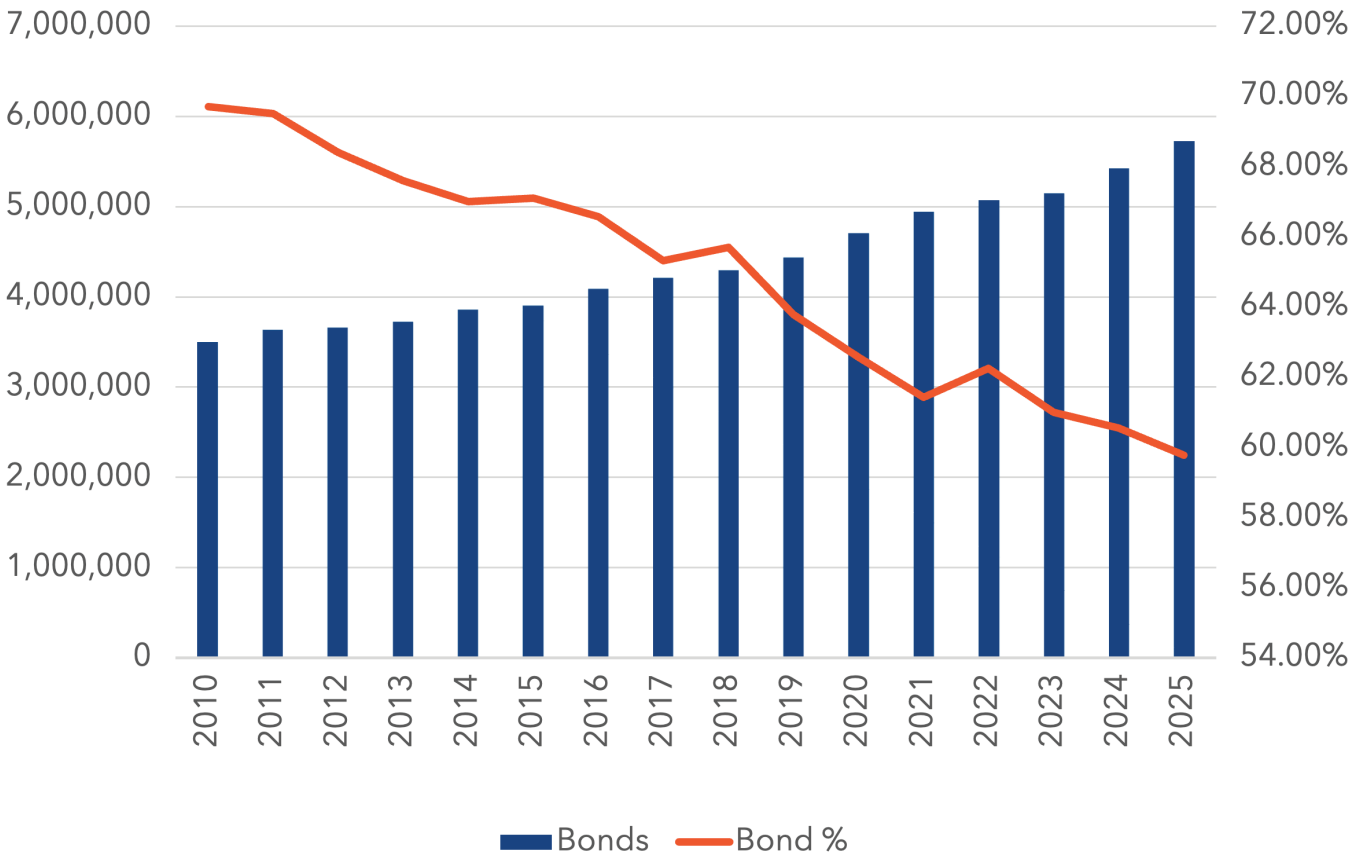
Bonds continued to represent the largest asset class of insurers, accounting for 60% of total cash and invested assets at year-end 2025, flat from year-end 2024. Over the longer term, insurers' bond allocations have gradually declined from around 70% at year-end 2010, most likely due to companies seeking higher returns in other asset classes amid a prolonged low-interest-rate environment at the time.

The YLDVOL index was approximately 64 at year-end, nearly half of its 2022 level, indicating lower-than-average expected rate volatility.

The U.S. insurance industry's exposure to bonds totaled $5.7 trillion as of year-end 2025, an increase of 5.6% compared to the prior year. Corporate bonds remained by far the largest bond type in U.S. insurer investment portfolios. The second- and third-largest bond types were asset-backed securities (ABS) and other structured securities and municipal bonds.

FIGURE 18.

Bond Exposure *(billions)*



MARKET RISK: DERIVATIVE AND OTHER ASSET EXPOSURES

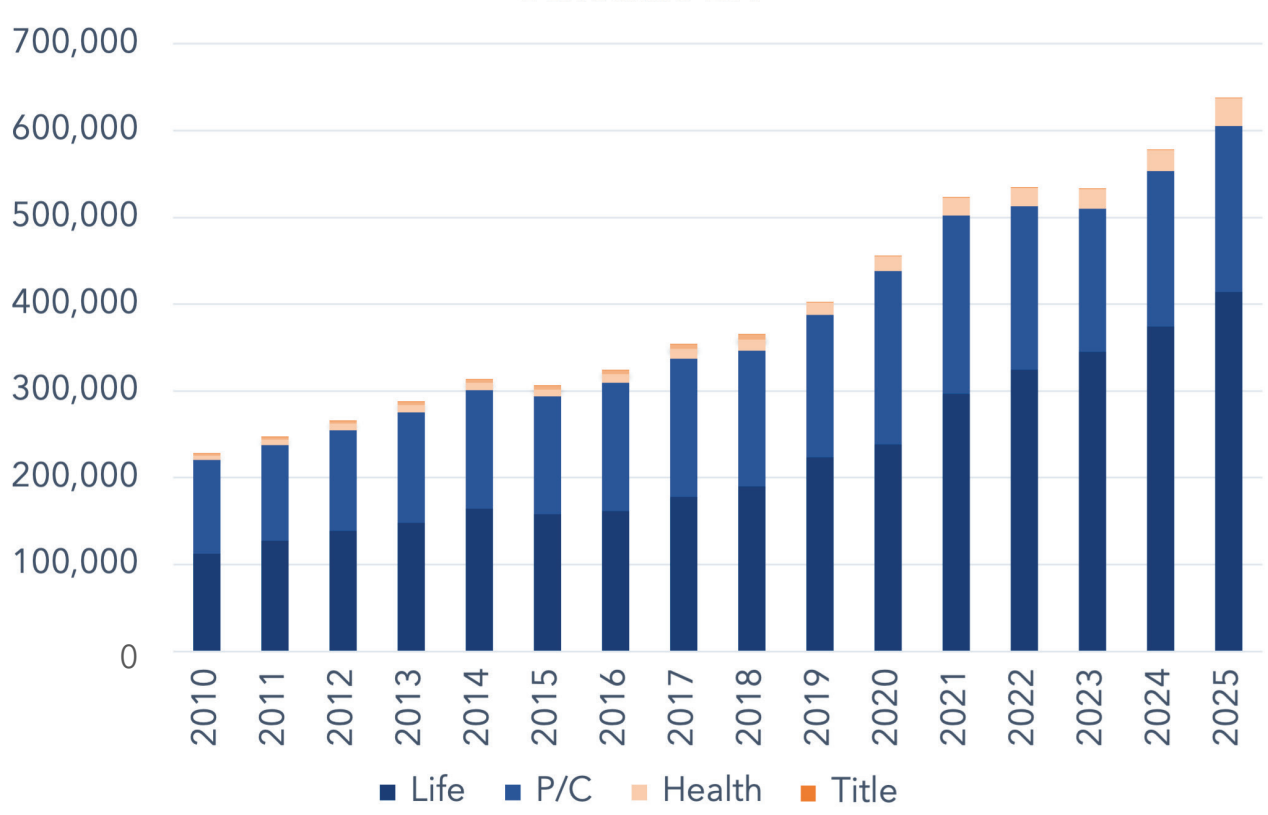
Ninety-six percent of derivatives are held for hedging purposes, which is consistent with prior year use of derivatives. Additional risks of derivatives are noted in the interconnectedness dashboard. Hedges are mostly interest rate hedges, and the majority of market risk is the margin calls that may result if interest rates move against insurers' position.

Schedule BA assets, or other long-term investments, accounted for the fourth-largest asset category within the U.S. insurance industry's investment portfolio, comprising 7.1% of total cash and invested assets as of year-end 2025. Insurers held $642 billion in Schedule BA assets, a significant 10.4% increase from the prior year. Valuation and volatility in private equity and hedge fund investments were key drivers of the market risk moderate-low assessment.

The NAIC's implementation of the principles-based bond definition on Jan. 1, 2025, possibly contributed to some of this growth, as certain investments that no longer met the revised bond criteria may have been reclassified to be reported in Schedule BA instead of Schedule D. Life insurers were the largest holders of Schedule BA assets at year-end 2025, accounting for 65% of the industry's exposure.

FIGURE 19.

Schedule BA

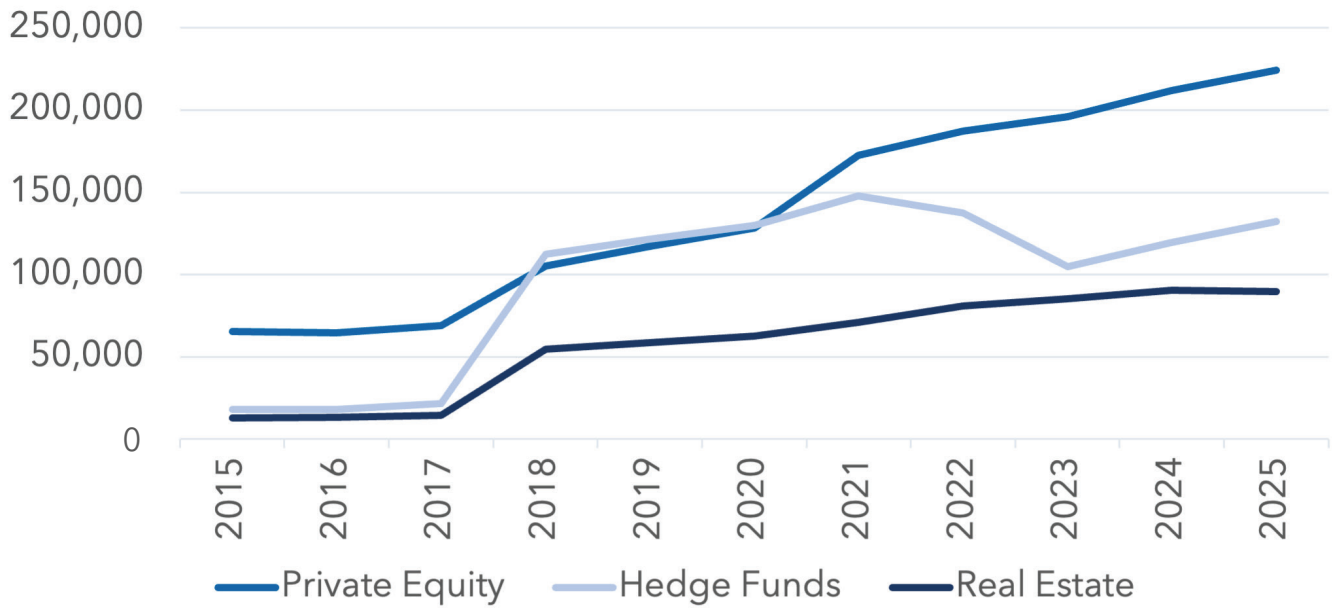


MARKET RISK: DERIVATIVE AND OTHER ASSET EXPOSURES

(continued)

FIGURE 20.

Private Equity, Hedge Fund, and Real Estate Holdings



Level 3 Assets

Level 3 asset exposure continues modest growth, currently at 17% of cash and invested assets, which is significant. Level 3 concentration may contribute to valuation and liquidity risk. This is a new risk indicator in the market risk category, and the exposure will continue to be monitored. The Invested Assets (E) Task Force has this topic on its agenda to analyze and research the exposure later in 2026.

Credit Risk: Summary

Overall bond credit quality remains high with an average credit rating of A+.
The significant allocation to private credit, structured securities, and mortgages drove the moderate-high risk assessment, along with increased exposure to reinsurance credit risk. This was tempered by the overall high-credit-quality bond portfolio and decreasing allocation to structured securities.

ASSESSMENT LEVEL:
Moderate–High

TREND:
Increasing ↗

CREDIT: BOND CREDIT QUALITY

The share of bonds in the U.S. insurance industry's investment portfolio was flat at approximately 60% at year-end 2025.
Private credit is the most significant credit risk, given its exposure size and the increasing trend. However, defining and measuring the exposure remains a challenge. Using private letter ratings (PLRs) as a proxy for the exposure results in an allocation of approximately 8% of bonds being supported by PLRs.

Residential mortgage-backed securities (RMBS), commercial mortgage-backed securities (CMBS), and other loan-backed and structured securities (LBASS) decreased in exposure from 16.5% to 14.6% of bonds in 2025. Collateralized loan obligations (CLOs) were flat at approximately 5% of bonds.

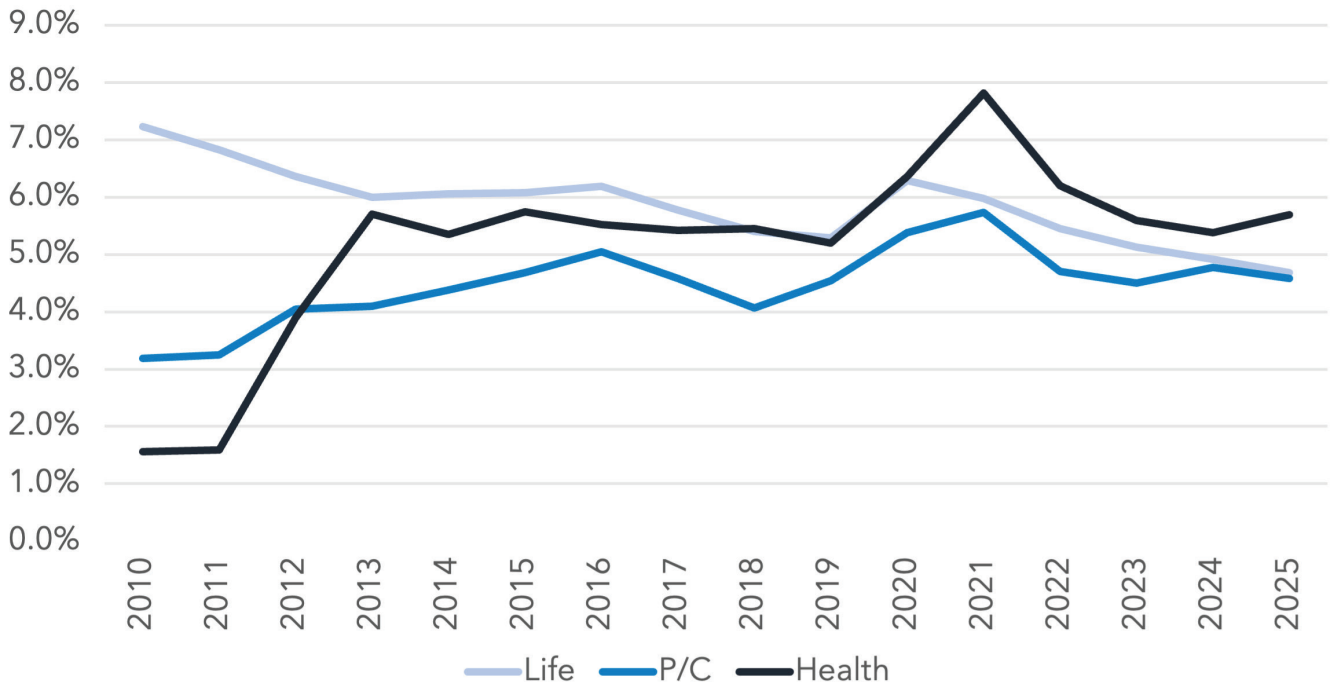
Allocation to mortgages remained flat at about 9% of cash and invested assets. However, the allocation to residential mortgages increased.

Below-investment-grade bonds, or those with reported NAIC 3-6 designations, declined to 4.7% of total bond exposure, down from a peak of 6.1% in 2020, representing a positive development in credit risk.

CREDIT: BOND CREDIT QUALITY *(continued)*

FIGURE 21.

Below Investment Grade Bond Exposure



PRIVATE CREDIT MARKET

Private credit funds have experienced substantial growth in recent years, with assets under management (AUM) now comparable in size to U.S. high-yield corporate bond and leveraged loan markets. Insurers have significant exposure to private credit. However, lending to private credit funds is difficult to accurately measure due to limited data availability, although there have been recent efforts to improve insurers' reporting. Competition between direct lenders and broadly syndicated leveraged loans (BSLs) was observed in 2025, resulting in tighter spreads. With strong investor demand and rapid growth of private credit, there have been concerns that increased competition for deals could spur managers to offer more relaxed structural terms, including covenant-lite loans, or choose riskier deals.

Starting in the third quarter of 2025, many private credit funds, of which insurers are investors, have experienced significant redemption requests. Many of the requests exceeded the 5% redemption limit on the funds. This caused some concern in the private credit fund market and the overall private credit market.

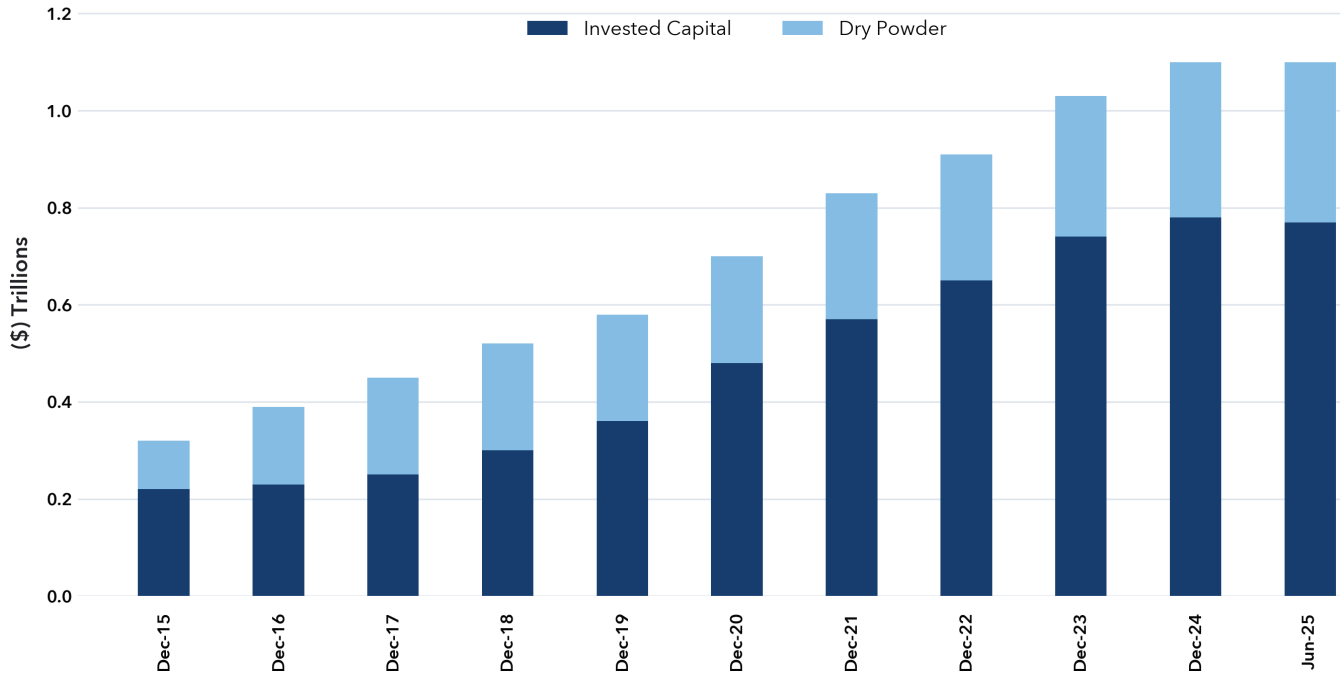
The chart below is the estimated size of the total private credit funds market in North America. Dry powder represents investors' unfunded or contingent commitments to make additional investments into the private credit funds. Insurers do report contingent commitments in the annual statement; however, commitments to fund private credit investments are not separately identified.

PRIVATE CREDIT MARKET

(continued)

FIGURE 22.

AUM of North America Private Debt Funds



Source: *Preqin*

CREDIT: FOREIGN BOND EXPOSURES

Other assets are also subject to credit risk monitoring by state insurance regulators, including the subset of bonds issued by sovereign or foreign entities. Additional observations include:

Sovereign/foreign bond exposure and risk remain low, comprising only 2.3% of cash and invested assets (C&IA). Nonetheless, it continues to be tracked and monitored.

REINSURER CREDIT RISK

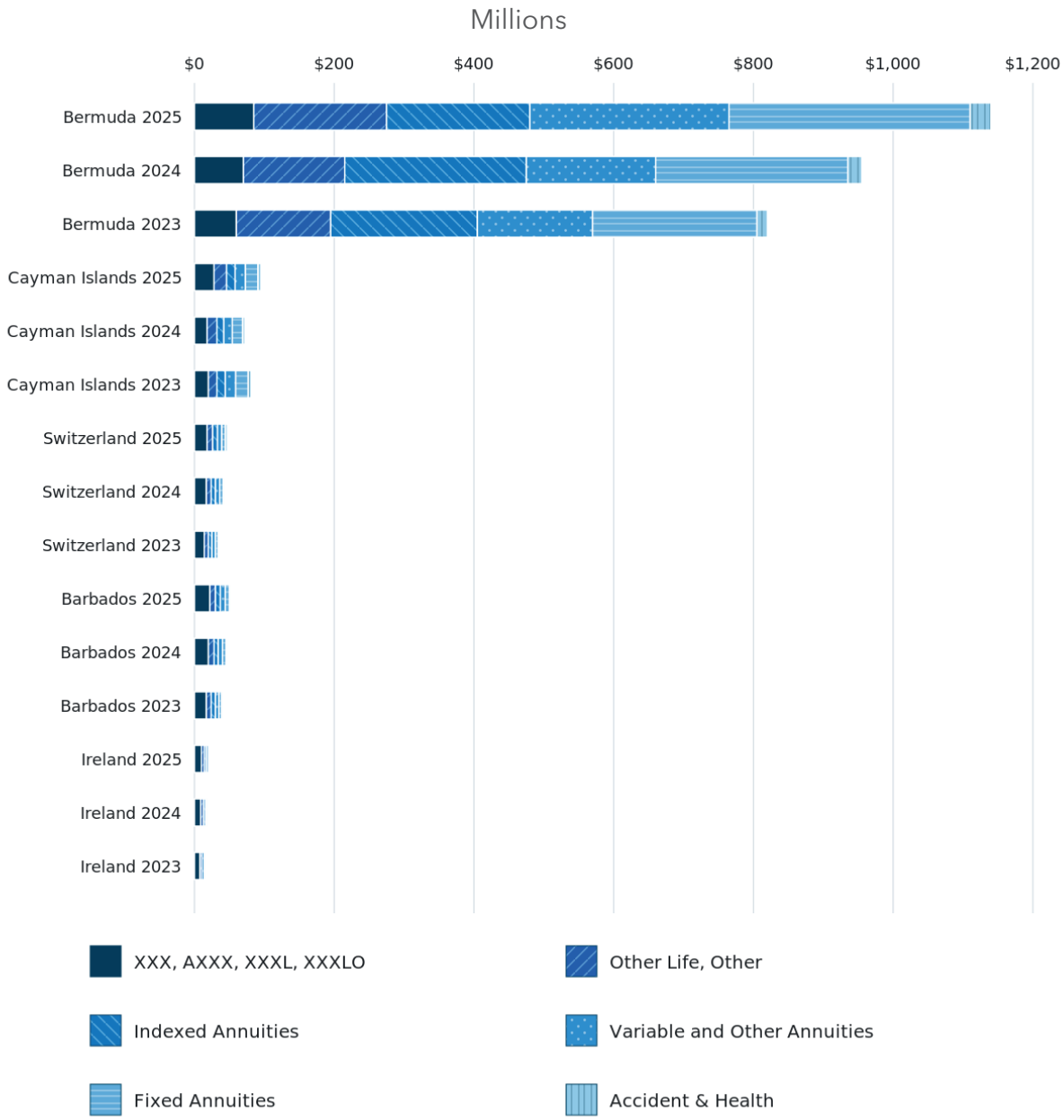
One measure of reinsurer credit risk is to assess the exposure to reinsurers located in a sovereign nation. In 2025, life insurers, including separate accounts, ceded 48.6% offshore and 51.4% onshore. Approximately 46% of reserve credit was ceded to Bermuda. Bermuda's sovereign rating is A+-LT, stable by S&P, and A2, stable by Moody's. The second-highest national reserve credit was ceded to the Cayman Islands, which has an Aa3, stable sovereign rating by Moody's. Fourth is Barbados, which has a B+ sovereign rating by S&P and a B2 from Moody's. The risk was assessed as moderate-low due to these ratings.

REINSURER CREDIT RISK *(continued)*

FIGURE 23.

Top 5 Offshore Jurisdictions - Life and Annuity Ceded

(Reserve Credit + ModCo Reserve)



Property/casualty (P/C) insurers ceded approximately 44% of all reinsurance premiums in 2025 to sovereign nations but are more diversified in the amounts and the number of countries, leading to a low risk assessment.

Liquidity Risk: Summary

While industry holdings of less-liquid, private, and complex assets continue to increase, as discussed above, overall industry allocation to cash and short-term investments is the highest it has been in the last five years at 6.6% of total industry cash and invested assets. Industry allocation to U.S. government securities is also the highest it has been in the last five years, at 4.4% of total industry cash and invested assets.

Property and life liquidity and cash flow ratios are also at their highest (favorable) levels in years. These favorable risk indicators drove the low risk assessment.

However, the health industry indicators are not as favorable, as discussed in the health section below.

ASSESSMENT LEVEL: **Low**

TREND: **Stable →**

LIQUIDITY: P/C SECTOR

Net cash provided by operating activities increased 16.8% to $189.2 billion. Operating cash inflows increased by 4.0% due to a 4.3% increase in premiums collected net of reinsurance to $972.4 billion, and a 3.4% increase in net investment income (adjusted for affiliates) to $87.2 billion. Partially offsetting the increase in cash inflows was a 1.4% increase in cash outflows driven by a 6.3% increase in commissions and expenses paid, and a 0.4% increase in benefit and loss payments.

The industry liquidity ratio and the cash flow ratio both improved by more than 5 percentage points to 132% and 19%, respectively. Liquid assets increased 7.7% due to growth in cash and invested assets, driven by a 7.0%, or $98.5 billion, increase in bond holdings and an 11.3%, or $101.2 billion, increase in common stocks. Adjusted liabilities grew at a lesser pace of 3.3%.

FIGURE 24.

P/C Liquidity Ratio



Note: *Some regulatory tools may present this formula with the numerator and denominator reversed.*

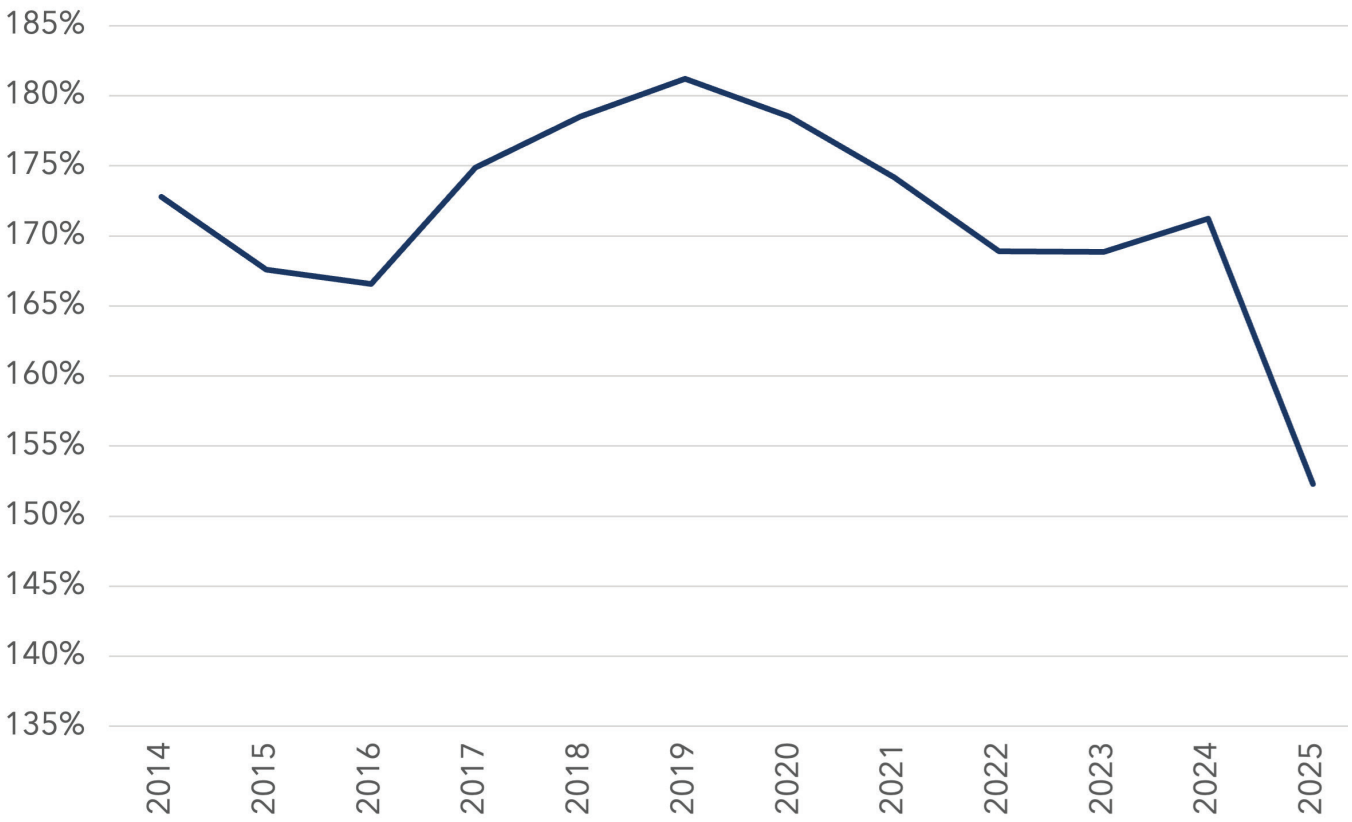
LIQUIDITY: HEALTH SECTOR

The health insurance industry experienced back-to-back years of negative operating cash flow, with a 57.6% ($1.2 billion) decrease to -$3.4 billion, following -$1.4 billion in 2024 and $27.4 billion in 2023. The considerable decrease in cash flow is due primarily to continued high utilization, with a 14.8% ($155 billion) increase in benefits and loss-related payments, while net earned premiums only grew by 13.2% ($153 billion).

Liquid assets and receivables increased from $442.6 billion in 2024 to $477.6 billion on Dec. 31, 2025. This was offset by a 5.6% ($14.4 billion) increase in current liabilities to $272.8 billion from $258.4 billion. This resulted in an unfavorable decrease in the ratio of liquid assets and receivables to current liabilities to 152% from 171%, the lowest recorded level of this ratio since at least 2009. Additionally, the cash flow to capital and surplus ratio was at an all-time low at -2%.

FIGURE 25.

Health Liquidity Ratio



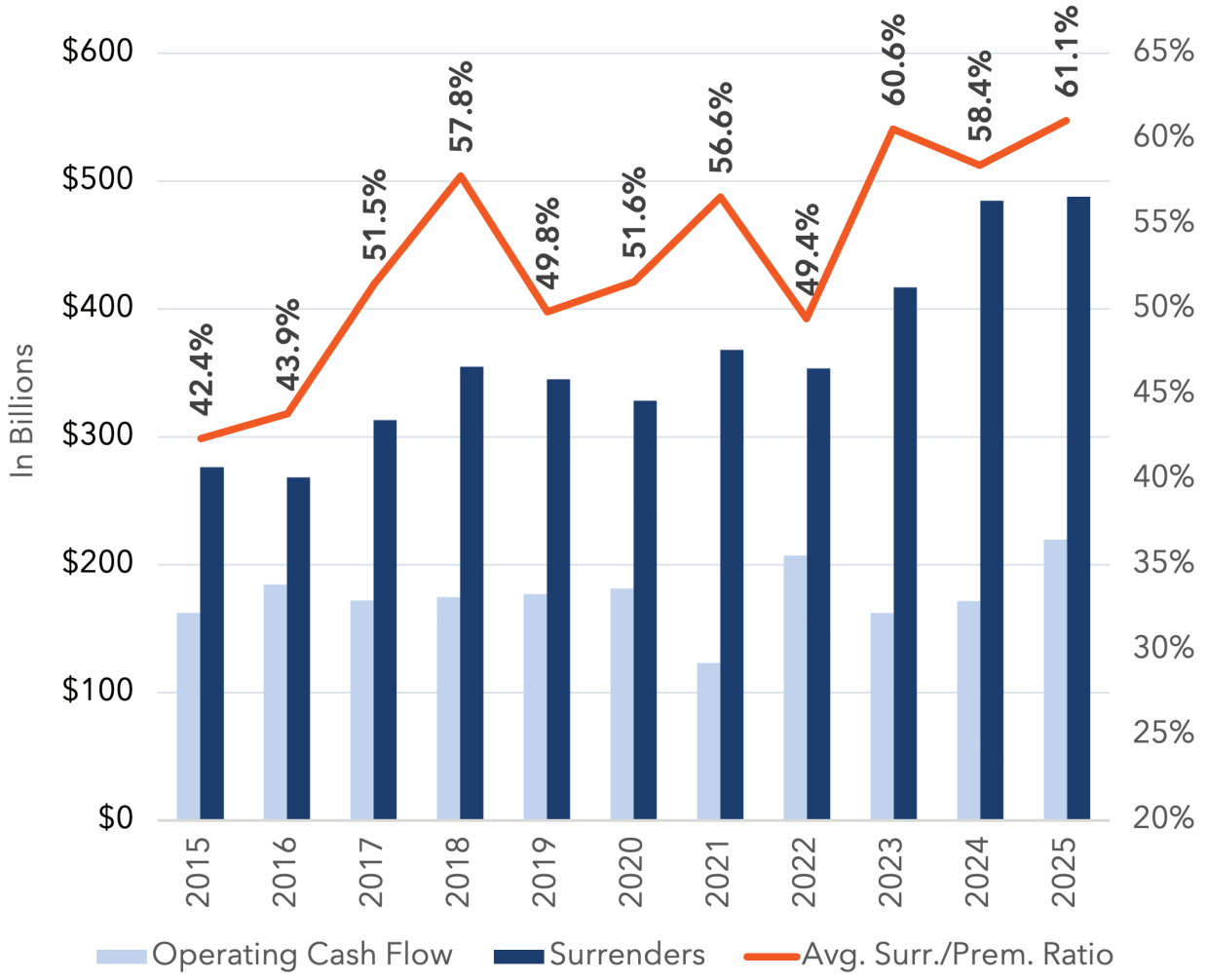
LIQUIDITY: LIFE SECTOR

The life industry reported operating cash flow of $219.2 billion in 2025, up 28.4% ($48.5 billion) from $170.6 billion in the prior year. The increase was driven primarily by a 3.6% ($29.4 billion) increase in net premium and a 7.8% ($17.9 billion) increase in net investment income. Transfers to separate accounts were $(123.1) billion, compared with $(119.6) billion in 2024, while increases in benefits and loss payments of 0.9% ($7.7 billion) and commissions of 4.5% ($9.2 billion) partially offset the improvement in operating cash flow.

The industry experienced a modest 0.7% ($3.1 billion) increase in surrender benefits to $487.6 billion. The average surrenders-to-premiums ratio increased 2.7 points to 61.1%, compared with 58.4% in 2024.

FIGURE 26.

Life Liquidity Indicators



LIQUIDITY: ADDITIONAL INDICATORS

Liquidity Stress Testing Results

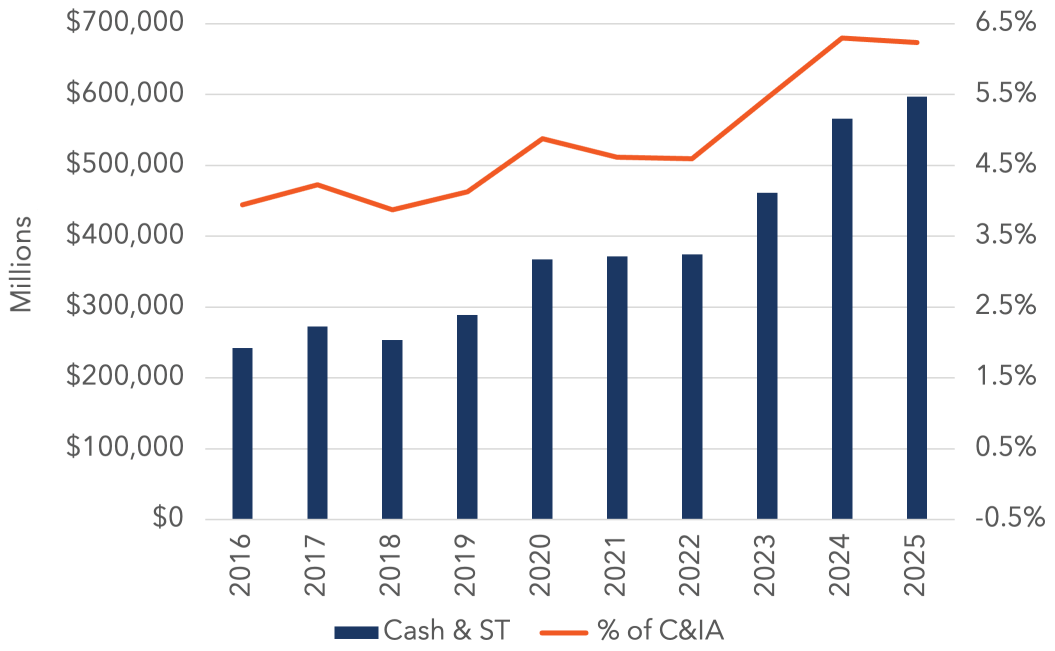
The liquidity stress test (LST) is a regulatory tool intended to help regulators identify amounts of asset sales by insurers that could impact the markets under stressed environments, while also providing regulators with insights into the liquidity position of insurers subject to the filing requirement. Per the most recent filings reviewed, the impact of modeled aggregate asset sales in the most severe stress scenario for the 26 large life insurers subject to the LST on the capital markets is not significant. Most insurers were able to absorb modeled cash-flow deficits in stressed scenarios with cash on hand. In extreme stresses where modeled asset sales were required to satisfy cash flow deficits, the industry's aggregate corporate investment-grade bond sales needed to satisfy deficits were only 3.1% of average daily trading volume (ADTV) and 0.04% of investment-grade corporate bonds outstanding. Additionally, aggregate government bond sales to satisfy deficits were only 0.6% of ADTV and 0.07% of Treasuries outstanding.

Industry-Wide Cash and Short-Term Investments

The industry has a significant allocation to cash, short-term investments, and U.S. government securities as sources of liquidity. Additionally, many insurers maintain a line of credit with the Federal Home Loan Bank (FHLB) and lines of credit/revolvers with commercial banks.

FIGURE 27.

Cash and ST Investments



Capital Adequacy Risk: Summary

The assessment is driven by historically high capital levels even in the face of industry challenges, with property/casualty (P/C) at an all-time high authorized control level (ACL) ratio, and a low number of companies in receivership/liquidation proceedings:

ASSESSMENT LEVEL: **Low**

TREND: **Stable →**

CAPITAL ADEQUACY: LIFE SECTOR

The life industry's total capital and surplus increased 5.7% to $540.7 billion. The increase was driven primarily by $46.4 billion in net income, $13.6 billion in paid-in capital, and $14.3 billion in unrealized capital gains, partially offset by $35.8 billion in stockholder dividends. Additional observations include:

- Current aggregate risk-based capital (RBC) of 886% ACL continues to be well above the low point of the 2008 financial crisis (758%), and the industry continues to be very well capitalized overall, as indicated by the historically low number of companies in RBC action levels (1.26%) and aggregate premium/reserve leverage positions.
- The industry-wide capital levels are relatively consistent with rating agency upgrade/downgrade activity, as well as industry outlooks, which generally assigned the life insurance sector a stable outlook at the end of 2025.
- RBC is a regulatory minimum capital requirement and may not reflect economic required capital risk for all activities, including significant shifts of cross-border reinsurance discussed in the credit risk section.

FIGURE 28.

Life % at Action Level

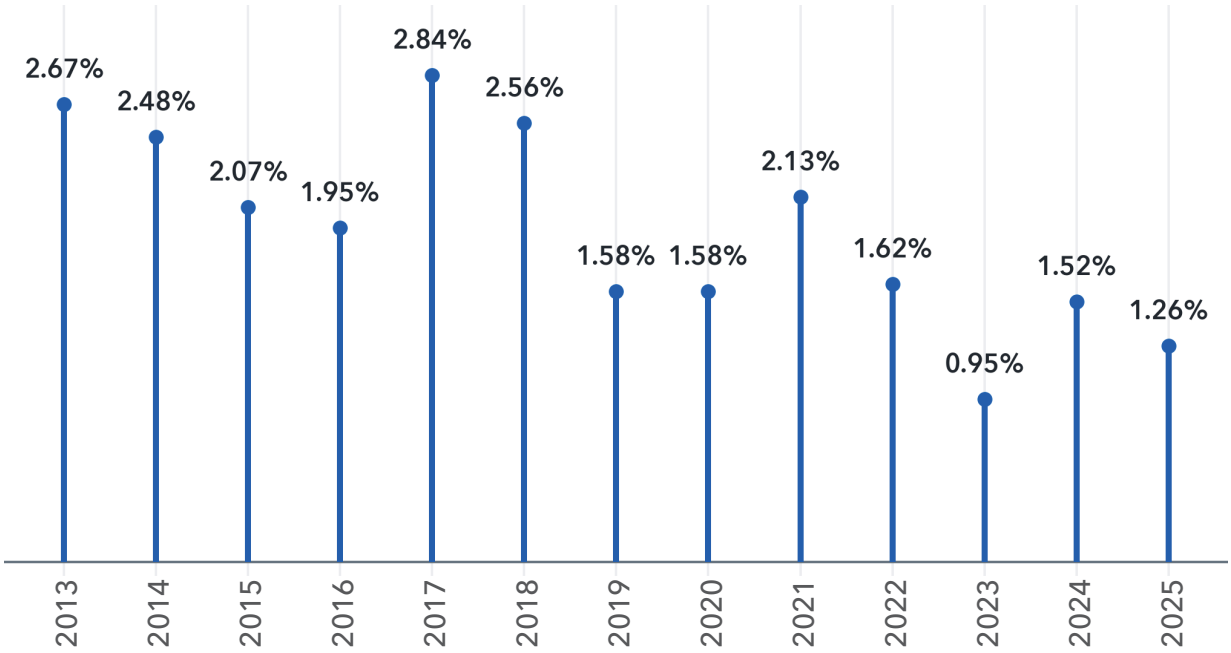
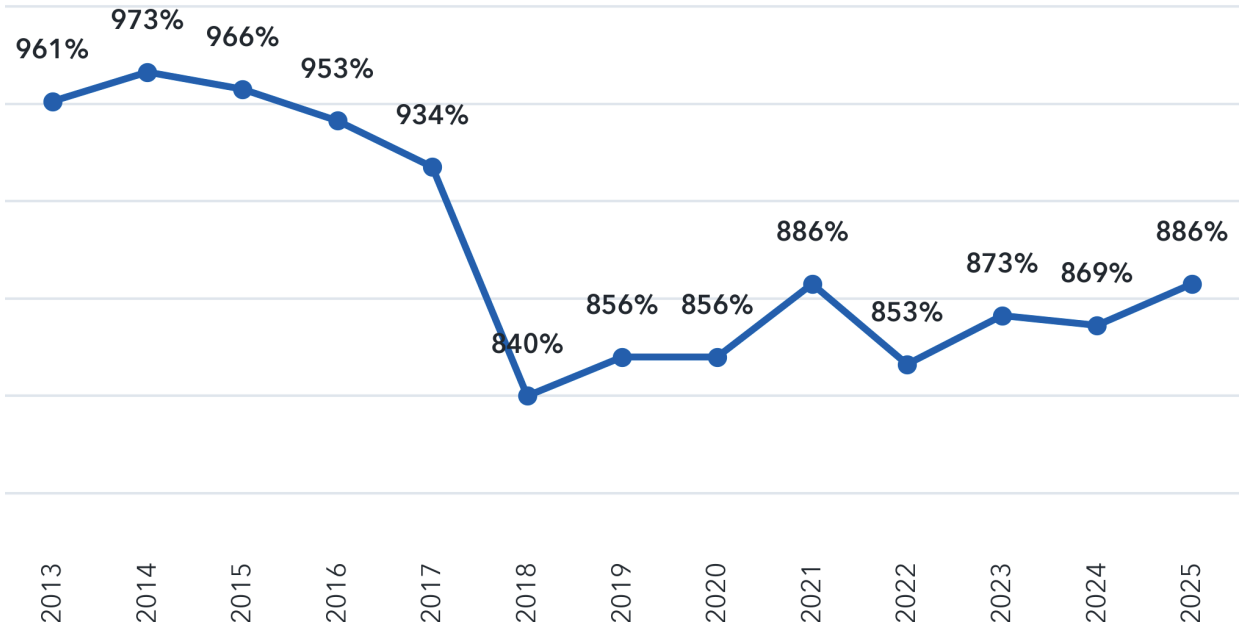


FIGURE 29.

Industry Wide Life RBC (ACL Ratio (%)



CAPITAL ADEQUACY: P/C SECTOR

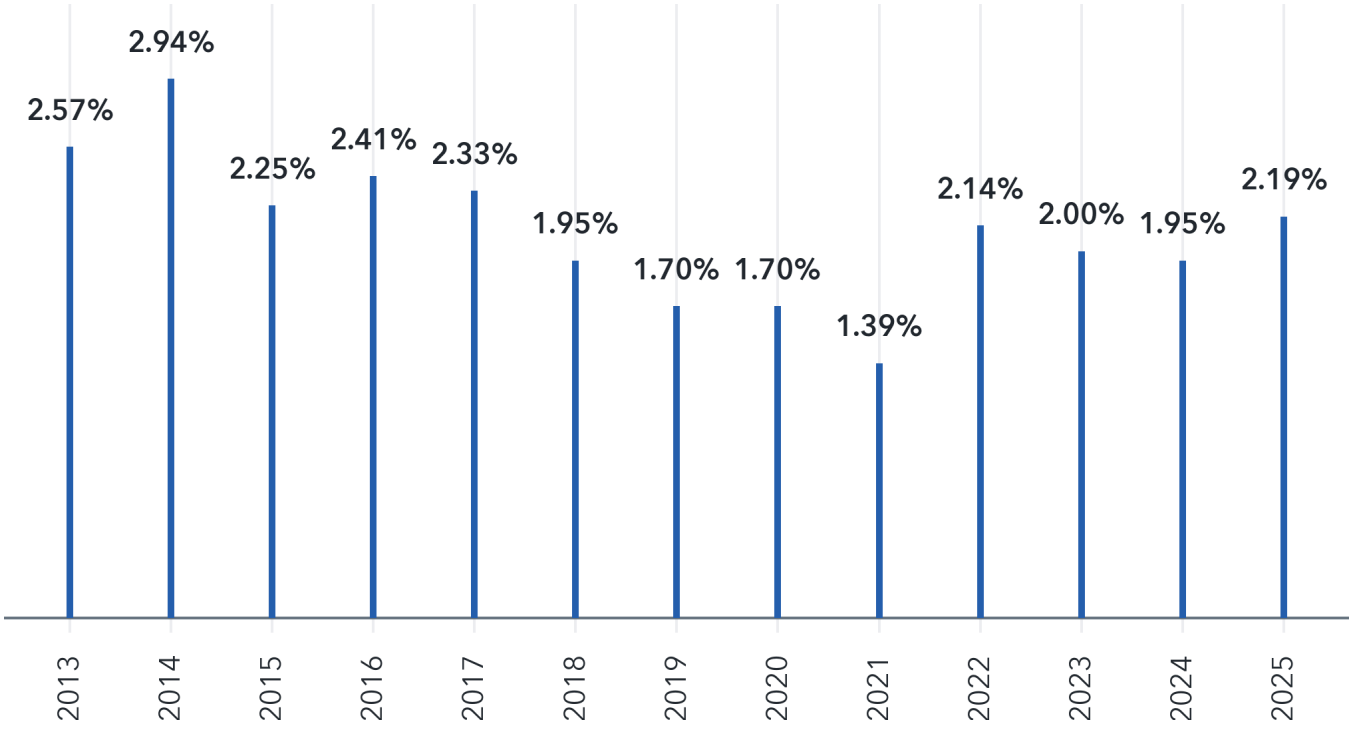
Industry aggregated policyholders' surplus (adjusted to eliminate stacking) increased 11.9% from the prior year-end to a new all-time high of $1.27 trillion at Dec. 31, 2025. The net profits of $150.6 billion and $47.5 billion in unrealized investment gains were partially offset by $5.7 billion in policyholder dividends. While P/C insurers are well positioned for future growth, 2025 continued to present challenges from inflation/tariffs, natural disasters, and social inflation that warrant increased capital adequacy.

Additional observations include:

- Current aggregate RBC of 643% ACL remains above the low point of 2023 (578%). The industry-wide capital levels are relatively consistent with rating agency upgrade/downgrade activity as well as industry outlooks, which generally assigned the P/C insurance sector a stable outlook at the end of 2025.

FIGURE 30.

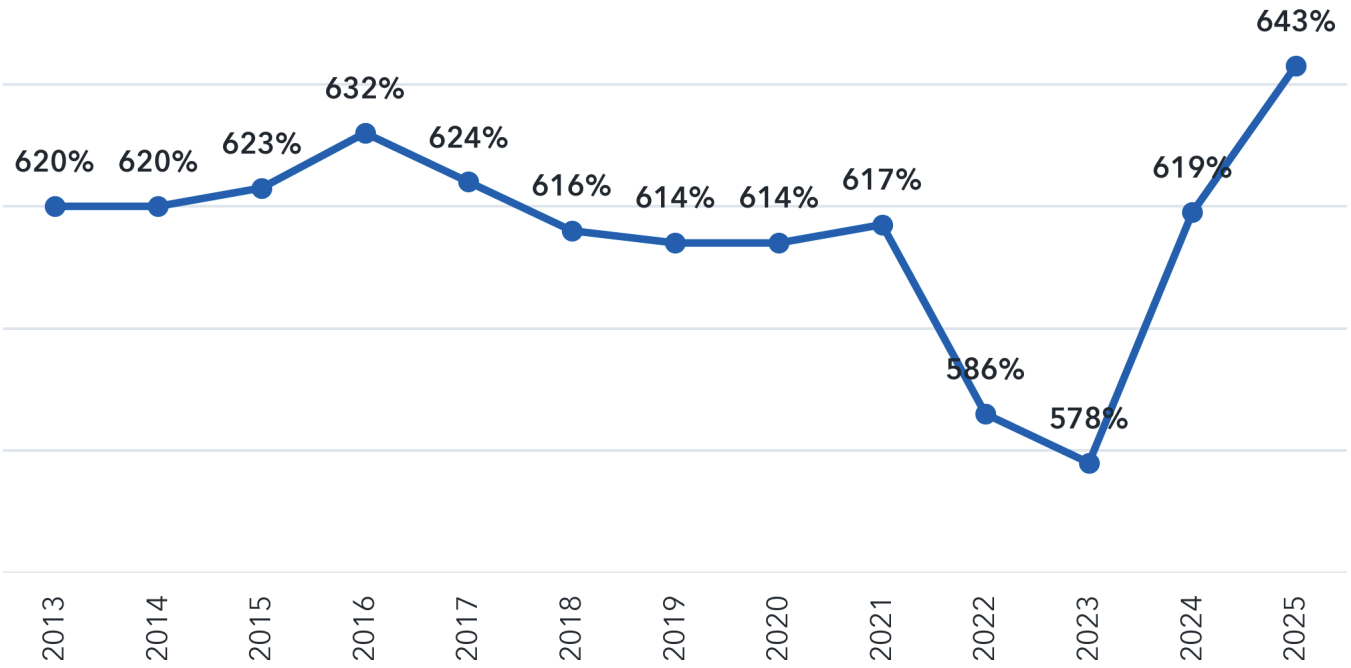
P/C % at Action Level



CAPITAL ADEQUACY: P/C SECTOR *(continued)*

FIGURE 31.

Industry Wide P/C RBC (ACL Ratio (%)



CAPITAL ADEQUACY: HEALTH SECTOR

Health entities reported a 4.9% ($10.5 billion) increase in capital and surplus (excluding affiliated amounts) from $213.4 billion in 2024 to $223.9 billion in 2025. At first glance, the high capital levels appear inconsistent with underwriting risk and performance highlighted earlier. This is due to capital contributions from parent companies and decreased dividends. Capital adequacy maintenance is due primarily to a large decline in dividends paid, from $19.3 billion in 2024 to $11.2 billion in 2025, and a 21.3% increase in paid-in surplus of $15.3 billion.

Additional observations include:

- Aggregate RBC was flat in 2025 at 589% ACL
- As of September 2025, the health insurance sector has a negative outlook by S&P

FIGURE 32.

Health % at Action Level

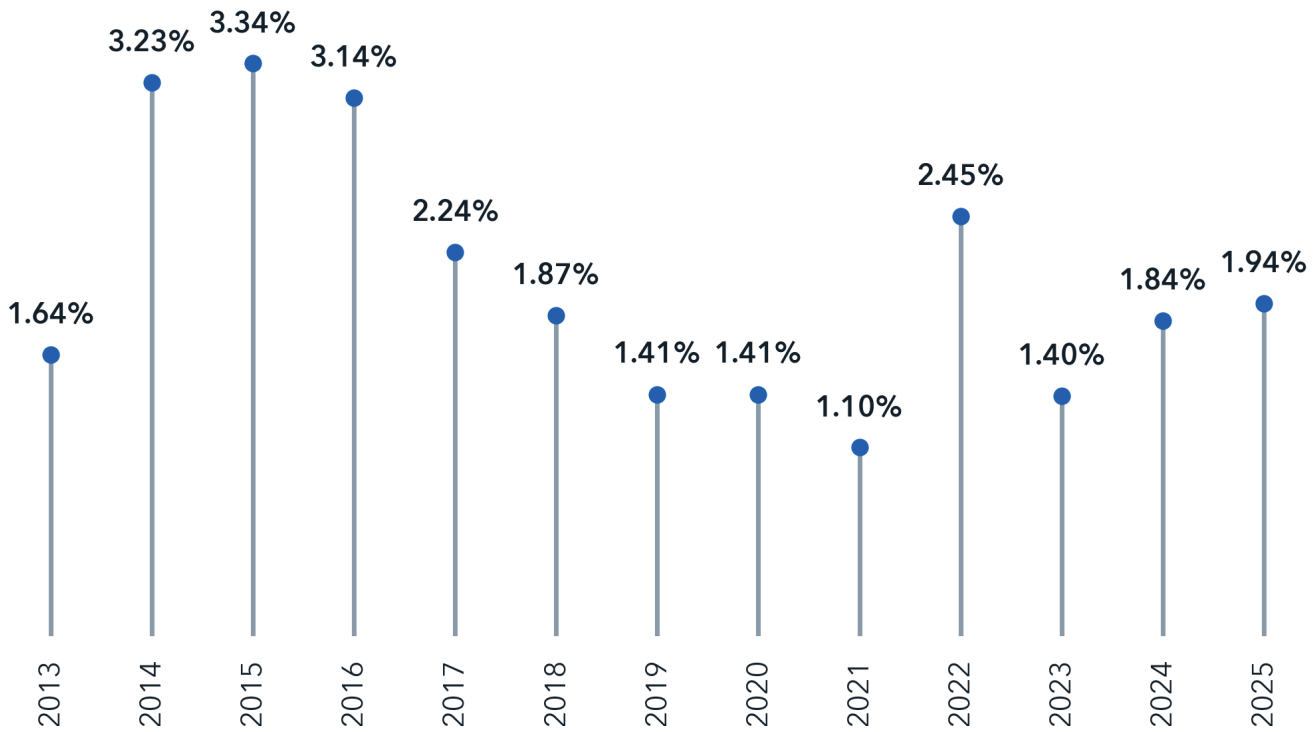
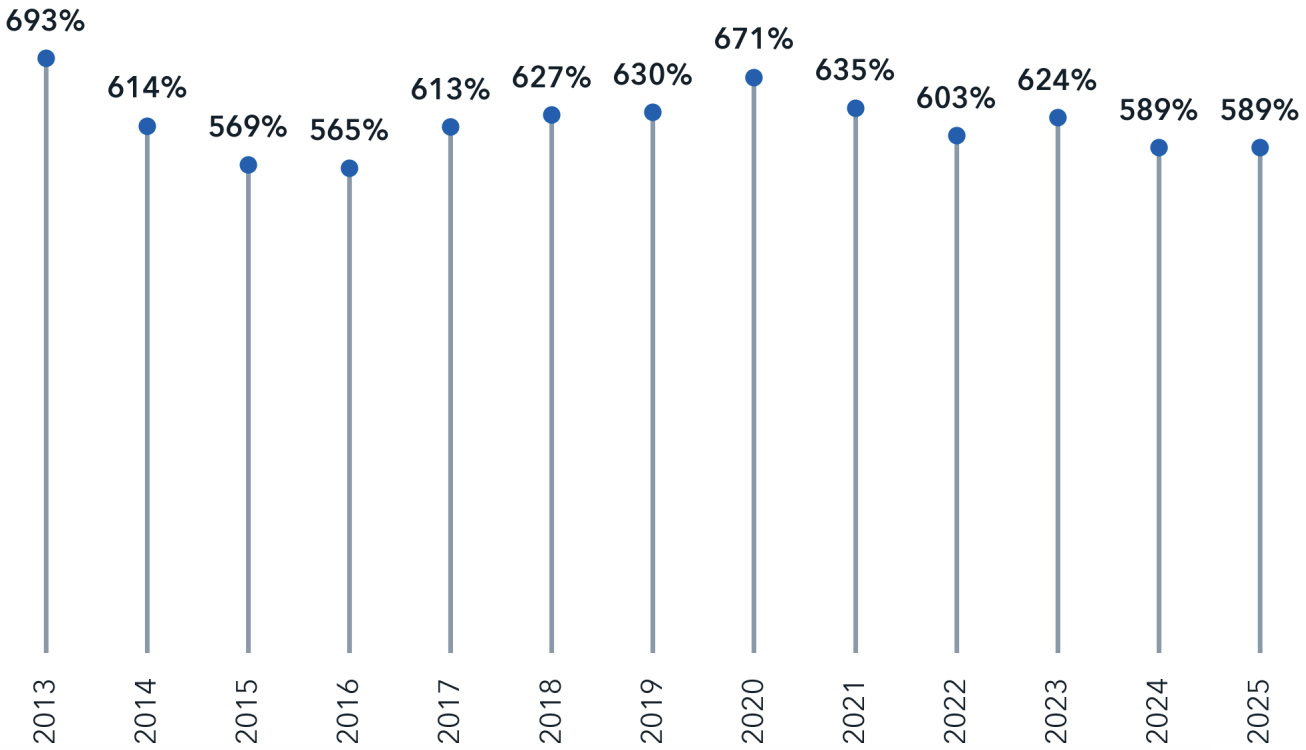


FIGURE 33.

Industry Wide Health RBC (ACL) Ratio (%)



Emerging/Other Risk

ASSESSMENT LEVEL:
Moderate–Low

TREND:
Increasing ↗

The emerging risk category of the dashboard contains broad overarching risks, some of which may be covered in part by other risk categories.

These risks may not lend themselves to specific risk indicators, do not cleanly or fully fit within another category, and are generally challenging to quantify. Therefore, the assessment of risks in this area may be more subjective. Additionally, data or tools may not be in place to measure the risk. However, these risks are believed to be prevalent and warrant additional ongoing monitoring.

The following risk categories are included in the Emerging/Other Risk Category:

- Private credit (refer to the Credit Risk section)
- Offshore reinsurance (refer to the Interconnectedness and Credit Risk sections)
- Artificial intelligence
- Cybersecurity risk
- Mortality risk

Many of these risks have been covered in part in other sections of this report and in the detailed risk dashboard. Additionally, many of these risks have associated response initiatives by state regulators via various NAIC task forces and working groups.

Artificial Intelligence

Artificial intelligence (AI) risks can manifest in many ways for insurers, for example in underwriting, claims, and investments. The AI software sector, in which insurers invest, has grown to more than 15% of the leveraged loan and private credit sectors and has recently come under pressure amid concerns about AI models. Deepfakes enabling insurance fraud and discriminatory underwriting practices are some other indicators to monitor.

Cybersecurity Risk

Demand for and writings of cyber insurance seem to have leveled off, as evidenced by the steady direct premiums written over the last three years. Product coverage terms aimed at improving underwriting performance remain a focus for insurers and appear to have led to lower loss ratios since 2021. Additionally, insurers' operations remain vulnerable to cyberattacks that could disrupt their ongoing operations.

Mortality/Aging risk

Mortality and aging may affect both the life and health sectors, and their impact depends on the line of business. U.S. life expectancy for 2026 is 79.54, a 0.18% increase from 2025. U.S. life expectancy for 2025 was 79.40, a 0.18% increase from 2024. Additionally, the demographic shift toward an older population, declining birth rates, rising health care costs, and GLP-1 drug impacts are key factors in this category.

Appendix A:
Risk Assessment Scale

RISK ASSESSMENT SCALE

Assessment levels are documented on a four-tier scale: high, moderate-high, moderate-low, or low. Assessments are based on current and historical risk indicators and expert judgment.



TREND SCALE

The trend is historical and is indicative of the level of risk. Trend levels are documented on a five-tier scale: significant increase, increasing, stable, decreasing, or significant decrease. Trends are based on the changes in risk indicators and expert judgment.



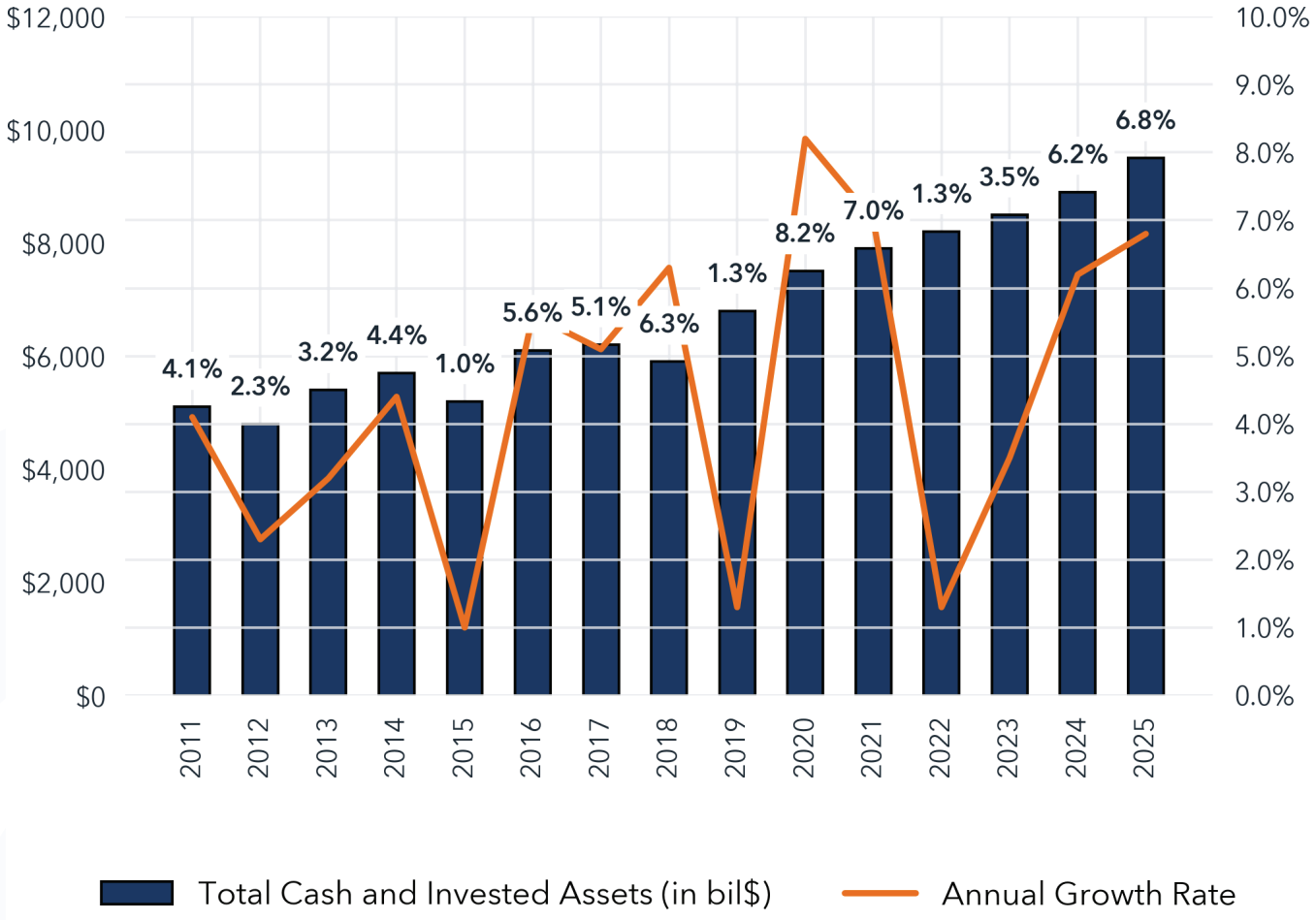
Significant Increase | Increase | Stable | Decrease | Significant Decrease

Appendix B:
Insurance Industry by the Numbers

Select industry data:

FIGURE 34.

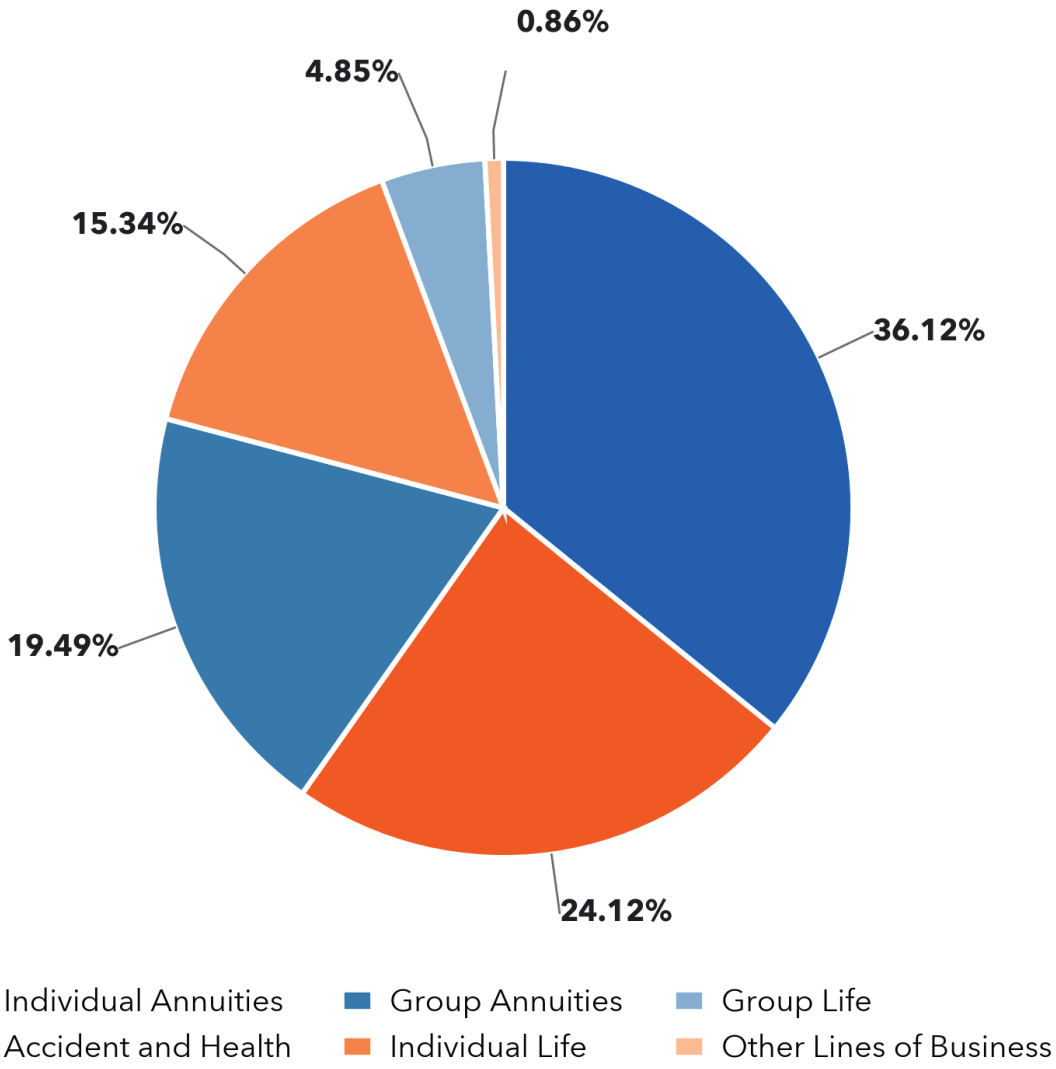
Insurance Industry Cash and Investments



LIFE INDUSTRY

FIGURE 35.

2025 Life and A&H Net Premiums Written by Type



Source: *S&P Market Intelligence*

LIFE INDUSTRY

TABLE 1.

Net Premiums by Line of Business

($ in Billions)

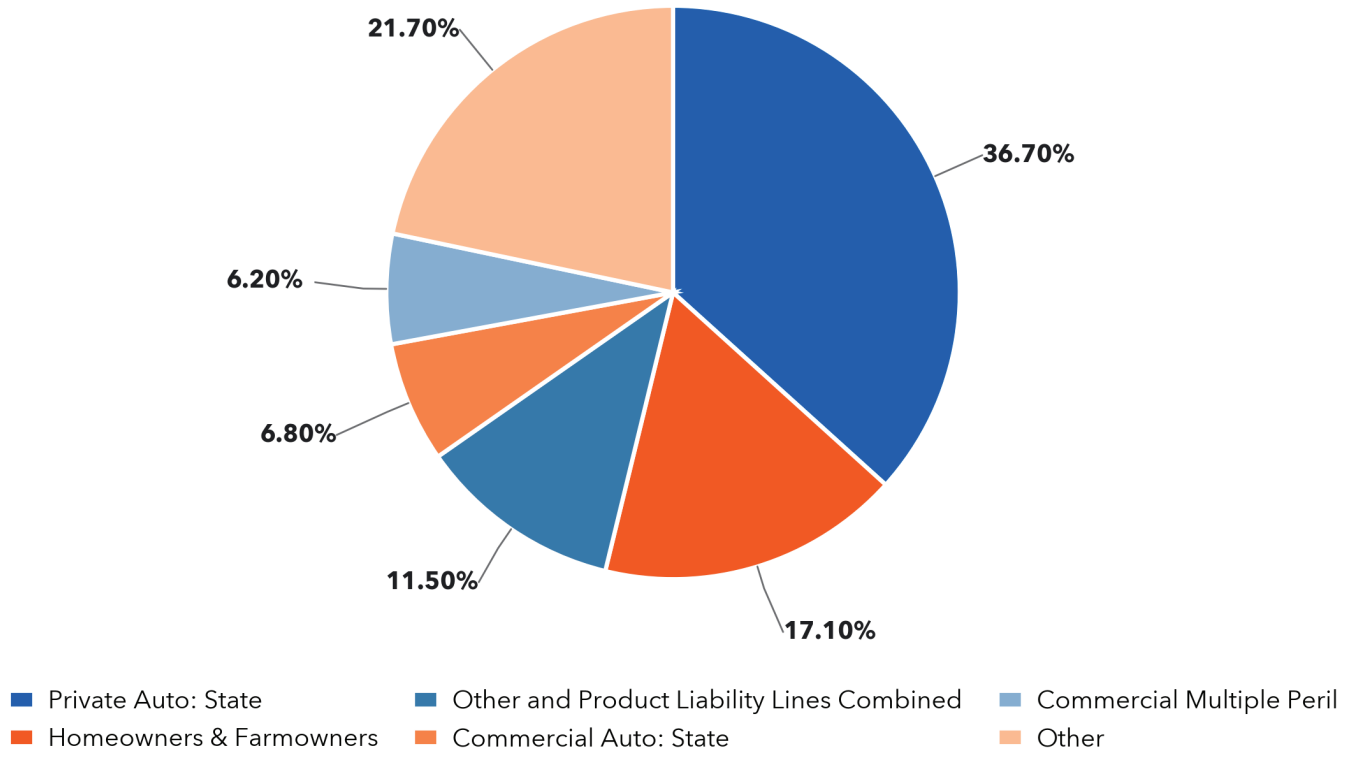
Line of Business	% Chg.	$ Chg.	2025	2024
Annuities				
Other Annuities	9.8%	$2.6	$29.0	$26.4
Life Contingent Payout	(31.3%)	($16.7)	$36.6	$53.2
Variable Annuities w/out Guar	(4.5%)	($2.9)	$63.2	$66.1
Indexed Annuities	23.4%	$17.1	$89.9	$72.8
Variable Annuities w/ Guar	3.0%	$3.2	$109.8	$106.6
Fixed Annuities	4.8%	$5.3	$114.5	$109.2
Total Annuities	**2.0%**	**$8.5**	**$442.9**	**$434.4**
Life Insurance				
Universal Life with Secondary Guar	(115.2%)	($9.4)	($1.2)	$8.2
Other Individual Life	(183.2%)	($2.7)	($1.2)	$1.5
Industrial Life	8.1%	$0.0	$0.1	$0.1
Credit Life	1.7%	$0.0	$0.5	$0.5
Other Group Life	47.8%	$0.6	$1.7	$1.2
Universal Life	(1.0%)	($0.0)	$1.7	$1.7
Variable Life	(11.1%)	($0.8)	$6.1	$6.9
YRT Mortality Risk Only	(1.3%)	($0.1)	$6.8	$6.9
Variable Universal Life	(24.2%)	($4.3)	$13.3	$17.6
Indexed Life	8.3%	$1.5	$20.2	$18.6
Term Life	(1.3%)	($0.5)	$40.4	$41.0
Whole Life	5.0%	$3.3	$69.8	$66.4
Total Life Insurance	**(7.2%)**	**($12.3)**	**$158.2**	**$170.5**
Accident & Health				
Credit A&H	4.3%	$0.0	$0.6	$0.6
Vision Only	(0.2%)	($0.0)	$2.0	$2.0
Federal Employees Health Ben	6.3%	$0.1	$2.2	$2.0
Individual Comprehensive	(40.2%)	($2.6)	$3.8	$6.4
Title XIX Medicaid	17.0%	$0.9	$6.2	$5.3
Long-Term Care	(36.5%)	($4.2)	$7.3	$11.5
Dental Only	(15.1%)	($2.3)	$13.1	$15.4
Group Comprehensive	(48.1%)	($21.7)	$23.5	$45.2
Medicare Supplement	5.2%	$1.2	$23.8	$22.6
Disability Income	5.4%	$1.6	$31.0	$29.4
Title XVIII Medicare	11.9%	$4.1	$38.1	$34.0
Other Health	(8.6%)	($3.8)	$40.3	$44.1
Total A&H	**(12.2%)**	**($26.7)**	**$191.7**	**$218.5**

Source: *NAIC Financial Regulatory Services Unit, 2025 Annual Life Industry Commentary*

P/C INDUSTRY

FIGURE 36.

2025 Net Premiums Written by Type

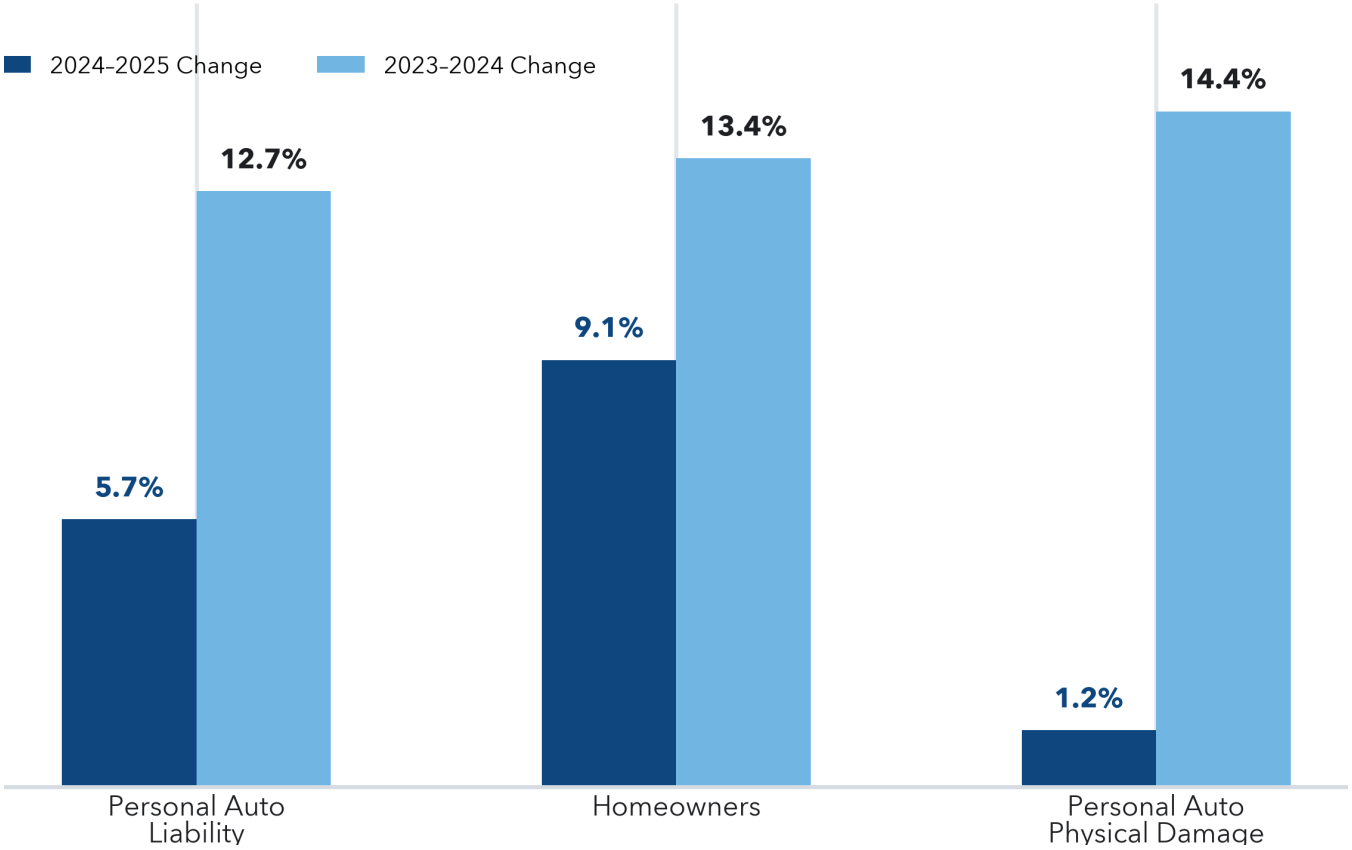


Source: *S&P Market Intelligence*

P/C INDUSTRY *(continued)*

FIGURE 37.

% Change in DPW by LOB - Personal Lines

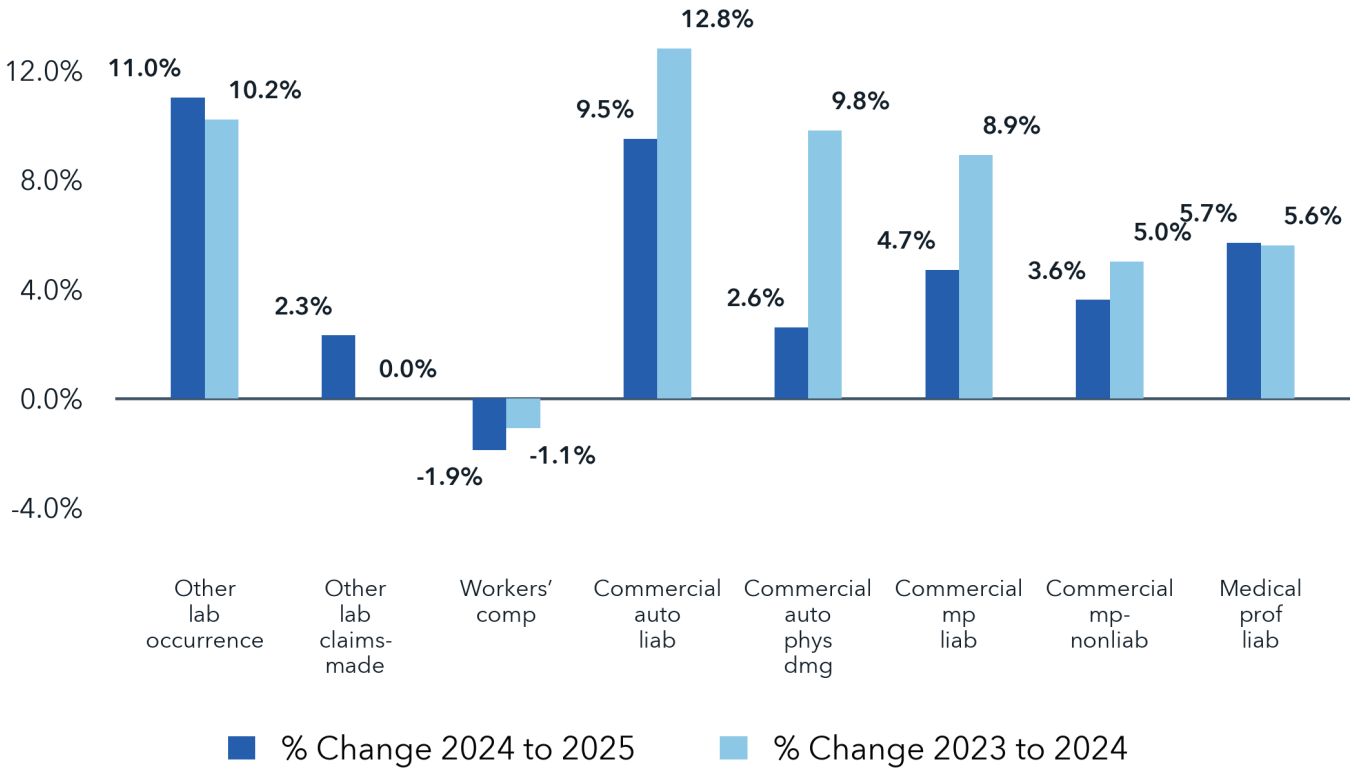


Source: *NAIC Financial Regulatory Services Unit*

P/C INDUSTRY *(continued)*

FIGURE 38.

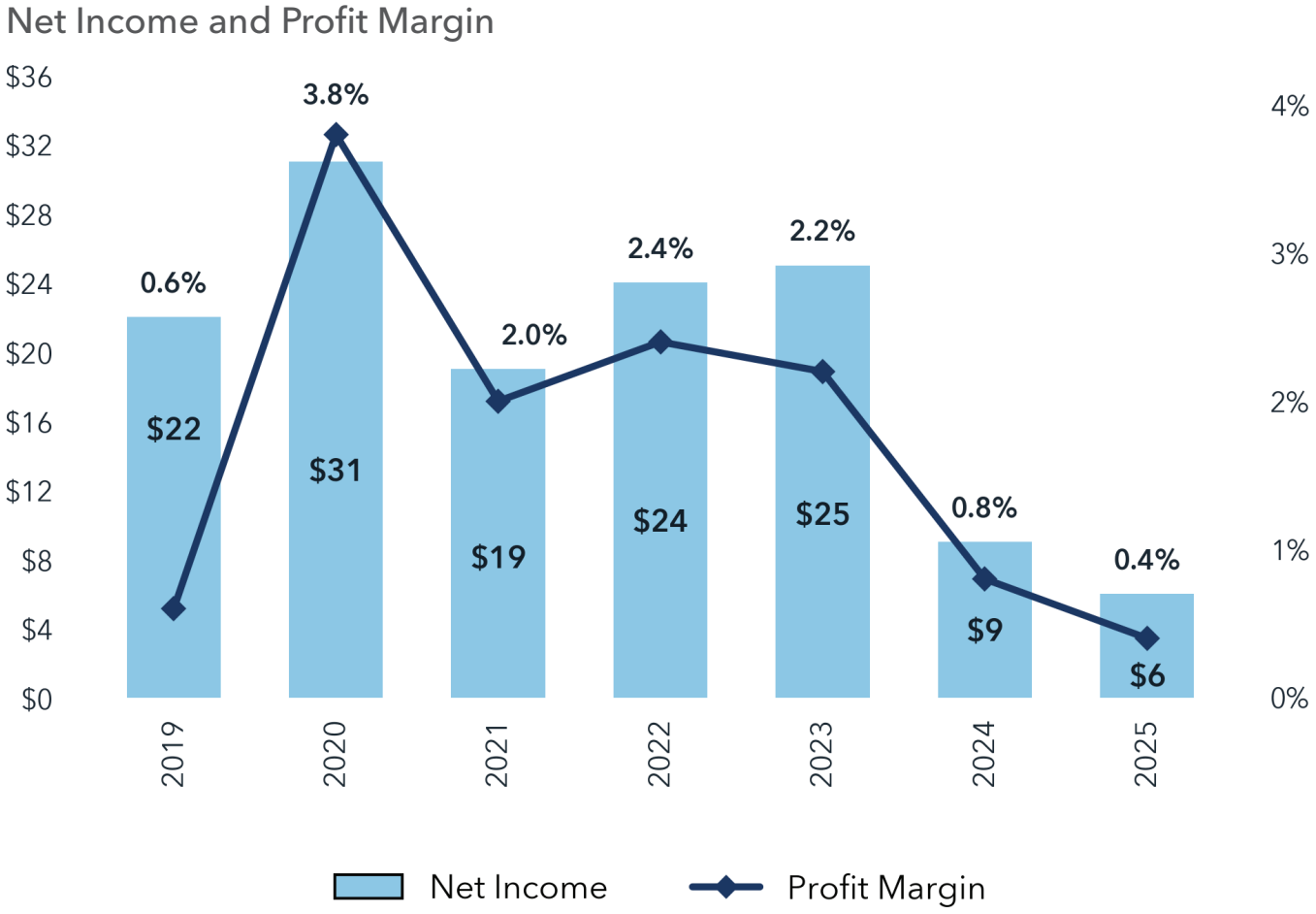
% Change in DPW by LOB - Commercial Lines



Source: *NAIC Financial Regulatory Services Unit*

HEALTH INDUSTRY

FIGURE 39.

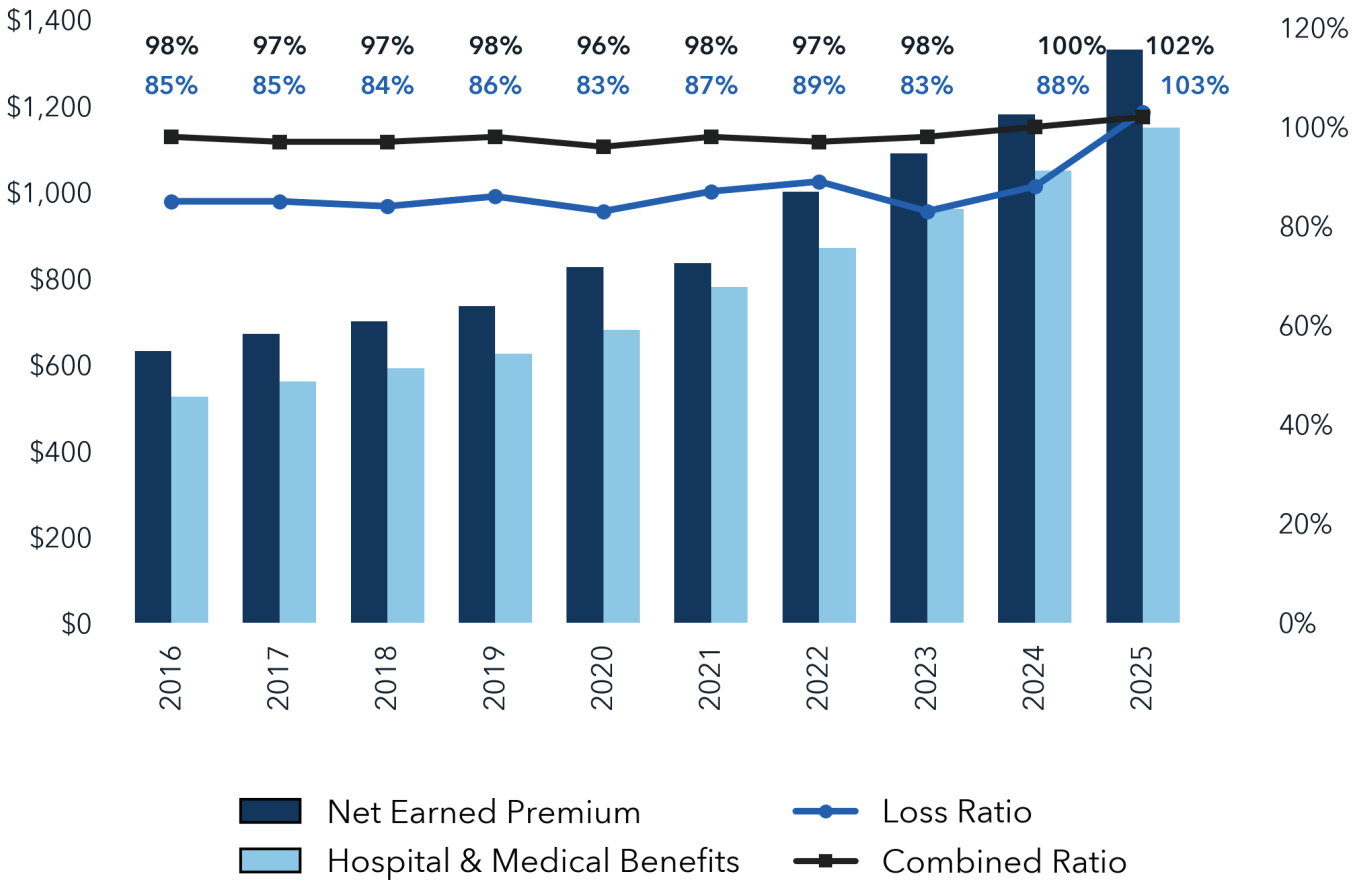


Source: *NAIC Financial Regulatory Services Unit*

HEALTH INDUSTRY *(continued)*

FIGURE 40.

Earned Premium vs. Hospital and Medical Benefits, Loss Ratio and Combined Ratio



Source: *NAIC Financial Regulatory Services Unit*


NAIC