

Financial Regulatory Services Department - Financial Analysis & Examination Unit
P&C, Title, Life, Fraternal and Health Industry Snapshots
for the Period Ended September 30, 2017

Below are the September 30, 2017 Industry Financial Snapshots for the Property/Casualty, Title, Life, Fraternal, and Health Industries. The Snapshots were produced from data filed with the NAIC as of November 16, 2017. Where applicable, the aggregated figures have been adjusted to eliminate affiliated amounts.

Property & Casualty

(In Millions)	<u>Chg.</u>	<u>3Q 2017</u>	<u>3Q 2016</u>	<u>3Q 2015</u>	<u>3Q 2014</u>	<u>3Q 2013</u>
Net Premiums Written	3.9%	\$427,150	\$410,985	\$400,874	\$388,699	\$370,046
Net Premiums Earned	3.4%	\$411,081	\$397,685	\$384,025	\$369,791	\$354,610
Net Losses Incurred	13.3%	\$269,642	\$238,039	\$221,060	\$214,426	\$196,769
Loss Expenses Incurred	3.7%	\$48,392	\$46,686	\$44,441	\$44,409	\$42,278
Other Underwriting Expenses	1.3%	\$113,659	\$112,187	\$109,304	\$104,881	\$101,997
Net Underwriting Gain/(Loss)	NM	(\$21,147)	\$117	\$8,554	\$5,487	\$13,762
Loss Ratio	5.8-pts	77.4%	71.6%	69.1%	70.0%	67.4%
Expense Ratio	(0.7)-pts	26.6%	27.3%	27.3%	27.0%	27.6%
Dividend Ratio	0.03-pts	0.53%	0.50%	0.48%	0.52%	0.47%
Combined Ratio	5.1-pts	104.5%	99.4%	96.9%	97.5%	95.4%
Net Investment Income Earned	6.0%	\$38,333	\$36,162	\$37,127	\$37,723	\$39,183
Net Realized Gain	106.4%	\$14,024	\$6,796	\$9,283	\$9,425	\$13,289
Net Investment Gain	21.9%	\$52,357	\$42,958	\$46,409	\$47,148	\$52,471
Investment Yield (Annualized)	0.04-pts	3.26%	3.22%	3.34%	3.45%	3.79%
Net Income	(30.8)%	\$23,702	\$34,248	\$46,391	\$41,232	\$54,930
Return on Revenue	(2.66)-pts	5.11%	7.77%	10.78%	9.89%	13.49%
Net Unrealized Gain/(Loss)	166.3%	\$22,208	\$8,340	(\$18,958)	\$14,180	\$23,456
Net Cash from Operations	(14.1)%	\$40,283	\$46,879	\$46,003	\$45,422	\$46,815

NM = Not Meaningful

Industry Snapshots – September 30, 2017

	Title					
(In Millions)	Chg.	3Q 2017	3Q 2016	3Q 2015	3Q 2014	3Q 2013
Direct Premiums Written	7.8%	\$10,797	\$10,018	\$9,566	\$8,144	\$9,554
Direct Operations	15.6%	\$1,259	\$1,089	\$1,069	\$878	\$969
Non-Aff. Agency Operations	8.2%	\$6,781	\$6,266	\$5,808	\$4,980	\$5,881
Affiliated Agency Operations	3.5%	\$2,757	\$2,663	\$2,690	\$2,285	\$2,704
Title Premiums Earned	7.8%	\$10,661	\$9,891	\$9,369	\$8,170	\$9,466
Loss & LAE Incurred	(0.6)%	\$457	\$460	\$487	\$572	\$624
Operating Expense Incurred	10.3%	\$10,425	\$9,456	\$9,000	\$7,803	\$9,029
Net Operating Gain/(Loss)	(3.3)%	\$626	\$647	\$547	\$397	\$536
Loss Ratio	(0.4)-pts	4.3%	4.6%	5.2%	7.0%	6.6%
Expense Ratio	2.2-pts	97.8%	95.6%	96.1%	95.6%	95.5%
Combined Ratio	1.8-pts	102.1%	100.3%	101.3%	102.5%	102.1%
Net Inv. Income Earned	27.0%	\$250	\$197	\$195	\$193	\$208
Net Realized Gain/(Loss)	(92.3)%	\$13	\$165	\$16	\$(3)	\$19
Net Investment Gain/(Loss)	(27.4)%	\$263	\$362	\$211	\$190	\$227
Net Income	(18.3)%	\$607	\$742	\$544	\$436	\$579
Net Unrealized Gain/(Loss)	27.9%	\$86	\$68	\$(57)	\$89	\$(21)
Net Cash from Operations	20.5%	\$757	\$628	\$667	\$413	\$500

Life and Accident & Health Insurers

(In Millions)	Chg	3Q 2017	3Q 2016	3Q 2015	3Q 2014	3Q 2013
Direct Written Premium	2.3%	\$631,028	\$616,643	\$595,251	\$574,443	\$571,138
Life Direct Written Premium	3.7%	\$134,420	\$129,665	\$126,803	\$122,602	\$122,187
A&H Direct Written Premium	6.7%	\$144,288	\$135,208	\$128,291	\$125,713	\$137,045
Annuities	(6.0)%	\$176,061	\$187,232	\$190,243	\$186,858	\$177,424
Deposits & Other DPW	7.1%	\$176,258	\$164,537	\$149,914	\$139,270	\$134,482
Net Earned Premium	(7.1)%	\$439,752	\$473,558	\$474,698	\$481,504	\$451,627
Net Investment Income	0.8%	\$138,491	\$137,340	\$131,158	\$133,914	\$127,950
General Expenses	5.3%	\$47,714	\$45,321	\$44,037	\$43,060	\$43,932
Operating Income	67.2%	\$45,661	\$27,311	\$30,652	\$37,615	\$46,952
Realized Gains/(Losses)	29.7%	\$(4,224)	\$(6,008)	\$896	\$(313)	\$(8,808)
Net Income/(Loss)	94.5%	\$41,437	\$21,303	\$31,548	\$37,302	\$38,144
ROA (Annualized)	0.4 pts	0.8%	0.4%	0.7%	0.8%	0.9%
Unrealized Gains/(Losses)	(75.5)%	\$1,406	\$5,747	\$(11,391)	\$(3,183)	\$5,204
Investment Yield (Annualized)	(0.2) pts	4.8%	5.0%	5.0%	5.3%	5.2%
	9-mo. Chg	3Q 2017	YE 2016	YE 2015	YE 2014	YE 2013
Capital & Surplus	4.6%	\$398,316	\$380,799	\$367,045	\$352,206	\$329,417

Note: Adjustments to exclude affiliated amounts were made where appropriate.

Fraternal Societies

(In Millions)	Chg	3Q 2017	3Q 2016	3Q 2015	3Q 2014	3Q 2013
Direct Written Premium & Deposits	(7.2)%	\$8,306	\$8,948	\$8,547	\$8,477	\$8,214
Life Direct Written Premium	3.7%	\$3,287	\$3,170	\$3,002	\$2,987	\$3,025
A&H Direct Written Premium	1.6%	\$474	\$467	\$464	\$474	\$490
Annuities	(13.8)%	\$4,065	\$4,716	\$4,598	\$4,551	\$4,122
Deposits & Other DWP	(19.2)%	\$480	\$595	\$483	\$465	\$577
Net Earned Premium	(3.3)%	\$7,491	\$7,749	\$7,760	\$7,750	\$7,368
Investment Income	0.6%	\$4,191	\$4,167	\$4,205	\$4,141	\$4,009
Benefits	2.6%	\$9,209	\$8,977	\$8,487	\$8,125	\$7,883
General Expenses	(2.1)%	\$1,240	\$1,266	\$1,188	\$1,126	\$1,133
Op. Inc. (before refunds to members)	(7.6)%	\$1,031	\$1,116	\$1,203	\$1,329	\$1,152
Refunds to Members	(3.6)%	\$500	\$519	\$473	\$495	\$492
Realized Gains/(Losses)	683.6%	\$201	\$26	\$152	\$129	\$49
Net Income/(Loss)	17.5%	\$732	\$623	\$883	\$963	\$709
ROA (Annualized)	0.0 pts	0.6%	0.6%	0.6%	0.9%	0.7%
Investment Yield (Annualized)	(0.2) pts	4.2%	4.4%	4.7%	4.9%	4.8%
	9-mo. Chg.	3Q 2017	YE 2016	YE 2015	YE 2014	YE 2013
Surplus	7.2%	\$15,499	\$14,458	\$13,442	\$12,538	\$11,806

Health Entities

(In Millions)	Chg.	3Q 2017	3Q 2016	3Q 2015	3Q 2014	3Q 2013
Direct Written Premium	5.0%	\$501,945	\$478,062	\$442,808	\$396,862	\$342,407
Net Earned Premium	5.2%	\$498,597	\$474,058	\$439,000	\$392,475	\$335,801
Net Investment Income Earned	18.7%	\$3,046	\$2,567	\$2,503	\$2,896	\$2,460
Underwriting Gain/(Loss)	129.7%	\$18,911	\$8,231	\$6,881	\$6,589	\$9,869
Net Income/(Loss)	202.1%	\$15,677	\$5,190	\$4,523	\$5,943	\$9,663
Total Hospital & Medical Exp.	4.9%	\$423,770	\$403,843	\$375,018	\$334,059	\$287,822
Loss Ratio	(0.2) pts	84.8%	85.0%	84.9%	84.8%	85.3%
Administrative Expense Ratio	(1.9) pts	11.4%	13.3%	13.6%	13.6%	11.8%
Combined Ratio	(2.1) pts	96.2%	98.3%	98.4%	98.3%	97.1%
Profit Margin	2.0 pts	3.1%	1.1%	1.0%	1.5%	2.8%
Enrollment	1.2%	222	219	212	204	178
Premium PMPM	3.1%	\$250	\$243	\$233	\$220	\$211
Claims PMPM	2.8%	\$213	\$207	\$198	\$188	\$180
Cash Flow from Operations	75.7%	\$38,436	\$21,872	\$2,962	\$10,410	\$9,401

Note: Aggregate results include only health entities who file quarterly statements with the NAIC.

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