



Illinois Department of Insurance

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2008 Life & Annuity Market Conduct Annual Statement

Stateside averages are calculated for up to seven categories depending on the type of insurance reported in the Life & Annuity Market Conduct Annual Statement (L&A MCAS). In Illinois, for the 2008 L&A MCAS, licensed companies with at least \$50,000 in life insurance premium and/or annuity considerations were required to participate. A total of 353 companies participated.

The following charts reflect the number of reporting insurance companies whose ratios fall within various ranges. These charts are for informational purposes only, and the ratios do not necessarily represent standards for market behavior. This information does not establish insurer compliance or non-compliance. This data cannot be used in any form of company advertising or marketing.

Schedule 1: Individual Life Cash Value Products

Ratio	Statewide Average Ratio
Ratio 1: The number of replacements issued compared to the number of policies issued	7.1%
Ratio 2: The number of 1035 exchanges to the number of policies issued	3.1%
Ratio 3: The number of surrenders compared to the number of policies issued	52.0%
Ratio 4: The number of policies with loan balances exceeding 25% compared to the number of policies in force	6.6%
Ratio 5: The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	0.6%
Ratio 6: The number of claims denied, resisted or compromised compared to the number of claims closed	0.2%
Ratio 7: Number of complaints per 1,000 policies in force	0.281#

Number of companies with ratios falling in the range:

	0%	>0 to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	177	80	30	14	8	13	3	1	0	0	0	0
Ratio 2	219	61	13	13	10	2	4	0	0	2	0	2
Ratio 3	35	26	25	13	15	15	12	11	8	5	5	156
Ratio 4	74	199	47	3	2	1	0	0	0	0	0	0
Ratio 5	224	76	16	5	2	2	1	0	0	0	0	0
Ratio 6	271	43	7	3	1	1	0	0	0	0	0	0

Number of complaints per 1,000 policies in force

	0	>0 to 0.25	>0.25 to 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 7	175	49	27	25	13	23	6	1	1	0	0	6

Schedule 2: Individual Life Non-Cash Value Products

Ratio	Statewide Average Ratio
Ratio 1: The number of replacements issued compared to the number of policies issued	14.3%
Ratio 2: The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	2.4%
Ratio 3: The number of claims denied, resisted or compromised compared to the number of claims closed	4.6%
Ratio 4: Number of complaints per 1,000 policies in force	0.240#

Number of companies with ratios falling in the range:												
	0%	>0 to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	177	46	28	21	7	2	0	1	0	0	1	1
Ratio 2	239	19	7	4	4	4	0	0	2	0	5	0
Ratio 3	249	15	10	2	4	3	0	0	1	0	0	0

Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 to 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 4	210	28	11	7	7	11	2	2	2	2	1	1

Schedule 3: Group Life Products

Ratio	Statewide Average Ratio
Ratio 1: The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	0.2%
Ratio 2: The number of claims denied, resisted or compromised compared to the number of claims closed	0.2%
Ratio 3: Number of complaints per 1,000 policies in force	0.067#

Number of companies with ratios falling in the range:												
	0%	>0 to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	172	27	13	4	2	3	0	0	1	0	1	0
Ratio 2	177	36	4	3	1	0	0	1	0	0	1	0

Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 to 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 3	183	5	1	2	0	6	2	0	2	1	1	20

Schedule 4: Individual Fixed Annuities

Ratio	Statewide Average Ratio
Ratio 1: The number of replacements issued compared to the number of policies issued	35.4%
Ratio 2: The number of 1035 exchanges to the number of policies issued	23.3%
Ratio 3: The number of surrenders compared to the number of policies issued	78.0%
Ratio 4: Number of complaints per 1,000 policies in force	0.598#

Number of companies with ratios falling in the range:												
	0%	>0 to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	142	12	14	19	16	17	8	4	9	1	3	5
Ratio 2	145	34	24	17	12	5	4	4	0	0	3	2
Ratio 3	55	12	6	11	8	6	2	8	13	3	10	116

Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 to 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 4	191	9	17	5	3	11	6	4	1	1	1	1

Schedule 5: Individual Variable Annuities

Ratio	Statewide Average Ratio
Ratio 1: The number of replacements issued compared to the number of policies issued	26.2%
Ratio 2: The number of 1035 exchanges to the number of policies issued	14.1%
Ratio 3: The number of surrenders compared to the number of policies issued	89.7%
Ratio 4: Number of complaints per 1,000 policies in force	0.515#

Number of companies with ratios falling in the range:												
	0%	>0 to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	56	5	9	10	12	5	2	3	4	1	1	1
Ratio 2	51	17	15	13	1	4	1	2	2	0	1	2
Ratio 3	13	0	1	3	4	4	4	2	1	6	2	69

Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 to 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 4	61	8	14	10	4	5	3	2	0	0	0	2