State of the U.S. Long-term Care Insurance Industry

NOLHGA Presentation to the NAIC

March 30, 2017

Presenters

NOLHGA

- Peter Gallanis, President
- Bill O'Sullivan, General Counsel
- Paul Peterson, Vice President

Long Term Care Group

- Vince Bodnar, Chief Actuary

Faegre Baker Daniels

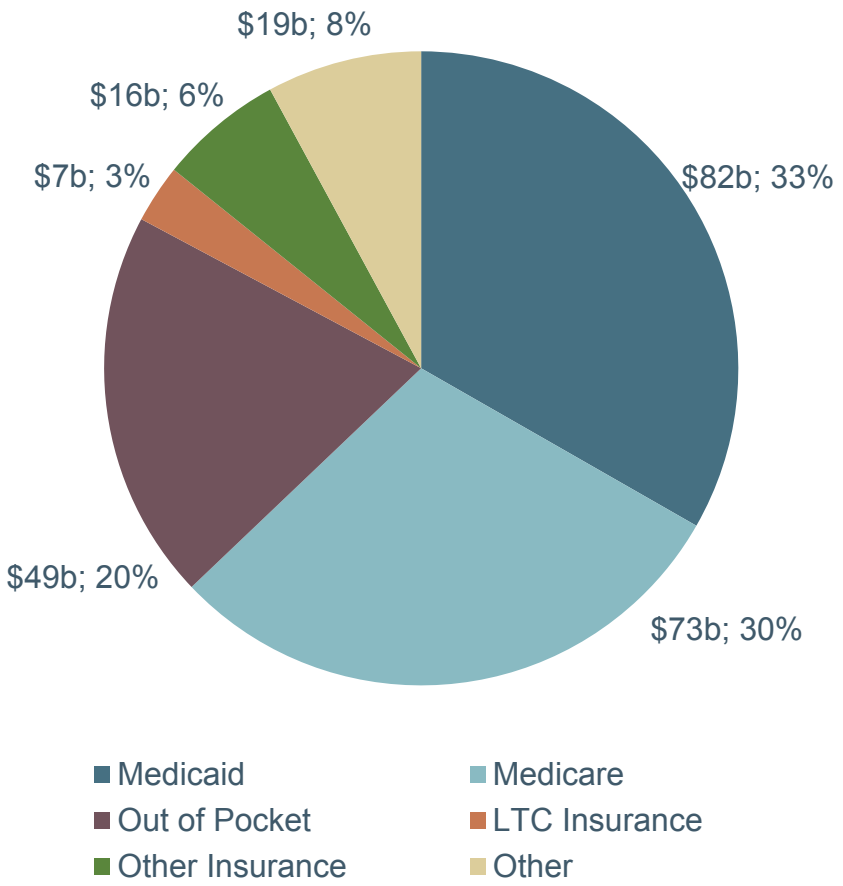
- Kevin Griffith, Partner
- Pat Hughes, Partner

Overview

- LTC Background
  - Role of Private LTC Insurance
  - LTC 1.0: Traditional LTC Products
  - LTC 2.0: Hybrid Products
  - LTC 3.0: Push for Innovation
- Solvency Implications
  - Risk Exposure
- Implications for the GA System
  - Assessable Premium

LTC Background:
Role of Private LTC Insurance

Funding of US LTC expenses



- US spending on LTC was $246 billion in 2015
- 63% was funded by two social programs:
  - Medicare: Limited post-acute care
  - Medicaid: Once assets are spent down
- 20% from direct out of pocket spending
  - Most represents asset spend-down
- Only 3% from private LTC insurance
  - 7 million insureds out of 89 million age 55+

Source: National Health Expenditure (NHE) Amounts by Type of Expenditure and Source of Funds: Calendar Years 1965-2015, Centers for Medicare & Medicaid Services

The need for private LTC insurance

- Asset spend-down most common funding scheme
  - Savings are first exhausted or moved via loopholes
  - Migration to public welfare (Medicaid) afterwards
- Strain on social program funding
  - Medicaid's mission is to provide a safety net to the poor
  - Not meant to fund lack of LTC planning for the middle class
- Clear need for individual financial planning / private insurance
  - Demographics result in an unsustainable burden on public resources
  - Preserve assets / legacy funding
  - Higher quality of care when privately funded

Consumer attitudes

- Biggest fears about retirement[1]:
  - 11% Will have too much debt
  - 18% Won't be able to afford daily expenses
  - 23% Exhaust savings
  - 28% High medical (LTC) expenses
- Private financing of LTC is strongly preferred[2]
  - 59% agree that individuals should be responsible
  - 66% agree that owning private LTC insurance would give them peace of mind
  - 51% don't trust the government to run an LTC insurance plan
- Knowledge of LTC costs and risks is relatively low[2]
  - Most greatly underestimate the chance of needing LTC
  - 20% can correctly estimate costs in their state
  - 44% have "other priorities" for money other than LTC insurance

[1]Bankrate.com Money Pulse Survey, Feb. 18, 2015
[2]*2014 Survey of Long-Term Care Awareness and Planning*, U.S. Dept. of HHS

Unique distribution challenges

Challenges:

- 177 carriers entered the LTCI market; 56 sold 10,000+ policies; 74 sold <1,000
- Extreme example of a product that is "sold not bought"
  - In spite of high initial consumer interest in LTC insurance
  - Lack of consumer awareness of level of risk and costs
  - Sticker shock of high premium rates
- Broad distribution channels do not push LTC products
  - Lack of understanding of product; discomfort selling
  - Already successful selling other products

Response:

- The successful carriers utilized "LTC specialists" to sell their products
  - Agents that are trained to sell LTC almost exclusively
  - Small distribution pockets produced a majority of sales
  - Initial specialists were captive; independent specialists later emerged
- Specialists are trained to:
  - Patiently sit with customer leads – often several hours
  - Educate customers about risks and complex products
  - Have rational responses to premium amounts

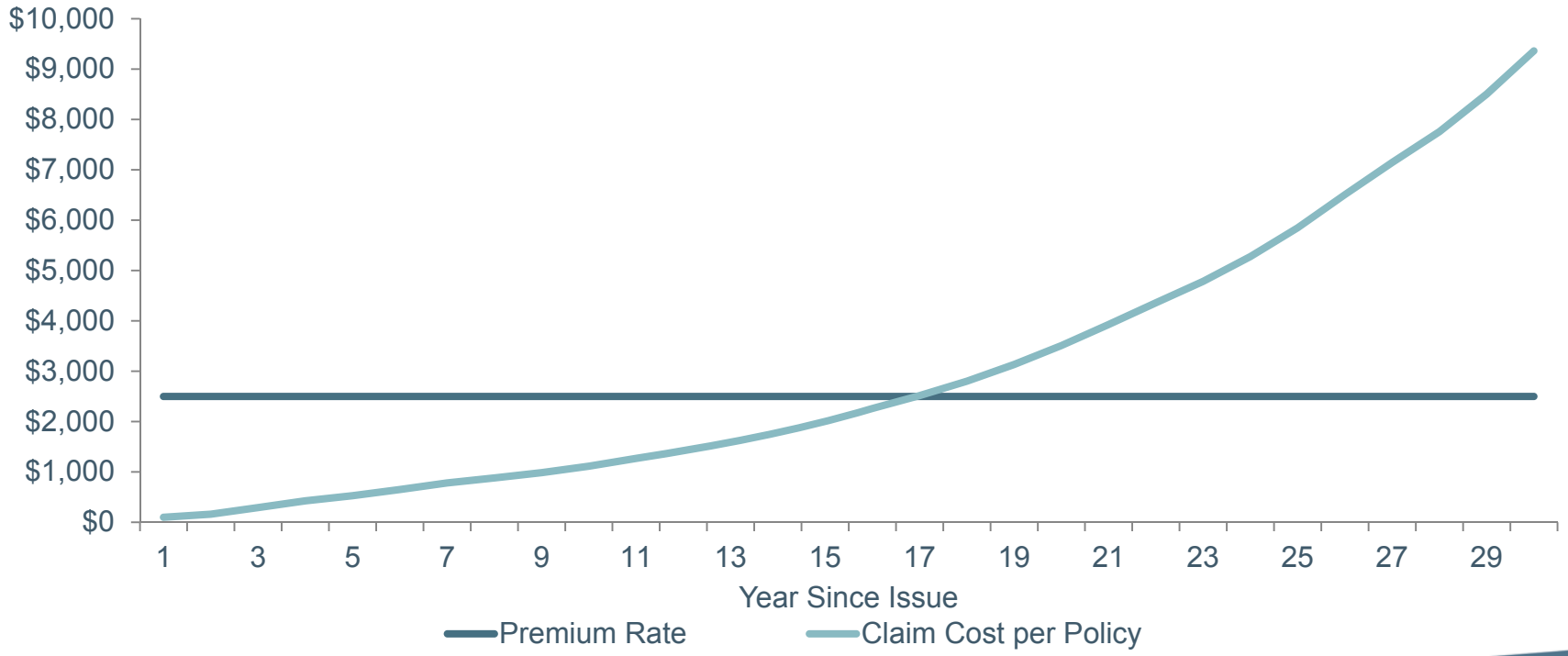
LTC Background:
LTC 1.0: Traditional LTC Products

Long-term care insurance 101

- Relatively new product: modern version born in late 1980s
- Patterned after disability income plans
- Most have a defined benefit trigger: requires assistance with 2 out of 6 activities of daily living ("ADLs") or requires supervision due to a severe cognitive impairment
- Once trigger is met: qualified services are covered up to a daily maximum benefit
  - Usually care received in a nursing home, assisted living facility or by a qualified home health care professional
  - Some plans do not require expenses to be incurred
- Specified benefit and elimination periods
- Inflation protection option: e.g., daily benefit increases 5% each year
- Issue age rated: premiums are intended to be level for life
  - Guaranteed renewable: insurer cannot cancel as long as required premiums are paid
  - Premium increases are by class and must be approved by regulators

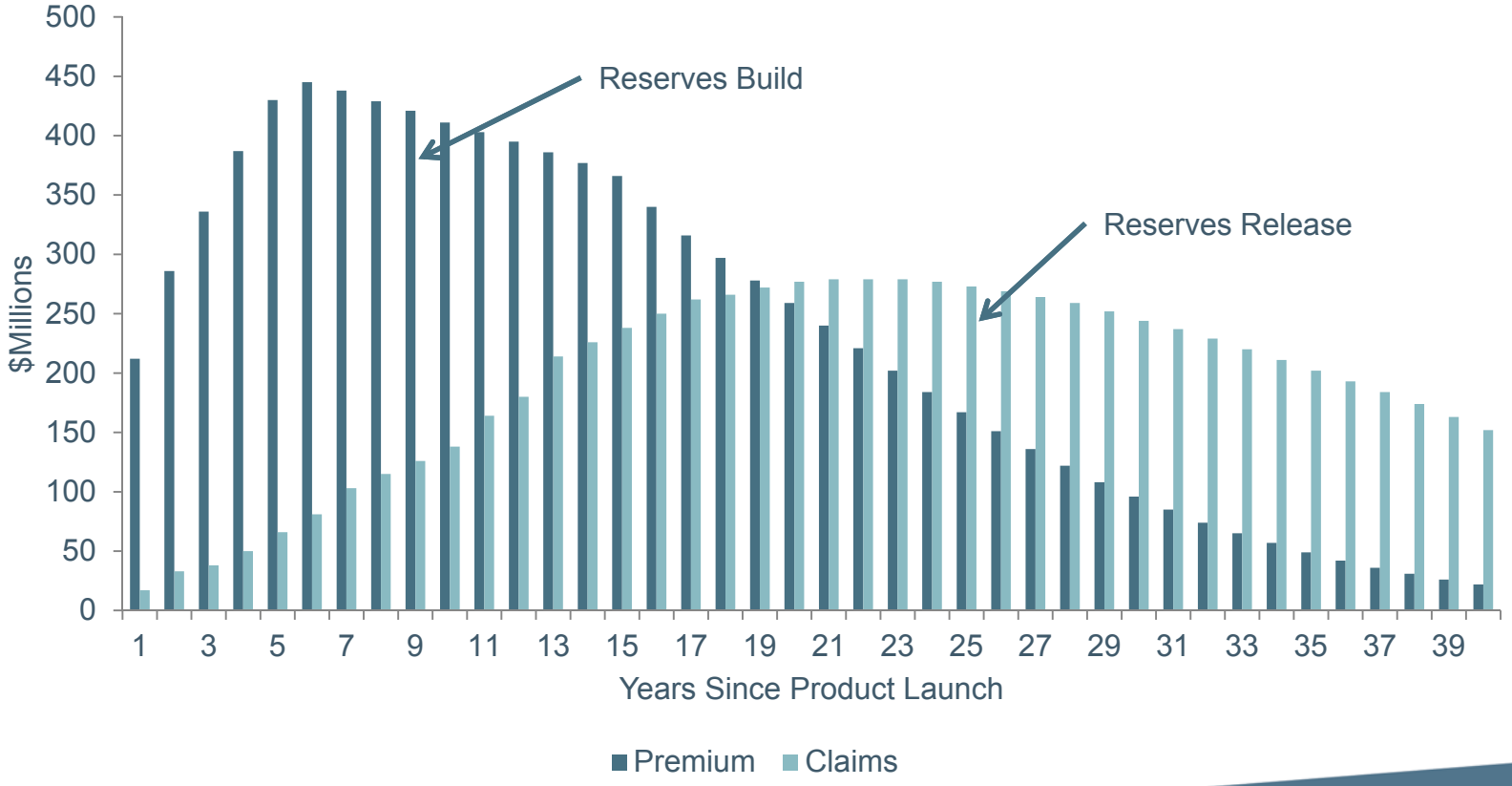
Level premium pre-funds an increasing cost

- Four forces contribute to increasing claim costs:
  - Older people more likely to need long-term care
  - Wear-off of underwriting effect
  - Benefits increase for policies with inflation protection
  - Married people becoming widows and widowers (which have higher costs)

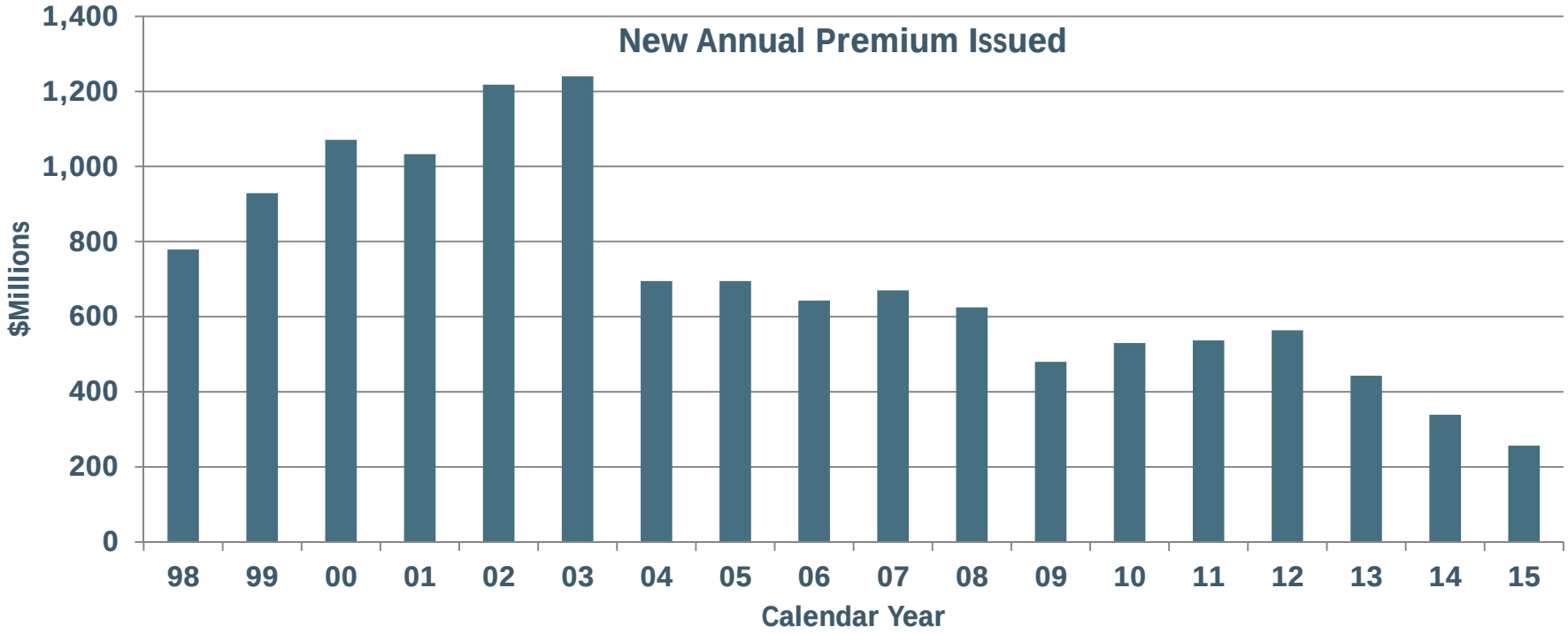


Cash flow pattern

- Level premium rates and increasing claims costs results in a cash flow mismatch
- Companies must hold an active life reserve that builds and releases over time



Sales volumes



- Early success!: 20%+ growth during the 1990s
- Short-lived: Sales began to decline in 2001
  (after netting out 2002-2003 FEP enrollment)

Source 1999 – 2015 *Broker World Surveys*

Leading carriers…then and now

- Compression: top 10 carriers went from 66% to 92% of sales
- 7 of the 10 top carriers have since dropped out

2001 Sales

Company	Premium	Share
GE Capital	$243M	23%
Bankers L&C	$83M	8%
John Hancock	$74M	7%
C.N.A.	$61M	6%
UNUM	$55M	5%
Penn Treaty	$47M	5%
Allianz	$42M	4%
IDS	$28M	3%
Fortis	$26M	3%
Life Investors	$26M	3%
Top 10	$684M	66%
Others	$349M	34%
Total	$1,033M	100%

2015 Sales

Company	Premium	Share
Northwestern	$62M	24%
Mutual of Omaha	$39M	15%
Genworth[1]	$33M	13%
Transamerica[2]	$25M	10%
~~John Hancock[3]~~	~~$22M~~	~~9%~~
New York Life	$16M	6%
MassMutual	$11M	4%
Thrivent	$10M	4%
LifeSecure	$10M	4%
~~MedAmerica[3]~~	~~$8M~~	~~3%~~
Top 10	$236M	92%
Others	$21M	8%
Total	$257M	100%

[1]Genworth is a former division of GE Capital
[2]Excluding single premium sales
[3] Companies stopped writing new LTC in 2015 or later

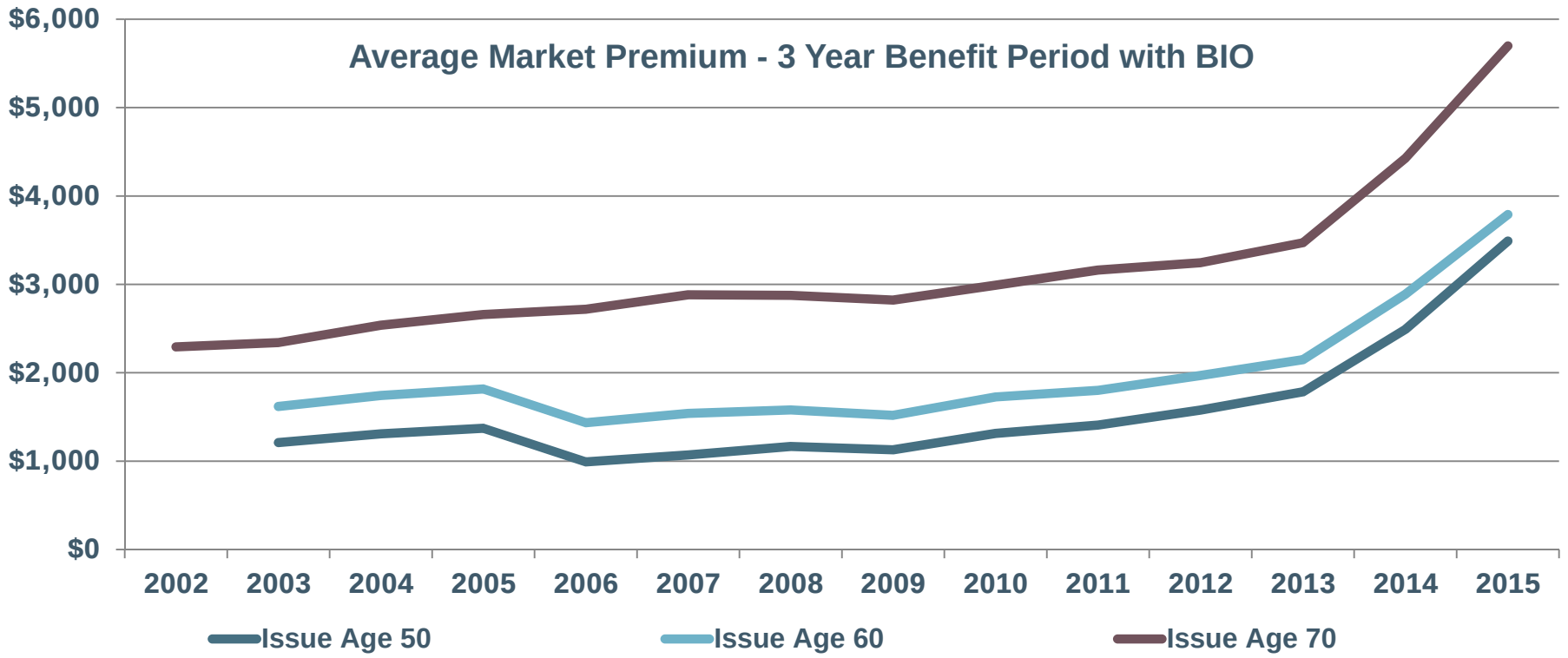
Source 2002 and 2016 *Broker World Surveys*

New policy pricing challenges

- Key factors driving the need for higher premium rates
  - Low interest rate environment
  - Lapse rates are virtually zero in later years
  - Decreasing mortality rates
  - Capital requirements
  - Regulatory requirements for conservative assumptions
- Carrier exits
  - Less need to price competitively
- Product offerings becoming more limited
  - Unlimited benefits have essentially disappeared

New premium rate trends

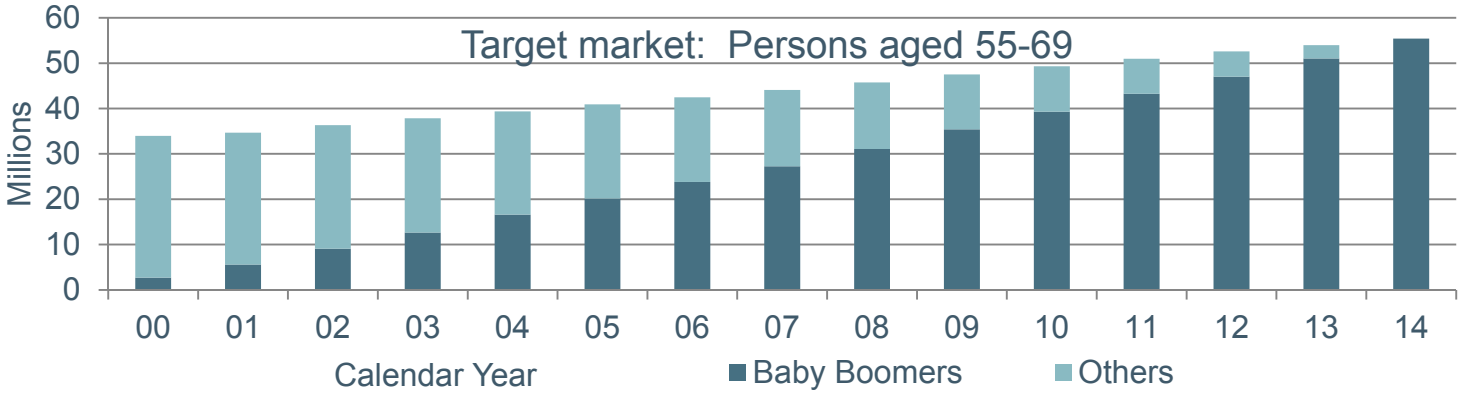
LTCI premiums have climbed above a middle income price point



PA hearing consumer question: "Is LTCI only for the 1%?"

Source: 2002-2015 *Broker World Surveys*

A changing target market



- Target market's generation turned over since the 1990s:
  - Issue age 72 in 1995: Born in 1923 (GI Generation)
  - Issue age 59 in 2015: Born in 1956 (Baby Boomer)
- New consumer attitudes:
  - Want immediate value, or ability to "cash out"
  - Less time for / patience with old distribution methods
  - Less interested in wealth transfer

Source: U.S. Census Bureau

LTC Background:
LTC 2.0: Hybrid Products

Life insurance hybrids

- Often a rider that can be attached to any type of permanent life product
- Insured can accelerate all or a portion of face amount for LTC benefits
- Must meet eligibility requirements
  - Unable to perform 2 ADLs or cognitive impairment that requires supervision
- A small percentage (2%-4%) of face available per month until face exhausted
- Extension of benefits option: more than face is available for LTC
  - Two or three times face are most common options
- Feature is financed via an additional premium or account charge

Annuity hybrids

Deferred annuity hybrids:

- Account value (e.g., $50k) available for LTC benefits
  - Reduced or no surrender charge
- Additional LTC benefit (e.g., $100k) available after account value is exhausted
- Payment structure / eligibility requirements similar to life acceleration
- Financed through additional premium or account charge

Immediate annuity hybrids:

- Base monthly annuity benefit (e.g., $2,000) starts immediately for life
- Increases to a higher benefit (e.g., $4,000) while LTC eligibility is met
- Financed through additional single premium charged at issue

Hybrid product appeal

Customers:

- Easy to understand: Access to a pot of money (death benefit)
- Cost effective: Add-on premiums are generally less than stand-alone
- Equity exists in base product's account value

Carriers:

- Mitigated risks
  - Exposure limited to life policy net amount at risk
  - Insured's equity in base coverage acts like a "co-pay"
  - Low mortality offsets life insurance risk
- Easy to distribute
  - "Add-on" to the base policy sale; can be sold by broad distribution
- Decreased regulatory, reserve and capital requirements

Hybrid product sales

Hybrid products comprised

15% of new life insurance premium issued in **2015**

(up from 12% in 2014)

200,000+ policies

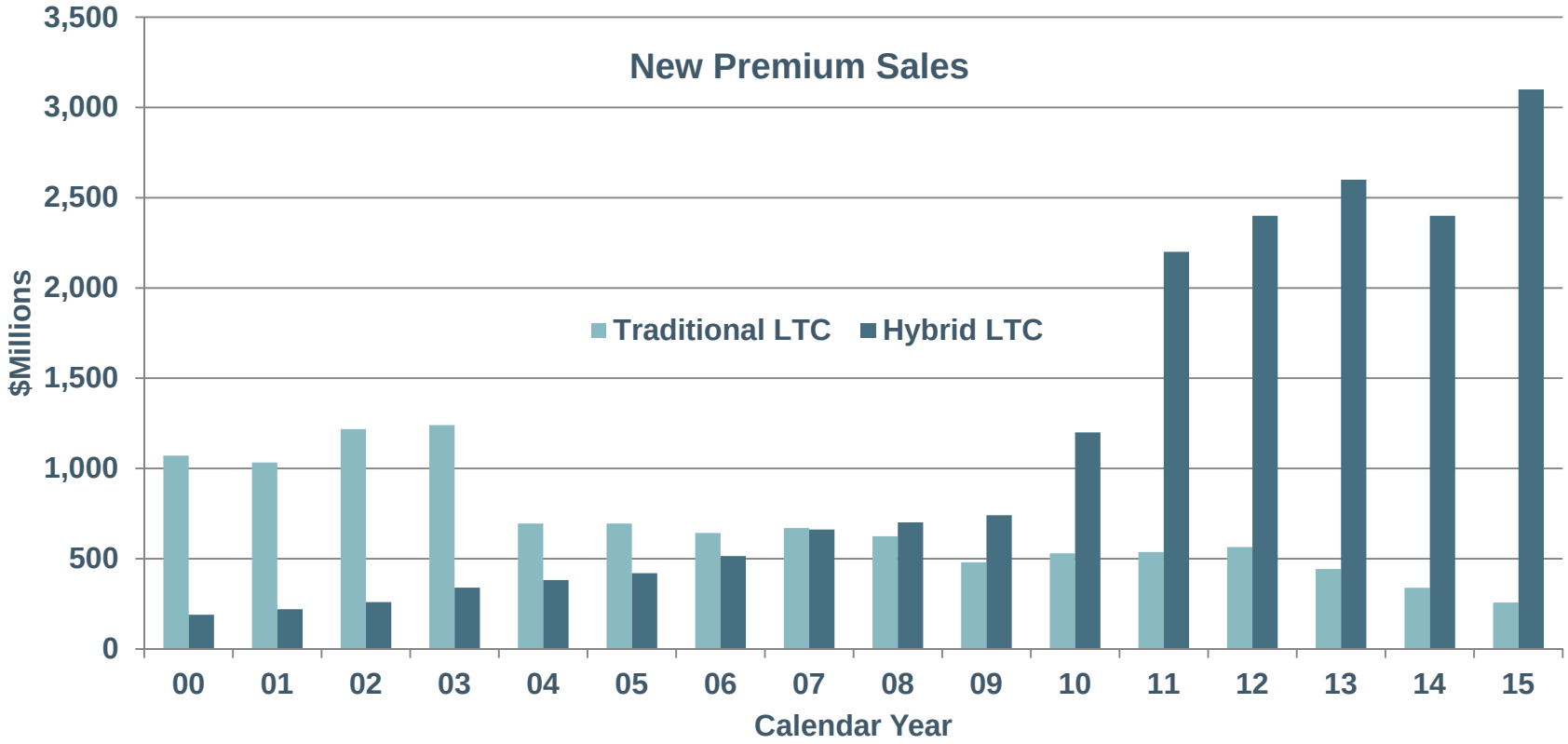
and **$3.1b** issued in **2015**

Compared to **104,000** policies and **$257m** in the stand-alone LTC market

Carriers are entering the hybrid LTC market as opposed to continued exits in the stand-alone LTC market

Sources: *LIMRA's 2015 Individual LTC Sales and 2015 Life Combo Sales Surveys*

Shift to Hybrid Products (2nd Generation LTCI)



- Premiums for hybrid plans have overtaken traditional plans
  - Important to note that most hybrid premiums are single premiums

Sources: 2001-2014 *Broker World Surveys* and *LIMRA's Individual Long-term Care and Life Combo Products Annual Reviews*

Looking forward

- Expect increased volume of hybrid sales via:
- Target market expansion
  - Historical focus on affluent market
  - Companies are expanding to middle market via worksite and direct marketing channels
- Distribution and marketing shift
  - With some exception, hybrid sales are currently add-on options presented at the sale of life and annuity products
  - Specialty distribution, focused on hybrids as a primary LTC financing solution, will likely emerge and greatly increase sales volumes

LTC Background:
LTC 3.0: Push for Innovation

Emerging product concepts

- Given all of the challenges, the next generation of products must consider:

- Insurance carrier goals:
  - Need to better “box the risk” being insured
  - Mitigate or eliminate traditional risks, such as long-term incidence, mortality and interest rates
  - Emerging risks of care delivery changes

- Consumer desires:
  - Remove the “use it or lose it” features
  - Allow flexibility when care is needed
  - Help reduce / control personal costs and risks

Looking forward

- NAIC LTC Innovation Subgroup focused on three tasks:
  1. Advocate for federal tax policy changes to encourage private LTC financing
  2. Increase awareness of hybrids and other existing alternative products
  3. New section of the LTC model regulation to enable Savings Based LTC products

- Third Generation of LTCI products is likely to emerge

Alternative products

Using existing insurance products to fund LTC in new ways…

- Care Annuity (UK version of LTC insurance)
  - Underwritten SPIA issued to newly disabled persons
  - Health conditions result in higher monthly benefit payments than traditional SPIAs
  - Removes longevity risk for the annuitant
  - Large segment of 80+ year-olds have enough assets to fund LTC in this manner

- Life settlements
  - Assign death benefit from existing life policy
  - Greater value than cash value; can annuitize for life

Savings Based LTCI

- Would require modifications to NAIC LTC Models
- Shifts investment, lapse and future uncertainty risks to consumer
- Resembles universal life, but with LTC as the insured event:
  - Cash / account values
  - Flexible premiums
  - Annual cost of insurance charges
  - Investment income credits
  - Modular coverage
  - Payout options at LTC event (e.g., annuitize)

Possible public policy changes

- Public catastrophic coverage
  - Universal coverage after a long elimination period (2 or 3 years)
  - Private insurance can be purchased to provide earlier benefits
- Allow 401k to fund LTC / LTC insurance
  - Without tax penalties, up to a maximum amount per year
- Expand Medicare / Medigap to include more LTC
  - Auto-enrollment
  - Minor benefits are mandatory; buy-ups are voluntary
  - Benefit vesting as a substitute for underwriting

Solvency Implications: Risk Exposure

What went wrong with LTC 1.0?

- Low interest rates
- Low lapse rates
- Increasing longevity
- Evolving care delivery
- Regulatory uncertainty
- Carrier exits
- Distribution contraction
- Wary consumers

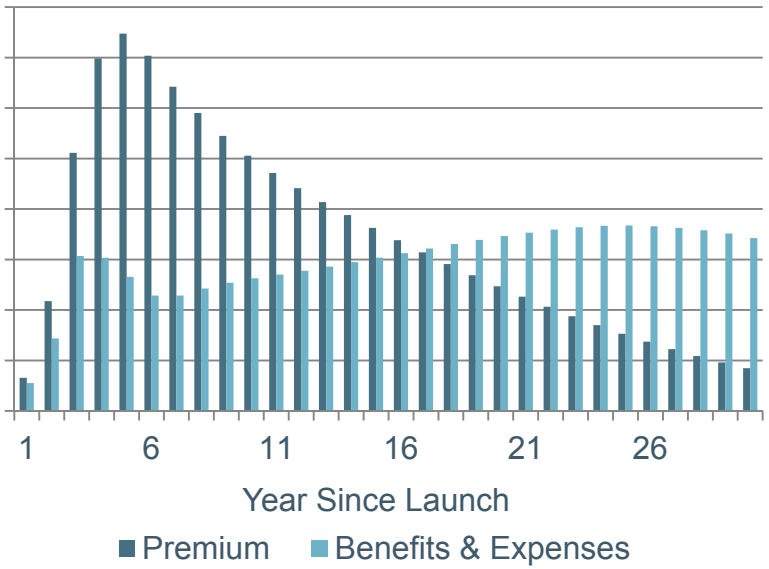
- 8% became 3%
- 5% became 1%
- 5 to 10 year increase
- Emergence of ALFs
- Political not actuarial
- 100+ to about 10
- 45k+ became ~2,000
- Smart buy to risky buy

1 million policies sold in 2001 vs. <100k in 2016

Losses become difficult to overcome

- LTC premium base decreases while claim costs increase
- Rate increases needed to offset deviations grow dramatically over time
- Regulators resist large rate increases (>25%); require benefit reduction options
- Often impossible to offset losses completely, resulting in reserve corrections
- Solvency risks increase in relation to company's concentration of LTC 1.0 writings

Cash Flows By Year Since Product Launch



Rate Increase Required to Offset Future Losses

Deviation	Yr. 5	Yr. 10	Yr. 15	Yr. 20
+10% Claims	7%	11%	18%	27%
-1% Lapse	10%	16%	24%	34%
-1% Interest	8%	14%	20%	27%
All Three	28%	44%	64%	92%

Key items to watch

- Actuarial assumptions used in reserve models remain aggressive:
  - Will interest rates return to “normal”?
  - Will mortality continue to improve?
  - Will disability incidence rates improve?
  - Will care delivery continue to evolve, making LTC less of a stigma?
- Financial metrics and ability to absorb an increase in LTC reserves (e.g. +20%)
  - Premium rate increases may be needed
  - Decrease in surplus if required premium rate increases cannot be achieved
  - Relationship between insurer’s LTC reserves and total reserves
- LTC spin-offs
  - Several carriers would like to follow CNO’s lead (spin-off SHIP)
  - Isolate LTC within a legal entity; sell off or reinsure other lines
- Diminishing LTC expertise within carriers
- Suitability of emerging acquirers

Financial metrics of largest LTC carriers

Top 25 LTC Carriers – Data as of 12/31/2015

Company		Still Selling?	Policies 000s	LTC Prem. $millions	LTC Rsvs. $millions[1]	Total Liabs. $millions	Surplus $millions
1	Genworth Life Ins Co	Yes	1,120	2,461	14,659	35,764	2,741
2	John Hancock Life Ins Co Usa	No	873	1,543	12,910	222,399	5,444
3	Metropolitan Life Ins Co	No	501	753	10,005	376,358	14,485
4	Continental Cas Co	No	404	498	9,007	32,808	10,723
5	Unum Life Ins Co Of Amer	No	946	531	6,082	18,985	1,567
6	Thrivent Financial For Lutherans	Yes	124	199	4,110	72,986	7,126
7	Transamerica Life Ins Co	Yes	249	462	3,900	120,577	5,459
8	Prudential Ins Co Of Amer	No	231	383	3,658	233,452	11,544
9	Metlife Ins Co Usa	No	88	225	3,395	167,820	5,942
10	Riversource Life Ins Co	No	119	204	3,389	96,914	3,650
11	Allianz Life Ins Co Of N Amer	Yes	99	186	2,942	114,772	5,822
12	Bankers Life & Cas Co	Yes	206	450	2,871	15,667	1,239
13	Northwestern Long Term Care Ins Co[2]	Yes	231	552	2,305	86	79
14	State Farm Mut Auto Ins Co	Yes	128	215	1,892	59,088	10,024
15	New York Life Ins Co	Yes	140	260	1,760	268,261	19,496
16	John Hancock Life & Hlth Ins Co	No	67	177	1,717	10,446	705
17	Senior Hlth Ins Co Of Pa	No	65	129	1,531	2,824	56
18	Genworth Life Ins Co Of Ny	Yes	83	227	1,526	7,877	495
19	Lincoln Benefit Life Co	No	35	60	1,382	11,146	555
20	Mutual Of Omaha Ins Co	Yes	138	257	1,377	23,337	2,892
21	Massachusetts Mut Life Ins Co	Yes	68	212	1,294	195,376	14,983
22	First Unum Life Ins Co	No	40	67	1,057	2,867	263
23	Kanawha Ins Co	No	32	45	1,036	1,386	133
24	Union Security Ins Co	No	43	80	1,016	4,283	428
25	Medamerica Ins Co	No	58	89	854	856	34
Total Top 25			6,086	10,264	95,676	2,096,336	125,886

[1]Policy reserves only. The inclusion of disabled life reserves would raise values considerably.
[2]Northwestern LTC is reinsured to its parent company Northwestern Life.
Source: 2015 *NAIC Statutory Annual Statements*

Acquisition landscape: high interest; few deals

- Seller motivations:
  - General industry trend to dispose of closed blocks
  - LTC administrative activity increases with an aging block
  - Sophisticated IT platforms required
  - Very specialized product management
  - Risk of future reserve adjustments
  - LTC viewed as an “earnings drag” by market analysts
- Buy-side dominated by private equity backed reinsurers
  - Attracted by amount of assets and ability to increase portfolio yields
  - Additional spread used as a mitigant of LTC volatility
  - Move administration to a place with scale
  - Implement best practice claims and inforce management
- Difficult to find price points that both parties can agree with
  - Sellers reserve with optimistic future state assumptions
  - Buyers price with data-driven historical state assumptions

Implications for the GA System

NAIC Model GA Act Coverage Structure

- Three "Categories" of Policies Covered by GAs
  - Life Insurance
  - Annuities
  - Health Insurance

- Each Coverage Category Has Different Coverage Levels
  - Life Insurance: Death Benefits—$300,000; Net Cash Surrender Value—$100,000
  - Annuities: Annuity Benefits—$250,000 of Present Value
  - Health Insurance: Limits Depend on Type of Health Insurance
    - Hospital, Medical, Surgical or Major Medical Insurance—$500,000 in Benefits
    - Long Term Care and Disability Insurance—$300,000 in Benefits
    - All Other Health Insurance—$100,000 in Benefits

- Other Coverage Limits and Exclusions Must Also be Considered

NAIC Model GA Act Assessment Structure

- Each Coverage Category Also Has a Different Assessment Account for Allocating Assessments Among Member Insurers in the State
  - Life Insurance and Annuity Account with up to three Subaccounts
    - Life Account
    - Allocated Annuity Account
    - Unallocated Annuity Account (If Unallocated Annuities are Covered in the State)
  - Health Insurance Account

- The Financial Burden for GA Assessments to Meet a GA's Coverage Obligations are Allocated among Member Insurers Based Predominately on Two Factors:
  - Category of the Policies Covered by GA
  - Premiums in the Assessment Account Reported by Member Insurers in the State Over a Three Year Period:
    - The ratio of (A) the premiums received by an assessed member insurer in the account for the three (3) most recent calendar years for which information is available preceding the year the insurer was placed under an order of liquidation to (B) premiums in the account received during those same calendar years by all assessed member insurers

NAIC Model GA Act—Application to LTC 1.0

- LTC 1.0 Products Have (Without any Known Exception) Been Regulated under State Insurance Law as Health Insurance

- The GA System has Handled Three Prior Insolvencies of LTC 1.0 Issuers:
  - American Integrity Insurance Company (1993)
  - Life and Health Insurance Company of America (2004)
  - National States Insurance Company (2010)

- Today the GA System is Handling the Insolvencies of Two Affiliated LTC 1.0 Issuers: Penn Treaty Network America Insurance Company ("PTNA") and its subsidiary American Network Insurance Company ("ANIC")
  - Largest failure of LTC 1.0 Issuers to Date
  - Many different benefit designs and optional benefit riders issued
  - Premium rate increases actuarially justified even at GA Coverage Levels
  - Major Medical Premium Dominates Health Insurance Account

NAIC Model GA Act—Application to LTC 1.0

Issues Raised in PTNA and ANIC

- Major Medical Insurance Premium Dominance in Health Account
  - Allocates Significant Assessment Burden to Health Insurers that do not write LTC 1.0
  - Most Life Insurers and Annuity Issuers also do not have significant LTC 1.0 Policies
- Many providers of Major Medical Coverage are not GA Member Insurers and Bear no Assessment Burden (e.g., HMOs, Health Service Corporations, Self-Funded Plans)
- Application or Not of the Moody's Limit (Model GA Act 3B(2)(c)) to Inflation Benefits
- Need for Premium Rate Increases and Alternative Benefit Options for Policyholders
- Managing Liability Funding and GA Assessment Timing Approaches in Light of the Magnitude of the GA Covered Obligations

NAIC Model GA Act—Application to LTC 2.0

- How Should Hybrid LTC Benefits be Categorized?
  - Hybrid Benefits under Life Insurance
  - Hybrid Benefits under Annuities

- Issue Impacts Both GA Coverage Levels and Responsible Assessment Account

- Are Clarifying Amendments Needed?

GA System Health Account Capacity*

* Preliminary Information Responsive to NAIC Questions

Estimated Current Health Account Capacity – 2015 *

- Total member companies – 1,131
- # member companies with Health Account assessable premium - 842
- Estimated Health Account assessable premium - $ 265,015,644,150 (approximately 70.7% of gross Health Account premiums in licensed states)
- Estimated Health Account capacity – $ 5,201,867,362

* Above amounts and counts include PR which is no longer a member of NOLHGA. Ignores multiyear averaging

Source: Assessable premium data as compiled by NOLHGA

Estimated Current Health Account Capacity

Assessment information can be found on NOLHGA's website:

- www.NOLHGA.com
- Facts & Figures
- Assessment Data

- Various summary reports reflecting nationwide capacity, assessments called and refunded activity by account, year and insolvency case

- Various reports for above by state level

Estimated Health Account Capacity – HMO -2015*

- # HMOs not currently in assessment base – 760 **
- Estimated Health Account assessable premium for HMOs (if included) –
  - $ 245,814,389,000 (approximately 69.5% of gross HMO health premiums and 92.8% of current Health Account assessable premium)
- Estimated Health Account capacity related to HMOs (if included)
  - $ 4,720,798,810 (approximately 90.8% of current Health Account capacity)

* Above amounts and counts include PR which is no longer a member of NOLHGA

** Does not include 100 HMO's in California under the Dept. of Managed Health Care

Source: Above are preliminary results of data as compiled by NOLHGA from AMBest Global Insurance Database. Data has not been reviewed in detail by NOLHGA.

Estimated Health Account Capacity – Comparison

	Current Members		Nonmember HMO's	
# companies	842		760	
Health Account Capacity Estimates	5,201,867,362		4,720,798,810	

By State Comparison

State	Year	Estimated Current Health Account Assessable Premium	Current Health Account Capacity Estimate	# hmo's	HMO Estimated Health Account Assessable Premium	HMO Estimated Health Account Capacity Impact
Alabama	2015	1,436,399,669	14,363,997	6	3,789,966,000	37,899,660
Alaska	2015	415,069,518	8,301,390	1	0	0
Arizona	2015	3,689,202,652	73,784,053	25	3,326,230,000	66,524,600
Arkansas	2015	2,953,937,396	59,078,748	8	602,398,000	12,047,960
California	2015	16,771,195,626	335,423,913	0	0	0
Colorado	2015	4,122,225,914	82,444,518	14	3,244,919,000	64,898,380
Connecticut	2015	5,064,573,825	101,291,477	8	302,009,000	6,040,180
Delaware	2015	533,630,370	10,672,607	9	560,870,000	11,217,400
District of Columbia	2015	1,498,032,963	29,960,659	7	3,259,785,000	65,195,700
Florida	2015	16,086,129,162	160,861,292	49	22,419,948,000	224,199,480
Georgia	2015	5,000,813,660	100,016,273	21	9,794,968,000	195,899,360
Hawaii	2015	796,656,759	15,933,135	6	2,982,768,000	59,655,360
Idaho	2015	2,221,929,429	44,438,589	1	42,710,000	854,200
Illinois	2015	14,785,978,415	295,719,568	26	7,614,705,000	152,294,100
Indiana	2015	6,264,855,729	125,297,115	15	2,598,492,000	51,969,840
Iowa	2015	3,362,859,326	67,257,187	16	1,497,062,000	29,941,240
Kansas	2015	3,258,832,099	65,176,642	10	2,400,798,000	48,015,960
Kentucky	2015	1,327,295,223	26,545,905	17	1,982,975,000	39,659,500
Louisiana	2015	4,180,565,657	83,611,313	13	4,787,217,000	95,744,340
Maine	2015	1,467,631,221	29,352,624	4	84,453,000	1,689,060
Maryland	2015	4,049,752,600	80,995,052	19	5,616,795,000	112,335,900
Massachusetts	2015	3,429,949,951	68,598,999	14	16,214,047,000	324,280,940
Michigan	2015	9,030,456,530	180,609,131	40	13,863,360,000	277,267,200
Minnesota	2015	6,176,865,567	123,537,311	10	6,555,535,000	131,110,700
Mississippi	2015	2,514,474,358	50,289,487	5	1,864,170,000	37,283,400
Missouri	2015	6,726,452,857	134,529,057	19	2,155,521,000	43,110,420
Montana	2015	868,161,790	17,763,236	2	139,678,000	2,793,560
Nebraska	2015	2,541,284,799	50,825,696	7	817,304,000	16,346,080
Nevada	2015	1,785,726,696	35,714,534	15	2,547,617,000	50,952,340
New Hampshire	2015	910,142,634	18,202,853	6	901,939,000	18,038,780
New Jersey	2015	15,209,260,591	304,185,212	43	9,468,574,000	189,371,480
New Mexico	2015	1,858,055,338	37,161,107	9	3,849,883,000	76,997,660
New York	2015	8,095,019,819	161,900,396	48	20,536,729,000	410,734,580
North Carolina	2015	9,399,002,542	187,980,051	5	377,887,000	7,557,740
North Dakota	2015	1,434,911,821	28,698,236	4	2,071,000	41,420
Ohio	2015	10,757,579,233	215,151,585	26	14,342,354,000	286,847,080
Oklahoma	2015	3,347,770,476	66,955,410	12	762,554,000	15,251,080
Oregon	2015	1,656,057,822	33,121,156	21	4,565,368,000	91,307,360
Pennsylvania	2015	11,286,310,241	225,726,205	38	23,785,319,000	475,706,380
Puerto Rico	2015	2,133,742,148	42,674,843	16	3,735,116,000	74,702,320
Rhode Island	2015	451,449,722	13,543,492	4	2,618,329,000	78,549,870
South Carolina	2015	3,613,263,501	144,530,540	10	2,021,344,000	80,853,760
South Dakota	2015	1,012,972,553	20,259,451	4	943,308,000	18,866,160
Tennessee	2015	6,534,760,071	130,695,201	15	3,909,394,000	78,187,880
Texas	2015	26,921,409,521	538,428,190	48	16,153,595,000	323,071,900
Utah	2015	1,635,463,146	32,709,263	11	303,597,000	6,071,940
Vermont	2015	266,860,580	5,337,212	3	538,229,000	10,764,580
Virginia	2015	6,654,722,914	133,094,458	15	5,633,497,000	112,669,940
Washington	2015	3,534,528,722	70,690,574	14	9,161,903,000	183,236,060
West Virginia	2015	1,358,830,261	27,176,605	6	882,034,000	17,640,680
Wisconsin	2015	13,924,301,969	278,486,039	15	255,065,000	5,101,300
Wyoming	2015	638,288,764	12,765,775	0	0	0
All States	2015	265,015,644,150	5,201,867,362	760	245,814,389,000	4,720,798,810
			% of current health account premium or capacity		92.75%	90.75%

Gross Health Account premium (licensed)	374,728,120,324	Gross Health Account premium HMO's	353,593,847,000
Assessable Premium % of Gross	70.7%	Assessable Premium % of Gross	69.5%

Source: Preliminary results of data as compiled by NOLHGA from AMBest Global Insurance Database. Data has not been reviewed in detail by NOLHGA

For purposes of this preliminary analysis, all premiums have been assumed to be located in the state of domicile of the related HMO


nolhga