

2024 Market Conduct Annual Statement Ratios

Contents

Property & Casualty (Private Passenger Auto & Homeowner) 3
Life & Annuity 4
Schedule 1 - Individual Cash Value Products (ICVP) 4
Schedule 2 - Individual Non-Cash Value Products (INCVP) 5
Schedule 3 - Individual Fixed Annuities (IFA) and Schedule 4 - Individual Variable Annuities (IVA) 5
Long Term Care 7
Schedule 1 - General 7
Schedule 2 - Claimants 7
Schedule 3 – Claimant Requests Denied/Not Paid 7
Schedule 4 – Claimant Request Determination Timeliness 7
Schedule 5 – Benefit Payment Requests 7
Schedule 6 – Benefit Payment Request Timeliness 8
Schedule 7 - Lawsuits 8
Health 9
Lender Placed Insurance (Auto and Home) 12
Claims 12
Cancellations 12
Suits 14
Complaints 15
Placement Rate 15
Disability Income 16
Private Flood 18
Short-Term Limited Duration Insurance 20
Travel 21
Other Health 22
Pet 26
Public Ratios 26
Non-Public Ratios 27

2024 Market Conduct Annual Statement Ratios

Property & Casualty (Private Passenger Auto & Homeowner)

Ratio 1.
The number of claims closed without payment compared to the total number of claims closed

$$\left(\frac{[\#ofclaimsclosedwithoutpayment]}{[\#ofclaimsclosedwithpayment] + [\#ofclaimsclosedwithoutpayment]}\right)$$

Ratio 2.
Percentage of claims unprocessed at the end of the period

$$\left(\frac{\begin{array}{c}ofclaimsopenattheBeginningofperiod+ofclaimsopenedduringperiod\\-ofclaimsclosedwithpayment-ofclaimsclosedwithoutpayment\end{array}}{\#ofclaimsopenatthebeginningofperiod+\#ofclaimsopenedduringtheperiod}\right)$$

Ratio 3.
Percentage of claims paid beyond 60 days

$$\left(\frac{[total\#ofclaimssettledbeyond60days]}{[total\#ofclaimssettledforallldurations]}\right)$$

Ratio 4.
Non-renewals to policies in force

$$\left(\frac{[\#ofnon-renewals]}{[\#ofpoliciesinforce]}\right)$$

Ratio 5.
Cancellations over 60 days to policies in force

$$\left(\frac{[\#ofcancellations60daysormoreaftertheeffectivedate]}{[\#ofpoliciesinforce]}\right)$$

Ratio 6.
Cancellations under 60 days to new policies issued

$$\left(\frac{[\#ofcancellationsthatoccurinthefirst59daysaftereffectivedate]}{[\#ofnewpoliciesissued]}\right)$$

Ratio 7.
Suits opened during the period to claims closed without payment

$$\left(\frac{[\#ofsuitsopenduringtheperiod]}{[\#ofclaimsclosedwithoutpayment]}\right)$$

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Life & Annuity
Schedule 1 - Individual Cash Value Products (ICVP)

Ratio 1.
The number of replacements issued compared to the number of new policies issued

$$\left(\frac{[\#\text{ofreplacementpoliciesissued}]}{[\#\text{ofnewpoliciesissued}]}\right)$$

Ratio 2.
The number of policies replaced where the age of the insured at replacement was greater than or equal to 65 compared to the total number of replacements

$$\left(\frac{[\#\text{ofreplacements where age}\geq 65]}{[\#\text{ofreplacements where age}<65]+ [\#\text{ofreplacements where age}\geq 65]}\right)$$

Ratio 3.
The number of surrenders compared to the number of policies issued

$$\left(\frac{[\#\text{ofsurrenders}]}{[\#\text{ofnewpoliciesissued}]}\right)$$

Ratio 4.
The number of policies surrendered through 10 years from policy issue compared to the total number of surrenders

$$\left(\frac{\begin{array}{c}[\#\text{ofsurrenders}<2\text{years from issuance}]+ [\#\text{ofsurrenders } 2-5\text{years from issuance}] \\ + [\#\text{ofsurrenders } 6-10\text{years from issuance}]\end{array}}{[\text{Totalsurrenderedduringtheperiod}]}\right)$$

Ratio 5.
The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid

$$\left(\frac{[\#\text{of claims paid beyond 60 days}]}{[\#\text{of claims paid within 30 days}]+[\#\text{of claims paid within 31 - 60days}]+[\#\text{of claims paid beyond 60 days}]}\right)$$

Ratio 6.
The number of claims denied, resisted or compromised compared to the number of claims closed

$$\left(\frac{[\#\text{of claims denied, resisted or compromised}]}{\begin{array}{c}[\#\text{of claims paid within 30 days}]+[\#\text{of claims paid within 31 - 60 days}]+ \\ [\#\text{of claims paid beyond 60 days}]+[\#\text{of claims denied, resisted or compromised}]\end{array}}\right)$$

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Ratio 7.
The number of complaints received directly from consumers per 1,000 policies in force

$$\left(\frac{[\#\text{ofcomplaintsreceivedfromconsumers}]}{([\#\text{ofpoliciesinforce}]\div 1{,}000)}\right)$$

Schedule 2 - Individual Non-Cash Value Products (INCVP)
Ratio 1.
The number of replacements issued compared to the number of policies issued

Ratio 5.
The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid

Ratio 6.
The number of claims denied, resisted or compromised compared to the number of claims closed

Ratio 7.
The number of complaints received directly from consumers per 1,000 policies in force

Schedule 3 - Individual Fixed Annuities (IFA) and Schedule 4 - Individual Variable Annuities (IVA)
(Separate ratios are provided for each schedule)

Ratio 1.
The number of replacements issued compared to the number of contracts issued

Ratio 2.
The number of contracts replaced where the age of the annuitant at Replacement was > 80 to the total number of replacements

$$\left(\frac{[\#\text{ofreplacements where age}>80]}{[\#\text{ofreplacements issued during the period}]}\right)$$

Ratio 3.
The number deferred annuity contracts issued to annuitants more than 80 years old compared to total deferred annuities issued

$$\left(\frac{[\#\text{ofnew deferred contracts issued where age was}>80]}{[\#\text{ofnew deferred contracts issued during period}]}\right)$$

Ratio 4.
The number of contracts surrendered through 10 years from contract issue compared to the total number of surrenders

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Ratio 7.
The number of complaints received directly from consumers per 1,000 contracts in force

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Long Term Care

Schedule 1 - General

Ratio 1.

The percentage of replacements to new business issued

$$\left(\frac{[\#\text{ofinternal replacementpoliciesissued} + \#\text{ of external replacement policies issued}]}{[\#\text{ofnewbusiness policiesissued}]}\right)$$

Ratio 2.

The number of complaints per 1,000 policies in-force as of the end of the reporting period

$$\left(\frac{[\#\text{ofcomplaintsreceivedfromconsumers}]}{([\#\text{ofpoliciesinforce}]\div 1{,}000)}\right)$$

Schedule 2 - Claimants

Ratio 3.

The average number of claimants per policy in-force

$$\left(\frac{[\#\text{ofclaimants approved for benefits at the end of the period}]}{[\#\text{ofpolicies in-force}]}\right)$$

Schedule 3 – Claimant Requests Denied/Not Paid

Ratio 4.

The percentage of denied claimant requests to new claimants

$$\left(\frac{[\#\text{ofrequests denied or not paid}]}{[\#\text{ofnewclaimants during the period} + \#\text{ of pending claimant requests at the beginning of period}]}\right)$$

Schedule 4 – Claimant Request Determination Timeliness

Ratio 5.

The percentage of claim determination made more than 60 days from notice of claim

$$\left(\frac{[\#\text{ofclaim determinations made within 60 to 90 days} + \text{claim determinations made beyond 90 days}]}{[\text{Total }\#\text{ofclaim determinations made}]}\right)$$

Schedule 5 – Benefit Payment Requests

Ratio 6.

The percentage of benefit payment requests denied

$$\left(\frac{[\#\text{ofpayment requests denied or not paid}]}{[\text{total requests received}+\text{total requests pending at beginning of period}]}\right)$$

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Schedule 6 – Benefit Payment Request Timeliness

Ratio 7.

The percentage of benefit request payments made more than 60 days from notice of request

$$\left(\frac{[\#\text{ofbenefit requests paid within 60 to 90 days+benefit requests paid beyond 90 days}]}{[\text{total \# of benefit payments paid}]}\right)$$

Ratio 8.

The percentage of benefit request denials made more than 60 days from notice of request

$$\left(\frac{[\text{benefit requests denied or not paid within 60 to 90 days+benefit requests denied or not paid beyond 90 days}]}{[\text{total \#ofbenefit requests denied or not paid}]}\right)$$

Schedule 7 - Lawsuits

Ratio 9.

The percentage of lawsuits closed with consideration for the consumer

$$\left(\frac{[\#\text{oflawsuits closed with consideration for consumer}]}{[\text{total\#oflawsuits closed during the period}]}\right)$$

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Health

Both In-Exchange and Out-of-Exchange Markets

Ratio 1.
The number of claim denials to the total number of claims received (Excluding Pharmacy)

$$\left(\frac{[\#\text{ of claim denials for in-network claims+ \# of claim denials for out-of-network claims}]}{[\#\text{ of claims received}]}\right)$$

Ratio 2.
Percentage of in-network claims (Excluding Pharmacy)

$$\left(\frac{[\#\text{ of claims submitted by network providers}]}{[\#\text{ of claims received }]}\right)$$

Ratio 3.
Percentage of out-of-network claims (Excluding Pharmacy)

$$\left(\frac{[\#\text{ of claims submitted by out-of-network providers}]}{[\#\text{ of claims received }]}\right)$$

Note: Ratios 2 and 3 are not calculable for Pharmacy.

Ratio 4.
Percentage of in-network claims paid within 30 days (Excluding Pharmacy)

$$\left(\frac{[\#\text{ of claims paid within 0 to 30 days for in-network services}]}{[\#\text{ of paid claims for in-network services }]}\right)$$

Ratio 5.
Percentage of in-network claims denied within 30 days (Excluding Pharmacy)

$$\left(\frac{[\#\text{ of claims denied within 0 to 30 days for in-network services}]}{[\#\text{ of claim denials for in-network claims}]}\right)$$

Ratio 6.
Percentage of out-of-network claims paid within 30 days (Excluding Pharmacy)

$$\left(\frac{[\#\text{ of claims paid within 0 to 30 days for out-of-network services}]}{[\#\text{ of claims paid for out-of-network services}]}\right)$$

Ratio 7.
Percentage of out-of-network claims denied within 30 days (Excluding Pharmacy)

$$\left(\frac{[\#\text{ of claims denied within 0 to 30 days for out-of-network services}]}{[\#\text{ of claims denied for out-of-network services}]}\right)$$

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Ratio 8.
Percentage of claims paid (Pharmacy Only)

$$\left(\frac{[\text{\# of claims paid for in-network services + \# of claims paid for out-of-network services}]}{[\text{\# of claims received}]}\right)$$

Ratio 9.
Insured co payment responsibility to covered lives (Excluding Pharmacy)

$$\left(\frac{[\text{insured co payment responsibility}]}{[(\text{member months for policies issued+member months for policies renewed})/12]}\right)$$

Ratio 10.
Insured coinsurance responsibility to covered lives (Excluding Pharmacy)

$$\left(\frac{[\text{coinsurance responsibility}]}{[(\text{member months for policies issued+member months for policies renewed})/12]}\right)$$

Ratio 11.
Insured deductible responsibility to covered lives (Excluding Pharmacy)

$$\left(\frac{[\text{deductible responsibility}]}{[(\text{member months for policies issued+member months for policies renewed})/12]}\right)$$

Ratio 12.
Cost sharing responsibility to covered lives (Pharmacy Only)

$$\left(\frac{[\text{insured co payment responsibility+coinsurance responsibility+deductible responsibility}]}{[(\text{member months for policies issued+member months for policies renewed})/12]}\right)$$

Ratio 13.
Adverse determination grievances per 1,000 member months

$$\left(\frac{[\text{\# of customer requests for internal reviews of grievances involving adverse determinations}]}{[(\text{member months for policies issued+member months for policies renewed})/1000]}\right)$$

Ratio 14.
Adverse determinations overturned to total grievances involving adverse determinations

$$\left(\frac{[\text{\# of adverse determinations overturned}]}{[\text{\# of customer requests for internal review of grievances involving adverse determinations}]}\right)$$

Ratio 15.
Adverse determinations upheld to total grievances involving adverse determinations

$$\left(\frac{[\text{\# of adverse determinations upheld}]}{[\text{\# of customer requests for internal review of grievances involving adverse determinations}]}\right)$$

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Ratio 16.
Grievances not involving adverse determinations per 1,000 member months

$$\left(\frac{[\text{\# of requests for internal reviews of grievances not involving adverse determinations}]}{[(\text{member months for policies issued}+\text{member months for policies renewed})/1000]}\right)$$

Ratio 17.
Customer requested appeals on final adverse determinations to an external review organization (ERO) per 1,000 member months

$$\left(\frac{[\text{\# of customer requested appeals on final adverse determinations to an ERO}]}{[(\text{member months for policies issued}+\text{member months for policies renewed})/1000]}\right)$$

Ratio 18.
Final adverse determinations upheld upon request for external review to number of requested appeals on final adverse determinations to an external review organization (ERO)

$$\left(\frac{[\text{\# of final adverse determinations upheld upon request for external review}]}{[\text{\# of customer requested appeals on final adverse determinations to an ERO}]}\right)$$

Ratio 19.
Final adverse determinations overturned upon request for external review to number of requested appeals on final adverse determinations to an external review organization (ERO)

$$\left(\frac{[\text{\# of final adverse determinations overturned upon request for external review}]}{[\text{\# of customer requested appeals on final adverse determinations to an ERO}]}\right)$$

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2024 Market Conduct Annual Statement Ratios

Lender Placed Insurance (Auto and Home)
Both Single Interest and Dual Interest

Claims
Ratio 1.
Number of claims closed without payment to total number of claims closed

$$\left[\frac{(\#\text{of claims closed without payment})}{(\#\text{of claims closed with payment})+(\#\text{ of claims closed without payment})}\right]$$

Ratio 2.
Claims open at the end of the period to total claims during the period

$$\left[\frac{\begin{array}{c}(\#\text{of claims open at the beginning of period}+\#\text{of claims opened during period}\\ -\ \#\text{of claims closed with payment}-\#\text{of claims closed without payment})\end{array}}{(\#\text{ of claims open at the beginning of period}+\#\text{ of claims opened during the period})}\right]$$

Ratio 3.
Claims paid beyond 60 days to total claims closed with payment

$$\left[\frac{\begin{array}{c}(\#\text{of claims settled } 61-90 \text{ days}+\#\text{of claims settled } 91-180 \text{ days}\\ +\ \#\text{of claims settled } 181-365 \text{ days}+\#\text{of claims settled beyond } 365 \text{ days})\end{array}}{\text{total \# of claims closed with payment}}\right]$$

Ratio 4.
Loss Ratio – Incurred claims to earned premium

$$\left[\frac{(\text{dollars of claims incurred during the period})}{(\text{dollar amount of premium earned during the period})}\right]$$

Cancellations
Ratio 5.
Master policy cancellations to master policies in force at beginning of the period

$$\left[\frac{(\textbf{total \#of master policy cancellations})}{(\textbf{total \#of master policies in force at beginning of period})}\right]$$

Ratio 6.
A. Flat cancellations beyond 45 days to total flat cancellations: Certificates

$$\left[\frac{(\#\text{of certificates flat cancelled beyond } 45 \text{ days})}{(\text{total \#of certificates flat cancelled during the period})}\right]$$

B. Flat cancellations beyond 45 days to total flat cancellations: Individual policies

$$\left[\frac{(\#\text{of individual policies flat cancelled beyond } 45 \text{ days})}{(\text{total \#of individual policies flat cancelled during the period})}\right]$$

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Ratio 7.
A. Total cancelations to coverages issued – Certificates

$$\left[\frac{\begin{array}{c}(\#\text{of certificates flat cancelled during the period} \\ +\ \#\text{of certificates cancelled for reasons other than flat cancellations during the period})\end{array}}{\#\text{ of certificates written during the period}}\right]$$

B. Total cancelations to coverages issued – Individual policies

$$\left[\frac{\begin{array}{c}(\#\text{of individual policies flat cancelled during the period} \\ +\ \#\text{of individual policies cancelled for reasons other than flat cancellations during the peirod})\end{array}}{\#\text{ of individual policies written during the period}}\right]$$

Ratio 8.
A. Flat cancellations to total cancellations – Certificates

$$\left[\frac{(\#\text{ of certificates flat cancelled during the period})}{\begin{array}{c}(\#\text{ of certificates flat cancelled during the period} \\ +\ \#\text{of certificates cancelled for reasons other than flat cancellations})\end{array}}\right]$$

B. Flat cancellations to total cancellations – Individual policies

$$\left[\frac{(\#\text{of individual policies flat cancelled during the period})}{\begin{array}{c}(\#\text{of individual policies flat cancelled during the period} \\ +\ \#\text{of individual policies cancelled for reasons other than flat cancellations})\end{array}}\right]$$

Ratio 9.
A. Flat cancellations to coverages written – Certificates

$$\left[\frac{(\#\text{of certificates flat cancelled during the period})}{(\#\text{of certificates written during the period})}\right]$$

B. Flat cancellations to coverages written – Individual policies

$$\left[\frac{(\#\text{of individual policies flat cancelled during the period})}{(\#\text{of individual policies written during the period})}\right]$$

Ratio 10.
A. Total cancellations to average exposures – Certificates

$$\left[\frac{\begin{array}{c}(\#\text{of certificates flat cancelled during the period} \\ +\ \#\text{of certificates cancelled for reasons other than flat cancellations})\end{array}}{\#\text{of certificates written during the period/average gross placement rate}}\right]$$

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B. Total cancellations to average exposures – Individual policies

$$\left[\frac{\begin{array}{c}(\#\text{of individual policies flat cancelled during the period} \\ +\ \#\text{of individual policies cancelled for reasons other than flat cancellations})\end{array}}{\#\text{of individual policies written during the period/average gross placement rate}}\right]$$

Ratio 11.
A. Total flat cancellations to average exposures – Certificates

$$\left[\frac{(\#\text{of certificates flat cancelled during the period})}{\#\text{of individual policies written during the period/average gross placement rate}}\right]$$

B. Total flat cancellations average exposures – Individual policies

$$\left[\frac{(\#\text{of individual polciies flat cancelled during the period})}{(\#\text{of individual policies written during the period/average gross placement rate})}\right]$$

Suits
Ratio 12.
Suits opened during the period to claims closed without payment

$$\left[\frac{(\#\text{of suits open during the period})}{(\#\text{ of claims closed without payment during the period})}\right]$$

Ratio 13.
Suits closed with consideration for the consumer to suits closed

$$\left[\frac{(\#\text{of suits closed during the period with consideration for the borrower})}{(\#\text{of suits closed during the period})}\right]$$

Ratio 14.
Suits open at beginning of period to sum of certificates in force and individual policies in force at beginning of the period

$$\left[\frac{\begin{array}{c}(\#\text{of suits open at the beginning of the period}) \\ \hline \begin{array}{c}(\#\text{of certificates in force at beginning of period} \\ +\ \#\text{of individual policies in force at beginning of period})\end{array}\end{array}}{}\right]$$

Ratio 15.
Suits opened during the period to sum of average coverages in force

$$\left[\frac{\begin{array}{c}(\#\text{of suits opened during the period}) \\ \hline \left(\begin{array}{c}(\#\text{of certificates in force at beginning+certificates in force at end}) \\ +\ (\#\text{individual policies in force beginning+\#individual policies in force end})\end{array}\right) \\ 2\end{array}}{}\right]$$

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Complaints

Ratio 16.

Total complaints to coverages written

$$\left[\frac{\begin{array}{c}(\#\text{of complaints received directly from the DOI} \\ +\ \#\text{of complaints received directly from any person or entity other than the DOI})\end{array}}{\begin{array}{c}(\#\text{of certificates issued during the period} \\ +\ \#\text{of individual policies issued during the period}\ )\end{array}}\right]$$

Ratio 17.

Total complaints to claims opened

$$\left[\frac{\begin{array}{c}(\#\text{of complaints received directly from the DOI} \\ +\ \#\text{of complaints received directly from any person or entity other than the DOI})\end{array}}{\#\text{ of claims opened during the period}}\right]$$

Placement Rate

Ratio 18.

Average gross placement rate

First calculate industry aggregate sum of average exposures by coverage:

$$\sum \text{all insurers}\left[\frac{\begin{array}{c}(\#\text{of certificates issued during the period} \\ +\ \#\text{of individual policies issued during the period})\end{array}}{\text{average gross placement rate}}\right]$$

Then calculate aggregate average gross placement rate by coverage by dividing the sum of industry coverages written for a coverage by the sum of the industry number of exposures:

$$\frac{\sum \text{all insurers}\left(\begin{array}{c}(\#\text{of certificates issued during the period} \\ +\ \#\text{of individual policies issued during the period})\end{array}\right)}{\sum \text{all insurers (number of average exposures)}}$$

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Disability Income

Ratio 1.

Percentage of claims denied

$$\left(\frac{\text{[Number of claims denials during reporting period (21)]}}{\text{[Number of claims denials during reporting period (21)]} + \text{[Number of paid claims closed during reporting period (22)]}}\right)$$

Ratio 2.

Percentage of claims processed with initial decision after 45 days

Short-Term Only

$$\left(\frac{\text{[Number of claims processed with initial claim decision over 45 days (28)]}}{\begin{array}{c}\text{[Number of claims processed with initial claim decision within 1-14 days (25)]} \\ +\text{[Number of claims processed with initial claim decision within 15-30 days (26)]} \\ +\text{[Number of claims processed with initial claim decision within 31-45 days (27)]} \\ +\text{[Number of claims processed with initial claim decision over 45 days (28)]}\end{array}}\right)$$

Ratio 3.

Percentage of claims processed with initial decision after 90 days

Long-Term Only

$$\left(\frac{\text{[Number of claims processed with initial claim decision over 90 days (33)]}}{\begin{array}{c}\text{[Number of claims processed with initial claim decision within 1-30 days (30)]} \\ +\text{[Number of claims processed with initial claim decision within 31-60 days (31)]} \\ +\text{[Number of claims processed with initial claim decision within 61-90 days (32)]} \\ +\text{[Number of claims processed with initial claim decision over 90 days (33)]}\end{array}}\right)$$

Ratio 4.

The number of complaints received directly from any entity other than the DOI per 1,000 individual policies in force during the reporting period

$$\left(\frac{\text{[Number of complaints received directly from any entity other than the DOI (83)]}}{\left(\begin{array}{c}\text{([Number of policies beginning of the reporting period (67)]} \\ +\text{[Number of policies at the end of the reporting period (75])} \div 2\end{array}\right) \div 1000}\right)$$

Ratio 5.

The number of complaints received directly from any entity other than the DOI per 1,000 lives covered on group policies

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$$\left(\frac{[\text{Number of complaints received directly from any entity other than the DOI (83)}]}{\left([\text{Number of lives covered at the beginning of the reporting period (76)}]+[\text{Number of lives covered at the end of the reporting period (82)}]\right)\div 2}\div 1000\right)$$

Ratio 6.
The number of complaints relating to group policies to average number of group policies in force during the reporting period

$$\left(\frac{[\text{Number of complaints received directly from any entity other than the DOI (83)}]}{\left([\text{Number of policies in force at beginning of reporting period (67)}]+[\text{Number of policies in force at end of the reporting period (75)}]\right)\div 2}\right)$$

Ratio 7.
The percentage of lawsuits closed with consideration for the consumer

$$\left(\frac{[\textbf{Number} \text{ of lawsuits closed with consideration for consumer (87)}]}{[\text{Total number of lawsuits closed during the period (86)}]}\right)$$

Ratio 8.
Insurer non-renewals and cancellations to average policies in force

$$\left(\frac{[\text{Number of insurer non-renewals (71)} + [\text{Number of insurer cancellations}] (72)]}{([\text{Number of policies in force at the beginning of the reporting period (67)}]+[\text{Number of policies in force at the end of the reporting period (75)}])\div 2}\right)$$

Ratio 9.
Covered lives affected by insurer non-renewals and cancellations to average policies in force Group only

$$\left(\frac{[\text{Number of lives covered under insurer non-renewals (79)}]+[\text{Number of lives covered under insurer cancellations (80)}]}{([\text{Number of lives covered under policies in force at the beginning of the reporting period (76)}]+[\text{Number of lives covered under policies in force at the end of the reporting period (82)}])\div 2}\right)$$

Ratio 10.
Average pending benefit determinations to claims received

$$\left(\frac{([\text{Number of pending benefit determinations, beginning of reporting period (17)}]+[\text{Number of pending benefit determinations,end of reporting period (23)}])\div 2}{[\text{Number of claims received during the reporting period (19)}]}\right)$$

Ratio 11.
Rescissions after two years from issuance to total rescissions

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$$\left(\frac{\text{[Number of rescissions after two years from policy issue (74)]}}{\text{[Number of rescissions within two years from policy issue (73)]}+\text{[Number of rescissions after two years from policy issue (74)]}}\right)$$

Private Flood

Same Ratios Apply Separately for First Dollar Coverage (stand-alone plus endorsements) and Excess Coverage (stand-alone plus endorsements)

Ratio 1.
Number of claims closed without payment compared to total number of claims closed

$$\left(\frac{\text{[Number of claims closed during the period, without payment (55)]}}{\text{[Number of claims closed with payment (54)]} + \text{[Number of claims closed without payment (55)]}}\right)$$

Ratio 2.
Percentage of claims unprocessed at the end of the period

$$\left(\frac{\begin{array}{l}\textbf{Number of claims open at the beginning of period (52)}+\textbf{Number of claims opened during period (53)}\\ -\textbf{Number of claims closed with payment (54)}-\textbf{Number of claims closed without payment (55)}\end{array}}{\textbf{Number of claims open at the beginning of period (52)}+\textbf{Number of claims opened during the period (53)}}\right)$$

Ratio 3.
Percentage of claims paid beyond 60 days

$$\left(\frac{\text{[total number of claims closed with payment beyond 60 days (sum of 60 through 63)]}}{\text{[total number of claims closed with payment for all durations (sum of 58 through 63)]}}\right)$$

Ratio 4.
Company-initiated non-renewals to policies in force

$$\left(\frac{\text{[number of company-initiated non-renewals (76)]}}{\text{[number of private flood policies or endorsements in force at the end of the reporting period (73)]}}\right)$$

Ratio 5.
Company-initiated cancellations over 60 days to policies in force

$$\left(\frac{\text{[}\textbf{number of company-initiated cancellations that occur 60 days or more after the effective date (80 and 81)]}}{\text{[}\textbf{number of private flood policies or endorsements in force at the end of the reporting period (73)]}}\right)$$

Ratio 6.
Company-initiated cancellations under 60 days to new policies issued

$$\left(\frac{\text{[number of company-initiated cancellations that occur in the first 59 days after effective date (79)]}}{\text{[number of private flood policies or endorsements written during the reporting period (72)]}}\right)$$

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Ratio 7.
Suits opened during the period to claims closed without payment

$$\left(\frac{\text{[Number of lawsuits opened during the period (83)]}}{\text{[number of claims closed during the reporting period, without payment (55)]}}\right)$$

Ratio 8.
Percentage of lawsuits closed with consideration for the consumer

$$\left(\frac{\text{[number of lawsuits closed during the period with consideration for the consumer (85)]}}{\text{[number of lawsuits closed during the period (84)]}}\right)$$

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2024 Market Conduct Annual Statement Ratios

Short-Term Limited Duration Insurance

Ratio 1.
The number of claims denied, rejected or returned to the total number of claims paid, denied, rejected or returned

$$\left(\frac{[\text{\# of claim denied, rejected or returned (89)}]}{\left[\begin{array}{c}\text{\# of claims pending at beginning of period (87) + \# of claims received (88)} \\ \text{- \# of claims pending at end of period (99)}\end{array}\right]}\right)$$

Ratio 2.
Pre-existing Condition Denials to Total Denials

$$\left(\frac{[\text{\#of claim denied,rejected or returned as subject to pre−existing condition exclusion (94)}]}{[\text{\#of claims denied,rejected or returned (89)}]}\right)$$

Ratio 3.
Prior Authorizations Denied to the Total Number of Prior Authorizations Received During the Period

$$\left(\frac{[\text{total \# of prior auths denied during the period (82)}]}{[\text{\# of prior auths received during the period (79 + 80)}]}\right)$$

Ratio 4.
Member Months for Policies/Certificates Renewed/Reissued which had an option to renew/reissue without Underwriting to Total Member Month for Policies/Certificates Renewed/Reissued

$$\left(\frac{[\text{\# of member months on policies renewed/reissued without underwriting (61)}]}{[\text{total \# of member months on total number of policies renewed/reissued during the period (60) }]}\right)$$

Ratio 5.
Cancellations During Free Look Period

$$\left(\frac{[\text{\# of policies/certificates cancelled during free look period (65)}]}{[\text{total \# of policies issued during the period (51 all STLDI columns }]}\right)$$

Ratio 6.
Claims Appeals per Claims Denied, Rejected, and Returned

$$\left(\frac{[\text{\# of claims appeals pending at beginning (104) + \# of claims appeals received (105)}]}{[\text{ \# of claim denied, rejected or returned (89) }]}\right)$$

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2024 Market Conduct Annual Statement Ratios

Ratio 7.
Claims Appeals In which the Company Claims Decision is Overturned

$$\left(\frac{[\text{Number of Claim Decision Appeals Resulting in Decisions Overturned or Modified during the period (107)}]}{[\text{\# of claims appeals pending at beginning (104) + \# of claims appeals received (105)}]}\right)$$

Ratio 8.
Number of Complaints received per 1,000 Policies/Certificates In Force During the Period

$$\left(\frac{[\text{\# of complaints received by company (112) + complaints received through DOI (113)}]}{[(\text{policies/certificates in force at beginning (48)+ policies/certificates issued (51) }]}\right)$$

Ratio 9.
Percentage of Lawsuits Closed with Consideration for the Consumer

$$\left(\frac{[\text{\# of lawsuits closed with consideration for the consumer (118)}]}{[\text{\# of lawsuits closed during the period (117)}]}\right)$$

Ratio 10.
Lawsuits to Policies/Certificates In Force During the Period

$$\left(\frac{[\text{\# of lawsuits opened during the period (116)}]}{[(\text{policies/certificates in force at beginning (48)+ policies/certificates issued (51) }]}\right)$$

Ratio 11.
Renewal/Reissue Applications Denied to Total Renewal/Reissue Applications

$$\left(\frac{[\text{\# of renewal/reissue applications denied during the period (125)}]}{[(\text{\# of renewal/reissue applications received during the period(122)}]}\right)$$

Travel
Ratio 1.
The number of claims closed without payment compared to the total number of claims closed

$$\left(\frac{[\#\text{of claims closed without payment (20)}]}{[\#\text{of claims closed with payment (19)}] + [\#\text{of claims closed without payment (20)}]}\right)$$

Ratio 2.
Percentage of claims unprocessed at the end of the period

$$\left(\frac{\begin{array}{c}\text{claims open at the Beginning of period (17)+claims opened during period (18)}\\ -\text{of claims closed with payment (19)}-\text{of claims closed without payment (20)}\end{array}}{\#\text{of claims open at the Beginning of period (17)}+\#\text{of claims opened during the period (18)}}\right)$$

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Ratio 3.
Percentage of claims paid beyond 30 days

$$\left(\frac{[\text{total \# of claims settled beyond 30 days (24+25)}]}{[\text{total \# of claims settled for all durations (23+24+25]}}\right)$$

Ratio 4.
The percentage of lawsuits closed with consideration for the consumer

$$\left(\frac{[\text{\# of lawsuits closed with consideration for consumer (34)}]}{[\text{total \# of lawsuits closed during the period (32)}]}\right)$$

Other Health
Ratio 1.
The number of claims denied, rejected or returned to the total number of claims closed

$$\left(\frac{[\text{Total \# of claims denied, rejected or returned (66)}]}{\left[\begin{array}{c}[\text{\# of claims pending at beginning of period (64)}]\\ +\,[\text{\# of claims received (include non-clean claims) (65)}]\\ -\,[\text{\# of claims pending at end of period (72)}]\end{array}\right]}\right)$$

Ratio 2.
Pre-existing Condition Denials to Total Denials

$$\left(\frac{[\text{\#of denied,rejected,or returned as subject to pre}-\text{existing condition exclusion (68)}]}{[\text{Total \#of claims denied,rejected or returned (66)}]}\right)$$

Ratio 3.
Inadequate Documentation Denials to Total Denials

$$\left(\frac{[\text{\# of denied,rejected or returned due to failure to provide adequate documentation (69)}]}{[\text{Total \#of claims denied,rejected or returned (66)}]}\right)$$

Ratio 4.
Average Number of Days to a Decision on Denied Claims

$$\left(\frac{\left[\begin{array}{c}[\text{Total \# of claims denied,rejected or returned (66)}]\\ *\,[\text{Average \# of days from receipt of claim to decision for denied claims (74)}]\end{array}\right]}{[(\text{Total \# of claims denied,rejected or returned (66)}]}\right)$$

Note: The above calculation is the total number of days for all insurers to a decision on denied claims divided by the total number of denied claims for all insurers to produce the statewide average time to a decision.

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Ratio 5.
Average Number of Days to a Decision on Approved Claims

$$\left(\frac{\begin{bmatrix} [\#\text{ of claims pending at beginning of period (64)}] \\ +[\#\text{ of claims received (include non-clean claims) (65)}] \\ -[\#\text{ of claims pending at end of period (72)}] \\ -[\text{Total \# of claims denied,rejected or returned (66)}] \end{bmatrix} * [\text{Average \# of days from receipt of claim to decision for approved claims (76)}]}{\begin{bmatrix} [\#\text{ of claims pending at beginning of period (64)}] \\ +[\#\text{ of claims received (include non-clean claims) (65)}] \\ -[\#\text{ of claims pending at end of period(72)}] \\ -[\text{Total \# of claims denied,rejected or returned (66)}] \end{bmatrix}} \right)$$

Note: The above calculation is the total number of days for all insurers to a decision on denied claims divided by the total number of denied claims for all insurers to produce the statewide average time to a decision.

Ratio 6.
Cancellations During Free Look Period

$$\left(\frac{[\#\text{ of policies/certificates cancelled during free look period (54)}]}{[\#\text{ of new policies/certificates issued during the period (50) }]} \right)$$

Ratio 7.
Cancellations by Policyholder to Total Policies/Certificates During the Period

$$\left(\frac{\left[\begin{array}{c} \#\text{ of policy/certificate terminations and cancellations initiated by the} \\ \text{policyholder/certificate holder during the period (53)} \end{array} \right]}{\left[\begin{array}{c} [\#\text{ofpolicies/certificatesin force at beginning of period (47)}] \\ + \left[\frac{\#\text{ of new policies}}{\text{certificates}} \text{issued during the period (50)} \right] \end{array} \right]} \right)$$

Ratio 8.
Cancellations by Company to Total Policies/Certificates During the Period

$$\left(\frac{\left[\begin{array}{c} \#\text{ of policies/certificates cancelled by the company} \\ \text{for any reason other than non-payment during the period (57)} \end{array} \right]}{\left[\begin{array}{c} \left[\#\text{of} \frac{\text{policies}}{\text{certificates}} \text{in force at beginning of period (47)} \right] \\ + \left[\#\text{ of new} \frac{\text{policies}}{\text{certificates}} \text{issued during the period (50)} \right] \end{array} \right]} \right)$$

Ratio 9.
Loss Ratio

$$\left(\frac{[\text{Aggregate dollar amount of paid claims during the period (78)}]}{[\text{Direct written premium (45)}]} \right)$$

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Ratio 10.
Number of Complaints received per 1,000 Policies/Certificates In Force During the Period and Claims During the Period

$$\left(\frac{\left[\begin{array}{c}[\text{\# of complaints received by company (other than through the DOI) (81)}]\\ +\ [\text{\# of complaints received through DOI (82)}]\end{array}\right]}{\left[\begin{array}{c}[\text{\# of policies/certificates in force at beginning of period (47)}]\\ +\left[\frac{\text{\# of new policies}}{\text{certificates}}\text{issued during the period (50)}\right]\end{array}\right]+\left[\begin{array}{c}\left[\begin{array}{c}[\text{\# of claims pending at beginning of period (64)}]\\ +\ [\text{\# of claims received (include non-clean claims) (65)}]\\ -\ [\text{\# of claims pending at end of period (72)}]\end{array}\right]\\ \overline{1{,}000}\end{array}\right]}\right)$$

Ratio 11.
Number of Complaints Resulting in Claims Reprocessing to Total Complaints

$$\left(\frac{[\text{\# of complaints resulting in claims reprocessing (83)}]}{\left[\begin{array}{c}[\text{\# of complaints received by company (other than through the DOI) (81)}]\\ +\ [\text{\# of complaints received through DOI (82)}]\end{array}\right]}\right)$$

Ratio 12.
Percentage of Lawsuits Closed with Consideration for the Consumer

$$\left(\frac{[\text{\# of lawsuits closed during the period with consideration for the consumer (87)}]}{[\text{\# of lawsuits closed during the period (86)}]}\right)$$

Ratio 13.
Lawsuits opened per 1,000 Policies/Certificates In Force During the Period and Claims During the Period

$$\left(\frac{[\text{\# of lawsuits opened during the period (85)}]}{\left[\begin{array}{c}[\text{\# of policies/certificates in force at beginning of period (47)}]\\ +\left[\frac{\text{\# of new policies}}{\text{certificates}}\text{issued during the period (50)}\right]\end{array}\right]+\left[\begin{array}{c}\left[\begin{array}{c}[\text{\# of claims pending at beginning of period (64)}]\\ +\ [\text{\# of claims received (include non-clean claims) (65)}]\\ -\ [\text{\# of claims pending at end of period (72)}]\end{array}\right]\\ \overline{1{,}000}\end{array}\right]}\right)$$

Ratio 14.
Average Dollars of Commission Per Policy/Certificate

$$\left(\frac{\left[\begin{array}{c}[\text{Commissions paid during the reporting period (99)}]\\ \text{- [Unearned commissions returned to company on}\\ \text{policies/certificates sold during the period (100)]}\end{array}\right]}{[(\text{\# of new policies/certificates issued during the period (50)}]}\right)$$

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Ratio 15.
Percentage Commissions to Written Premium

$$\left(\frac{\left[\begin{array}{l}\text{[Commissions paid during the reporting period (99)]}\\ \text{– [Unearned commissions returned to company on}\\ \text{policies/certificates sold during the period (100)]}\end{array}\right]}{\text{[Direct written premium (45)]}}\right)$$

Note: It is unclear to what extent commissions are paid on events other than new business (e.g., such as renewals)

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Public Ratios

Ratio 1.

The number of claims closed without payment compared to the total number of claims closed

$$\left(\frac{[\#\text{of claims closed without payment during the period (3−77)}]}{[\#\text{of claims closed during the period (3−68)}]}\right)$$

Ratio 2.

Percentage of claims paid (full or partial) beyond 60 days

$$\left(\frac{\begin{bmatrix}\text{total \# of claims closed during the period with full payment beyond 60 days (}\Sigma\text{ 3−83 through 3−86)+}\\ \text{total \#of claims closed during the period with partial payment beyond 60 days (}\Sigma\text{ 3−89 through 3−92)}\end{bmatrix}}{[\text{total \# of claims during the period with full and partial payment closed over all durations (}\Sigma\text{ 3−81 through 3−92)}]}\right)$$

Ratio 3.

Non-renewals to policies in force

$$\left(\frac{[\#\text{of company initiated policy/certificates non-renewals during the period (2-46+2-47)}]}{[\#\text{of policies/certificates in force during the period (}\Sigma\text{ (2−28 through 2−37)}]}\right)$$

Ratio 4.

Cancellations during "Right to Examine and Return Policy" period

$$\left(\frac{[\#\text{of policies/certificates returned during the period under Right to Examine(2−38 + 2−39)}]}{[\text{total \# of policies issued during the period (2−49 + 2−50)}]}\right)$$

Ratio 5.

Cancellations/terminations at the policy/certificate-holder's request

$$\left(\frac{[\#\text{of cancellation/terminations during the period at the policy/certificate−holder's request (2−40+2−41]}}{[\text{total \#of cancellation/terminations during the period (}\Sigma\text{2−40 through 2−45)}]}\right)$$

Ratio 6.

Lawsuits opened during the period to claims closed without payment

$$\left(\frac{[\text{\# of lawsuits opened during the period (5−117)}]}{[\#\text{of claims closed during the period without payment (3−77)}]}\right)$$

Ratio 7.

Percentage of lawsuits closed with consideration for the consumer

$$\left(\frac{[\text{Number of lawsuits closed with consideration for consumer (5−120)}]}{[\text{Number of lawsuits closed during the period (5−118)}]}\right)$$

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Ratio 8.
The number of complaints received directly from any entity other than the DOI per 1,000 policies in-force during the period

$$\left(\frac{[\#\text{of complaints received directly from any person or entity other than the DOI } (5-115)]}{([[\#\text{of policies/certificates in force during the period } (\Sigma\ (2-28 \text{ through } 2-37)]\ ]\div 1{,}000)}\right)$$

Non-Public Ratios
Ratio 9.
The number of claims closed with partial payment compared to the total number of claims closed

$$\left(\frac{[\#\text{of claims closed with partial payment during the period } (3-72)]}{[\#\text{of claims closed during the period } (3-68)]}\right)$$

Ratio 10.
The number of claims closed with full payment compared to the total number of claims closed

$$\left(\frac{[\#\text{of claims closed with full payment during the period } (3-69)]}{[\#\text{of claims closed during the period } (3-68)]}\right)$$

Ratio 11.
Percentage of claims unprocessed at the end of the period

$$\left(\frac{\left[\begin{array}{c}\text{Number of claims open at the beginning of period } (3-66)+\text{Number of claims opened during period } (3-67)\\ -\text{Number of claims closed during the period } (3-68)\end{array}\right]}{[\#\text{ of claims open at the beginning of period } (3-66)+\#\text{ of claims opened during the period } (3-67)]}\right)$$

Ratio 12.
The number of claims closed without payment beyond 60 days compared to the total number of claims closed without payment

$$\left(\frac{[\text{total } \#\text{of claims closed during the period without payment beyond 60 days } (\Sigma\ 3-95 \text{ through } 3-98)]}{[\text{total } \#\text{of claims closed during the period without payment over all durations } (\Sigma\ 3-93 \text{ through } 3-98)]}\right)$$

Ratio 13.
Pre-existing condition - closed without payments to total claims closed without payment

$$\left(\frac{[\#\text{of claims closed during the period without payment due to pre-existing condition exclusion } (3-100)]}{[\#\text{of claims closed during the period without payment } (3-77)]}\right)$$

Ratio 14.
Ineligibility - closed without payments to total claims closed without payment

$$\left(\frac{[\#\text{of claims closed during the period without payment due to ineligibility } (3-99)]}{[\#\text{of claims closed during the period without payment } (3-77)]}\right)$$

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Ratio 15.
Waiting period - closed without payments to total claims closed without payment

$$\left(\frac{[\#\text{of claims closed during the period without payment due to waiting period (3–101)}]}{[\#\text{of claims closed during the period without payment (3–77)}]}\right)$$

Ratio 16.
Maximum benefit limit - closed without payments to total claims closed without payment

$$\left(\frac{[\#\text{of claims closed during the period without payment due to maximum benefit limit (3–102)}]}{[\#\text{of claims closed during the period without payment (3–77)}]}\right)$$

Ratio 17.
Less than deductible - closed without payments to total claims closed without payment

$$\left(\frac{[\#\text{of claims closed during the period without payment due to claim amount less than deductible (3–103)}]}{[\#\text{of claims closed during the period without payment (3–77)}]}\right)$$

Ratio 18.
Inadequate documentation - closed without payments to total claims closed without payment

$$\left(\frac{[\#\text{of claims closed during the period without payment due to inadequate documentation (3–104)}]}{[\#\text{of claims closed during the period without payment (3–77)}]}\right)$$

Ratio 19.
Hereditary disorder exclusion - closed without payments to total claims closed without payment

$$\left(\frac{[\#\text{of claims closed during the period without payment due to hereditary disorder exclusion (3–105)}]}{[\#\text{of claims closed during the period without payment (3–77)}]}\right)$$

Ratio 20.
Congenital anomaly or disorder exclusion - closed without payments to total claims closed without payment

$$\left(\frac{[([\#\text{of claims closed during the period without payment due to congenital anomaly or disorder exclusion (3–106)}]}{[\#\text{of claims closed during the period without payment (3–77)}]}\right)$$

Ratio 21.
Chronic condition exclusion - closed without payments to total claims closed without payment

$$\left(\frac{[\#\text{of claims closed during the period without payment due to chronic condition exclusion (3–107)}]}{[\#\text{of claims closed during the period without payment (3–77)}]}\right)$$

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Ratio 22.
Other reasons - closed without payments to total claims closed without payment

$$\left(\frac{[\#\text{of claims closed during the period without payment due to other reasons (3−108)}]}{[\#\text{of claims closed during the period without payment (3−77)}]}\right)$$

Ratio 23.
Inadequate documentation - closed with partial payments to total claims closed with partial payment

$$\left(\frac{[\#\text{of claims closed during the period with partial payment due to inadequate documentation (3−110)}]}{[\#\text{of claims closed during the period with partial payment (3−72)}]}\right)$$

Ratio 24.
Maximum benefit limit - closed with partial payments to total claims closed with partial payment

$$\left(\frac{[\#\text{of claims closed during the period with partial payment due to maximum benefit limit (3−109)}]}{[\#\text{of claims closed during the period with partial payment (3−72)}]}\right)$$

Ratio 25.
Other reasons - closed with partial payments to total claims closed with partial payment

$$\left(\frac{[\#\text{of claims closed during the period with partial payment due to other reasons (3−111)}]}{[\#\text{of claims closed during the period with partial payment (3−72)}]}\right)$$

Ratio 26.
Percentage of policies in-force during the period that provided accident-only coverage

$$\left(\frac{[\#\text{of policy/certificates in−force during the period that included accident−only coverage (2−28 + 2−29)}]}{[\#\text{of policies/certificates in force during the period (Σ (2−28 through 2−37)}]}\right)$$

Ratio 27.
Percentage of policies in-force during the period that provided illness-only coverage

$$\left(\frac{[\#\text{of policy/certificates in−force during the period that provided illness−only coverage (2−30 + 2−31)}]}{[\#\text{of policies/certificates in force during the period (Σ (2−28 through 2−37)}]}\right)$$

Ratio 28.
Percentage of policies in-force during the period that included accident and illness coverage

$$\left(\frac{[\#\text{of policy/certificates in−force during the period that included accident and illness coverage (2−32 + 2−33)}]}{[\#\text{of policies/certificates in force during the period (Σ (2−28 through 2−37)}]}\right)$$

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Ratio 29.
Percentage of policies in-force during the period that included wellness coverage (other than a wellness only policy)

$$\left(\frac{[\#\text{of policy/certificates in}-\text{force during the period that included wellness coverage } (2-34 + 2-35)]}{[\#\text{of policies/certificates in force during the period } (\Sigma\ (2-28 \text{ through } 2-37)]}\right)$$

Ratio 30.
Percentage of policies in-force during the period that included wellness as an insurance benefit (and did not cover accident and/or illness)

$$\left(\frac{[\#\text{of policy/certificates in}-\text{force during the period that included wellness as an insurance benefit } (2-36 + 2-37)]}{[\#\text{of policies/certificates in force during the period } (\Sigma\ (2-28 \text{ through } 2-37)]}\right)$$

Ratio 31.
Applications denied for health status or condition to total applications received

$$\left(\frac{[\#\text{ of applications denied for health status or condition during the period } (2-61)]}{[\#\text{ of applications received during the period } (2-60)]}\right)$$

Ratio 32.
Percentage of policies/certificates issued with a pre-existing condition exclusion

$$\left(\frac{[\#\text{ of policies/certificates issued with a pre}-\text{existing condition exclusion during the period } (2-64)]}{[\text{total \# of policies issued during the period } (2-49 + 2-50)]}\right)$$

Ratio 33.
Average Dollars of Commission Per Policy/Certificate

$$\left(\frac{\left[\begin{array}{c}\text{Commissions incurred during the period } (4-113)- \\ \text{Unearned commissions returned to company during the period } (4-114)\end{array}\right]}{[\text{total \# of policies issued during the period } (2-49 + 2-50)]}\right)$$

Ratio 34.
Percentage Commissions to Written Premium

$$\left(\frac{\left[\begin{array}{c}\text{Commissions incurred during the period } (4-113)- \\ \text{Unearned commissions returned to company during the period } (4-114)\end{array}\right]}{[\text{Direct written premium during the period } (2-57)]}\right)$$

Ratio 35. Lawsuits to Policies/Certificates in force during the period

$$\left(\frac{[\#\text{ of lawsuits opened during the period } (5-117)]}{[\#\text{of policies/certificates in force during the period } (\Sigma\ (2-28 \text{ through } 2-37)]}\right)$$

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