State of Illinois

Illinois Department of Insurance

Cost Containment Annual Report to the General Assembly

2020

J.B. PRITZKER

Governor

ROBERT MURIEL

Director

Illinois Department of Insurance

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July 1, 2020

To the Honorable Members of the General Assembly:

The Illinois Insurance Cost Containment Act requires the Director of Insurance to submit an annual report to the General Assembly containing an analysis of portions of the Illinois insurance market and the data collected pursuant to the Act (Article XLII, 215 ILCS 5/1200 et al.).

In accordance with the Illinois Insurance Cost Containment Act, I am pleased to submit the Annual Report to the General Assembly on Insurance Cost Containment for 2020. The report contains significant information from a national and Illinois perspective regarding the current condition of the property/casualty insurance industry.

Sincerely,

Director of Insurance

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Overview

The report analyzes the Illinois insurance market based on companies licensed to conduct business in the State.

Section 1: OVERALL PROPERTY/CASUALTY INDUSTRY SUMMARY

Compares the Illinois property/casualty marketplace to countrywide data. It also provides a breakdown of all property/casualty premiums written on a regional basis and by significant line of business within Illinois.

Section 2: INDIVIDUAL LINE OF COVERAGE ANALYSIS

Provides a detailed review of each of the following areas of insurance within the state of Illinois:

- Homeowners
- Private Passenger Auto Liability
- Private Passenger Auto Physical Damage
- Commercial Auto Liability
- Medical Malpractice
- Other Liability
- Workers' Compensation

The Herfindahl/Hirschmann Index or (HHI) is a measure of the size of companies and is widely accepted as an accurate indicator of the amount of competition among individual companies in any given marketplace. The HHI is calculated by the summation of the squares of each company's individual market share. Generally, an HHI of 1800 or above is an indication that the given market may be highly concentrated and may possibly reflect anti-competitive characteristics. This section contains a historical graph of the HHI for each of the lines of business indicated above.

Section 3: RESIDUAL MARKET MECHANISMS

This section details activities of the residual market and the surplus lines market.

Residual Market Mechanisms are established to provide specific insurance coverages to Illinois consumers who are unable to buy coverage in the open or voluntary markets. Coverages available to Illinois consumers through residual markets include property coverage, automobile coverage, and workers' compensation coverage. The residual markets (FAIR Plan, Auto Plan, and Workers' Compensation Assigned Risk Pool) all have very small shares of the market which indicates healthy competition.

Illinois consumers unable to obtain coverage in either the voluntary market or the residual market mechanisms may be able to obtain coverage in the surplus lines market. The Department has little regulatory control regarding coverage placed in the surplus lines market.

Section 4: OVERALL MARKETPLACE CONDITIONS

The report examines several financial principles that are generally accepted as measurements of market reliability and profitability. The Department monitors all available data related to the property/casualty insurance industry to encourage a healthy, competitive, and reliable insurance market for all Illinois consumers.

SECTION 1: OVERALL PROPERTY/CASUALTY INDUSTRY SUMMARY

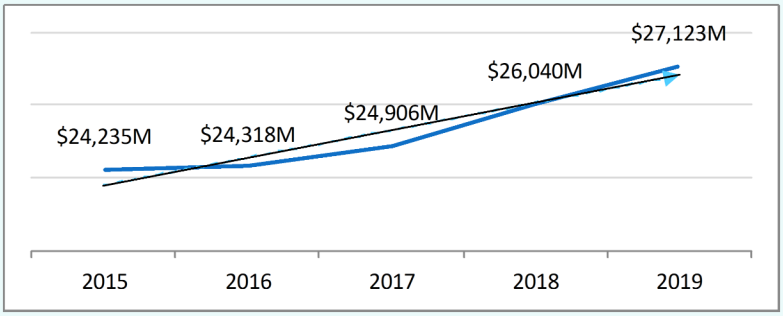
The following provides a breakdown of total direct written premiums and incurred losses for the property/casualty industry by state. Illinois is ranked 5th with a direct written premium totaling $27 billion in 2019, representing 3.86 percent of the total written premium countrywide. The Illinois loss ratio increased 5.27 points from 2018 to 2019 but remains lower than the countrywide average which did not change during the same time period.

Total US Property/Casualty Industry
State Distribution and Loss Experience ($ in millions)

Rank	State	2019 Direct Written Premium	% of Total Direct Written Premium		Direct Pure Loss Ratio (%)	
			2019	2018	2019	2018
1	California	$85,065M	12.09%	12.00%	58.69%	72.60%
2	Texas	$62,212M	8.84%	8.80%	60.41%	54.70%
3	Florida	$56,594M	8.05%	8.00%	66.74%	73.40%
4	New York	$50,028M	7.11%	7.20%	56.62%	58.50%
5	**Illinois**	**$27,123M**	**3.86%**	**3.90%**	**61.97%**	**56.70%**
6	Pennsylvania	$26,195M	3.72%	3.80%	58.66%	58.70%
7	Georgia	$22,953M	3.26%	3.30%	61.00%	59.50%
8	New Jersey	$22,948M	3.26%	3.20%	56.16%	66.40%
9	Michigan	$20,874M	2.97%	3.00%	59.68%	66.30%
10	Ohio	$17,737M	2.52%	2.60%	57.84%	49.70%
11	North Carolina	$17,428M	2.48%	2.50%	62.94%	77.40%
12	Massachusetts	$16,407M	2.33%	2.30%	47.62%	52.40%
13	Virginia	$14,915M	2.12%	2.10%	52.72%	59.70%
14	Colorado	$14,309M	2.03%	2.00%	63.38%	86.60%
15	Washington	$13,811M	1.96%	1.90%	53.33%	56.00%
16	Maryland	$12,795M	1.82%	1.80%	59.33%	64.30%
17	Missouri	$12,676M	1.80%	1.80%	59.94%	55.90%
18	Tennessee	$12,534M	1.78%	1.80%	50.69%	54.10%
19	Minnesota	$12,463M	1.77%	1.80%	63.15%	50.70%
20	Arizona	$12,411M	1.76%	1.80%	55.14%	54.50%
	All Other	$172,808M	24.44%	24.50%	55.70%	57.50%
	Total/Average	$703,371M	100%	100%	61.70%	61.70%

5-Year Trend

Illinois total direct written premiums for the property/casualty industry have been trending upward the past 5-year period.



Distribution of Direct Written Premium & Loss Ratios by Region

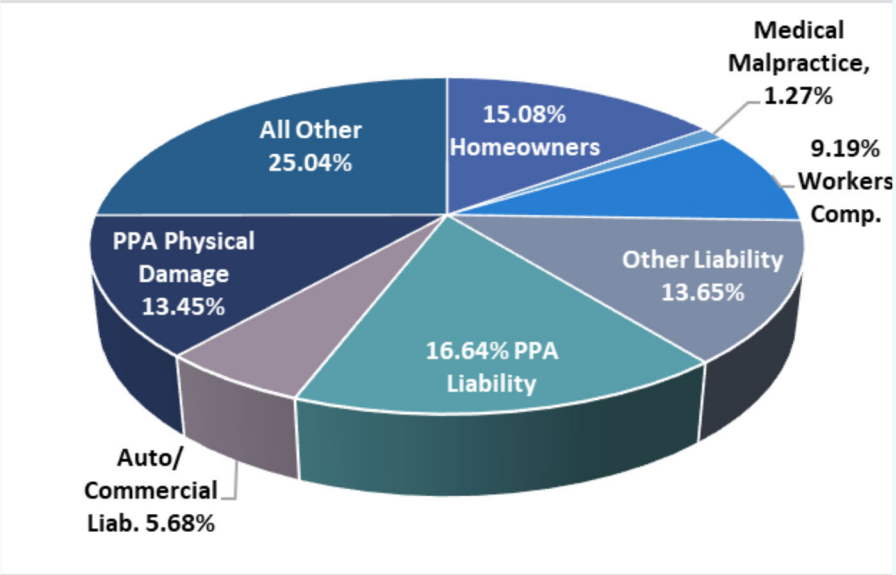
The following identifies the percentage of total written premium, direct loss ratio, and the five-year average loss ratio for the property/casualty industry in the ten regions of the United States and its territories during 2018. Pacific, Mountain, and the east coast regions reported a higher loss ratio in 2018 than their five-year loss ratio average. All central regions along with Other* reported a lower loss ratio in 2018 than their five-year loss ratio average. Other* includes territories devastated by tropical storms in recent years, causing the direct loss ratio to be considerably higher than other regions of the United States.

2019	Pacific	Mountain	Northwest Central	Southwest Central	Northeast Central	Southeast Central	Mid-Atlantic	South Atlantic	New England	Other*	Total All Regions
% Total DPW	15.78%	7.00%	7.01%	12.64%	12.65%	5.07%	14.10%	20.40%	4.94%	0.41%	100.00%
Direct Loss Ratio	54.41%	61.86%	64.88%	62.78%	60.22%	54.47%	60.69%	61.69%	51.42%	51.89%	59.68%
5 Year Average Loss Ratio	62.60%	64.62%	58.47%	66.12%	57.72%	57.15%	58.45%	62.77%	52.89%	160.96%	57.17%

Source: NAIC State Data Network; aggregate Schedule T for all property/casualty insurers.
*Other includes United States territories of American Samoa, Guam, North Mariana Islands, Puerto Rico and the U.S. Virgin Islands.

Percent of All Property/Casualty Premiums Written in Illinois by Line

The chart reflects the distribution of all Illinois property/casualty insurance premiums written during 2019. Personal lines of insurance include homeowners, private passenger automobile liability, and private passenger automobile physical damage coverage. Combined, these coverages make up approximately 45.4 percent of the overall property/ casualty insurance written in the State of Illinois.



Source: NAIC State Data Network, 2019 Illinois State Page Exhibit.

SECTION 2: INDIVIDUAL LINE OF COVERAGE ANALYSIS

The section provides a detailed review of insurance within the state of Illinois. The Department monitors the shifts in premiums, losses and market share from year to year. The Herfindahl/Hirschmann Index (HHI) is used to monitor the market concentration and is accepted as an accurate indicator of the volume of competition among insurance companies.

HOMEOWNERS

The following compares homeowners insurance written in Illinois to the countrywide market. Written premium in Illinois and countrywide continues to grow. In 2019, total written premiums for homeowners coverage written in Illinois increased 5.1 percent from 2018. Countrywide, homeowners premiums increased 5.3 percent during the same period.

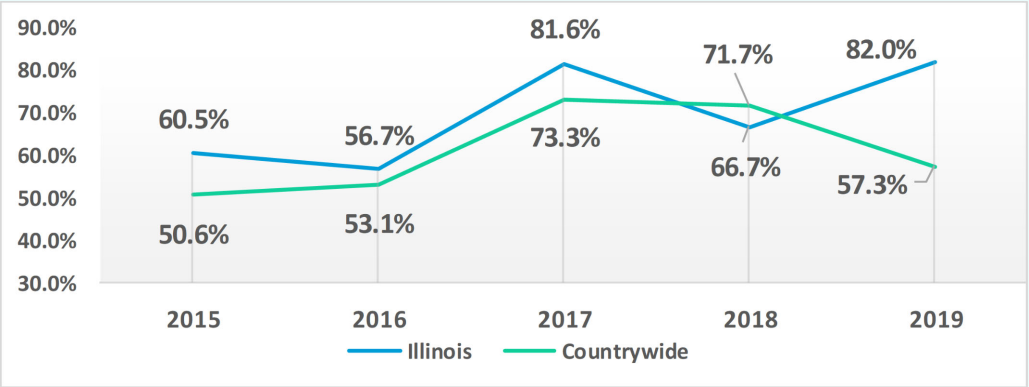
Homeowners Underwriting Results

Homeowners	*Illinois*	*Countrywide**
Direct Written Premiums	**$3,907,709,800**	**$77,219,182,183**
Direct Earned Premiums	**$3,806,760,469**	**$75,208,277,154**
Expenses (% of Direct Earned Premium)		
Incurred Losses	**82.0%**	**57.3%**
Defense & Cost Containment Expenses Incurred	**1.4%**	**1.5%**
Commissions and Brokerage Expenses	**12.5%**	**12.5%**
Taxes, Licenses & Fees	**2.1%**	**2.5%**

Source: NAIC State Data Network, 2019 Illinois State Page Exhibit

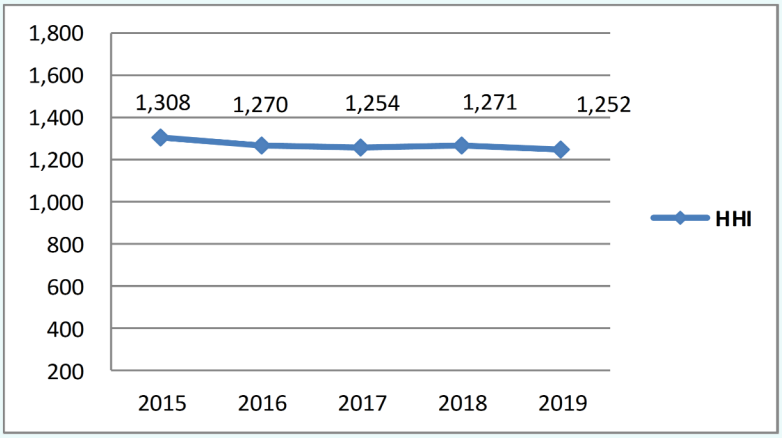
The following shows a five year trend of incurred loss ratios for homeowners insurance. The loss ratio in Illinois increased 15.3 percentage points in 2019 compared to a loss of 14.4 percentage points countrywide. The Illinois loss ratio dropped below the countrywide loss ratio in 2019.

Homeowners Losses as a Percent of Earned Premium



The following graph reflects the Herfindahl/Hirschmann Index or (HHI) for Illinois homeowners insurance from 2015 through 2019. The HHI is a measure of the size of companies and is widely accepted as an accurate indicator of the amount of competition among individual companies in any given marketplace. Generally, an HHI of 1800 or above is an indication a given market may be highly concentrated and may be approaching anti-competitive behavior. As the chart shows, the homeowners insurance market available to Illinois consumers continues to exhibit a healthy, stable level of competition for Illinois consumers.

Illinois Homeowners Insurance Market Concentration



The following identifies the top ten writers of homeowners insurance in Illinois based on written premium in 2019 and 2018. The ten companies identified wrote over $2.5 billion in written premium and comprised 64.2 percent of the Illinois market share in 2019.

Top 10 Homeowners Insurers in Illinois

Company	2019 Written Premium	2018 Written Premium	2019 Market Share	2018 Market Share	2019 Loss Ratio	2018 Loss Ratio
State Farm Fire & Cas Co	$1,283,332,950	$1,230,198,662	32.8%	33.1%	85.3%	81.4%
Country Mut Ins Co	$323,740,745	$308,760,379	8.3%	8.3%	78.8%	51.0%
Allstate Vehicle & Prop Ins Co	$218,266,538	$183,902,524	5.6%	4.9%	100.7%	68.8%
Farmers Ins Exch	$155,759,611	$153,371,961	4.0%	4.1%	86.6%	63.1%
American Family Mut Ins Co SI	$130,950,403	$136,704,319	3.4%	3.7%	71.1%	57.5%
Allstate Ind Co	$109,115,919	$118,251,116	2.8%	3.2%	82.3%	57.1%
Allstate Ins Co	$81,069,063	$84,427,591	2.1%	2.3%	70.6%	45.7%
Travelers Home & Marine Ins Co	$76,825,882	$86,419,108	2.0%	2.3%	83.8%	57.8%
Auto Owners Ins Co	$65,829,995	$60,371,266	1.7%	1.6%	60.6%	45.1%
Liberty Ins Corp	$63,638,641	$85,599,818	1.6%	2.3%	81.7%	63.8%

Source: NAIC State Data Network, 2018 & 2019 Illinois State Page Exhibit

Pursuant to Title 50 Illinois Administrative Code Part 4203 (Part 4203) and as authorized by the Illinois Insurance Cost Containment Act, 215 ILCS 5/1200 *et seq*, the Department collects homeowners' data based on the geographical location of the insured. The data allows the Department to identify and compare the 2018 *Statewide Market Share* to *City of Chicago* and *Remainder of State* market share for each company.

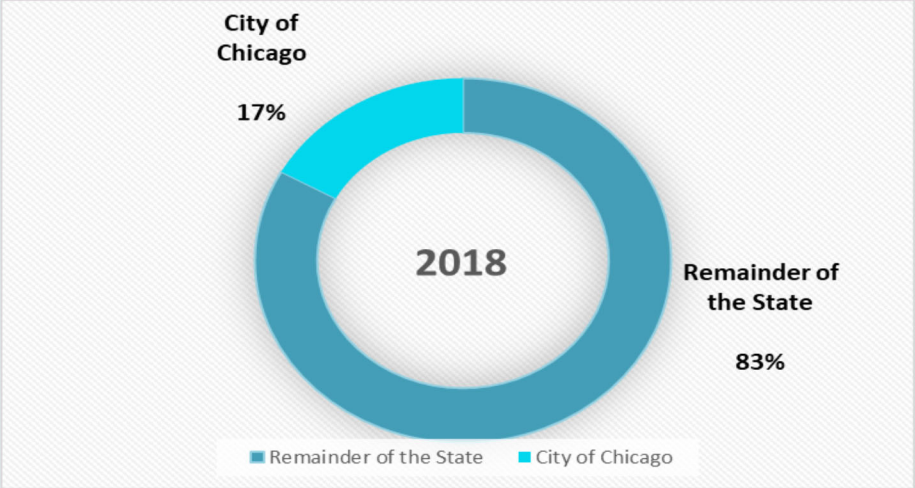
Please note that due to the statutory requirement associated with finalizing this report, the most recent data year available at the time of publishing was 2018

Top 10 Homeowners Insurers in Illinois
Market Share Based on Location

Company	2018 Statewide Market Share	2018 City of Chicago Market Share	2018 Remainder of State Market Share
State Farm Fire & Casualty Company	33.10%	37.11%	30.55%
Country Mutual Insurance Company	8.30%	5.85%	9.01%
Allstate Vehicle & Prop Ins Company	4.90%	5.41%	4.50%
Farmers Insurance Exchange	4.10%	4.50%	3.99%
American Family Mutual Insurance Co, S. I	3.70%	3.81%	3.66%
Allstate Indemnity Company	3.20%	3.19%	3.38%
Travelers Home & Marine Insurance Company	2.30%	2.73%	2.45%
Liberty Insurance Corporation	2.30%	2.28%	2.19%
Allstate Insurance Company	2.30%	2.07%	2.06%
Auto Owners Ins Co	1.60%	1.94%	2.06%

The following shows the portion of the homeowners market share for the City of Chicago compared to the portion that is for the remainder of the State for all companies statewide writing homeowners insurance in Illinois based on written premium in 2018.

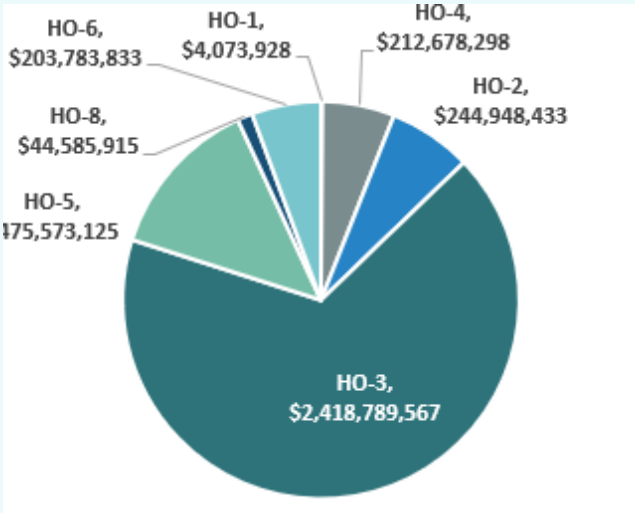
Homeowners Statewide
Market Share Based on Location



Illinois Homeowners Premium by Coverage Types

The following table summarizes the amount of written premium paid by Illinois homeowners during 2018 for each of the coverage types identified on this page.

Homeowners Insurance is generally purchased in one of several standard coverage types. The coverage types acknowledged as industry standards include HO-1, HO-2, HO-3, HO-4, HO-5, HO-6, and HO-8:



Basic Form (HO-1) *- The most basic coverage type providing coverage against 11 specific factors or perils: fire, lightning, smoke, vandalism, theft, ice, snow, windstorm, hail, riot, and volcano eruption. The popularity of this policy has diminished over the years due to the policies extensive coverage gaps.*

Broad Form (HO-2) *- This policy is also considered a basic coverage but with a wider scope of coverage than the HO-1. Coverage under an HO-2 policy is limited to 17 perils specifically listed in the policy.*

Special Form (HO-3) *- Offers property and liability coverage for the dwelling, other structures, and loss of use of the dwelling and other structures for all perils specifically listed in the policy (e.g., fire, lightning, windstorm and hail, falling objects, etc.). Personal property is also covered for perils listed in the policy. HO-3 covers more perils than an HO-2 policy.*

Tenants Form (HO-4) *- Provides coverage for a renter's personal property, liability, and additional living expenses.*

Comprehensive Form (HO-5) *- Covers your home and personal property for everything that is not specifically excluded in your policy. This type of policy provides the broadest coverage available but is not offered by all insurers and is usually more expensive. Personal property coverage under an HO-5 is generally broader than an HO-3 policy.*

Condominium Form (HO-6) *- Covers a condominium owner's personal property and any additions and alterations made to the inside of the owner's unit. Condominium owners can also buy endorsements to protect property and for liability associated with their shares in the condominium association's common ownership.*

Modified Coverage Form (HO-8) *- Provides coverage when an older home's replacement cost far exceeds its market value. This form allows the policyholder to carry lower limits of insurance rather than try to maintain 80% of replacement cost. The HO-8 policy provides varying methods of loss payment depending on whether the damaged or destroyed building is repaired or replaced.*

PRIVATE PASSENGER AUTOMOBILE LIABILITY

The following table compares underwriting results for private passenger auto liability insurance written in Illinois with that written countrywide during 2019. The amount of premium written in Illinois and countrywide both reflected an increase. The average Incurred Losses show an increase from 2018.

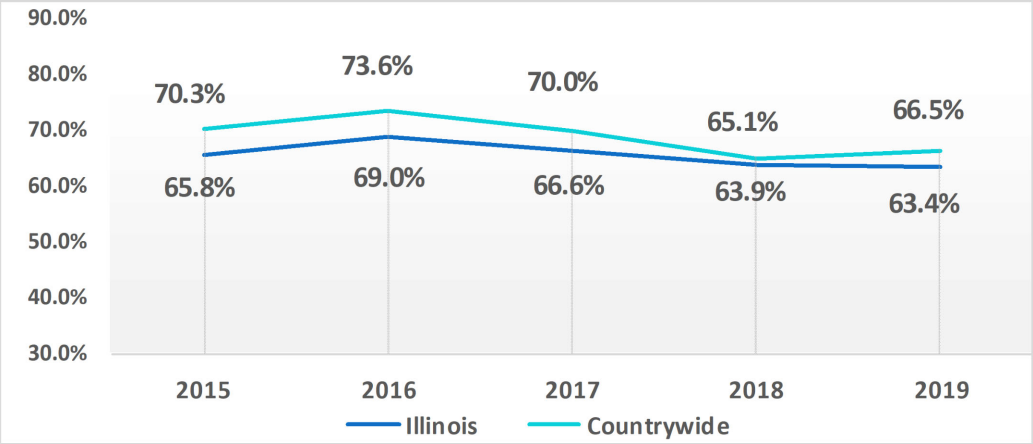
Private Passenger Automobile Liability
Underwriting Results

PPA Liability	*Illinois*	*Countrywide**
Direct Written Premiums	**$4,312,441,265**	**$103,795,269,762**
Direct Earned Premiums	**$4,298,012,481**	**$103,194,715,798**
Expenses (% of Direct Earned Premium)		
Incurred Losses	**63.4%**	**66.5%**
Defense & Cost Containment Expenses Incurred	**4.5%**	**4.1%**
Commissions and Brokerage Expenses	**9.9%**	**7.6%**
Taxes, Licenses & Fees	**1.2%**	**2.3%**

NAIC State Data Network, 2019 Illinois State Page Exhibit
*Illinois-licensed insurers

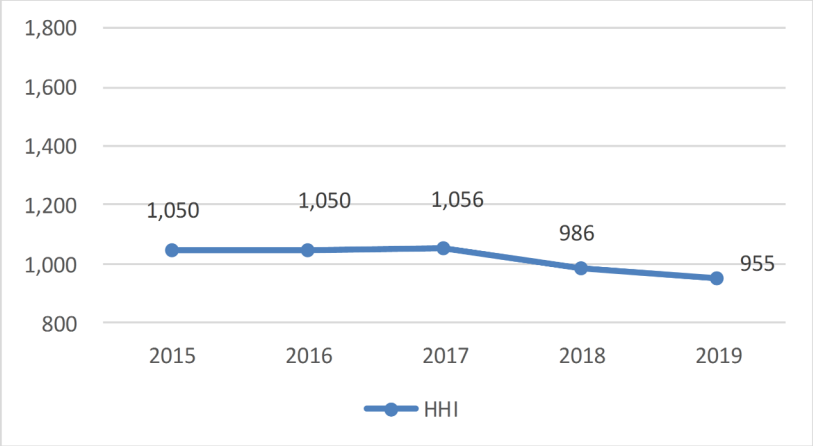
As reflected in the following chart, the loss ratios for private passenger automobile liability insurance decreased 0.5 percentage points in Illinois and increased 1.4 percentage points countrywide in 2019.

Private Passenger Automobile Liability
Losses as a Percent of Earned Premium



An HHI of 1800 or above can be an indication of a highly concentrated and possibly anti-competitive market. As reflected below, the private passenger automobile liability insurance market in Illinois continues to remain stable and highly competitive.

Illinois Private Passenger Auto Liability Insurance Market Concentration



The following identifies the top ten writers of private passenger automobile liability insurance in Illinois based on written premium in 2018 and 2019. In summary, the ten companies identified wrote nearly $2.76 billion in premium and comprised 63.9 percent of the Illinois market share in 2019.

Top 10 Private Passenger Automobile Liability Insurers in Illinois

Company	2019 Written Premium	2018 Written Premium	2019 Market Share	2018 Market Share	2019 Loss Ratio	2018 Loss Ratio
State Farm Mut Auto Ins Co	$1,182,936,785	$1,200,036,407	27.4%	28.2%	62.8%	61.4%
Allstate Fire & Cas Ins Co	$320,847,066	$319,099,438	7.4%	7.5%	64.5%	58.7%
Geico Cas Co	$267,105,809	$244,942,086	6.2%	5.8%	67.9%	68.2%
Progressive Universal Ins Co	$206,486,088	$168,818,700	4.8%	4.00%	54.7%	53.6%
Country Pref Ins Co	$193,632,126	$185,885,815	4.5%	4.40%	69.9%	70.6%
Progressive Northern Ins Co	$160,952,710	$139,132,710	3.7%	3.30%	59.2%	62.9%
Illinois Farmers Ins Co	$160,133,700	$166,728,766	3.7%	3.90%	56.1%	62.7%
American Family Mut Ins Co SI	$107,195,135	$114,881,650	2.5%	2.7%	60.6%	60.9%
American Family Ins Co	$83,559,990	$80,111,941	1.9%	1.9%	71.9%	69.5%
Country Mut Ins Co	$74,037,323	$75,256,174	1.7%	1.8%	74.8%	78.0%

Source: NAIC State Data Network, 2018 & 2019 Illinois State Page Exhibit

The Department collects private passenger auto liability insurance data based on the geographical location of the insured. This data allows the Department to identify and compare the 2018 *Statewide Market Share* to *City of Chicago* and *Remainder of State* market share for each company.

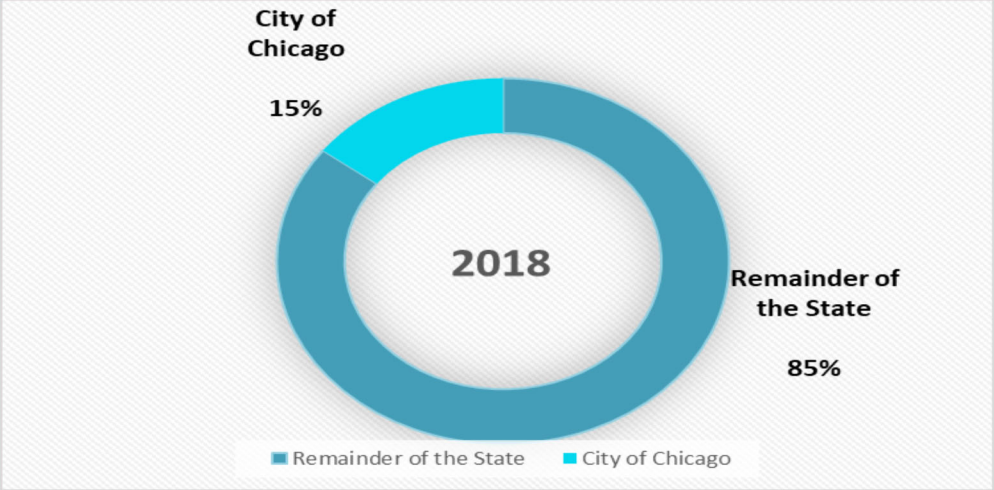
Please note that due to the statutory requirement associated with finalizing this report, the most recent data year available at the time of publishing was 2018.

Top 10 Private Passenger Automobile Liability Insurers in Illinois Market Share Based on Location

Company	2018 Statewide Market Share	2018 City of Chicago Market Share	2018 Remainder of State Market Share
State Farm Mutual Automobile Insurance C	28.2%	30.6%	28.3%
Allstate Fire and Casualty Ins Co	7.5%	9.3%	7.3%
GEICO Casualty Company	5.8%	8.1%	5.4%
Progressive Universal Ins Co	4.4%	3.4%	5.1%
AMERICAN ALLIANCE CASUALTY COMPANY	4.0%	3.3%	4.2%
American Access Casualty Company	3.9%	3.2%	4.1%
Illinois Farmers Insurance Company	3.3%	2.5%	3.5%
Unique Insurance Company	2.7%	2.4%	2.8%
American Family Mutual Insurance Co S I	1.9%	2.3%	2.1%
State Farm Fire and Casualty Company	1.8%	2.2%	1.9%

The following shows the portion of the private passenger automobile liability market share for the City of Chicago compared to the portion that is for the remainder of the State for all companies statewide writing this line of insurance in Illinois based on written premium in 2018.

Private Passenger Automobile Liability Statewide Market Share Based on Location



PRIVATE PASSENGER AUTOMOBILE PHYSICAL DAMAGE

The following table compares underwriting results for private passenger physical damage insurance written in Illinois to statistics reflecting the same market countrywide. The physical damage market in Illinois experienced an increase of 3.6 percent in written premium during 2019, while the market experienced a 3.8 percent increase on a countrywide basis.

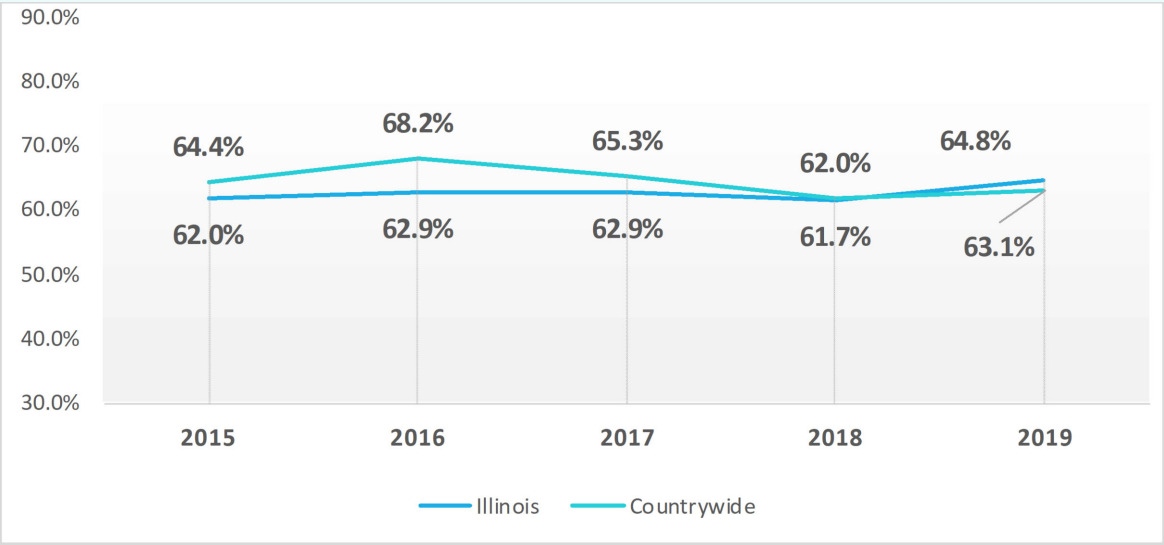
Private Passenger Automobile Physical Damage Underwriting Results

PPA Physical Damage	*Illinois*	*Countrywide**
Direct Written Premiums	**$3,486,047,051**	**$79,330,148,762**
Direct Earned Premiums	**$3,446,018,239**	**$78,485,391,066**
Expenses (% of Direct Earned Premium)		
Incurred Losses	**64.8%**	**63.1%**
Defense & Cost Containment Expenses Incurred	**0.22%**	**0.26%**
Commissions and Brokerage Expenses	**9.8%**	**7.8%**
Taxes, Licenses & Fees	**1.2%**	**2.2%**

NAIC State Data Network, 2019 Illinois State Page Exhibit
*Illinois-licensed insurers

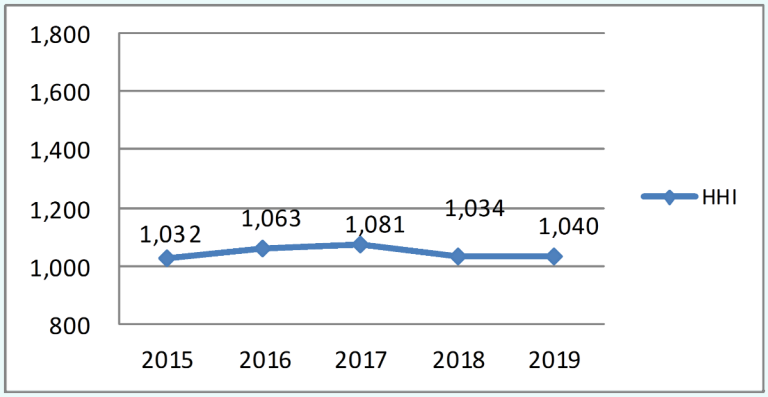
The private passenger physical damage loss ratio countrywide increased 1.1 percentage points while the loss ratio in Illinois increased 3.1 percentage points in 2019

Private Passenger Automobile Physical Damage Losses as a Percent of Earned Premium



As private passenger liability insurance and private passenger physical damage insurance are closely associated and generally marketed jointly, the market concentration of the two lines of coverage are closely related. As reflected in the following chart, Department research continues to indicate Illinois consumers are experiencing a healthy and competitive automobile physical damage market.

Illinois Private Passenger Auto Physical Damage Insurance Market Concentration



The following table identifies the top ten writers of private passenger physical damage insurance in Illinois based on written premium in 2018 and 2019. In summary, the ten companies identified wrote a total of $2.2 billion in premium and comprised 64.4 percent of the Illinois market.

Top 10 Private Passenger Automobile Physical Damage Insurers in Illinois

Company	2019 Written Premium	2018 Written Premium	2019 Market Share	2018 Market Share	2019 Loss Ratio	2018 Loss Ratio
State Farm Mut Auto Ins Co	$1,006,043,107	$977,162,417	28.9%	29.0%	70.5%	66.4%
Allstate Fire & Cas Ins Co	$321,639,907	$291,547,939	9.2%	8.7%	55.2%	52.1%
Geico Cas Co	$183,146,228	$161,997,842	5.3%	4.8%	87.3%	83.8%
Country Pref Ins Co	$171,335,420	$159,283,146	4.9%	4.7%	68.0%	64.0%
Progressive Universal Ins Co	$127,200,702	$106,408,306	3.7%	3.2%	77.7%	72.8%
Progressive Northern Ins Co	$108,953,163	$94,915,475	3.1%	2.8%	65.2%	62.0%
Illinois Farmers Ins Co	$107,027,126	$113,286,376	3.1%	3.4%	59.3%	56.8%
American Family Mut Ins Co SI	$78,851,854	$85,257,067	2.3%	2.5%	54.2%	57.6%
Country Mut Ins Co	$78,589,034	$78,270,554	2.3%	2.3%	56.3%	56.7%
Allstate Ins Co	$63,576,174	$69,077,256	1.8%	2.1%	18.9%	18.7%

Source: NAIC State Data Network, 2018 & 2019 Illinois State Page Exhibit

The Department also collects private passenger auto physical damage insurance data pursuant to Title 50 Illinois Administrative Code Part 4203 as authorized by the Illinois Insurance Cost Containment Act, 215 ILCS 5/1200 *et seq*. The data allows the Department to identify and compare the 2018 *Statewide Market Share* to *City of Chicago* and *Remainder of State* market share for each company.

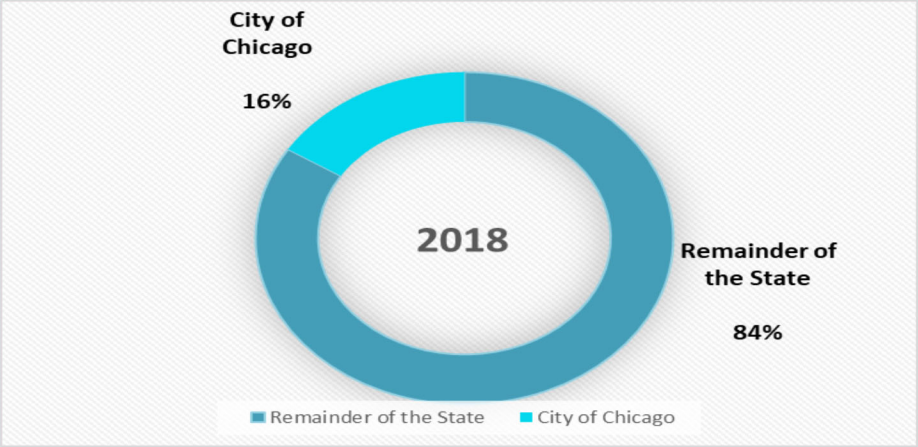
As mentioned previously, due to the statutory requirement associated with finalizing this report, the most recent data year available at the time of publishing was 2018

Top 10 Private Passenger Automobile Physical Damage Insurers in Illinois Market Share Based on Location

Company	2018 Statewide Market Share	2018 City of Chicago Market Share	2018 Remainder of State Market Share
State Farm Mutual Automobile Insurance C	29.0%	31.3%	28.8%
Allstate Fire and Casualty Ins Co	8.7%	10.3%	8.4%
GEICO Casualty Company	4.8%	7.2%	5.5%
Progressive Universal Ins Co	4.7%	4.3%	4.4%
Unique Insurance Company	3.4%	2.3%	3.6%
State Farm Fire and Casualty Company	3.2%	2.3%	3.0%
American Family Mutual Insurance Co S I	2.8%	2.1%	3.0%
Illinois Farmers Insurance Company	2.5%	2.1%	2.7%
Progressive Northern Insurance Company	2.3%	2.1%	2.6%
American Access Casualty Company	2.1%	2.0%	2.1%

The following shows the portion of the private passenger automobile liability market share for the City of Chicago compared to the portion that is for the remainder of the State based on written premium in 2018. The statewide market share split based on location is the same for private passenger liability insurance and private passenger physical damage insurance because the lines are so closely associated and typically marketed jointly.

Private Passenger Automobile Physical Damage Statewide Market Share Based on Location



COMMERCIAL AUTOMOBILE LIABILITY

The following table compares underwriting results for commercial automobile liability insurance written in Illinois with that written countrywide during 2019. The commercial automobile market premiums increased in Illinois by 12.2 percent, and decreased countrywide by 2.7 percent.

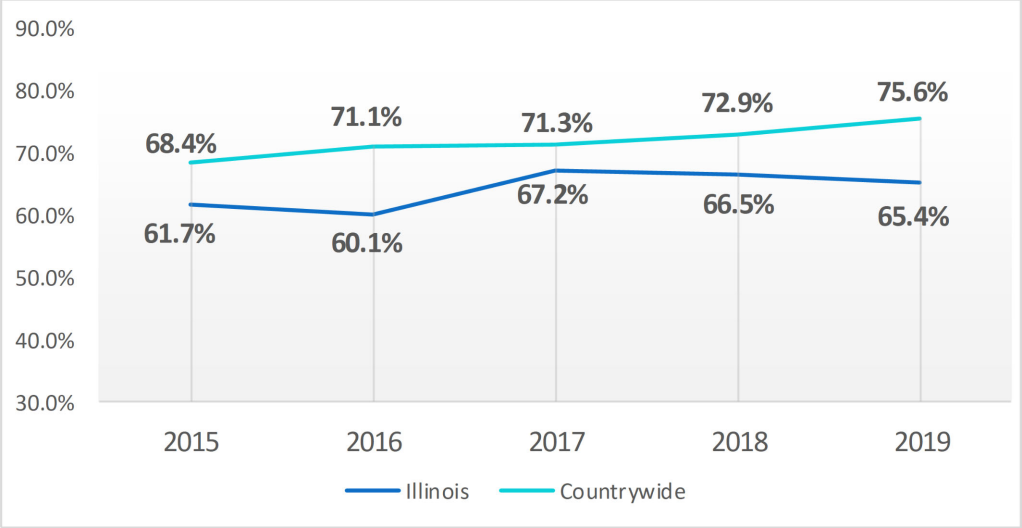
Commercial Automobile Liability Underwriting Results

Commercial Auto Liability	*Illinois*	**Countrywide***
Direct Written Premiums	**$1,471,601,475**	**$26,355,142,142**
Direct Earned Premiums	**$1,388,459,478**	**$25,133,221,019**
Expenses (% of Direct Earned Premium)		
Incurred Losses	**65.4%**	**75.6%**
Defense & Cost Containment Expenses Incurred	**6.6%**	**7.7%**
Commissions and Brokerage Expenses	**13.1%**	**13.8%**
Taxes, Licenses & Fees	**2.2%**	**2.6%**

NAIC State Data Network, 2019 Illinois State Page Exhibit
*Illinois-licensed insurers

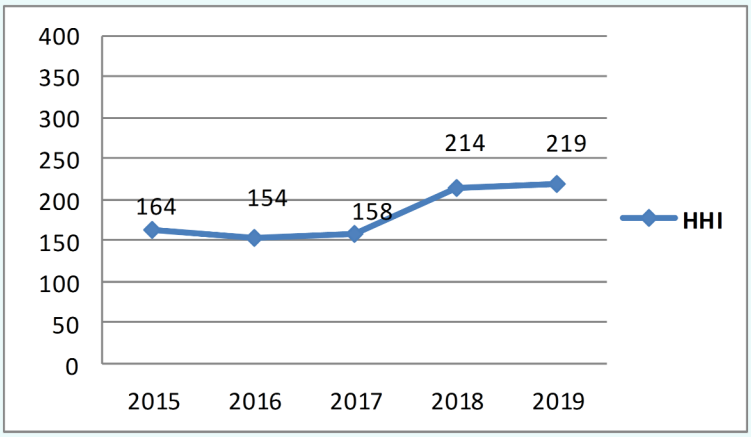
The commercial automobile liability loss ratio in Illinois decreased 1.1 percentage points while the loss ratio countrywide increased 2.7 points.

Commercial Automobile Liability Losses as a Percent of Earned Premium



As reflected in the following graph, the very low and stable HHI for the Illinois commercial automobile liability market continues to confirm a competitive market remains available to Illinois consumers. Based on these results, the system for cost containment appears to be appropriate for Illinois consumers in this market.

Illinois Commercial Automobile Liability Insurance Market Concentration



The following table identifies the top ten writers of commercial automobile liability insurance in Illinois based on written premium in 2018 and 2019. In summary, the ten companies identified wrote a total of over $517 million in premium and comprised 35.1 percent of the total Illinois market share in 2019

Top 10 Commercial Automobile Liability Insurers in Illinois

Company	2019 Written Premium	2018 Written Premium	2019 Market Share	2018 Market Share	2019 Loss Ratio	2018 Loss Ratio
Allstate Ins Co	$123,593,566	$106,908,288	8.4%	8.2%	66.8%	75.4%
Artisan & Truckers Cas Co	$85,048,435	$79,370,975	5.8%	6.1%	42.9%	37.0%
Northland Ins Co	$55,371,114	$55,400,492	3.8%	4.2%	58.8%	63.7%
National Continental Ins Co	$48,726,400	$46,615,269	3.3%	3.6%	97.5%	76.6%
Great West Cas Co	$41,103,455	$42,538,361	2.8%	3.2%	40.9%	74.3%
Acuity A Mut Ins Co	$40,967,524	$30,809,159	2.8%	2.3%	62.1%	60.4%
Transguard Ins Co Of Amer Inc	$32,170,818	$29,836,580	2.2%	2.3%	28.8%	35.7%
Zurich Amer Ins Co	$31,744,760	$26,642,784	2.2%	2.0%	25.1%	22.9%
United Financial Cas Co	$31,022,168	$0	2.1%	0%	121.7%	0%
Sentry Select Ins Co	$27,380,619	$21,701,671	1.9%	1.7%	59.8%	85.1%

Source: NAIC State Data Network, 2018 & 2019 Illinois State Page Exhibit

Pursuant to Part 4203, the Department collects data for classes of commercial automobile liability insurance in several specific areas: Trucks, Tractors, & Trailers; and Taxicabs & Public Livery. The market share data below represents the percent of overall premium for each group during 2018

Top 10 Commercial Automobile Liability Insurers in Illinois By Classification of Coverage

Trucks, Tractors, & Trailers Insurers	2018 Market Share
Artisan and Truckers Casualty Company	9.8%
Berkshire Hathaway Specialty Ins Co	7.7%
Northland Insurance Company	6.2%
Acuity A Mutual Insurance Company	3.9%
American Inter-Fidelity Exchange	3.6%
Country Mutual Insurance Company	3.1%
Wesco Insurance Company	3.0%
State National Insurance Company Inc	3.0%
National Liability & Fire Ins Co	2.8%
Great West Casualty Company	2.3%

Taxicab & Limousine Insurers	2018 Market Share
Transit General Insurance Company	32.0%
Echelon Property & Casualty Ins Co	24.5%
Lancer Insurance Company	9.6%
State Farm Mutual Automobile Insurance C	6.0%
Pennsylvania Manufacturers Assn Ins Co	5.0%
New York Marine And General Ins Co	4.3%
Selective Insurance Company of The SE	3.2%
Selective Insurance Company of SC	2.9%
Berkshire Hathaway Specialty Ins Co	2.7%
Selective Insurance Company of America	2.4%

MEDICAL MALPRACTICE LIABILITY

The following table compares underwriting results for medical malpractice liability coverage written in Illinois with that written countrywide during 2019. The premiums in Illinois increased 0.9 percent and countrywide written premiums increased 7.3 percent compared to 2018. Illinois incurred losses are 5.4 percentage points higher than the countrywide incurred losses for medical malpractice liability coverage.

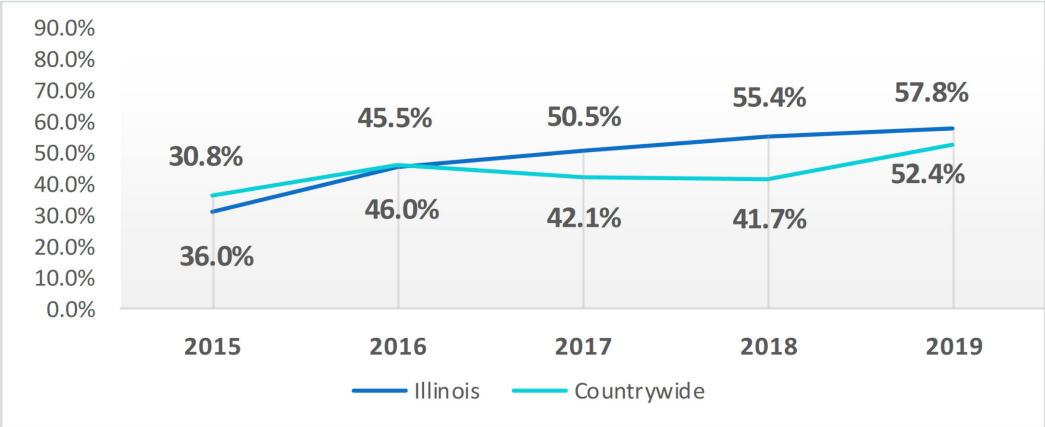
Medical Malpractice Liability Underwriting Results

Medical Malpractice	*Illinois*	**Countrywide***
Direct Written Premiums	**$327,835,776**	**$4,589,191,005**
Direct Earned Premiums	**$332,337,881**	**$4,531,103,668**
Expenses (% of Direct Earned Premium)		
Incurred Losses	**57.8%**	**52.4%**
Defense & Cost Containment Expenses Incurred	**31.2%**	**24.2%**
Commissions and Brokerage Expenses	**11.0%**	**10.8%**
Taxes, Licenses & Fees	**0.9%**	**2.0%**

NAIC State Data Network, 2019 Illinois State Page Exhibit
*Illinois-licensed insurers

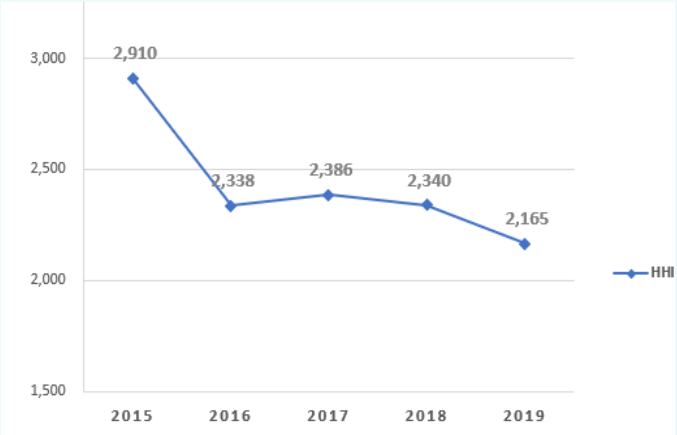
The loss ratio for the medical malpractice market continues to increase in Illinois. The loss ratio grew 2.4 points in Illinois while the loss ratio increased 10.7 points countrywide.

Medical Malpractice Liability Losses as a Percent of Earned Premium



The following graph highlights the market concentration for medical malpractice carriers in Illinois from 2015 through 2019. Although the medical malpractice market in Illinois remains highly concentrated, the HHI is trending lower. The Department will continue to monitor the market.

Illinois Medical Malpractice Liability Insurance Market Concentration



The table identifying the top ten writers of medical malpractice insurance in Illinois based on written premium during 2019. The ten companies identified wrote over $284 million in premium and comprised 86.8 percent of market share in Illinois in 2019. The largest writer of medical malpractice insurance in Illinois remains a physician-affiliated company. ISMIE Mutual Insurance Company (ISMIE) wrote 43.6 percent of the medical malpractice coverage in the state. The second largest medical malpractice insurer was Medical Protective which wrote 8.4 percent of the Illinois market.

Top 10 Medical Malpractice Insurers in Illinois

Company	2019 Written Premium	2018 Written Premium	2019 Market Share	2018 Market Share	2019 Loss Ratio	2018 Loss Ratio
ISMIE Mut Ins Co	$143,152,607	$148,894,013	43.7%	45.8%	39.1%	43.5%
Medical Protective Co	$27,504,052	$27,522,021	8.4%	8.5%	64.5%	76.0%
Norcal Mut Ins Co	$27,491,719	$21,388,358	8.4%	6.6%	199.0%	138.0%
Doctors Co An Interins Exch	$18,313,505	$20,847,783	5.6%	6.4%	70.0%	71.3%
Medical Alliance Ins Co	$14,735,127	$14,000,756	4.5%	4.3%	77.1%	36.4%
Columbia Cas Co	$13,242,576	$14,300,746	4.0%	4.4%	54.9%	63.7%
ProAssurance Cas Co	$11,570,050	$11,735,680	3.5%	3.6%	20.5%	24.3%
Preferred Professional Ins Co	$11,311,367	$8,675,633	3.5%	2.7%	43.2%	85.4%
Professional Solutions Ins Co	$9,669,661	$9,751,992	3.0%	3.0%	69.1%	26.4%
American Cas Co Of Reading PA	$7,529,804	$7,572,188	2.3%	2.3%	34.1%	34.2%

Source: NAIC State Data Network, 2018 & 2019 Illinois State Page Exhibit

Pursuant to Part 4203, the Department collects data for several medical malpractice coverages. The following data reflects the top ten companies by market share based on the specific coverage type indicated. Surplus lines insurers and accredited reinsurers are excluded from this summary.

Top 10 Medical Malpractice Liability Coverage Companies In Illinois by Coverage Type

Medical Malpractice / Surgery	2018 Market Share
ISMIE Mutual Insurance Company	51.3%
Medical Protective Company The	11.6%
Norcal Mutual Insurance Company	5.6%
Doctors' Company The	5.3%
Medical Alliance Insurance Company	5.0%
Preferred Professional Insurance Company	4.6%
Proassurance Casualty Company	4.4%
American Casualty Company of Reading PA	2.6%
Professional Solutions Insurance Company	2.4%
OMS National Insurance Company, RRG	1.8%

Medical Malpractice / Non-Surgery	2018 Market Share
ISMIE Mutual Insurance Company	56.9%
Medical Alliance Insurance Company	20.8%
Proassurance Casualty Company	11.9%
Doctors' Company The	4.1%
Norcal Mutual Insurance Company	2.4%
Preferred Professional Insurance Company	1.9%
Medical Protective Company The	0.7%
Professional Solutions Insurance Company	0.5%
Doctors Direct Insurance Inc	0.3%
MedMal Direct Insurance Company	0.2%

Medical Malpractice / Other	2018 Market Share
ISMIE Mutual Insurance Company	45.4%
Norcal Mutual Insurance Company	18.8%
Medical Protective Company The	8.3%
Professional Solutions Insurance Company	3.9%
American Casualty Company of Reading PA	3.4%
Proassurance Casualty Company	3.3%
PROASSURANCE INSURANCE CO OF AMERICA	3.1%
NCMIC Insurance Company	2.6%
Preferred Professional Insurance Company	2.2%
Allied World Insurance Company	1.7%

OTHER LIABILITY

The following table compares underwriting results for other liability written in Illinois with that written countrywide during 2019. Written premium for other liability coverage in Illinois increased 7 percent, almost $235 million and countrywide written premium also increased, 10.5 percent, over $5.4 billion, from 2018.

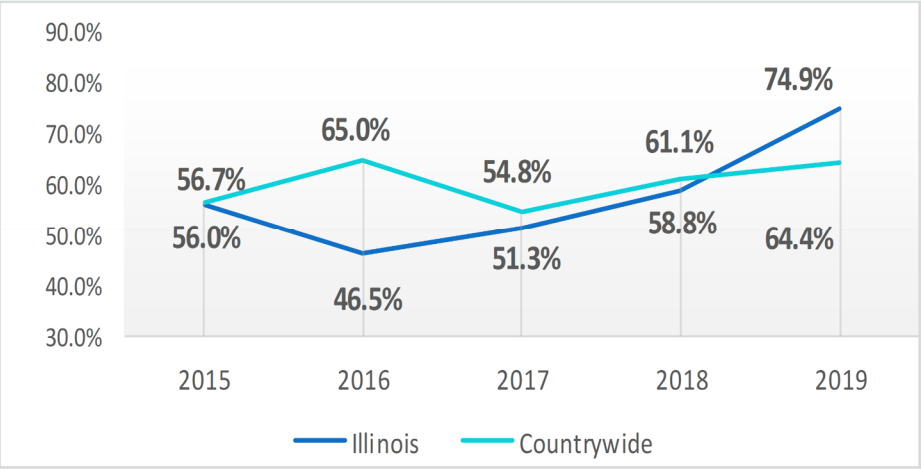
Other Liability Insurance Underwriting Results

Other Liability	*Illinois*	*Countrywide**
Direct Written Premiums	$ 3,594,383,954	$57,363,687,650
Direct Earned Premiums	$ 3,173,841,127	$54,457,284,760
Expenses (% of Direct Earned Premium)		
Incurred Losses	74.93%	64.4%
Defense & Cost Containment Expenses Incurred	7.79%	9.2%
Commissions and Brokerage Expenses	11.00%	13.3%
Taxes, Licenses & Fees	1.88%	2.3%

NAIC State Data Network, 2019 Illinois State Page Exhibit
*Illinois-licensed insurers

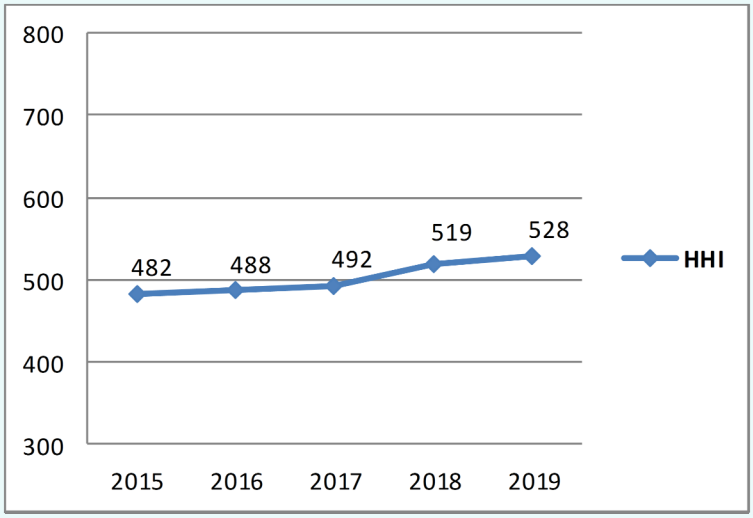
The loss ratio for other liability insurance in Illinois increased 16.1 points, while the loss ratio countrywide increased 3.3 points. The Illinois loss ratio for other liability rose above the countrywide ratio for the first time since 2011.

Other Liability Losses as a Percent of Earned Premium



As with all other lines addressed in this report, the Department has determined the HHI for the other liability market available to consumers in Illinois. The following graph confirms the market continues to be very competitive, and the current market regulation system related to this line of insurance appears to remain appropriate for consumers in Illinois.

Illinois Other Liability Insurance Market Concentration



The following table identifies the top ten writers of other liability insurance in Illinois based on written premium in 2018 and 2019. In 2019, the ten companies listed below wrote over $1.6 billion in other liability premium and comprised 44.7 percent of the market share in Illinois.

Top 10 Other Liability Insurers in Illinois

Company	2019 Written Premium	2018 Written Premium	2019 Market Share	2018 Market Share	2019 Loss Ratio	2018 Loss Ratio
Virginia Surety Co Inc	$733,775,457	$663,283,825	20.4%	19.7%	65.0%	56.5%
XL Specialty Ins Co	$187,092,152	$0	5.2%	0.0%	93.7%	0.0%
Continental Cas Co	$131,290,769	$117,336,394	3.7%	3.5%	31.1%	118.2%
National Fire Ins Co Of Hartford	$121,075,229	$145,533,415	3.4%	4.3%	70.6%	77.1%
Federal Ins Co	$106,647,409	$104,122,363	3.0%	3.1%	17.1%	36.3%
Ace Amer Ins Co	$70,195,956	$62,057,068	2.0%	1.8%	38.6%	59.1%
Travelers Prop Cas Co Of Amer	$68,157,629	$0	1.9%	0.0%	76.1%	0.0%
Illinois Natl Ins Co	$66,021,907	$58,092,433	1.8%	1.7%	289.3%	-15.8%
Zurich Amer Ins Co	$62,573,592	$63,464,201	1.7%	1.9%	-95.4%	10.7%
National Union Fire Ins Co Of Pitts	$60,068,530	$102,582	1.7%	0.0%	109.7%	-1041.7%

Source: NAIC State Data Network, 2018 & 2019 Illinois State Page Exhibit

Pursuant to Part 4203, the Department collects data for a variety of coverage classes within the other liability line of insurance. The market share data below represents the percent of overall premium for each group during 2017.

Top 10 Other Liability Coverage Companies In Illinois by Coverage Type

Liquor Liability	2018 Market Share
Illinois Casualty Company	30.4%
Specialty Risk of America	18.5%
Underwriters at Lloyds London	13.6%
U S Insurance Company of America	9.0%
West Bend Mutual Insurance Company	5.5%
Founders Insurance Company	3.2%
Liberty Mutual Fire Insurance Company	3.1%
AXIS Insurance Company	2.2%
Employers Insurance Company of Wausau	1.2%
RSUI Indemnity Company	1.1%

Lawyers Professional Liability	2018 Market Share
Illinois State Bar Assn Mut In Co	34.5%
Continental Casualty Company	22.8%
Underwriters at Lloyds London	18.2%
Great Divide Insurance Company	6.6%
AXIS Insurance Company	3.8%
Minnesota Lawyers Mutual Ins Co	3.7%
Illinois National Insurance Co	2.0%
Aspen American Insurance Company	1.8%
Catlin Insurance Company Inc	1.7%
Professional Solutions Insurance Company	0.8%

Commercial Daycare Liability	2018 Market Share
West Bend Mutual Insurance Company	81.2%
Philadelphia Indemnity Insurance Company	12.9%
Cincinnati Insurance Company The	1.5%
Capitol Indemnity Corporation	0.8%
Hanover Insurance Company	0.6%
State Farm Fire and Casualty Company	0.4%
Erie Insurance Exchange	0.3%
Cincinnati Indemnity Company The	0.2%
Farmers Insurance Exchange	0.2%
Massachusetts Bay Insurance Company	0.2%

WORKERS' COMPENSATION INSURANCE

The following table compares underwriting results for workers' compensation coverage written in Illinois with that written countrywide during 2019. Written premium in Illinois decreased 3.5 percent and 2.7 percent countrywide from 2018.

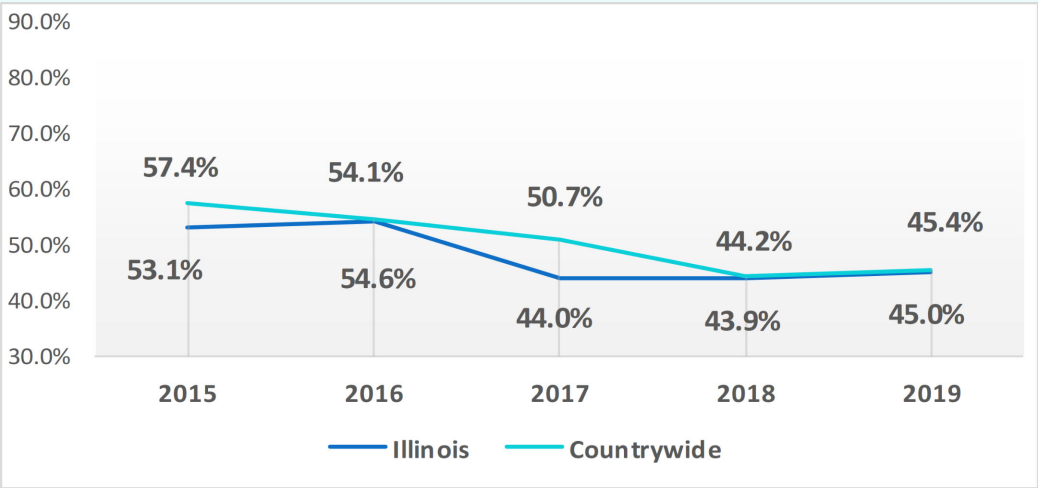
Workers' Compensation Insurance Underwriting Results

Workers' Compensation	*Illinois*	Countrywide*
Direct Written Premiums	$2,380,433,401	$43,299,062,654
Direct Earned Premiums	$2,394,853,532	$43,527,068,649
Expenses (% of Direct Earned Premium)		
Incurred Losses	45.0%	45.4%
Defense & Cost Containment Expenses Incurred	4.70%	5.0%
Commissions and Brokerage Expenses	8.31%	8.9%
Taxes, Licenses & Fees	2.14%	2.8%

NAIC State Data Network, 2019 Illinois State Page Exhibit
*Illinois-licensed insurers

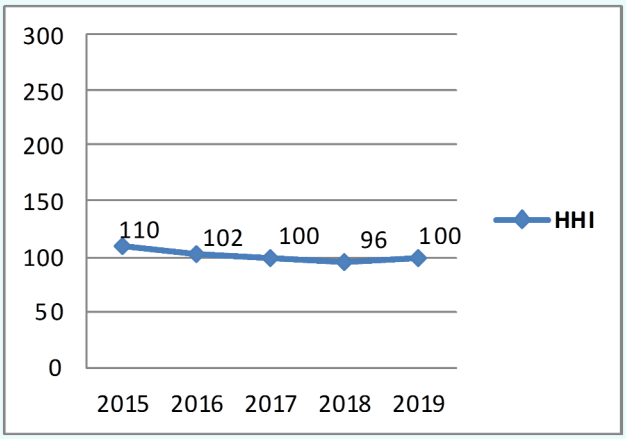
The Illinois loss ratio increased 1.1 percentage points and countrywide the loss ratio increased 1.2 percentage points. The Department is monitoring the loss increase in Illinois Workers' Compensation

Workers' Compensation Insurance Losses as a Percent of Earned Premium



As with all other lines addressed in this report, the Department has determined the HHI for the workers' compensation market available to consumers in Illinois. The Illinois workers' compensation market continues to contain sufficient insurers to maintain a competitive market for employers in Illinois.

Illinois Workers' Compensation Insurance Market Concentration



The following table identifies the top ten writers of workers' compensation insurance in Illinois based on written premium in 2018 and 2019. In summary, the ten companies identified wrote $529 million in premium and comprised 22.3 percent of the workers' compensation market in Illinois for 2019.

Top 10 Workers' Compensation Insurers in Illinois

Company	2019 Written Premium	2018 Written Premium	2019 Market Share	2018 Market Share	2019 Loss Ratio	2018 Loss Ratio
Zurich Amer Ins Co	$83,305,771	$79,401,738	3.5%	3.2%	-1.5%	9.1%
Accident Fund Ins Co of Amer	$77,242,552	$58,898,790	3.2%	2.4%	54.9%	81.9%
Country Mut Ins Co	$56,322,492	$57,602,476	2.4%	2.3%	50.5%	35.2%
LM Ins Corp	$51,577,585	$49,671,128	2.2%	2.0%	59.3%	40.8%
Pekin Ins Co	$51,534,009	$55,461,639	2.2%	2.2%	73.2%	52.5%
Travelers Prop Cas Co Of Amer	$48,599,258	$57,108,738	2.0%	2.3%	30.2%	30.8%
West Bend Mut Ins Co	$43,675,248	$48,351,204	1.8%	2.0%	47.6%	32.5%
Technology Ins Co Inc	$43,139,086	$53,503,388	1.8%	2.2%	72.4%	59.9%
Accident Fund Gen Ins Co	$38,498,880	$36,256,353	1.6%	1.5%	46.2%	78.5%
Phoenix Ins Co	$35,867,147	$37,302,191	1.5%	1.5%	52.3%	37.9%

Source: NAIC State Data Network, 2018 & 2019 Illinois State Page Exhibit

The Illinois Workers' Compensation Act [820 ILCS 305/29.2(a)] requires the Department of Insurance to annually submit a written report detailing the state of the workers' compensation insurance market in Illinois. The report is posted on the Department's Internet website. Please refer to this report for a more detailed look at this market.

SECTION 3: RESIDUAL MARKET MECHANISMS

States establish residual market mechanisms to provide coverage for consumers who are unable to buy coverage in the voluntary market. Residual market mechanisms in Illinois provide essential insurance coverage for the hard-to-place risk at rate levels approved by the Department. Illinois has residual market mechanisms for three lines of insurance: property, automobile, and workers' compensation.

PROPERTY

The Illinois FAIR Plan Association (FAIR Plan)

Fire and homeowners insurance may be placed directly through the Illinois FAIR Plan. Both personal and commercial insurance coverage is available to consumers. Illinois insurance companies share in the FAIR Plan's profits and losses in proportion to their voluntary market shares.

In Illinois, property insurance is widely available in the voluntary marketplace, as a result only a very small percentage of consumers obtain coverage through the FAIR Plan. Consumers in Illinois are not at a coverage disadvantage when they buy insurance from the FAIR Plan, as is the case in many other states. Residual market programs typically only offer dwelling fire or basic homeowners policies in other states. Illinois has one of the most progressive plans in the nation. Through the FAIR Plan, consumers in Illinois can buy virtually the same coverages that are available in the voluntary marketplace including guaranteed replacement cost, sewer back-up, earthquake, building ordinance and law endorsements.

The following table summarizes the amount of dwelling and homeowners premium written by the FAIR Plan in Illinois from 2015 through 2019. As reflected in the data, the consistently low market share reflects a very healthy and competitive primary insurance market.

Written Premium for Illinois FAIR Plan

	Amount of Written Premiums	As % of Total Written Premiums
2015	$6,921,129	0.20%
2016	$6,176,466	0.17%
2017	$5,032,105	0.14%
2018	$4,295,396	0.12%
2019	$3,857,386	0.10%

Source: Premium amounts provided by Illinois FAIR Plan

AUTOMOBILE

The Illinois Automobile Insurance Plan (Auto Plan)

Private passenger automobile risks are assigned to automobile insurers on a rotational basis in proportion to their share of the voluntary market. Assignments stay with the company and are not shared with other insurers. Commercial automobile risks are placed through servicing companies. Losses are divided among the voluntary writers of commercial automobile insurance in proportion to their share of the voluntary business.

The following table identifies the annual application volume from 2015 through 2019 for the Illinois Automobile Insurance Plan compared to countrywide data. The number of applications in the assigned risk plan continues to decrease in Illinois in comparison to the countrywide application.

Private Passenger Five Year Application Volume by State in the Illinois Assigned Risk Plan and the United States Composite Automobile Residual Market

(AIPSO administered voluntary market policies included in the totals)

State	2015	2016	2017	2018	2019	% Change 2018 to 2019
Illinois	421	346	298	213	126	-40.8%
Total	166,087	175,470	188,088	183,830	161,714	-12.0%

Source: AIPSO Private Passenger Five Year Application Volume by State

WORKERS' COMPENSATION

The Illinois Workers' Compensation Assigned Risk Pool (Pool)

Several insurers act as servicing carriers for the Illinois Workers' Compensation Assigned Risk Pool. Losses are divided among the voluntary writers of workers' compensation in proportion to their shares of the voluntary business.

The following table highlights the percent of workers' compensation premium written through the Pool between 2015 and 2019. As reflected below, based on premium written through the Pool, the workers' compensation market in Illinois continues to remain competitive.

Percent of Illinois Workers' Compensation Written Through the Pool

	2015	2016	2017	2018	2019*
Percent of Total	4.6%	4.3%	4.5%	4.0%	3.6%

Source: National Council on Compensation Insurance (NCCI) * Preliminary

Workers' compensation insurers are assessed a fee to fund the assigned risk plan. The Take-Out Program allows each insurer who removes an employer insured through the Pool to be eligible for a credit against their assessed fee.

The table compares total credits between 2015 and 2019. The table indicates the total number of policies approved decreased in 2019 with a concurrent decrease in approved credit amount. As indicated by these findings, the workers' compensation market continues to remain competitive at this time.

Illinois Take-Out Credit Results

Year	Total Number of Policies Approved	Approved Credit
2015	2,789	$41 Million
2016	3,374	$39 Million
2017	3,655	$35 Million
2018	3,849	$29 Million
2019	3,796	$24 Million

Source: National Council on Compensation insurance (NCCI)

2019 Top Ten Employment Classes by Premium Volume Through the Assigned Risk Pool

Illinois Residual Market Top Ten Classification Codes by Premium Volume

Rank	Code	Description	Premium	% of Class Premium
1	7219	Trucking - NOC-All Employees & Drivers	4,044	13.1%
2	5645	Carpentry Construction of Residential Dwellings Not Exceeding Three Stories In Height	3,967	12.9%
3	5437	Carpentry-Installation of Cabinet Work or Interior Trim	3,128	10.2%
4	5474	Painting NOC & Shop Operations, Drivers	1,818	5.9%
5	5022	Masonry NOC	1,164	3.8%
6	5551	Roofing-All Kinds & Drivers	1,111	3.6%
7	5190	Electrical Wiring-Within Buildings & Drivers	970	3.2%
8	9014	Janitorial Services By Contractors-No Window Cleaning Above Ground Level & Drivers	739	2.4%
9	5183	Plumbing NOC & Drivers	590	1.9%
10	5348	Ceramic Tile, Indoor Stone, Marble, or Mosaic Work	572	1.9%

Illinois Residual Market Top Ten Classification Codes by Policy Count

Rank	Code	Description	Premium	% of Class Premium
1	5645	Carpentry Construction of Residential Dwellings Not Exceeding Three Stories In Height	4,152	12.8%
2	7219	Trucking - NOC-All Employees & Drivers	4,034	12.4%
3	5437	Carpentry - Installation of Cabinet Work or Interior Trim	3,102	9.5%
4	5474	Painting NOC & Shop Operations Drivers	1,880	5.8%
5	5022	Masonry NOC	1,174	3.6%
6	5551	Roofing - All Kinds & Drivers	1,006	3.1%
7	5190	Electrical Wiring - Within Buildings & Drivers	1,003	3.1%
8	9014	Janitorial Services by Contractors-No Window Cleaning Above Ground Level & Drivers	832	2.6%
9	5183	Plumbing NOC & Dirvers	638	2.0%
10	5348	Ceramic Tile Indoor Stone Marble or Mosaic Work	612	1.9%

Source: National Council on Compensation Insurance (NCCI) , Illinois Residual Market State Activity Report Annual 2019

SURPLUS LINES ASSOCIATION

Insurance placed in the surplus lines market is written by a non-admitted (unlicensed) insurer through a licensed surplus lines producer. The licensed producer must exercise due diligence in protecting the insured since the Department has little jurisdiction over unlicensed companies and the Illinois Insurance Guaranty Fund provides no protection for the consumer. The surplus lines market relies on the producer's assessment of the company's financial stability and standards of management.

The following table outlines the number of policies written in Illinois from 2015 through 2019 by surplus lines producers for homeowners, private passenger auto liability and physical damage, commercial auto liability, medical malpractice, and other liability coverage.

The ability to determine the competitiveness and health of the surplus lines market is difficult to assess by the Department since it has little regulatory authority over this market.

Surplus Lines Market Policy Counts

Lines of Business	2015 Illinois Policy Count	2016 Illinois Policy Count	2017 Illinois Policy Count	2018 Illinois Policy Count	2019 Illinois Policy Count
Homeowners	4,475	5,043	4,701	3,606	2,917
PPA Liability	16	1	5	4	57
PPA Physical Damage	91	6	3	4	24
Commercial Auto Liability	439	575	553	640	842
Medical Professional Liability	1,470	1,159	1,160	1,321	1,074
Other Liability	33,790	37,734	41,144	40,916	37, 254
Total-all policies	80,877	86,116	92,954	92,162	95,060

SECTION 4: OVERALL MARKET PROFITABILITY AND FINANCIAL REGULATION

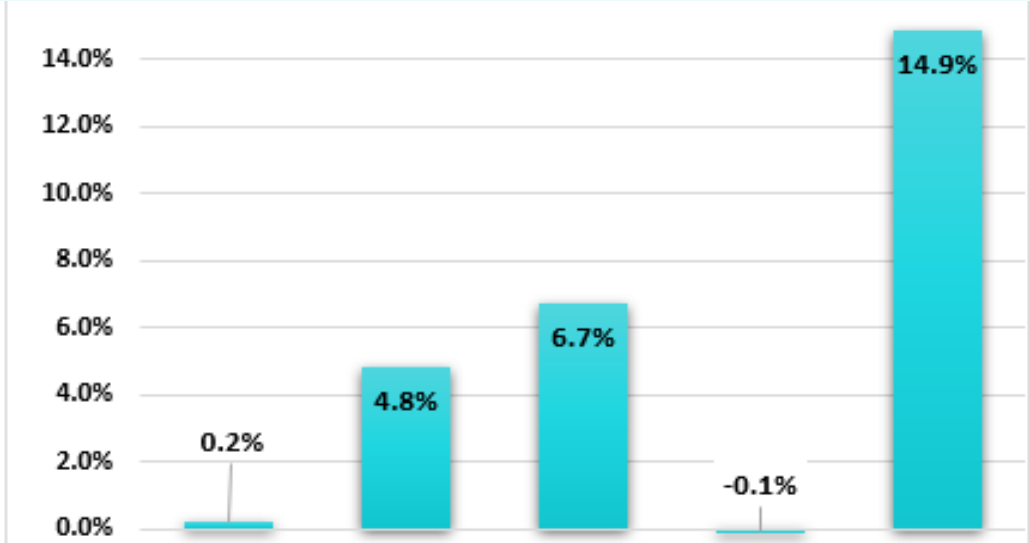
Businesses that provide a financial service must be financially sound. An insurance contract has little value to the insured if there is no confidence that the insurance company will have the money to pay claims when needed. In determining whether the overall marketplace is viable, the Department has considered several factors related to profitability and financial solvency.

PROFITABILITY

One measure of a company's financial performance is its profitability. Any for-profit organization must generate enough profit to survive and succeed. In a given month, if expenses exceed income they must be paid from reserve funds. If the trend continues, reserve funds run out causing the business to collapse. Therefore, it is imperative that insurance companies manage income and expenses to assure profitability and survival. When most insurers in the market are competitive and profitable, the market is considered to be financially strong. Overall, the following measurements indicate a stable market.

One measure of overall profitability is change in policyholders' surplus. This ratio measures a company's ability to increase policyholders' security. Policyholders' surplus is made up of: 1) underwriting gains or losses; 2) investment gains or losses; and 3) net contributed capital and other surplus changes. The following chart summarizes the change in policyholders' surplus for the Illinois-licensed property/casualty industry over the past five years.

Change in Policyholders' Surplus

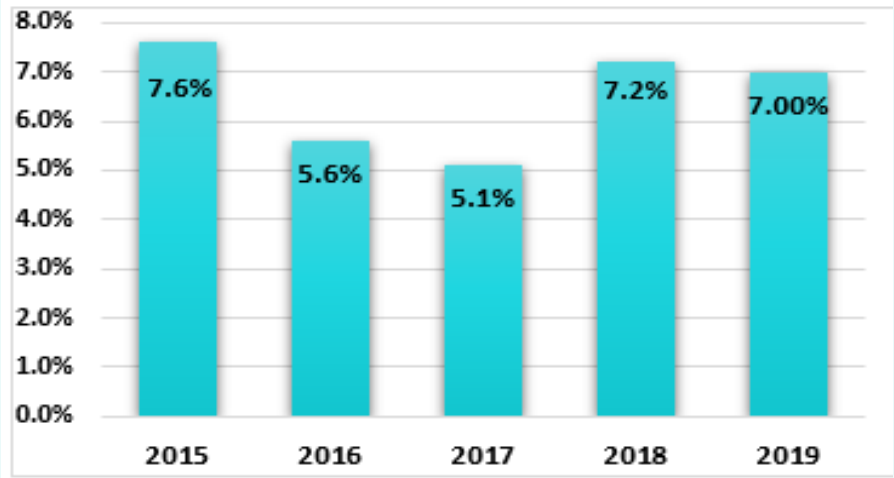


Source: NAIC State Data Network

Another measure of overall profitability is return on policyholders' surplus. The ratio measures a company's overall profitability from underwriting and investment activity after taxes. It represents the financial cushion that protects policyholders in case of unexpectedly high claims. The return on policyholders' surplus is determined as the net income divided by the average of the policyholders' surplus from current year and the prior year.

The following chart summarizes the aggregate return on policyholders' surplus from 2015 through 2019 for the overall Illinois-licensed property/casualty industry. The return on policyholders' surplus experienced a 0.2 percentage points decrease in 2019.

Return on Policyholders' Surplus



Source: NAIC State Data Network

The following table provides a summary of income from net income and policyholders' surplus from 2015 through 2019 for all property/casualty insurers licensed in Illinois.

Net Income and Policyholders' Surplus (in millions)

	2015	2016	2017	2018	2019
Net Income	54,996	43,356	40,494	57,412	60,429
Policyholders' Surplus	707,511	748,911	800,911	800,759	921,362

Source: NAIC State Data Network

UNDERWRITING EXPERIENCE

The following table identifies the aggregate underwriting gain/loss for Illinois-licensed insurers from 2015 through 2019. Earned premiums continue to show an increasing trend for the past five years.

Aggregate Net Underwriting Gain/Loss (in millions)

	2015	2016	2017	2018	2019
Premiums Earned	425,268	447,266	462,956	514,797	535,718
Losses Incurred	244,322	273,354	299,871	314,486	323,308
Loss Expenses Incurred	49,273	50,848	52,894	54,771	58,185
Other Underwriting Expenses Incurred	120,035	124,833	127,674	142,916	146,876
Dividends to Policyholders	1,709	1,509	1,676	1,909	2,491
Net Underwriting Gains/Losses	10,829	-2,770	-19,036	1,622	5,901

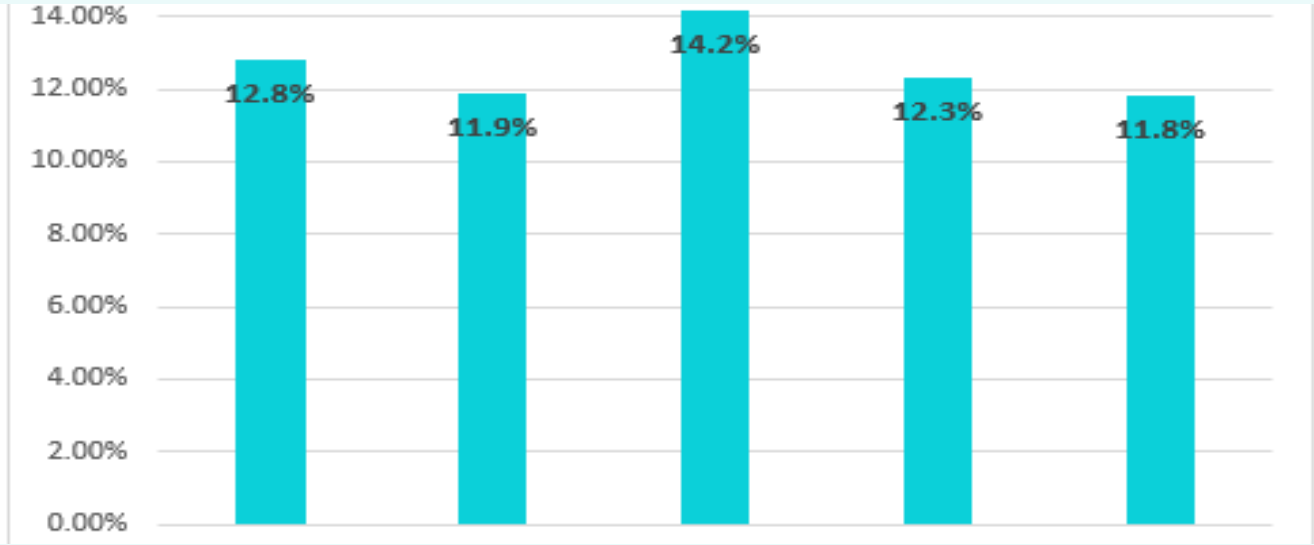
Source: NAIC State Data Network

INVESTMENT INCOME

One component of surplus is income derived from investments. The net investment income ratio measures income from invested assets relative to earned premium. It is calculated by dividing net investment income (income from invested assets less investment expenses and depreciation on real estate) by earned premiums.

The following chart shows the net investment income ratio for Illinois-licensed property/casualty insurers during the last five-year period. The ratio decreased 0.5 percentage points in 2019.

Net Investment Income Ratio



Source: NAIC State Data Network

INSURANCE REGULATION PRINCIPLES

Although the Department cannot guarantee an Illinois-licensed insurer's profitability, we do monitor the financial solvency and strength of Illinois-licensed insurers in several ways including:

1. Maintaining a staff of accountants and specialists trained to identify a company's developing financial difficulties. The Department can then take steps to minimize potential losses to Illinois policyholders;
2. Working closely with insurance companies identified as having financial difficulties to minimize potential risk to policyholders, while attempting to resolve manageable problems or determine the need for rehabilitation or liquidation;
3. Employing field examiners for on-site evaluation of insurance company records;
4. Reviewing operations and compliance issues through scheduled, targeted, and special exams of known or suspected problems;
5. Maintaining a staff of actuaries who monitor the adequacy of loss reserves, cash flow testing, and proper valuation of assets;
6. Licensing and registering the many types of insurers, surplus lines producers, and risk sharing pools authorized by the Illinois Insurance Code and related Acts; and
7. Investigating unauthorized organizations or individuals thought to be conducting illegal insurance operations and taking regulatory action to remove them from the market to protect consumers from fraudulent activities.

APPENDIX A – Consolidated Assets of Illinois-licensed Property/Casualty Insurers for the year ending 12/31/2019

	ASSETS	Assets Current Year	Non-Admitted Assets Current Year	Net Admitted Assets Current Year	Net Admitted Assets Prior Year
1	Bonds	868,542,624,751	346,553,629	868,196,071,122	835,381,660,893
2.1	Preferred stocks	13,446,189,000	14,134,756	13,432,054,244	4,699,227,987
2.2	Common stocks	637,574,878,889	6,098,579,526	631,476,299,361	521,641,629,049
3.1	First liens - mortgage loans on real estate	19,986,334,829	2,056,011	19,984,278,818	18,189,828,334
3.2	Other than first liens - mortgage loans on real estate	1,288,606,940	0	1,288,606,940	813,068,409
4.1	Properties occupied by the company	7,248,440,294	23,486,747	7,224,953,546	7,337,999,176
4.2	Properties held for the production of income	3,893,502,712	25,598,934	3,867,903,778	3,717,668,715
4.3	Properties held for sale	315,281,270	5,911,916	309,369,354	413,600,406
5	Cash, cash equivalents and short-term investments	91,986,076,487	21,600,654	91,964,475,833	84,053,732,481
6	Contract loans including premium notes	2,078,311	2,078,311	0	0
7	Derivatives	202,775,815	45,158,400	157,617,415	380,127,464
8	Other invested assets	160,704,983,703	16,624,329,234	144,080,654,468	132,257,922,544
9	Receivables for securities	1,265,009,942	379,824	1,264,630,118	1,746,081,164
10	Securities lending reinvested collateral assets	3,962,497,566	0	3,962,497,566	4,349,142,153
11	Aggregate write-ins for invested assets	2,644,227,277	1,959,193,151	685,034,126	2,606,672,341
12	Subtotals, cash and invested assets	1,813,063,507,761	25,169,061,094	1,787,894,446,667	1,617,588,361,123
13	Title plants less charged off	0	0	0	0
14	Investment income due and accrued	8,007,748,123	6,417,068	8,001,331,054	7,841,462,638
15.1	Uncollected premiums and agents' balances in the course of collection	62,873,868,146	3,023,212,064	59,850,656,079	53,874,530,743
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due	108,084,147,711	269,044,658	107,815,103,054	102,553,184,116
15.3	Accrued retrospective premiums	3,892,102,699	149,355,725	3,742,746,976	3,801,331,888
16.1	Amounts recoverable from reinsurers	36,222,107,946	11,346,381	36,210,761,566	35,823,271,206
16.2	Funds held by or deposited with reinsured cos.	8,367,143,831	65,511,620	8,301,632,212	7,234,906,360
16.3	Other amounts receivable under reinsurance contracts	2,193,690,419	3,182,875	2,190,507,544	2,132,587,580
17	Amounts receivable relating to uninsured plans	72,632,299	295,627	72,336,672	66,431,146
18.1	Current federal and foreign income tax recoverable and interest thereon	2,986,763,746	25,727,815	2,961,035,931	4,600,894,762
18.2	Net deferred tax asset	21,965,128,598	5,803,589,101	16,161,539,496	16,807,775,443
19	Guaranty funds receivable or on deposit	191,152,808	1,063,027	190,089,781	216,576,797
20	Electronic data processing equipment and software	7,411,832,178	5,799,433,521	1,612,398,654	1,570,608,105
21	Furniture and equipment, including health care delivery assets	3,184,072,342	3,180,691,895	3,380,447	10,646,905
22	Net adjustment in assets and liabilities due to foreign exchange rates	126,545,335	0	126,545,335	122,704,863
23	Receivables from parent, subsidiaries and affiliates	17,132,610,940	358,513,111	16,774,097,830	19,412,329,367
24	Health care ($(1)) and other amounts receivable	17,210,214	2,923,461	14,286,753	16,088,462
25	Aggregate write-ins for other than invested assets	27,884,068,682	8,864,978,541	19,019,090,137	19,904,658,098
26	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts	2,123,676,333,753	52,734,347,575	2,070,941,986,175	1,893,578,349,603
27	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28	Totals	2,123,676,333,753	52,734,347,575	2,070,941,986,175	1,893,578,349,603

APPENDIX B – Consolidated Liabilities, Surplus and Other Funds of Illinois-licensed Property/Casualty Insurers for the year ending December 31, 2019

	LIABILITIES, SURPLUS AND OTHER FUNDS	Current Year	Prior Year
01	Losses	476,518,482,505	463,909,267,535
02	Reinsurance payable on paid losses and loss adjustment expenses	27,928,383,570	27,527,111,607
03	Loss adjustment expenses	101,663,275,706	96,062,500,341
04	Commissions payable, contingent commissions and other similar charges	6,840,606,338	6,427,998,417
05	Other expenses (excluding taxes, licenses and fees)	26,924,939,894	25,943,055,395
06	Taxes, licenses and fees (excluding federal and foreign income taxes)	4,551,435,824	4,668,330,240
07.1	Current federal and foreign income taxes (including $(1) on realized capital gains (losses)	2,144,558,017	2,128,368,273
07.2	Net deferred tax liability	32,693,075,714	16,798,883,174
08	Borrowed money $(1) and interest thereon $(2)	7,720,370,522	7,161,944,982
09	Unearned premiums (after deducting unearned premiums for ceded reinsurance of $(1) and	247,503,065,862	236,970,535,696
10	Advance premium	3,184,441,144	2,983,494,564
11.1	Stockholders (dividends declared and unpaid)	1,141,549,646	1,552,311,262
11.2	Policyholders (dividends declared and unpaid)	517,045,302	491,072,172
12	Ceded reinsurance premiums payable (net of ceding commissions)	53,612,553,261	47,202,742,366
13	Funds held by company under reinsurance treaties	29,037,780,292	28,668,990,029
14	Amounts withheld or retained by company for account of others	14,275,780,837	13,373,178,622
15	Remittances and items not allocated	1,868,606,893	1,572,036,417
16	Provision for reinsurance	2,553,692,733	2,536,113,746
17	Net adjustments in assets and liabilities due to foreign exchange rates	665,828,519	895,271,234
18	Drafts outstanding	4,152,768,510	4,090,506,031
19	Payable to parent, subsidiaries and affiliates	13,793,216,345	16,503,534,506
20	Derivatives	472,972,801	478,443,493
21	Payable for securities	3,331,402,716	3,679,503,512
22	Payable for securities lending	5,427,263,788	5,484,937,125
23	Liability for amounts held under uninsured plans	3,268,243	3,621,708
24	Capital notes $(1) and interest thereon $(2)	0	0
25	Aggregate write-ins for liabilities	81,053,443,293	74,515,771,014
26	Total liabilities excluding protected cell liabilities	1,149,579,808,298	1,091,629,523,464
27	Protected cell liabilities	0	0
28	Total liabilities	1,149,579,808,298	1,091,629,523,464
29	Aggregate write-ins for special surplus funds	97,578,642,873	83,273,990,431
30	Common capital stock	5,067,955,594	5,050,649,530
31	Preferred capital stock	629,713,833	635,658,748
32	Aggregate write-ins for other than special surplus funds	333,048,806	263,935,797
33	Surplus notes	11,388,290,312	11,457,885,921
34	Gross paid in and contributed surplus	239,710,483,948	236,911,308,850
35	Unassigned funds (surplus)	568,130,414,839	465,737,088,541
36.1	(1) Shares common (value included in common capital stock $(2)) (less treasury stock at cost)	1,341,105,366	1,341,105,428
36.2	(2) Shares preferred (value included in preferred capital stock $(2)) (less treasury stock at cost)	135,266,956	40,586,270
37	Surplus as regards policyholders	921,362,177,888	801,948,826,127
38	Totals	2,070,941,986,170	1,893,578,349,576

APPENDIX C – Consolidated Statement of Income for Illinois-licensed Property/Casualty Insurers for the year ending December 31, 2019

	UNDERWRITING INCOME	CURRENT YEAR	PRIOR YEAR
1	Premiums earned	535,718,225,241	514,940,617,496
2	Losses incurred	323,307,619,006	314,506,592,391
3	Loss adjustment expenses incurred	58,185,072,839	54,800,412,421
4	Other underwriting expenses incurred	146,875,724,580	142,976,918,684
5	Aggregate write-ins for underwriting deductions	1,448,510,802	1,003,019,983
6	Total underwriting deductions	529,816,927,233	513,286,943,473
7	Net income of protected cells	0	0
8	Net underwriting gain (loss)	5,901,298,015	1,653,674,024
	INVESTMENT INCOME		
9	Net investment income earned	54,448,465,591	54,100,655,890
10	Net realized capital gains (losses) less capital gains tax of $(1)	9,024,385,055	9,069,836,938
11	Net investment gain (loss)	63,472,850,642	63,170,492,829
	OTHER INCOME		
12	Net gain (loss) from agents' or premium balances charged off	-1,530,299,479	-1,376,080,441
13	Finance and service charges not included in premiums	2,827,317,914	2,754,904,536
14	Aggregate write-ins for miscellaneous income	-477,291,724	-566,721,370
15	Total other income	819,726,699	812,102,732
16	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	70,193,875,351	65,636,269,590
17	Dividends to policyholders	2,491,157,321	1,915,967,119
18	Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	67,702,718,027	63,720,302,471
19	Federal and foreign income taxes incurred	7,273,452,725	6,211,252,022
20	Net income	60,429,265,293	57,509,050,445
	CAPITAL AND SURPLUS ACCOUNT		
21	Surplus as regards policyholders, December 31 prior year	801,948,825,858	802,825,052,705
22	Net income	60,429,265,293	57,509,050,444
23	Net transfers (to) from protected cell accounts	643563	0
24	Change in net unrealized capital gains or (losses) less capital gains tax of $(1)	99,960,918,078	-35,253,335,127
25	Change in net unrealized foreign exchange capital gain (loss)	387,293,139	-543,912,611
26	Change in net deferred income tax	1,019,859,267	155,809,318
27	Change in non-admitted assets	-2,946,309,376	-513,802,170
28	Change in provision for reinsurance	-14,228,986	-139,331,289
29	Change in surplus notes	-66,143,544	-250,908,625
30	Surplus (contributed to) withdrawn from protected cells	-643563	0
31	Cumulative effect of changes in accounting principles	122,288,500	53,828,935
32.1	Capital changes paid in	78,099,767	-276,089,020
32.2	Capital changes transferred from surplus (stock dividend)	-7,573,189	2,500,001
32.3	Capital changes transferred to surplus	-3500000	-19510000
33.1	Surplus adjustments paid in	2,756,318,927	9,074,481,180
33.2	Surplus adjustments transferred to capital (stock dividend)	0	-2,500,000
33.3	Surplus adjustments transferred from capital	5,573,630	3,323,357,821
34	Net remittances from or (to) home office	-151,123,764	27,368,162
35	Dividends to stockholders	-38,798,198,594	-34,286,387,458
36	Change in treasury stock	-94,680,624	-13,273,797
37	Aggregate write-ins for gains and losses in surplus	-3,264,506,581	276,427,401
38	Change in surplus as regards policyholders for the year	119,413,351,944	-876,226,858
39	Surplus as regards policyholders, December 31 current year	921,362,177,810	801,948,825,859

APPENDIX D – Consolidated Exhibit of Premiums & Losses in the State of Illinois for All Illinois-licensed Property/Casualty Insurers during 2019

Line of Business	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Unearned Premium Reserves	Direct Losses Paid (deducting salvage)	Direct Losses Incurred	Direct Losses Unpaid	Direct Defense and Cost Containment Expenses Paid	Direct Defense and Cost Containment Expenses Incurred	Direct Defense and Cost Containment Expenses Unpaid	Commis-sions and Brokerage Expenses	Taxes, Licenses and Fees
Fire	326712545	323596778	518084	157915406	193727945	233516736	160796272	3121745	3491863	4674442	37716052	6203632
Allied lines	301831924	288156722	385371	146227392	181480752	212436976	152344137	4820065	6025901	4675537	32429783	6745068
Multiple peril crop	639492300	641227601	0	23667074	554694943	605036730	207598175	901175	908491	1081254	56358742	572680
Federal flood	27765154	27951449	0	15135469	16224238	15121822	3095188	617197	613380	57249	4346217	433467
Private crop	108605684	108787224	0	342615	87167898	89470803	17527900	74659	76083	5299	18599897	1643354
Private flood	12264040	11171286	0	5109310	1753230	9158544	7795921	77661	290319	219413	836029	263652
Farmowners multiple peril	195920077	191641041	0	80552296	107733699	109522165	46190248	1409708	1254621	3970140	29762620	2961056
Homeowners multiple peril	3907709800	3806760469	10842696	2041609760	2985636395	3121865435	1075144202	47272518	53883982	80307319	476212068	78388357
Commercial multiple peril (non-liability)	1123710274	1096918803	446773	547257425	760705165	725408698	422360727	20670826	18502729	26072346	181856031	21604865
Commercial multiple peril (liability)	650026724	645523153	302368	298604352	286823013	306866258	1031379873	102749468	111934328	381204474	112688541	10448972
Mortgage guaranty	244625300	260163201	0	69975273	61014688	46283504	195959242	84037	322233	921918	0	4554211
Ocean marine	129950441	121373682	10317	41752164	49596020	73508848	86666081	1925400	2258281	5709473	16709215	2472995
Inland marine	923267367	903746634	614347	242516033	420477109	436192447	134332580	5955682	6804140	6508216	143608010	17688229
Financial guaranty	3804981	19605268	0	135231790	-23039388	-26787455	-210507015	8040006	7001643	7074909	0	115610
Medical professional liability	327835776	332337881	12843278	189738812	215967219	192240568	1012207004	107433541	103791893	398408724	36634244	2954312
Earthquake	63645134	62864027	179395	30837838	18117	-35197	2032073	427	-16744	87049	7288331	1346250
Group accident and health	246521303	246463758	0	181147377	187877052	185367162	121022982	1311468	1994707	2564052	32516227	3517205
Credit A&H (group and individual)	1897215	2015410	0	83847	138363	51155	183931	0	-265	409	182854	57264
Collectively renewable A&H	571	631	0	44	0	-10	11	0	0	0	42	113
Non-cancelable A&H	0	20335	0	161506	0	0	4	0	0	0	0	101
Guaranteed renewable A&H	62303625	68143038	0	452889948	75536644	80778662	184332061	72561	83683	126127	4244948	-1267760
Non-renewable for stated reasons	188305	213390	921	390755	89996	37513	89505	0	-160	266	15762	179838
Other accident only	1965248	1932221	0	488936	546519	700318	433340	14587	13564	37855	454501	32911
Medicare Title XVIII exempt from state taxes or fees	0	0	0	0	0	0	0	0	0	0	0	0
All other A&H	22942573	22804061	0	2031898	15433901	9233734	11463921	107270	177246	326341	4809091	359631
Federal employees health benefits program premium	0	0	0	0	0	0	0	0	0	0	0	106
Workers' compensation	2380433401	2394853532	11710239	892707353	1285969367	1078154077	6075117677	149535933	112669194	681778688	198943818	51144848
Other liability - occurrence	2392955801	2133886943	672838	2141808969	1395589634	1666378487	4442324296	141492425	143143328	672112903	198941404	33969662
Other liability - claims-made	1145562126	983739559	1602066	677647227	670063144	658700069	1961424833	94588935	104185058	417027511	146371852	24975703
Excess workers' compensation	55866027	56214625	0	24712358	21930387	52952861	573760574	571503	-69312	16267216	3885446	864367
Products liability	123651455	115923401	823	55920220	94144066	20302948	657984763	66632430	74372899	312370767	14035593	1788035
Private passenger auto no-fault (personal injury protection)	13703	13456	0	4689	3515707	3729170	8340876	296162	655046	808927	366766	17948
Other private passenger auto liability	4312441265	4298012481	8442899	1307943039	2678495646	2722676895	3235986563	162002360	192858317	456553261	424255558	50743438
Commercial auto no-fault (personal injury protection)	96989	117539	0	13522	349516	220246	406458	14132	11751	79494	-1725	10921
Other commercial auto liability	1471601475	1388459478	405414	600172153	690229182	908044671	1792682095	74155297	91708508	209223702	182288398	30001099
Private passenger auto physical damage	3486047051	3446018239	6792460	1060686320	2224527023	2233849223	162037519	7749696	8337454	7775002	338968211	42784818
Commercial auto physical damage	450170295	432322340	204722	165168151	225197032	238372970	64005426	4396604	5703501	7782430	57966396	8178346
Aircraft (all perils)	65550469	63948168	0	23182414	37949186	34742637	94655784	5408582	3584780	20021709	9803128	1671907
Fidelity	67069178	66339324	11	41629454	39669921	24484700	53539718	311568	463439	8397029	10122301	1283584
Surety	238879151	226666062	5422	107487462	22419484	19081236	103003993	2981195	2009581	12217214	69981300	6294972
Burglary and theft	22637692	19592690	0	12121312	8421133	15561120	12616691	34583	326261	1395298	4458397	460107
Boiler and machinery	72358339	72202369	87	34651863	16236695	20444033	17365225	185238	-66085	431594	7061353	1995756
Credit	74163331	71966865	0	25353648	25774858	28008849	29934950	501934	485633	597241	11052168	1662367
Warranty	0	0	0	0	-8655	-37151	-23824	0	0	11	0	590
Aggregate write-ins for other lines	205120540	164725335	0	510782670	102123370	105130017	11547318	260948	287483	38588	6133023	2383653
Totals	26178394	26067749	0	15771948	13504265	9842817	27562282	109680	323872	624829	1611866	676379
	25913783010	25144488187	55980535	12361432118	15735704464	16266615296	23986721587	1017889179	1060402632	3749536195	2883514448	422184607

Appendix E – Consolidated Exhibit of Premiums and Losses in All States for Licensed Property/Casualty Insurers during 2019

Line of Business	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Unearned Premium Reserves	Direct Losses Paid (deducting salvage)	Direct Losses Incurred	Direct Losses Unpaid	Direct Defense and Cost Containment Expenses Paid	Direct Defense and Cost Containment Expenses Incurred	Direct Defense and Cost Containment Expenses Unpaid	Commissions and Brokerage Expenses	Taxes, Licenses and Fees
Fire	9,252,899,701	9,035,879,749	22,827,786	4,322,029,063	5,258,389,214	5,150,817,087	5,071,759,994	119,258,463	116,588,815	133,652,737	1,066,220,774	217,278,437
Allied lines	9,181,775,530	8,774,303,298	44,732,531	4,388,234,997	7,951,960,583	5,104,866,873	6,269,613,836	147,418,018	108,153,099	162,299,191	906,309,456	229,620,911
Multiple peril crop	10,248,583,296	10,221,106,222	0	1,296,097,126	10,182,153,843	9,709,429,761	3,426,243,168	8,466,720	8,560,245	7,664,141	921,942,601	-5,039,367
Federal flood	2,491,597,156	2,457,384,958	0	1,364,008,156	1,130,632,537	1,006,520,578	283,288,972	22,034,035	20,260,636	2,406,300	433,078,705	50,948,029
Private crop	1,096,919,589	1,096,548,836	9,193	4,877,679	1,147,170,941	1,087,197,427	168,229,592	1,597,722	1,581,398	390,498	198,942,314	18,472,815
Private flood	410,459,807	381,261,337	0	190,186,588	122,820,607	93,616,808	135,879,793	3,635,707	4,859,611	4,120,748	28,911,488	10,270,070
Farmowners multiple peril	2,451,171,931	2,421,041,445	3,615,184	1,155,740,845	1,482,602,024	1,450,212,804	691,304,422	37,584,569	47,305,055	84,391,620	401,669,980	52,657,304
Homeowners multiple peril	77,219,182,183	75,208,277,154	543,357,484	40,327,804,290	46,116,638,153	43,064,974,958	20,341,339,955	1,080,591,213	1,122,344,919	1,716,604,119	9,403,317,911	1,849,609,820
Commercial multiple peril (non-liability)	22,948,436,683	22,349,587,670	9,785,349	11,091,271,256	13,236,765,986	12,799,029,616	9,019,984,144	384,943,951	313,705,325	650,371,518	3,757,432,452	574,055,588
Commercial multiple peril (liability)	13,602,536,399	13,398,383,919	4,547,275	6,216,780,499	6,016,817,009	6,767,117,753	21,635,282,385	2,045,775,537	2,391,061,382	7,933,455,379	2,366,924,616	311,027,146
Mortgage guaranty	5,551,181,593	5,893,710,713	0	2,156,786,933	855,984,520	390,520,698	3,253,304,601	5,786,505	8,461,361	15,841,378	88,568	130,218,101
Ocean marine	3,694,652,759	3,530,279,787	1,181,646	1,381,656,655	1,939,255,753	2,093,482,701	2,547,462,513	127,360,163	127,786,799	229,038,280	540,333,606	70,405,404
Inland marine	24,370,615,236	23,729,973,551	24,324,787	6,596,242,865	11,662,178,955	11,783,960,858	4,440,130,555	186,887,370	201,736,321	195,641,203	3,973,771,271	584,731,654
Financial guaranty	365,348,042	584,187,123	0	3,072,879,696	920,476,517	357,656,685	-1,651,680,856	179,040,828	128,609,296	43,879,825	-4,666	10,296,579
Medical professional liability	4,589,191,005	4,531,103,668	80,782,858	2,499,677,039	2,321,242,928	2,372,458,206	9,770,704,850	1,054,132,847	1,095,057,153	3,375,861,986	487,499,419	91,125,662
Earthquake	1,915,310,290	1,836,562,820	7,264,372	945,186,041	62,803,376	-4,036,698	74,781,855	3,206,825	941,492	2,717,613	234,257,314	44,150,807
Group accident and health	4,843,965,544	4,646,871,883	0	3,774,890,134	2,937,559,161	3,005,400,773	2,003,723,361	39,471,806	51,748,898	54,551,334	668,719,352	108,623,141
Credit A&H (group and individual)	190,870,734	179,271,339	0	73,433,624	26,820,384	25,323,129	28,662,079	5,904	44,824	324,942	29,099,758	6,316,072
Collectively renewable A&H	12,266,072	12,562,974	0	1,508,928	5,619,783	6,697,396	8,155,840	1,406	259,583	458,073	5,285,038	395,067
Non-cancelable A&H	26,420	329,863	0	2,322,117	41,115	29,455	51,595	0	-16	20	854	56,075
Guaranteed renewable A&H	1,135,392,101	1,013,475,328	0	9,622,484,805	1,316,841,779	1,455,776,350	3,291,836,380	504,425	678,174	2,533,323	99,826,383	21,027,315
Non-renewable for stated reasons	29,977,652	30,445,137	10,923	20,555,605	12,765,956	12,482,979	13,157,301	593	-237	39,117	3,420,664	1,999,729
Other accident only	176,648,167	164,394,567	0	63,784,158	29,853,792	47,717,021	63,569,594	1,086,576	3,225,373	5,019,593	25,600,280	3,469,985
Medicare Title XVIII exempt from state taxes or fees	0	0	0	0	0	0	297,727	0	0	0	0	0
All other A&H	768,935,467	764,353,595	0	66,121,316	467,915,480	431,333,048	389,481,507	3,706,146	6,815,560	7,923,224	157,508,423	15,956,498
Federal employees health benefits program premium	0	0	0	0	0	0	0	0	0	0	0	113,281
Workers' compensation	43,299,062,654	43,527,068,649	498,683,509	14,934,966,456	20,728,925,849	19,780,717,152	119,476,197,477	2,726,451,626	2,197,073,331	13,417,428,904	3,880,581,476	1,227,869,433
Other liability - occurrence	37,325,065,842	35,617,896,664	37,667,912	20,484,736,219	21,100,628,822	25,475,894,054	78,819,212,730	2,629,672,020	2,667,927,945	13,751,868,637	4,292,153,273	807,201,512
Other liability - claims-made	18,930,653,219	17,733,799,418	1,603,908	10,641,811,405	8,037,078,921	8,837,410,029	31,997,887,324	1,852,959,009	2,311,872,242	7,252,420,405	2,870,985,213	426,169,265
Excess workers' compensation	1,107,968,589	1,105,588,678	0	422,454,688	582,390,903	731,155,091	11,792,311,262	20,401,276	7,456,013	459,905,922	86,186,681	27,025,431
Products liability	2,738,909,474	2,624,732,271	325,615	1,215,172,692	1,473,776,466	1,408,783,603	9,589,645,407	890,191,544	680,920,773	4,304,714,072	365,819,124	57,038,581
Private passenger auto no-fault (personal injury protection)	12,965,174,070	12,923,616,773	41,240,652	3,881,042,947	8,939,936,883	8,050,858,364	39,330,464,713	909,893,052	1,121,178,995	3,033,213,416	885,355,429	267,572,455
Other private passenger auto liability	103,795,269,762	103,194,715,798	569,105,767	31,342,699,647	65,622,938,608	68,668,561,517	76,800,738,624	3,507,399,431	4,230,695,473	9,976,208,843	7,761,050,847	2,357,731,913
Commercial auto no-fault (personal injury protection)	601,868,954	571,135,097	63,033	246,906,020	287,295,035	129,655,038	1,263,141,606	32,713,205	37,966,785	93,009,850	60,511,069	18,365,536
Other commercial auto liability	26,355,142,142	25,133,221,019	8,051,593	11,665,035,119	15,135,915,358	18,999,819,603	34,157,778,351	1,548,999,756	1,936,175,440	4,165,069,431	3,478,840,171	659,118,723
Private passenger auto physical damage	79,330,148,762	78,485,391,066	470,656,066	24,467,869,703	49,259,041,484	49,528,669,163	3,925,985,352	183,977,899	203,818,691	181,644,920	6,087,723,023	1,740,397,089
Commercial auto physical damage	8,819,022,208	8,497,685,660	1,865,780	3,675,211,657	4,884,004,372	4,953,496,011	1,147,364,584	91,611,268	96,315,033	152,081,160	1,189,290,880	208,331,893
Aircraft (all perils)	1,830,311,602	1,725,556,208	0	863,970,642	1,106,625,303	1,235,022,438	1,938,165,826	111,608,056	118,886,122	290,378,873	311,965,708	49,341,132
Fidelity	1,248,778,870	1,226,437,825	520,233	738,253,037	451,527,193	411,947,581	1,031,875,495	8,907,915	19,944,293	165,499,291	193,564,182	30,045,168
Surety	6,785,536,074	6,492,788,364	38,135,524	3,891,495,676	1,023,183,763	1,238,601,407	2,545,882,789	145,872,472	120,741,978	470,948,544	1,797,433,674	184,763,805
Burglary and theft	393,507,828	355,945,845	1,000	219,449,787	123,649,303	185,129,008	206,802,483	2,646,507	3,714,251	26,930,928	84,039,486	9,034,100
Boiler and machinery	1,784,768,087	1,744,909,589	12,132	841,871,676	618,155,513	612,633,536	702,983,078	10,586,982	6,261,654	15,069,579	148,409,290	45,513,271
Credit	1,963,827,240	1,890,275,257	1,064,383	957,430,231	756,182,692	813,630,530	697,207,242	15,049,640	13,588,880	14,489,798	384,855,184	51,561,330
Warranty	31,231,380	35,532,723	0	1,087,642	1,251,813	102,669,182	33,902,963	-1,370,542	-1,346,668	-1,397,142	6,588,948	-204,934
Aggregate write-ins for other lines	3,364,648,350	2,917,544,240	0	8,022,512,166	1,766,549,829	1,794,468,182	205,991,009	3,069,289	2,878,227	973,075	337,696,857	78,082,360
Totals	1,210,731,435	1,164,894,873	0	819,323,276	566,890,125	559,442,887	1,719,289,143	32,038,524	35,369,983	75,392,076	114,148,390	28,465,991
	550,429,569,844	539,230,032,935	2,411,436,496	239,967,861,057	317,671,258,554	321,731,150,629	508,659,392,620	20,175,176,195	21,571,224,504	72,475,036,717	60,047,355,453	12,671,210,179

Appendix F – Consolidated Schedule T for all Illinois-Licensed Property/Casualty Insurers for 2019

Schedule T – Exhibit of Premiums Written – Allocated by States and Territories

	State	Direct Premiums Written	Direct Premiums Earned	Dividends Paid to Policy Holders	Direct Losses Paid	Direct Losses Incurred	Direct Losses Unpaid	Finance Charges Not Included	Direct Premiums Written Federal
01	Alabama AL	7,879,318,092	7,730,914,743	41,346,243	4,180,085,589	4,215,053,053	5,611,893,731	62,750,812	18,391,417
02	Alaska AK	1,484,009,313	1,479,218,363	11,495,567	761,601,905	660,957,949	1,384,246,956	6,043,579	4,995,651
03	Arizona AZ	10,326,627,628	10,078,700,087	44,623,723	5,611,166,666	5,829,385,098	7,242,090,773	74,976,621	15,768,374
04	Arkansas AR	4,521,765,870	4,456,815,278	14,811,463	2,728,757,143	2,827,073,992	3,001,155,958	23,985,255	7,295,784
05	California CA	61,943,447,330	60,508,120,671	159,973,655	35,766,807,662	31,840,476,927	67,319,332,968	422,927,948	177,624,884
06	Colorado CO	12,433,920,756	12,064,678,561	85,621,423	7,806,428,528	7,827,224,114	8,323,114,017	71,459,098	17,987,345
07	Connecticut CT	7,926,178,398	7,870,846,267	45,251,779	4,123,441,196	4,207,976,348	8,062,010,939	47,568,294	25,425,370
08	Delaware DE	2,427,324,510	2,419,565,249	7,787,131	1,364,964,402	1,414,678,392	2,574,123,204	15,237,838	61,391,744
09	Dist. Columbia DC	1,776,663,409	1,744,081,429	5,601,804	782,610,215	698,498,462	1,646,865,899	6,300,610	10,682,794
10	Florida FL	39,034,478,126	38,324,251,915	232,020,652	24,739,187,601	24,589,716,609	28,933,791,955	251,336,809	60,894,431
11	Georgia GA	19,433,070,794	19,002,424,490	105,917,870	11,718,695,586	12,214,547,008	13,998,410,359	113,748,560	26,621,211
12	Hawaii HI	1,764,815,048	1,748,178,808	13,512,964	869,517,800	866,206,648	1,391,568,252	10,086,713	12,767,636
13	Idaho ID	2,284,071,922	2,194,287,195	7,925,041	1,118,564,222	1,187,179,568	1,349,177,220	17,979,726	6,206,992
14	Illinois IL	25,913,783,005	25,144,488,199	55,980,535	15,735,704,458	16,266,615,295	23,986,721,576	107,190,560	97,651,734
15	Indiana IN	10,055,193,998	9,874,633,966	16,260,811	5,573,380,762	5,692,157,772	7,169,201,451	60,650,476	28,020,039
16	Iowa IA	6,097,626,187	6,039,227,393	29,805,122	3,632,566,472	3,299,941,663	4,393,820,496	29,562,496	12,815,812
17	Kansas KS	5,890,814,448	5,818,338,025	22,062,209	3,241,259,814	3,374,602,930	3,560,954,401	24,590,114	9,020,283
18	Kentucky KY	6,261,701,087	6,157,222,661	17,666,767	3,415,279,881	3,588,500,795	5,520,465,873	30,358,822	15,974,968
19	Louisiana LA	8,301,638,669	8,247,755,798	29,958,192	4,607,892,234	4,761,909,665	6,937,433,382	41,771,233	16,388,168
20	Maine ME	1,896,318,300	1,871,346,680	30,203,591	895,276,009	942,440,399	1,541,473,256	12,080,618	4,900,517
21	Maryland MD	11,042,189,755	10,855,094,061	63,904,426	6,534,219,685	6,610,363,290	8,613,452,023	53,081,241	19,929,921
22	Massachusetts MA	9,940,802,970	9,699,312,887	36,716,546	4,492,611,850	4,718,834,041	9,660,059,355	52,901,935	30,441,569
23	Michigan MI	15,482,827,102	15,323,960,719	41,288,699	9,129,099,372	8,083,238,136	40,442,520,508	53,946,250	36,812,770
24	Minnesota MN	11,077,320,321	10,872,958,748	21,089,120	6,991,546,805	7,619,871,539	8,829,482,288	37,892,387	17,653,576
25	Mississippi MS	4,199,136,508	4,137,499,382	14,495,499	2,243,841,749	2,351,828,715	2,814,017,039	24,447,867	8,814,497
26	Missouri MO	11,295,396,986	11,044,796,508	25,591,752	6,676,769,375	6,828,106,120	8,145,371,109	56,682,512	17,150,072
27	Montana MT	2,067,641,693	2,038,602,975	6,811,570	1,469,826,154	1,690,992,333	1,357,431,760	11,150,373	3,179,382
28	Nebraska NE	4,747,763,779	4,651,816,786	16,975,089	3,107,841,874	3,306,795,694	3,079,812,091	16,105,981	11,722,401
29	Nevada NV	5,523,444,939	5,388,725,688	17,677,655	3,050,789,366	3,452,225,127	6,267,343,942	34,212,732	12,943,120
30	New Hampshire NH	2,063,594,742	2,035,810,544	15,517,504	927,662,052	941,682,249	1,705,963,029	14,048,163	4,626,064
31	New Jersey NJ	14,387,329,803	14,252,443,484	57,036,380	8,142,333,569	8,918,793,335	22,389,726,898	72,672,960	34,374,330
32	New Mexico NM	3,192,272,128	3,127,665,590	17,320,359	1,831,165,484	1,894,467,191	2,353,079,569	23,245,737	6,958,923

Appendix F – Consolidated Schedule T for all Illinois-Licensed Property/Casualty Insurers for 2019

Schedule T – Exhibit of Premiums Written – Allocated by States and Territories—Continued

	State	Gross Premiums Written	Gross Premiums Earned	Dividends Paid to Policy Hold-ers	Direct Losses Paid	Direct Losses Incurred	Direct Losses Unpaid	Finance Charges Not Included	Direct Premiums Written Federal
33	New York NY	38,569,552,899	37,896,405,586	97,921,832	21,982,292,397	23,480,243,358	49,276,959,532	207,818,914	121,298,948
34	North Carolina NC	14,322,234,176	13,997,244,767	71,590,969	8,618,915,789	8,002,033,018	9,480,988,639	124,434,295	19,765,951
35	North Dakota ND	2,159,139,370	2,125,548,082	2,817,825	1,420,825,743	1,584,214,108	1,008,890,791	5,314,445	1,472,823
36	Ohio OH	16,086,942,646	15,878,855,226	29,813,020	9,236,333,765	9,694,671,403	9,998,535,001	134,810,592	39,288,782
37	Oklahoma OK	6,564,504,072	6,484,285,188	29,423,623	3,479,238,224	3,612,521,833	4,385,900,700	41,972,867	9,924,518
38	Oregon OR	5,670,637,056	5,558,818,213	19,057,105	2,937,497,867	3,187,503,090	4,107,731,619	35,184,711	14,015,791
39	Pennsylvania PA	22,932,518,481	22,640,632,516	59,596,463	13,291,530,812	13,795,045,744	21,957,804,551	152,896,459	58,580,932
40	Rhode Island RI	2,140,136,558	2,094,800,503	25,699,047	1,082,931,826	1,140,181,504	1,730,915,626	11,455,629	3,748,412
41	South Carolina SC	9,431,751,326	9,293,913,736	51,777,273	4,966,159,250	5,293,988,554	6,452,031,013	70,229,292	10,814,995
42	South Dakota SD	2,303,980,748	2,283,900,892	5,635,572	2,045,740,938	2,096,572,138	1,321,422,373	7,847,321	3,481,609
43	Tennessee TN	9,635,660,905	9,527,062,396	36,521,383	4,693,849,991	4,663,985,474	7,431,713,270	57,012,322	22,284,588
44	Texas TX	35,375,778,969	34,243,716,678	261,868,743	21,577,457,177	23,326,725,954	28,804,312,371	147,218,303	89,207,644
45	Utah UT	4,338,859,137	4,227,811,070	11,759,061	2,207,834,397	2,426,357,090	2,870,596,059	23,939,365	9,557,233
46	Vermont VT	991,179,255	985,135,512	4,659,619	464,591,692	503,087,688	850,022,129	8,181,069	2,214,265
47	Virginia VA	13,015,557,510	12,742,344,565	129,322,530	6,770,921,436	7,046,768,499	9,348,276,319	99,148,048	36,768,325
48	Washington WA	11,607,535,969	11,276,283,923	51,443,752	6,083,658,922	6,558,369,911	7,463,749,676	78,747,256	17,898,779
49	West Virginia WV	2,874,994,550	2,844,361,351	6,169,038	1,494,765,507	1,566,920,451	2,469,599,813	16,035,220	3,169,277
50	Wisconsin WI	10,409,964,564	10,274,343,884	197,368,349	5,810,824,489	5,916,911,362	9,237,537,710	45,342,029	19,862,877
51	Wyoming WY	1,112,688,787	1,088,050,274	3,762,461	731,207,569	784,056,748	549,202,256	6,296,011	1,223,372
52	American Samoa AS	41,731	84,740	0	0	1,120	17,572	181	0
53	Guam GU	58,801,880	58,697,399	1,089,793	18,803,580	8,313,423	43,329,565	11,868	8,086
54	Puerto Rico PR	276,360,146	339,583,850	367,383	1,884,524,714	476,305,224	918,352,511	24,982	267,476
55	U.S. Virgin Islands VI	31,372,576	30,336,035	424,378	199,062,055	34,831,328	93,103,715	388,258	7,768
56	N. Mariana Islands MP	2,901,519	2,873,604	0	118,821	1,518,255	1,749,696	199	0
57	Canada CAN	3,375,197,083	3,006,337,774	32,348	1,492,007,832	1,194,391,709	3,809,152,646	515,389	0
58	Agg. other alien OT	4,468,789,896	4,124,821,579	1,063,797	1,909,268,332	2,613,292,142	5,441,385,189	64,654	1,408
59	**Totals**	**550,429,569,312**	**539,230,032,386**	**2,411,436,497**	**317,671,258,526**	**321,731,151,515**	**508,659,392,544**	**3,155,883,853**	**1,320,295,631**

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