



Illinois Department of Insurance

JB Pritzker
Governor

Dana Popish Severinghaus
Director

June 23, 2022

Ms. Marita Zuraitis, President
Horace Mann Insurance Group
1 Horace Mann Plaza
Springfield, IL. 62715

**Re: Horace Mann Insurance Company, NAIC 22578
Horace Mann Property & Casualty Insurance Company, NAIC 22756
Teachers Insurance Company, NAIC 22683
Market Conduct Examination Verified Report**

Dear Ms. Zuraitis,

A Market Conduct Examination of your companies was conducted by an authorized examiner designated by the Director of the Illinois Department of Insurance (“Department”) pursuant to Illinois Insurance Code (“Code”) Sections 132, 132.5(f), 404(1)(a) and 404(1)(c). This examination covered the period of January 1, 2019, through March 31, 2022. Enclosed with this letter is a copy of the verified examination report.

The examination report is a public document under the Freedom of Information Act (“FOIA”) [5 ILCS 140/1 *et seq.*] and will be posted on the Department’s website. To the extent that the examination report contains information that your Company deems private, personal, or trade secret pursuant to Sections 7(1)(b), (c), or (g) of FOIA [5 ILCS 140/7(b), (c), and (g)], your Company may request that the Department redact such information from the report prior to making it public. In making a request for confidentiality, your Company must provide a factual basis for its assertion of confidentiality. The Department will consider the request and determine whether such information is exempt from disclosure under Section 7 of FOIA.

No company, corporation, or individual shall use this report or any statement, excerpt, portion, or section thereof for any advertising, marketing or solicitation purpose. Any company, corporation or individual action contrary to the above shall be deemed a violation of Section 149 of the Illinois Insurance Code (215 ILCS 5/149).

Please contact me if you have any questions.

Sincerely,

Erica Weyhenmeyer
Chief Market Conduct Examiner
Illinois Department of Insurance
320 West Washington St., 5th Floor
Springfield, IL 62767
Phone: 217-782-1790
Erica.Weyhenmeyer@Illinois.gov

Company Name: Horace Mann Insurance Company	CoCode: 22578	Group Code: 300										
Private Passenger Auto Liability	Accident Quarter											
Statewide data (Illinois only) as of 3/31/2022	Q1 - 2019	Q2 -2019	Q3 - 2019	Q4 - 2019	Q1 - 2020	Q2 - 2020	Q3 - 2020	Q4 - 2020	Q1 - 2021	Q2 - 2021	Q3 - 2021	Q4 - 2021
(2) All expenses other than loss adjustment expenses, excluding amounts from item 5 below	141,088	152,151	160,801	172,821	180,180	178,150	162,837	163,071	159,828	158,597	153,506	149,827
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	568,904	613,514	648,392	696,859	726,531	718,347	656,603	657,544	644,466	639,504	618,976	604,140
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	36,629	73,258	36,629	0	0	0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense	0	0	0	0	0	0	0	0	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	297,474	390,517	424,748	667,832	420,336	220,476	645,039	346,894	253,208	536,891	658,489	495,390
(7) Net Ultimate Adjusting & Other	1,255	1,802	2,660	2,502	1,145	295	1,287	272	0	150	0	1,048
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	56	57	44	70	48	32	47	41	29	50	45	48
(9) Open Claim Counts	1	0	0	3	0	1	5	3	3	7	3	12
Post-refund combined ratio (6+7+2+5)/(3-4)	77.3%	88.7%	90.7%	121.0%	82.8%	55.5%	130.5%	87.3%	68.0%	108.8%	131.2%	107.0%
Pre-refund combined ratio (6+7+2)/(3)	77.3%	88.7%	90.7%	121.0%	82.8%	55.5%	123.2%	77.6%	64.1%	108.8%	131.2%	107.0%
Claims severity (6)/(8)	5,312	6,851	9,653	9,540	8,757	6,890	13,724	8,461	8,731	10,738	14,633	10,321

Notes:

Data from row (1) will be made available on an all company weighted average frequency basis. Data will not be publicly released on an individual company basis.

All data provided in rows (2)-(9) will be considered public.

"Net" refers to net of reinsurance and salvage & subrogation.

Claim counts should be reported net of quota share reinsurance.

Company Name: Horace Mann Insurance Company	CoCode: 22578	Group Code: 300										
Private Passenger Auto Physical Damage	Accident Quarter											
Statewide data (Illinois only) as of 3/31/2022	Q1 - 2019	Q2 -2019	Q3 - 2019	Q4 - 2019	Q1 - 2020	Q2 - 2020	Q3 - 2020	Q4 - 2020	Q1 - 2021	Q2 - 2021	Q3 - 2021	Q4 - 2021
(2) All expenses other than loss adjustment expenses, excluding amounts from item 5 below	133,766	144,857	154,361	160,866	163,463	161,013	161,064	156,035	149,145	145,370	140,892	138,308
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	510,557	552,890	589,163	613,993	623,904	614,554	614,749	595,554	569,255	554,847	537,756	527,894
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	0	0	0	0	0	0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense	0	0	0	0	0	0	0	0	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	341,480	375,365	325,901	472,273	343,813	345,804	498,237	378,567	246,920	477,323	266,808	548,031
(7) Net Ultimate Adjusting & Other	2,886	3,929	2,515	4,598	3,230	1,428	3,610	1,527	2,105	1,919	1,958	2,851
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	225	227	218	254	186	164	211	168	169	191	173	192
(9) Open Claim Counts	0	0	0	0	0	0	0	0	0	0	0	9
Post-refund combined ratio (6+7+2+5)/(3-4)	93.6%	94.8%	81.9%	103.9%	81.8%	82.7%	107.8%	90.0%	69.9%	112.6%	76.2%	130.6%
Pre-refund combined ratio (6+7+2)/(3)	93.6%	94.8%	81.9%	103.9%	81.8%	82.7%	107.8%	90.0%	69.9%	112.6%	76.2%	130.6%
Claims severity (6)/(8)	1,518	1,654	1,495	1,859	1,848	2,109	2,361	2,253	1,461	2,499	1,542	2,854

Notes:

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All data provided in rows (2)-(9) will be considered public.

"Net" refers to net of reinsurance and salvage & subrogation.

Claim counts should be reported net of quota share reinsurance.

Company Name: Horace Mann Property & Casualty Insurance Company	CoCode: 22756	Group Code: 300										
Private Passenger Auto Liability	Accident Quarter											
Statewide data (Illinois only) as of 3/31/2022	Q1 - 2019	Q2 -2019	Q3 - 2019	Q4 - 2019	Q1 - 2020	Q2 - 2020	Q3 - 2020	Q4 - 2020	Q1 - 2021	Q2 - 2021	Q3 - 2021	Q4 - 2021
(2) All expenses other than loss adjustment expenses, excluding amounts from item 5 below	142,790	141,304	133,722	129,917	126,437	118,989	107,769	103,961	118,543	138,655	140,721	136,083
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	575,767	569,773	539,202	523,860	509,826	479,794	434,554	419,196	477,997	559,091	567,425	548,723
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	20,350	40,699	20,350	0	0	0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense	0	0	0	0	0	0	0	0	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	343,640	393,636	275,079	242,900	257,708	610,935	272,803	118,054	172,999	439,800	171,196	140,272
(7) Net Ultimate Adjusting & Other	1,279	1,288	1,265	1,192	845	315	249	141	0	615	0	124
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	47	31	33	27	27	20	15	14	23	29	23	22
(9) Open Claim Counts	0	0	0	1	1	2	2	1	3	0	7	4
Post-refund combined ratio (6+7+2+5)/(3-4)	84.7%	94.1%	76.1%	71.4%	75.5%	152.2%	91.9%	58.7%	63.7%	103.6%	55.0%	50.4%
Pre-refund combined ratio (6+7+2)/(3)	84.7%	94.1%	76.1%	71.4%	75.5%	152.2%	87.6%	53.0%	61.0%	103.6%	55.0%	50.4%
Claims severity (6)/(8)	7,311	12,698	8,336	8,996	9,545	30,547	18,187	8,432	7,522	15,166	7,443	6,376

Notes:

Data from row (1) will be made available on an all company weighted average frequency basis. Data will not be publicly released on an individual company basis.

All data provided in rows (2)-(9) will be considered public.

"Net" refers to net of reinsurance and salvage & subrogation.

Claim counts should be reported net of quota share reinsurance.

Company Name: Horace Mann Property & Casualty Insurance Company	CoCode:	22756	Group Code:	300								
Private Passenger Auto Physical Damage	Accident Quarter											
Statewide data (Illinois only) as of 3/31/2022	Q1 - 2019	Q2 -2019	Q3 - 2019	Q4 - 2019	Q1 - 2020	Q2 - 2020	Q3 - 2020	Q4 - 2020	Q1 - 2021	Q2 - 2021	Q3 - 2021	Q4 - 2021
(2) All expenses other than loss adjustment expenses, excluding amounts from item 5 below	132,527	131,878	127,540	121,068	116,497	109,475	106,388	100,083	107,634	121,013	124,413	121,761
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	505,829	503,350	486,795	462,090	444,645	417,845	406,061	381,995	410,817	461,883	474,859	464,738
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	0	0	0	0	0	0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense	0	0	0	0	0	0	0	0	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	247,905	264,229	202,831	239,320	138,707	181,648	172,739	127,050	216,025	188,638	230,014	212,585
(7) Net Ultimate Adjusting & Other	1,877	3,664	2,156	2,562	713	7,956	414	603	901	1,066	640	807
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	169	172	132	112	96	72	88	51	98	116	98	98
(9) Open Claim Counts	0	0	0	0	0	0	0	1	1	0	0	4
Post-refund combined ratio (6+7+2+5)/(3-4)	75.6%	79.4%	68.3%	78.5%	57.6%	71.6%	68.8%	59.6%	79.0%	67.3%	74.8%	72.1%
Pre-refund combined ratio (6+7+2)/(3)	75.6%	79.4%	68.3%	78.5%	57.6%	71.6%	68.8%	59.6%	79.0%	67.3%	74.8%	72.1%
Claims severity (6)/(8)	1,467	1,536	1,537	2,137	1,445	2,523	1,963	2,491	2,204	1,626	2,347	2,169

Notes:

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All data provided in rows (2)-(9) will be considered public.

"Net" refers to net of reinsurance and salvage & subrogation.

Claim counts should be reported net of quota share reinsurance.

Company Name: Teachers Insurance Company	CoCode: 22683	Group Code: 300										
Private Passenger Auto Liability	Accident Quarter											
Statewide data (Illinois only) as of 3/31/2022	Q1 - 2019	Q2 -2019	Q3 - 2019	Q4 - 2019	Q1 - 2020	Q2 - 2020	Q3 - 2020	Q4 - 2020	Q1 - 2021	Q2 - 2021	Q3 - 2021	Q4 - 2021
(2) All expenses other than loss adjustment expenses, excluding amounts from item 5 below	69,889	68,459	66,353	64,679	62,588	64,047	63,340	66,554	52,881	36,189	33,076	36,197
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	281,810	276,046	267,551	260,804	252,371	258,256	255,404	268,362	213,229	145,922	133,371	145,954
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	10,853	21,706	10,853	0	0	0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense	0	0	0	0	0	0	0	0	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	86,841	39,928	114,244	104,093	287,530	160,244	127,480	179,368	162,582	40,444	182,963	151,285
(7) Net Ultimate Adjusting & Other	356	85	733	1,143	422	295	1,769	0	0	0	0	0
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	14	10	21	14	13	9	10	9	5	8	13	6
(9) Open Claim Counts	1	0	0	1	0	1	0	2	1	0	3	3
Post-refund combined ratio (6+7+2+5)/(3-4)	55.7%	39.3%	67.8%	65.2%	138.9%	87.0%	78.8%	99.7%	106.5%	52.5%	162.0%	128.5%
Pre-refund combined ratio (6+7+2)/(3)	55.7%	39.3%	67.8%	65.2%	138.9%	87.0%	75.4%	91.6%	101.0%	52.5%	162.0%	128.5%
Claims severity (6)/(8)	6,203	3,993	5,440	7,435	22,118	17,805	12,748	19,930	32,516	5,055	14,074	25,214

Notes:

Data from row (1) will be made available on an all company weighted average frequency basis. Data will not be publicly released on an individual company basis.

All data provided in rows (2)-(9) will be considered public.

"Net" refers to net of reinsurance and salvage & subrogation.

Claim counts should be reported net of quota share reinsurance.

Company Name: Teachers Insurance Company	CoCode: 22683	Group Code: 300										
Private Passenger Auto Physical Damage	Accident Quarter											
Statewide data (Illinois only) as of 3/31/2022	Q1 - 2019	Q2 -2019	Q3 - 2019	Q4 - 2019	Q1 - 2020	Q2 - 2020	Q3 - 2020	Q4 - 2020	Q1 - 2021	Q2 - 2021	Q3 - 2021	Q4 - 2021
(2) All expenses other than loss adjustment expenses, excluding amounts from item 5 below	68,862	67,641	66,478	64,951	62,649	63,625	67,765	69,236	53,219	36,155	32,921	35,599
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	262,832	258,173	253,732	247,906	239,117	242,842	258,646	264,261	203,126	137,998	125,652	135,875
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	0	0	0	0	0	0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense	0	0	0	0	0	0	0	0	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	113,432	69,578	152,178	105,726	94,119	68,524	121,688	125,112	85,062	87,031	148,297	144,344
(7) Net Ultimate Adjusting & Other	2,543	1,832	2,952	1,233	436	870	3,114	1,156	1,052	62	1,006	1,738
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	52	45	70	56	41	29	50	49	58	52	55	53
(9) Open Claim Counts	0	0	0	0	0	0	0	0	0	0	2	2
Post-refund combined ratio (6+7+2+5)/(3-4)	70.3%	53.9%	87.3%	69.3%	65.7%	54.8%	74.5%	74.0%	68.6%	89.3%	145.0%	133.7%
Pre-refund combined ratio (6+7+2)/(3)	70.3%	53.9%	87.3%	69.3%	65.7%	54.8%	74.5%	74.0%	68.6%	89.3%	145.0%	133.7%
Claims severity (6)/(8)	2,181	1,546	2,174	1,888	2,296	2,363	2,434	2,553	1,467	1,674	2,696	2,723

Notes:

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"Net" refers to net of reinsurance and salvage & subrogation.

Claim counts should be reported net of quota share reinsurance.