

State Insurance Regulation: Key Facts and Market Trends

NAIC NATIONAL ASSOCIATION OF
INSURANCE COMMISSIONERS

Florida / 2022



Overview of the 2022 Insurance Market in Florida

- Florida has **2,132** total domestic and licensed foreign insurers.
- Florida ranks **4th** in total premium as reported on NAIC annual statement filings.
- Florida ranks **3rd** in health premium as reported on NAIC annual statement filings.
- Florida ranks **3rd** in property/casualty (P/C) premium as reported on NAIC annual statement filings.
- Florida ranks 1st in private flood premium with **19.56%** of the U.S. market.
- Florida ranks 1st in homeowners premium with **10.80%** of the U.S. market.
- Total direct premium written in-state has increased every year since **2013**.
- The cost of regulation in Florida is **\$0.34**, based on an Insurance Department budget per **\$1,000** in written premium.

State Insurance Regulation: Key Facts and Market Trends

The mission of the National Association of Insurance Commissioners (NAIC) is to assist state insurance regulators, individually and collectively, in serving the public interest and achieving the following fundamental insurance regulatory goals in a responsive, efficient and cost effective manner, consistent with the wishes of its members. As part of this mission, the NAIC compiles meaningful data about the insurance regulatory community, as well as the insurance industry.

Number of Insurance Companies

The number of insurance companies is provided by state insurance regulators and is compiled annually by the NAIC. Depending on the type of insurance companies provided, they are classified either as property/casualty, life and fraternal, health, or title insurers. Insurers with primary corporate headquarters located in a particular state are called domestic insurers. The insurance regulator in the insurer's state of domicile is the primary regulator of that insurer. Foreign insurers are those that are allowed to sell insurance in a state but have a primary legal residence in another state. The state rank represents the rank relative to the state with the largest number of insurers among all states.

U.S. Premiums by NAIC Financial Statement Type

The premium volume from the NAIC financial filing database is direct written premium derived from insurer annual financial statement filings provided to the NAIC. The total is comprised of aggregate premium and deposits generated without any adjustments for reinsurance. This data is grouped according to insurer financial statement filing type (i.e., property/casualty; life, accident and health/fraternal; health; and title). Data in one financial statement type could contain data that seemingly fits better under

another line of business. For example, traditional health data may be filed by an insurer using the filing type of life, accident and health. Depending on the regulatory requirements in the state of domicile, captives and risk retention groups are not always required to file with the NAIC and, consequently, this data may not be considered complete. Not all state funds are required to file with the NAIC. State fund data contained herein is reported separately and added to the premium volume during composition of this report. Some categories are modified to more closely align with the structure of the NAIC financial statement filings and may not be comparable to data reported in prior years. The state rank represents the rank relative to the state with the largest premium volume among all states.

U.S. Premiums by IDRR Premium Type

The premium volume from the *Insurance Department Resources Report* (IDRR) is comprised of direct written premium that the states report to the NAIC in compiling the IDRR. This data is grouped by type of business and will not match up with data grouped by NAIC financial statement type. This data includes total direct written premium reported by each state insurance department and does not include premiums from captives or surplus lines business. It was requested that each state include state funds in its premium volume reported. Some companies may report premium data to the state insurance department that are not required to report to the NAIC due to sales volume or other regulatory requirements of their domiciliary state.

Insurance Department Data

The insurance department data is provided by state insurance regulators and is compiled annually by the NAIC. Total taxes include premium, retaliatory, franchise and income taxes paid by insurers. Total revenue includes other

sources of revenue, such as licensing fees and fines and assessments, as well as total taxes. Total budget represents the annual operating budget of the state insurance department. Total employment is the number of full-time state insurance department employees. The state rank represents the rank relative to the state with the largest respective number among all states.

Cost of Regulation

The cost of regulation is calculated from data supplied by state insurance regulators and collected from insurers' financial filings. It is a ratio that compares the insurance department budget to total premium written in the state. For state-specific details on the figures used, please refer to the IDRR technical notes.

Property/Casualty Premium by Line of Business

The premiums are from the annual financial statement information that property/casualty insurers file with the NAIC. Property/casualty premium is subdivided into several categories. This data includes information on state funds reported separately and added to the premium volume during composition of this report. The state rank represents the rank relative to the state with the largest respective premium by line of business among all states.

Insurance Industry Employment

The U.S. Bureau of Labor Statistics (BLS) produces the Quarterly Census of Employment and Wages (QCEW). The QCEW is derived from quarterly unemployment insurance tax reports submitted by employers to state workforce agencies. The reports are subject to state unemployment insurance laws, as well as to the Unemployment Compensation for Federal Employees (UCFE) program. According to the BLS, the QCEW program publishes a quarterly count of employment and wages covering 98% of U.S. jobs, available by industry in the county,

metropolitan statistical area (MSA), state and national levels. Employment is the total number of persons employed full-time or part-time in non-farm establishments during a specified payroll period. Temporary employees are included. In general, data refer to persons who worked during, or received pay for, any part of the pay period that includes the 12th of the month, which is standard for all federal agencies collecting employment data from business establishments. Insurance carriers include employees of direct insurers from all insurance types and reinsurers. Agencies, brokerages and other insurance-related activities include insurance agents and brokers, independent claims adjusters, third-party administrators of insurance and pension funds, and other insurance-related activities.

Consumer Complaints

Complaints include all formal complaints lodged with the insurance department.

Consumer Inquiries

Inquiries include all requests for information about insurance-related issues made by any medium, including phone calls, written letters, emails, etc. Requests for brochures are included, as are incidents where a complaint is voiced, but is not formally lodged.

Gross Domestic Product

The U.S. Bureau of Economic Analysis (BEA) produces the gross domestic product (GDP). The BEA defines GDP by state as the most comprehensive measure of overall economic activity in the individual states. Per the BEA, GDP by state is calculated as the sum of incomes earned by labor and capital and the costs incurred in the production of goods and services. It includes workers' wages and salaries; income earned by sole proprietorships, partnerships and corporations; and business taxes (such as sales, property, and federal excise taxes) that count as a business expense.

State Insurance Regulation: Key Facts and Market Trends

The primary goal of state regulation is to protect insurance consumers, while recognizing that consumers as well as companies are well served by efficient, market-oriented regulation of the business of insurance.

OVERVIEW OF THE UNITED STATES INSURANCE MARKET 2022

Insurance Group	Direct Premium Written*	% of Total Premium
UNITEDHEALTH GRP	\$220,056,634,079	7.21%
METROPOLITAN GRP	\$120,586,066,997	3.95%
ELEVANCE HLTH INC GRP	\$103,593,396,083	3.39%
CENTENE CORP GRP	\$96,779,952,547	3.17%
HUMANA INC	\$87,045,174,657	2.85%
Top 5 Total	\$628,061,224,363	

*Includes Deposit Type Funds and premium written in U.S. territories from Property, Life, Fraternal, Title, and Health Annual Statements.

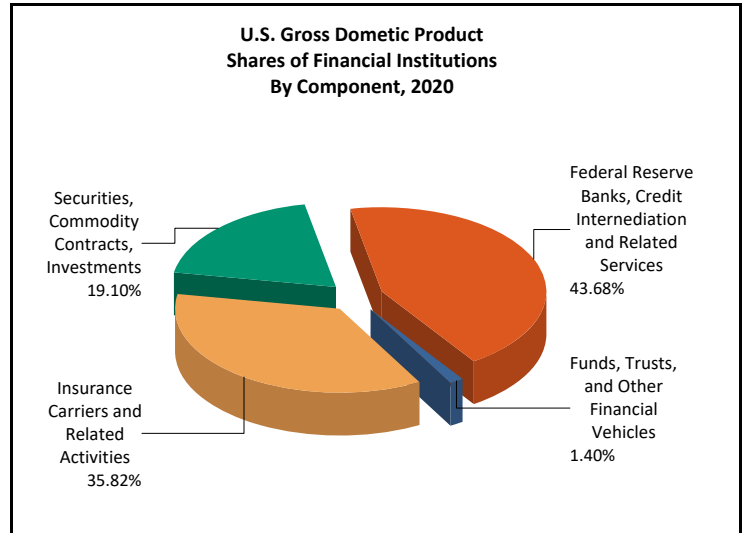
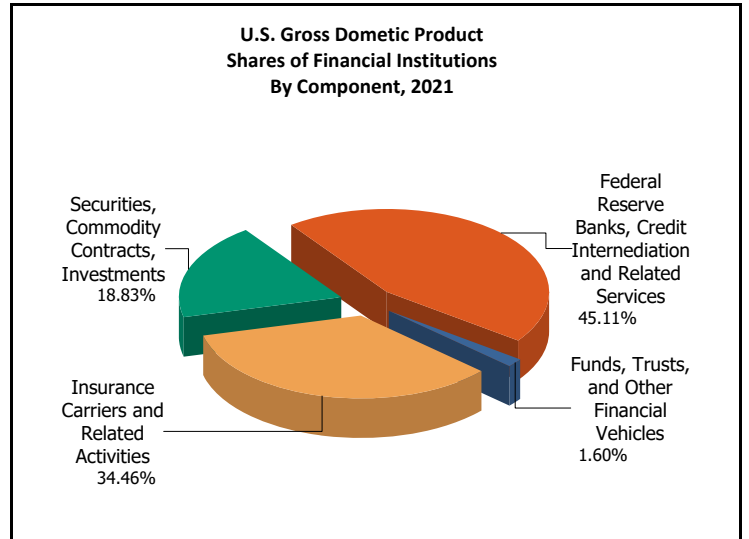
Source: National Association of Insurance Commissioners

	2021	2022
Funds, trusts, and other financial vehicles	29,567	N/A
Insurance carriers and related activities	638,501	N/A
Securities, commodity contracts, and other financial investments and related activities	348,880	N/A
Monetary Authorities- central bank, credit intermediation, and related services	835,722	N/A
Finance and insurance	1,852,670	1,932,937

*Figure is an estimate.
Source: US Department of Commerce, Bureau of Economic Analysis

	2020	2021	2022
Insurance Carriers and Related Activities	2,419,845	2,449,834	2,520,241
<u>Insurance Carriers</u>	<u>1,216,922</u>	<u>1,200,301</u>	<u>1,221,112</u>
Direct Life and Health Insurance Carriers	641,994	637,235	623,829
Direct Life Insurance Carriers	240,024	233,651	224,738
Direct Health and Medical Insurance Carriers	403,979	405,846	415,025
Direct Insurers (except Life and Health)	514,994	503,471	515,110
Direct Property and Casualty Insurers	463,586	444,392	456,633
Direct Title Insurance Carriers	59,556	66,151	65,005
Other Direct Insurance Carriers	15,957	16,346	17,351
Reinsurance Carriers	19,571	19,443	20,249
<u>Insurance Agencies and Brokerages</u>	<u>1,202,923</u>	<u>1,249,542</u>	<u>1,299,132</u>
Other Insurance Related Activities	351,072	356,126	366,728
Claims Adjusting	56,707	60,144	62,681
Third Party Administration of Insurance Funds	205,640	207,608	209,690
All Other Insurance Related Activities	88,725	88,369	94,364

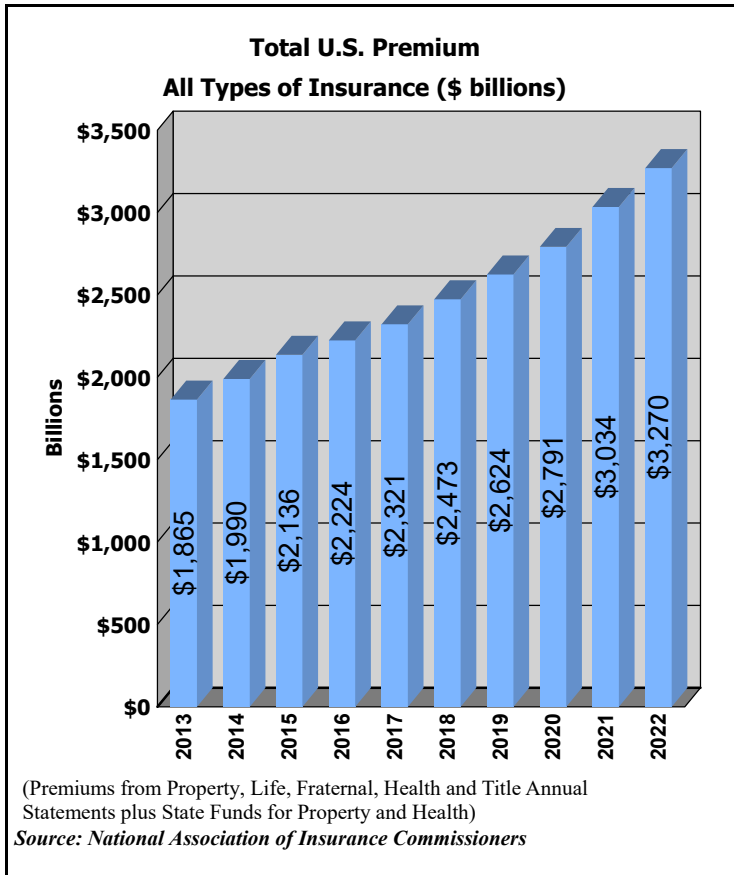
Source: U.S. Department of Labor, Bureau of Labor Statistics



State Insurance Regulation: Key Facts and Market Trends

OVERVIEW OF THE UNITED STATES INSURANCE MARKET

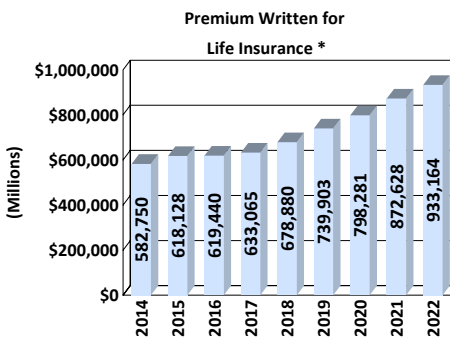
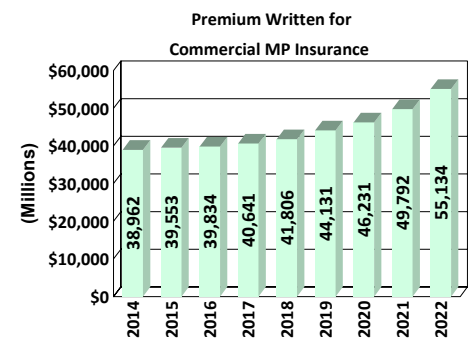
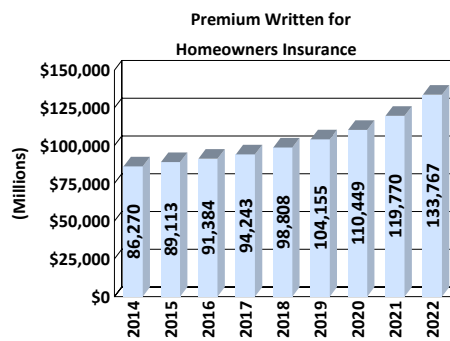
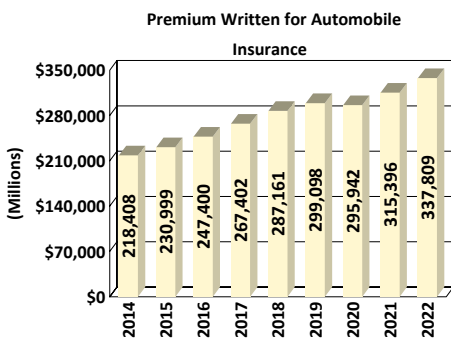
2022



U.S. Property & Casualty Premium by Line of Business

Line of Business	2021	2022
Fire	17,949,409,479	20,962,005,810
Allied lines	18,359,180,650	21,900,339,418
Federal flood	3,095,227,225	2,777,000,344
Crop	1,267,688,228	1,471,672,366
Private Flood	1,021,026,151	1,263,628,480
Farm	18,991,653,046	24,291,432,551
Homeowners multiple peril	119,769,512,885	133,766,985,693
Commercial multi peril	49,791,768,120	55,133,567,113
Mortgage guaranty	5,715,488,991	5,600,575,886
Ocean & Inland Marine	33,377,833,123	38,100,524,324
Financial guaranty	332,979,456	362,677,279
Medical professional liability	11,179,056,258	
Medical professional liability - Occurrence		2,637,584,556
Medical professional liability - Claims Made		9,265,022,140
Earthquake	3,780,527,198	4,197,676,654
Accident & Health	1,926,940,928	7,511,190,572
Workers' compensation	55,164,050,344	60,315,579,452
Products liability	4,318,476,538	
Products liability - Occurrence		4,003,788,955
Products liability - Claims Made		873,774,350
Automobile	315,395,762,148	337,809,381,741
Aircraft (all perils)	2,386,530,987	2,659,199,705
Fidelity	1,388,357,460	1,458,418,263
Surety	7,346,320,499	8,476,476,212
Burglary and theft	481,827,739	559,620,839
Boiler and machinery	2,131,779,842	2,343,181,198
Credit	2,228,858,989	2,646,389,699
Other	108,956,132,487	117,786,785,693
Total	791,239,640,851	868,174,860,180

Source: National Association of Insurance Commissioners
(Premiums from Property Annual Statements plus State Funds)



* Figures include Life, Annuities, Deposit Type Funds, and Other Considerations from the NAIC Life, and Fraternal financial statements.

** Figures includes Health data from the NAIC Health, Life, and Fraternal financial statements and California Insurance data.

Figures include data from State Funds where applicable.

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**OVERVIEW OF THE UNITED STATES INSURANCE MARKET
2022**

Data Year	U.S. Premiums by NAIC Financial Statement Type					
	Property & Casualty*	Life	Health**	Fraternal Organizations***	Title	Total
2013	\$542,833,227,696	\$728,875,641,516	\$570,418,613,975	\$10,215,713,285	\$12,451,832,623	\$1,864,795,029,095
2014	\$567,105,061,580	\$737,379,318,108	\$664,142,345,327	\$10,458,718,584	\$11,060,055,329	\$1,990,145,498,928
2015	\$589,667,150,148	\$777,515,604,883	\$745,397,969,897	\$10,867,996,721	\$12,885,170,798	\$2,136,333,892,447
2016	\$611,195,728,207	\$785,304,558,898	\$802,132,413,342	\$11,028,741,281	\$14,030,332,178	\$2,223,691,773,906
2017	\$639,878,165,766	\$810,086,066,759	\$846,780,935,013	\$10,222,142,527	\$14,506,091,538	\$2,321,473,401,603
2018	\$674,190,146,476	\$869,600,291,092	\$904,474,399,538	\$10,303,786,208	\$14,631,346,937	\$2,473,199,970,251
2019	\$707,303,784,088	\$942,312,241,837	\$958,805,424,749	\$0	\$15,650,177,336	\$2,624,071,628,010
2020	\$723,246,793,358	\$1,006,632,235,604	\$1,042,296,991,090	\$0	\$19,243,067,702	\$2,791,419,087,754
2021	\$791,239,640,117	\$1,085,563,498,797	\$1,131,279,898,893	\$0	\$26,122,328,491	\$3,034,205,366,298
2022	\$868,174,858,151	\$1,143,369,956,898	\$1,236,369,783,627	\$0	\$21,895,885,175	\$3,269,810,483,851

*Starting in 2004, Property/Casualty premiums include Supplemental State Funds.
** Starting in 2007, Health premiums include data filed with the California Department of Insurance.
*** Starting in 2019, the Fraternal Organizations financial statement was combined with the Life financial statement.
Source: National Association of Insurance Commissioners

2022 U.S. Premiums by NAIC IDRR Premium Category						
Total	Life / Annuities	Property / Casualty	Health	Title	Risk Retention Group	All Other
\$3,128,658,831,179	\$953,226,467,160	\$785,807,492,523	\$1,352,317,961,054	\$21,223,899,080	\$5,684,795,947	\$10,398,215,415

Source: NAIC Insurance Department Resources Report

2022 U.S. Insurance Industry Information					
Domestic Premium	Num of Domestic	Domestic Mean Premium	Captive Premium	Num of Captives	Captive Mean Premium
\$3,128,658,831,179	5,965	\$524,502,738	\$44,918,924,655	4,167	\$10,779,680

Source: NAIC Insurance Department Resources Report

2022 U.S. Insurance Department Information for All States					
Total Revenue	Total State Tax Revenue	Total Budget	Total Employment	Consumer Inquiries	Consumer Complaints
\$32,706,405,896	\$27,501,755,217	\$1,745,764,738	10,862	1,516,175	282,567

Source: NAIC Insurance Department Resources Report

Overview of the 2022 Insurance Market In Florida

Number of Insurance Companies in Florida		
Type	Number	State Rank
Domestic	439	2
Total Domestic and Licensed Foreign Insurers	2,132	2
<i>Captives not included.</i>		
<i>Source: NAIC Insurance Department Resources Report</i>		

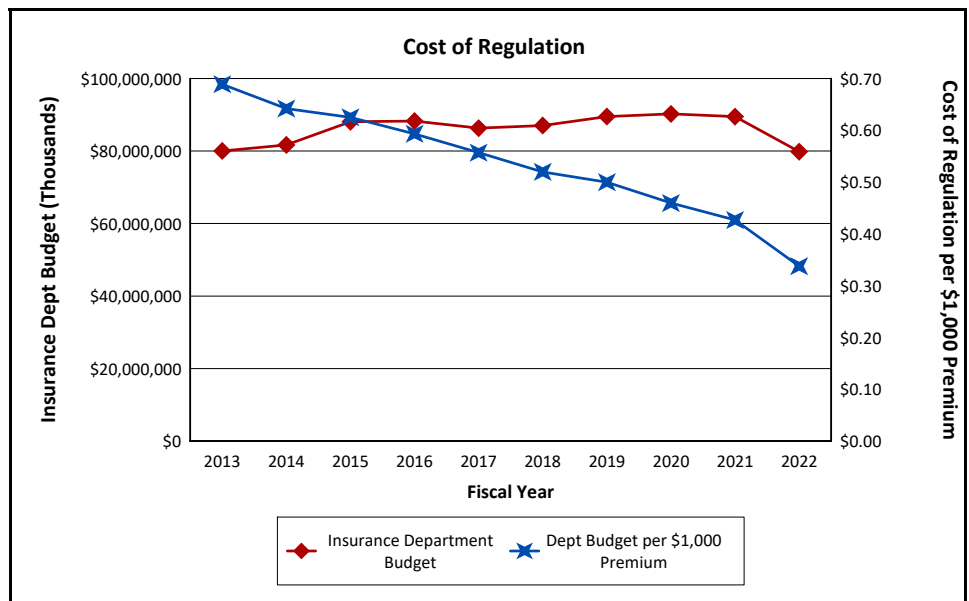
Captive Insurance Companies in Florida		
Number of Captives	Direct Written Premium	Total Captive Premium
1	\$1,936,500	\$1,936,500
<i>Source: NAIC Insurance Department Resources Report</i>		

Insurance Department Data for Florida			
Description	Amount	State Rank	% of U.S.
Total Taxes:	\$462,561,682	20	1.68%
Total Revenue:	\$566,710,695	20	1.73%
Total Budget:	\$79,808,964	4	4.57%
Total Employment:	774	3	7.13%
Total Inquiries:	180,091	2	11.88%
Total Complaints:	22,751	3	8.05%
<i>Source: NAIC Insurance Department Resources Report</i>			

Premiums & Deposits by Type of Annual Statement Filing in Florida			
Statement Type	Premium Written	State Rank	% of U.S.
Health	\$94,345,651,978	3	7.63%
Life, Accident, and Health	\$63,497,705,165	6	5.55%
Property and Casualty	\$75,754,055,743	3	8.73%
Title	\$2,754,017,546	2	12.58%
Total Florida	\$236,351,430,432	4	7.23%
<i>Source: National Association of Insurance Commissioners</i>			

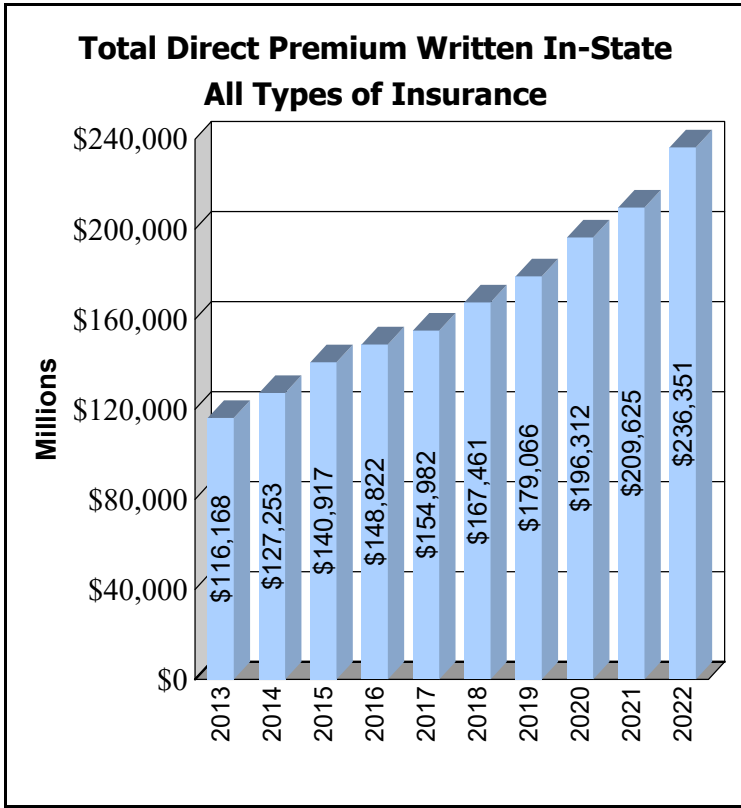
IDRR Premiums by Category in Florida			
Category Type	Premiums	State Rank	% of U.S.
Property and Casualty	\$65,677,192,746	3	8.36%
Life/Annuities	\$47,068,797,127	6	4.94%
Risk Retention Group	\$351,597,018	5	6.18%
All Other	\$7,210,694,086	1	69.35%
Title	\$2,754,017,546	2	12.98%
Health	\$109,147,446,126	3	8.07%
Total	\$232,209,744,649	4	7.42%
<i>Source: NAIC Insurance Department Resources Report</i>			

Cost of Regulation in Florida		
Year	Insurance Department Budget	Dept. Budget Per \$1,000 Premium
2013	\$80,026,333	\$0.69
2014	\$81,685,695	\$0.64
2015	\$88,069,941	\$0.62
2016	\$88,269,849	\$0.59
2017	\$86,297,867	\$0.56
2018	\$87,026,993	\$0.52
2019	\$89,505,969	\$0.50
2020	\$90,218,843	\$0.46
2021	\$89,480,714	\$0.43
2022	\$79,808,964	\$0.34
<i>Source: NAIC Insurance Department Resources Report</i>		



State Insurance Regulation in Florida: Key Facts and Market Trends

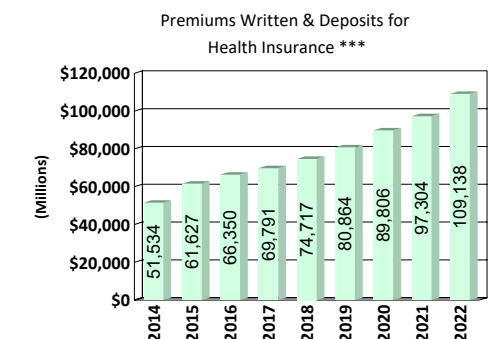
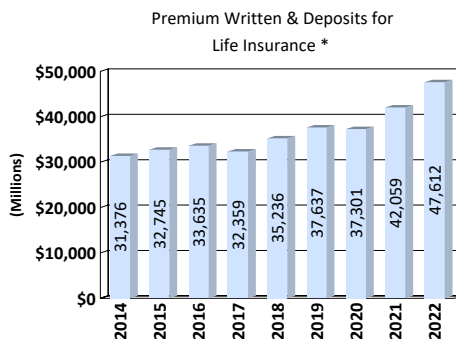
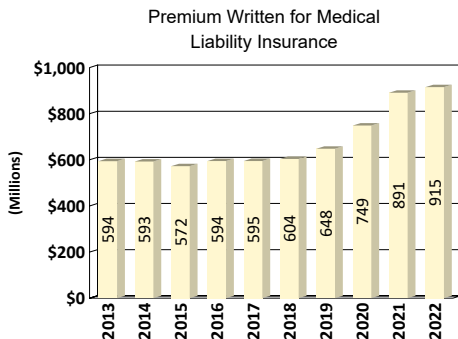
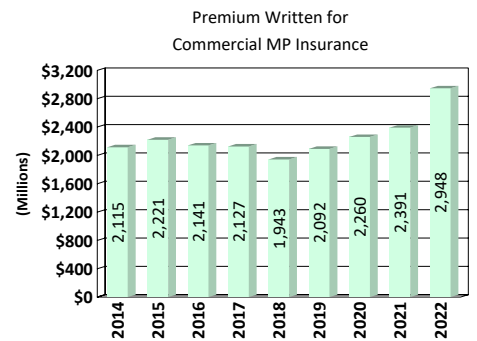
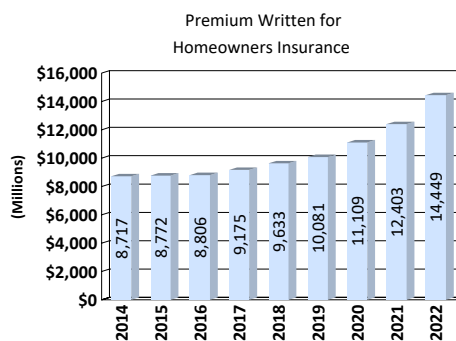
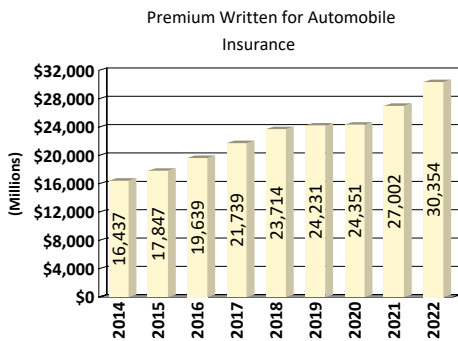
Overview of the 2022 Insurance Market In Florida



Source: National Association of Insurance Commissioners.

Line of Business	Premium Written	State Rank	% of U.S.
Automobile	\$30,353,815,308	3	8.99%
Homeowners multiple peril	\$14,448,510,458	1	10.80%
Other	\$10,489,974,958	3	8.91%
Allied lines	\$4,858,552,174	1	22.18%
Workers' compensation	\$3,248,414,721	3	5.39%
Commercial multi peril	\$2,947,725,850	4	5.35%
Ocean & Inland Marine	\$2,836,008,168	4	7.44%
Fire	\$1,958,801,101	3	9.34%
Federal flood	\$897,334,303	1	32.31%
Medical professional-Claims Made	\$801,691,277	3	8.65%
Surety	\$560,481,052	4	6.61%
Mortgage guaranty	\$447,262,664	3	7.99%
Accident & Health	\$328,652,175	7	4.38%
Products liability-Occurance	\$277,646,462	3	6.93%
Private Flood	\$247,186,479	1	19.56%
Farm	\$231,289,436	26	0.95%
Aircraft (all perils)	\$230,097,449	3	8.65%
Credit	\$166,469,402	4	6.29%
Medical professional-Occurance	\$113,371,947	5	4.30%
Boiler and machinery	\$97,837,953	6	4.18%
Fidelity	\$76,040,058	5	5.21%
Products liability-Claims Made	\$49,524,317	5	5.67%
Earthquake	\$46,593,735	17	1.11%
Burglary and theft	\$32,921,988	5	5.88%
Financial guaranty	\$7,233,997	7	1.99%
Crop	\$612,881	35	0.04%
Total	\$75,754,055,741	3	8.73%

Source: National Association of Insurance Commissioners



* Figures include Life, Annuities, Deposit Type Funds, and Other Considerations from the NAIC Life, and Fraternal financial statements.

** Figures include Health data from the NAIC Health, Life, and Fraternal financial statements and California Insurance data.

Figures include data from State Funds where applicable.

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Overview of the 2022 Insurance Market In Florida

Insurance Industry Employment in Florida			
Year	Insurance Carriers and Related Activities	Insurance Carriers	Agents Brokers and Other Related Activities
2015	148,568	74,171	74,397
2016	153,756	77,145	76,611
2017	160,951	77,527	83,424
2018	167,780	79,418	88,362
2019	174,069	85,368	88,701
2020	179,451	86,519	92,932
2021	187,802	88,836	98,966
2022	199,683	94,845	104,838

Source: US Department of Labor, Bureau of Labor Statistics

Gross Domestic Product for Florida (Millions)				
	2019	2020	2021	2022
Funds, trusts, and other financial vehicles	\$139	\$90	\$1,265	N/A
Insurance carriers and related activities	\$35,375	\$37,937	\$40,011	N/A
Securities, commodity contracts, and other financial investments and related activities	\$10,283	\$11,660	\$15,232	N/A
Monetary Authorities-central bank, credit intermediation, and related services	\$19,555	\$20,181	\$22,703	N/A
Finance and insurance	\$65,353	\$69,868	\$79,211	\$83,954

Source: US Department of Commerce, Bureau of Economic Analysis

