

Report Recommendations:

A focused public report should start from the data-call fields but present derived, risk-aware metrics built around four pillars: market size/structure, affordability, availability, and risk/mitigation, supplemented with some annual statement/other indicators.

Below I've laid out: (1) which specific data-call elements/derived metrics to use, (2) key related metrics from existing NAIC reports/Annual statements, and (3) why they matter and what questions they answer- explicitly using the "risk normalization + mitigation + solvency" frame.

1. Market size and structure (risk-aware)

Data-call elements/ derived metrics

From template & definitions: state, zip, policy form, written premium, policies in force, Coverage A-D limits, valuation basis.

Recommended public metrics:

- Policies in force and written premium by policy form (HO-1/2/3/4/5/6/7/8, DP- 1/2/3, Other and year)
- Average Coverage A Limit per policy by geography and policy form. (Coverage A aggregate ÷ policy count).
- Mix of forms: share of policies that are HO-3/HO-5 vs HO-9 vs DP vs Other (incl. wind-only)
- Share of policies with RC vs ACV on dwelling, roof, and siding; share with extended replacement cost (100%, >100-125%, >125%).

Key related metrics:

- Homeowners line 4 direct written premium and market share by group from the NAIC Homeowners Insurance Report/ P&C Market Share Reports.
- State/metro hazard indicators (e.g. FEMA or state cat risk classifications) used only as contextual overlays in maps, not as data fields.

Why it matters/questions it answers:

- How big is the market and how is the product mix changing (e.g. shift toward HO-8/DP/Other forms that often signal more marginal or high-risk properties)?
- Are average Coverage A limits keeping pace with construction cost inflation (when compared qualitatively against (NAIC/Triple-I reports on replacement-cost inflation)?

2. Affordability metrics that are risk-adjusted

Data call elements/derived metrics

From template & definitions: written premium, Coverage A, deductible (all-peril and peril-specific), minimum/maximum deductible, deductible count distributions.

Recommended public metrics:

- Average and median annual premium per policy by state/region, plus premium per \$1,000 of Coverage A (premium ÷ (Coverage A/1,000)).
- Distribution of all-peril deductibles:

- Percent of policies with $\leq \$500$, $\$500\text{--}\$2,000$, $\geq \$2,000$.
- Percent with $\leq 2\%$, $2\text{--}5\%$, $\geq 5\%$.
- Peril-specific deductible distributions (hurricane/named storm, wind/hail, earthquake) using the same bands; minimum and maximum percentage deductibles in each peril and state.

Key related metrics (outside the data call):

- State-level "insurance affordability index" style measures (premium as % of median household income) drawing on existing IRC/Triple- I work and Census income data.
- NAIC homeowners average premium by coverage amount from existing Homeowners Insurance Reports to provide a baseline trend.

Why this matters/questions it answers:

- Where is homeowners insurance most and least affordable after normalizing for amount of coverage (premium per \$1,000 Coverage A)?
- How much risk are policyholders retaining through high fixed or percentage deductibles, especially for catastrophe perils, and where are those high retentions concentrated?
- How does insurance cost interact with housing affordability more badly (premium as share of income), and are affordability pressures primarily in high-hazard markets?

3. Availability, market churn, and competition

Data call elements/derived metrics

From template & definitions: count of nonpayment cancellation, company-initiated cancellations (by timing bands), nonrenewals, written premium for cancelled policies, returned premium, peril carve-outs, wind/earthquake endorsements/standalone policies.

Recommended public metrics:

- Nonrenewal rate: nonrenewals \div policies in force, by state/year; where credible, by policy form and risk band.
- Company-initiated cancellation rate (other than non-payment) and its distribution across 0-59 days, 60-90 days, and >90 days after inception.
- Share of policies in force without coverage for wind, wildfire, and earthquake; share without cosmetic damage coverage on roof or siding.
- Counts and premium for wind endorsements, wind-only policies, and earthquake endorsements/coverage as a share of total policies in each state/region.

Key related metrics (outside the data call):

- Number of active groups and top-4/top-10 concentration in homeowners by state from NAIC market share reports.
- Residual market sizes (FAIR plans, Beach/Wind pools, state wildfire or earthquake facilities) using public residual market reports, as context where relevant.

Why this matters/questions it answers:

- Where are nonrenewals and mid-term cancellations rising, and do they coincide with high-hazard or high-loss areas- suggesting risk-based portfolio managements rather than arbitrary withdrawal?

- In which state or zips is coverage technically "available" only via limited forms (DP, wind-only, or with major peril exclusions), indicating a stressed or residual-like segment?
- How competitive are state markets- do areas with higher nonrenewal rates also show high concentration, or are multiple carriers still active?
- Are company-initiated cancelations clustered in the early underwriting period (0-59 days), consistent with risk vetting, or occurring late in the term?

4. Loss Experience and risk concentration (by peril)

Data Call Elements/ derived metrics

From definitions: count of paid claims and losses paid by peril category (fire excl. wildfire, wildfire, wind/hail, water/freezing, all other perils), plus total premium.

Recommended public metrics:

- Peril-specific paid loss ratios (losses paid ÷ written premium) by state and over time for 2018-2025.
- Claim frequency per 1,000 policies by peril and geography.
- Trend charts for selected high-risk states showing 8-year evolution of peril-level frequency and severity.
- Simple cross-tabs: peril-specific loss ratio by deductible band or by RC vs ACV status, where credible.
- Share of reported claims closed without payment (CWP) by peril (wind/hail, water, wildfire, fire, other) at an aggregate state/region level.
- CWP ratios by deductible band (e.g. low vs high deductibles), especially for wind/hail and water claims, to show where claims are more likely to fall below deductibles.
- CWP ratios in high-hazard vs lower-hazard areas (e.g. coastal vs non-coastal, WUI vs non-WUI), using banded geographies rather than individual zips.

Key related metrics (outside the data call):

- Catastrophe loss statistics from public sources (e.g. industry-wide cat loss aggregates) used qualitatively to frame why peril-specific ratios loss stressed in certain regions.

Why this matters/questions it answers:

- Which perils are driving deterioration in market performance, and in which state/regions are those risks concentrated?
- Are wind/hail and wildfire loss ratios persistently high where we also see elevated nonrenewal rates and higher deductibles, reinforcing the risk-normalization narrative?
- Are water/freezing or "other perils" rising in importance, suggesting building-stock or climate-adaptation issues beyond headline events?
- Do RC vs ACV choices or higher deductibles correlate with materially different claim frequency/severity profiles, supporting insurer and regulator views on incentives and moral hazard?
- In which perils and geographies are a large share of reported claims being closed without payment, and how does that relate to deductible structures, coverage terms, and hazard levels.
- Do higher deductibles and shifts in coverage (e.g., exclusions ACV) correspond to higher CWP ratios, especially for small or borderline claims, helping explain consumer frustration and regulator concern?

5. Mitigation and resilience (as the constructive lever)

Data-call elements/derived metrics

From definitions: counts and average % discounts for state-required and non-state mitigation discounts, broken out for Fortified, wind, fire/wildfire, impact/hail, water.

Recommended public metrics:

- Uptake rates (% of policies in force with each type of mitigation discount) by state and, where feasible, by hazard-relevant regions
- Average mitigation discount percentages by type and state (state-required vs non-state).
- Simple comparisons of peril-specific loss ratios and claim frequency in areas with high-vs low mitigation uptake (only where volume supports credible comparisons).
- For a few case-study states, change over time in mitigation uptake vs change in peril-specific loss ratios or premium per \$1,000 Coverage A.

Key Related metrics (outside the data call):

- State mitigation program details (e.g. Strengthen Alabama Homes, Safer from Wildfires) and grant volumes referenced qualitatively to interpret mitigation uptake patterns.
- Building-code adoption or resilience-grade indicators at a high level, where available, for context.

Why it matters/questions it answers:

- Where are mitigation programs actually being used, and where are "mitigation deserts" in high-hazard zones?
- Do higher adoption areas show better loss experience (lower frequency or severity), strengthening the case for expanding such programs and supporting industry pricing of mitigation? Reference to Hurricane Sally
<https://aldoi.gov/pdf/news/performanceibhsfortifiedhomeconstructionhurricanesally.pdf>
- How much of the observed premium/rate pressure in high-risk areas is being offset- or could be offset- by expanded mitigation?

6. Solvency and financial-strength framing

The public report will not show company-level solvency data, but it can connect aggregate homeowners performance to the prudential picture.

Key related metrics (outside the data call):

- Aggregated homeowners line loss and expense ratios by state/region from Annual Statement data (using NAIC profitability reports).
- Simple countrywide time series of homeowners loss ratios vs catastrophe loss indices as backdrop.

How they combine with data-call metrics:

- Use data-call peril-specific loss ratios and frequency trends to explain why certain states show persistently high or volatile homeowners combined ratios.

- Pair areas of high non-renewal/high deductible usage with indicators of stressed profitability to show that underwriting changes are often responses to solvency pressures.

Questions this allows the report to answer:

- Where are homeowners markets most stressed from a solvency standpoint, and how does that overlap with availability and affordability concerns?
- How can mitigation and policy interventions reduce solvency pressure so insurers can continue writing in high-hazard regions?

7. A simple structure to keep the report usable

To keep this risk-normalized, industry-sensitive frame clear for legislators, consumers, and industry, you could organize each state section into:

- **Market footprint:** policies, premium, form mix, Coverage A, RC vs ACV.
- **Affordability:** premium per \$1,000 Coverage A, deductibles, basic "premium vs income" context.
- **Availability & Competition:** nonrenewal, cancellation, peril exclusions, carrier count/concentration.
- **Risk & resilience:** peril-specific loss ratios, mitigation uptake, and a short narrative on what is driving stress and what levers exist.