Illinois Department of Financial and Professional Regulation
Division of Insurance

April 2009

2009 Annual Report to the Illinois General Assembly on Insurance Cost Containment

Pat Quinn, Governor

Michael T. McRaith, Director of Insurance

Illinois Department of Financial and Professional Regulation

Division of Insurance

PAT QUINN
Governor

MICHAEL T. McRAITH
Director
Division of Insurance

April 15, 2009

To the Honorable Members of the 97th General Assembly:

The Illinois Insurance Cost Containment Act requires the Director of Insurance to submit an annual report to the General Assembly by April 15th containing an analysis of portions of the Illinois insurance market and a recommendation of the most appropriate and comprehensive cost containment system for the state (Article XLII, 215 ILCS 5/1202d).

In accordance with the requirement of Section 1202 of the Illinois Insurance Code, I am pleased to submit the Annual Report to the General Assembly on Insurance Cost Containment for 2009. It contains significant information from a national and Illinois perspective regarding the underwriting results for the property and casualty insurance industry for the year 2007.

Sincerely,

Michael T. McRaith
Director of Insurance

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TABLE OF CONTENTS

Page

Purpose of this Report 3
Overview 4
Direct Premiums Written and Loss Ratios by State 5
Analysis of the Market 8
Availability 8
Herfindahl/Hirschman Index and Market Shares by Line of Business . . . 8
Market Shares of Residual Market Mechanisms 23
Participation in Alternative Risk Transfer Mechanisms 26
Profitability 28
Reliability 34
Financial Solvency Regulation 38

Bibliography

Appendix A: Consolidated Assets of Illinois-licensed Property/Casualty Insurers for the year ending December 31, 2007.

Appendix B: Consolidated Liabilities, Surplus and Other Funds of Illinois-licensed Property/Casualty Insurers for the year ending December 31, 2007.

Appendix C: Consolidated Statement of Income for Illinois-licensed Property/Casualty Insurers for the year ending December 31, 2007.

Appendix D: Consolidated Exhibit of Premiums and Losses in the State of Illinois for All Illinois-licensed Property/Casualty Insurers During 2007.

Appendix E: Consolidated Insurance Expenses Exhibit Part III of Illinois-licensed Property/Casualty Insurers for 2007.

Appendix F: Consolidated Schedule T of all Property/Casualty Insurers for 2007.

PURPOSE OF THIS REPORT

The Division of Insurance is required by statute to submit an Annual Report to the Illinois General Assembly on Insurance Cost Containment by April 15th of each year containing an analysis of sections of the Illinois insurance market and a recommendation of the most appropriate and comprehensive cost containment system for the state.

The Illinois Insurance Cost Containment Act (215 ILCS 5/1200) was enacted in 1986 in response to the public's growing concern about the availability and affordability of property and liability insurance. The law mandated that a uniform system be created for the collection, analysis and distribution of insurance cost data. Its expressed intent was to permit and encourage competition among companies on a sound financial basis to the fullest extent possible and to establish a mechanism to ensure the provision of adequate insurance at reasonable rates to the citizens of Illinois.

The required format for the cost containment data is defined by Part 4203 of the Ill Adm. Code (50 Ill Adm. Code Part 4203). As defined in Part 4203, every insurer licensed to write property or casualty insurance in the state of Illinois shall provide to the Director data reflecting its business activities in a number of area's including Private Passenger Automobile, Homeowners, Medical Malpractice, Commercial Automobile, Business Owners, and several other commercial lines.

OVERVIEW

For the lines studied (homeowners, private passenger auto, commercial auto liability, medical malpractice, and other liability) only the medical malpractice line is considered highly concentrated in Illinois as evidenced by the Herfindahl/Hirschmann Index. This is consistent with our general knowledge of the markets.

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. The Workers Compensation market share is the largest at 4% but notably has been declining since 2003.

The report reflects nothing of concern with the alternative market mechanisms although the number of surplus line policies covering general liability has increased by 50% since 2003 to 29,000 policies in 2007. This increase is most likely the result of continued underwriting restrictions in the standard market.

The report does not identify any concerns with profitability as loss results for each line of business studied remains consistent with nationwide trends. It is notable that medical malpractice losses as a percent of premium have declined dramatically since 2003 and remain consistent with the nationwide trend.

In addition to profitability the report examines several aspects of policyholder surplus. As reflected in the report, the overall level of policyholder surplus remains strong. In conclusion the combination of stable losses, profits, and surplus for the insurance companies doing business in Illinois continues to indicate that the overall insurance market is relatively reliable and stable for Illinois consumers.

DIRECT PREMIUMS WRITTEN AND LOSS RATIOS BY STATE

Figure 1 shows a breakdown of total direct premium written (DPW) and losses incurred for the property/casualty industry by state from 2003 through 2007.

Direct written premium in Illinois totaled $21.1 billion in 2007, representing 4.1 percent of total written premium nationwide. Property/casualty losses in Illinois were 58 percent of direct earned premium in 2007. After decreasing from 2003 through 2006, losses rose slightly in 2007, but continued to be below the five year average.

Figure 1

Total US Property/Casualty Industry

($ In millions)

State Distribution and Loss Experience

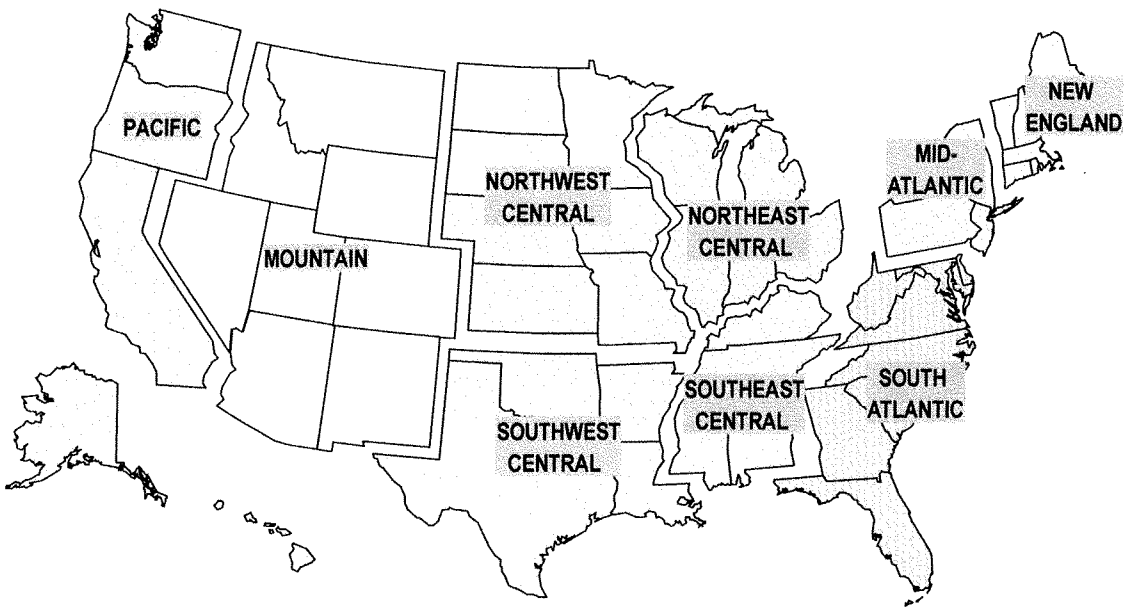
Rank	State	$ 2007 DPW	% of Total DPW 2007	2006	2005	2004	2003	*Direct Pure Loss Ratio (%) 2007	2006	2005	2004	2003	5 Yr. Avg.
1	California	61,485	12.1	12.6	13.1	13.9	13.3	52.7	46.0	51.8	53.4	62.9	53.4
2	Florida	42,031	8.3	7.8	7.3	7.5	7.2	43.5	46.0	87.9	62.1	60.4	60.0
3	New York	36,978	7.3	7.2	7.1	6.9	6.5	60.6	52.4	54.3	115.2	52.2	66.9
4	Texas	36,023	7.1	6.9	6.7	6.9	7.0	53.0	49.8	63.4	49.5	62.8	55.7
5	Illinois	21,096	4.1	4.2	4.2	4.5	4.7	58.0	56.3	56.5	62.1	70.1	60.6
6	Penn.	20,053	3.9	4.0	4.0	4.1	4.0	59.8	54.3	58.7	63.5	66.9	60.6
7	New Jersey	17,108	3.4	3.5	3.5	3.6	3.4	55.3	56.4	60.4	60.4	61.1	58.7
8	Michigan	14,813	2.9	3.1	3.3	3.5	3.4	61.9	57.4	64.0	61.6	70.6	63.1
9	Georgia	13,971	2.7	2.8	2.7	2.7	2.6	58.9	54.3	59.5	62.4	64.1	59.8
10	Ohio	13,102	2.6	2.7	2.8	3.0	3.6	52.8	48.6	53.2	53.6	65.6	54.8
11	N. Carolina	12,274	2.4	2.3	2.3	2.3	2.3	52.2	52.9	52.7	59.3	61.4	55.7
12	Mass.	11,737	2.3	2.4	2.4	2.5	2.4	47.5	45.9	55.6	55.6	59.5	52.8
13	Virginia	10,621	2.1	2.1	2.1	2.1	2.0	52.9	51.8	47.7	53.5	73.6	55.9
14	Louisiana	9,186	1.8	1.7	n/a	n/a	n/a	49.9	46.9	n/a	n/a	n/a	48.4
15	Maryland	9,171	1.8	1.8	1.8	1.9	1.8	52.8	51.3	52.6	51.8	65.8	54.9
16	Washington	9,162	1.8	1.8	1.8	1.8	1.7	53.6	56.5	48.7	53.7	56.0	53.7
17	Missouri	9,031	1.8	1.8	1.8	1.9	1.8	52.6	70.8	54.5	57.8	64.9	60.1
18	Arizona	8,998	1.8	1.8	1.7	1.7	1.7	56.7	53.1	56.2	60.1	62.1	57.6
19	Minnesota	8,848	1.7	1.7	1.8	1.8	1.7	68.7	52.8	59.8	57.4	71.5	62.0
20	Tennessee	8,587	1.7	n/a	n/a	n/a	n/a	50.4	n/a	n/a	n/a	n/a	50.4
	All other	134,179	26.4	26.2	25.8	23.3	22.2	53.2	52.0	90.2	62.3	60.0	63.5
	Total	508,454	100.0	100.0	100.0	100.0	100.0	53.8	51.8	66.9	61.0	62.1	59.1

* Direct Pure Loss Ratio is calculated by dividing losses incurred by direct earned premium.
Source: NAIC State Data Network; aggregate Schedule T for all property/casualty insurers.

Figure 2 shows the percentage of total direct written premium and loss ratio for the property/casualty industry in ten regions of the United States during 2007 as well as the 5-year average.

Figure 2

Distribution of Direct Premiums Written and Loss Ratios by Region



	Pacific	Mountain	Northwest Central	Southwest Central	Northeast Central	Southeast Central	Mid-Atlantic	South Atlantic	New England	Other*	Total All Regions
Percent Total 2007 DPW	15.8%	6.4%	6.7%	10.7%	12.9%	5.0%	14.6%	20.1%	5.1%	2.8%	100.0%
Direct Loss Ratio – 2007	52.7%	55.7%	58.0%	53.1%	57.7%	52.9%	59.1%	49.3%	50.7%	43.9%	53.8%
Direct Loss Ratio-5 yr avg	53.3%	55.7%	57.2%	69.0%	59.9%	70.8%	58.9%	60.8%	53.0%	45.6%	59.1%

*The "other" region includes American Samoa and Guam, Puerto Rico and the U.S. Virgin Islands and Canada.

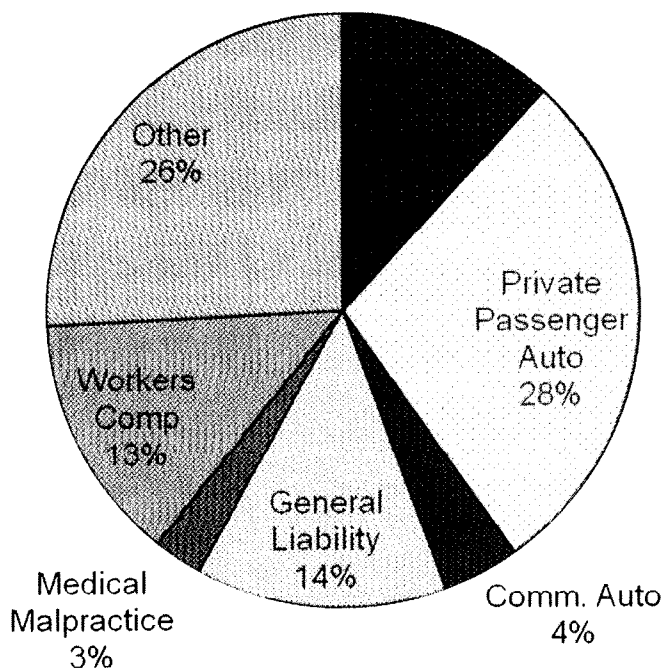
A look at the five-year average loss ratios shows that the Southwest Central and Southeast Central regions had the highest losses over the last five years. This can be attributed to the 2005 hurricane season when Hurricane Katrina and other storms made landfall along the Gulf coast. The five-year average loss ratio in these regions continued to improve as a result of reduced hurricane activity in recent years.

Figure 3 illustrates the distribution of property/casualty premium written by line of business during 2007 in Illinois. Personal-lines insurance (homeowners and private passenger automobile) continues to represent the largest portion of the property/casualty market. Private passenger automobile (27 percent), including both the liability and physical damage component, is the single largest line of business.

Pursuant to Part 4203 companies are required to file data for private passenger automobile (liability and physical damage separately), homeowners (including residential fire), commercial automobile liability, and specified insurance classes from the medical malpractice and other liability lines. The workers' compensation line of business has also been included as a separate line.

Figure 3

Percent by Line of All Property/Casualty Premiums Written in Illinois (2007)



Source: NAIC State Data Network

ANALYSIS OF THE MARKETPLACE

From both a consumer's and a regulator's standpoint, insurance regulation should provide an environment where:

1. Coverage is available.
2. Coverage is offered at a reasonable price.
3. Coverage is available from reliable insurers.

The Cost Containment Act requires the Division to analyze the marketplace each year and to recommend changes that may be needed to correct market problems.

The Division measures the overall competition of the Illinois marketplace by looking at three elements: availability, profitability, and reliability.

Availability

The Division measures availability in three ways:

1. Herfindahl/Hirschman Index (HHI) and Market Shares by Line.
2. Market Shares of Residual Market Mechanisms.
3. Participation in Alternative Risk Transfer Mechanisms.

Herfindahl/Hirschmann Index (HHI) and Market Shares by Line

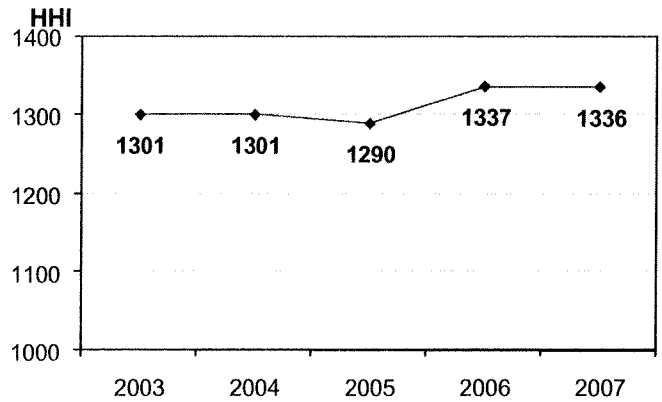
The Cost Containment Act requires the Division to collect and analyze data in five major lines of business: homeowners', private passenger automobile, commercial automobile liability, medical malpractice, and other liability. This report contains an analysis of market concentration and market share in the State of Illinois for each of these lines of business. Market concentration is determined using an economic measure known as the Herfindahl/Hirschmann Index (HHI). The HHI is the summation of the squares of each company's market share. Generally, an HHI of 1800 or above is an indication that the market may be too highly concentrated and may be approaching anti-competitive behavior.

Homeowners HHI

Figure 4 provides a graph of the HHI for Illinois homeowners' insurance from 2003 through 2007. As the chart shows, the market for homeowners' insurance continues to demonstrate a healthy level of competition. Based on the measures below, the system for cost containment appears to be appropriate for Illinois consumers.

Figure 4

Illinois Market Concentration - Homeowners (2003-2007)



The top ten Illinois homeowners' writers (including residential fire) and their market shares for 2007 and 2006 are shown in **Figures 5 and 6**.

Figure 5

Top 10 Homeowners Insurers in Illinois – 2007

Company	Direct Written Premium (000's omitted)	Direct Earned Premium (000's omitted)	Illinois Market Share	Losses Incurred	Direct Defense & Cost Cont. Exp. Incurred	Comm. & Brokerage Expenses	Taxes, Licenses & Fees
State Farm Fire And Cas Co	$769,324	$762,550	32.7%	62.0%	1.2%	13.1%	1.4%
Allstate Ind Co	224,360	212,765	9.5%	77.9%	1.9%	11.7%	0.5%
Country Mut Ins Co	183,922	178,663	7.8%	54.9%	0.8%	14.1%	1.8%
Allstate Ins Co	147,978	151,513	6.3%	53.9%	1.0%	11.5%	0.5%
American Family Mut Ins Co	124,285	125,554	5.3%	75.7%	1.0%	13.1%	0.0%
Illinois Farmers Ins Co	120,001	127,119	5.1%	72.3%	-0.3%	16.0%	1.9%
Liberty Mut Fire Ins Co	34,941	33,943	1.5%	51.4%	0.2%	13.1%	1.0%
Travelers Prop Cas Ins Co	30,530	31,333	1.3%	70.2%	1.6%	17.3%	3.2%
Economy Premier Assur Co	29,686	31,119	1.3%	34.3%	0.6%	16.2%	0.8%
Farmers Automobile Ins Assoc	28,068	27,256	1.2%	62.5%	0.5%	16.5%	1.5%

Losses incurred, defense and cost containment expenses incurred, and taxes, licenses and fees are shown as a percent of earned premium. Commission and brokerage expenses are shown as a percent of written premium.

Figure 6

Top 10 Homeowners Insurers in Illinois – 2006

Company	Direct Written Premium (000's omitted)	Direct Earned Premium (000's omitted)	Illinois Market Share	Losses Incurred	Direct Defense & Cost Cont. Exp. Incurred	Comm. & Brokerage Expenses	Taxes, Licenses & Fees
State Farm Fire And Cas Co	$ 745,292	$723,539	32.7%	63.7%	1.0%	13.2%	1.3%
Allstate Ind Co	203,424	189,808	8.9%	60.3%	1.5%	12.6%	0.9%
Country Mut Ins Co	173,608	169,282	7.6%	68.0%	0.9%	13.9%	1.9%
Allstate Ins Co	154,105	159,802	6.8%	47.2%	1.2%	11.6%	4.1%
Illinois Farmers Ins Co	132,096	130,359	5.8%	69.5%	1.6%	17.4%	1.5%
American Family Mut Ins Co	126,285	128,153	5.5%	63.3%	1.0%	12.5%	0.4%
Liberty Mut Fire Ins Co	33,217	31,722	1.5%	49.4%	1.2%	7.9%	1.0%
Economy Premier Assur Co	32,020	34,486	1.4%	43.6%	0.8%	18.5%	0.8%
Travelers Prop Cas Ins Co	30,310	25,126	1.3%	59.1%	0.7%	20.3%	4.6%
Travelers Personal Ins Co	29,629	31,529	1.3%	45.2%	0.4%	18.8%	4.0%

Losses incurred, defense and cost containment expenses incurred, and taxes, licenses and fees are shown as a percent of earned premium. Commission and brokerage expenses are shown as a percent of written premium.

Homeowners' data including residential fire and mobile home coverage are collected pursuant to Cost Containment Data and Reporting Requirements, Part 4203, subpart A. Cost containment data for homeowners are summarized for the entire State of Illinois, the City of Chicago, and downstate Illinois. State Farm Fire & Casualty Company continues to rank first in all three categories. Most insurers that write in downstate Illinois also have a presence in the City of Chicago. There were 162 insurers reporting homeowners business throughout the state and 151companies reporting direct written premium in the City of Chicago.

The top ten writers in Illinois and their market shares for 2007 were:

State Farm Fire & Casualty Co.	31.3%
Allstate Indemnity Co.	9.5%
Country Mutual Insurance Co.	7.9%
Allstate Insurance Co.	6.3%
American Family Mutual Insurance Co.	5.2%
Illinois Farmers Insurance Co.	5.2%
Liberty Mutual Fire Insurance Co.	1.5%
Farmers Automobile Insurance Assoc.	1.5%
Economy Premier Assurance Co.	1.3%
Travelers Prop Casualty Insurance Co.	1.3%
Percent of total market	71.0%

The top ten writers of homeowners insurance in Cook County in 2007 were:

State Farm Fire & Casualty Co.	32.5%
Allstate Indemnity Co.	15.9%
Allstate Insurance Co.	12.1%
American Family Mutual Insurance Co.	6.0%
Illinois Farmers Insurance Co.	4.7%
Liberty Mutual Fire Insurance Co.	1.5%
Travelers Personal Insurance Co.	1.4%
Travelers Property Casualty Insurance Co.	1.3%
Chubb National Insurance Co.	1.2%
Great Northern Insurance Co.	1.2%
Percent of total market	77.9%

The top ten writers of homeowners insurance in downstate Illinois (outside of Cook County) in 2007 were:

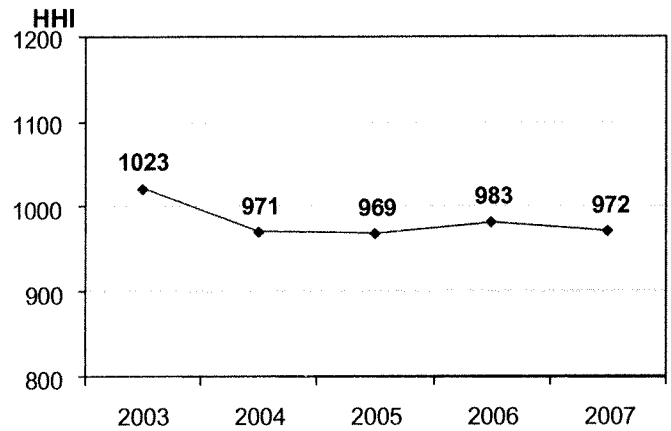
State Farm Fire And Casualty Co.	31.1%
Country Mutual Insurance Co.	9.6%
Allstate Indemnity Co.	8.1%
Illinois Farmers Insurance Co.	5.3%
Allstate Insurance Co.	5.1%
American Family Mutual Insurance Co.	5.0%
Farmers Automobile Insurance Assoc.	1.8%
Liberty Mutual Fire Insurance Co.	1.5%
Economy Premier Assurance Co.	1.4%
Metropolitan Casualty Insurance Co.	1.3%
Percent of total market	70.1%

Private Passenger Automobile HHI

Figure 7 provides a graph of the HHI for Illinois private passenger automobile insurance (including liability and physical damage) from 2003 through 2007. As reflected below, consumers of private passenger automobile insurance in Illinois continue to enjoy a stable, highly competitive market. Based on the measures below, the system for cost containment appears to be appropriate for Illinois consumers.

Figure 7

Illinois Market Concentration - Private Passenger Automobile (2003-2007)



Figures 8 and 9 show the top ten Illinois private passenger automobile writers (liability and physical damage coverage combined) and their market shares for 2007 and 2006.

Figure 8

Top 10 Private Passenger Auto Insurers in Illinois – 2007

Company	Direct Written Premium (000's omitted)	Direct Earned Premium (000's omitted)	Illinois Market Share	Losses Incurred	Direct Defense & Cost Cont. Expenses Incurred	Comm & Brokerage Expenses	Taxes, Licenses & Fees
State Farm Mut Auto Ins Co	$1,577,895	$1,592,490	28.3%	67.8%	3.0%	7.5%	0.5%
Allstate Ins Co	325,104	333,615	5.8%	47.6%	2.5%	10.4%	6.0%
American Family Mut Ins Co	279,175	275,059	5.0%	65.1%	2.5%	7.3%	-0.2%
Illinois Farmers Ins Co	270,333	266,499	4.8%	56.5%	1.7%	11.6%	2.0%
Country Mut Ins Co	269,991	277,134	4.8%	57.2%	1.0%	9.1%	1.5%
Allstate Prop & Cas Ins Co	261,347	270,557	4.7%	59.8%	3.0%	10.6%	0.1%
Country Pref Ins Co	158,695	153,409	2.8%	57.2%	1.1%	10.2%	0.7%
Allstate Fire & Cas Ins Co	156,330	136,583	2.8%	63.9%	3.9%	12.4%	0.2%
State Farm Fire And Cas Co	96,904	99,264	1.7%	73.8%	4.6%	10.1%	-4.6%
Geico Gen Ins Co	89,185	87,984	1.6%	63.3%	1.9%	0.0%	0.0%

Losses incurred, defense and cost containment expenses incurred, and taxes, licenses and fees are shown as a percent of earned premium. Commission and brokerage expenses are shown as a percent of written premium.

Figure 9

Top 10 Private Passenger Auto Insurers in Illinois – 2006

Company	Direct Written Premium (000's omitted)	Direct Earned Premium (000's omitted)	Illinois Market Share	Losses Incurred	Direct Defense & Cost Cont. Expenses Incurred	Comm & Brokerage Expenses	Taxes, Licenses & Fees
State Farm Mut Auto Ins Co	$1,576,856	$1,572,160	28.3%	65.3%	4.0%	7.5%	1.2%
Allstate Ins Co	359,320	367,744	6.5%	43.6%	3.3%	11.7%	4.2%
Allstate Prop & Cas Ins Co	300,965	309,409	5.4%	56.0%	2.7%	11.9%	0.6%
Country Mutual Ins Co	296,970	303,311	5.3%	56.0%	1.4%	9.0%	1.4%
American Family Mut Ins Co	269,736	266,781	4.8%	64.9%	5.1%	7.9%	-0.2%
Illinois Farmers Ins Co	264,356	262,109	4.8%	64.4%	3.9%	12.0%	1.3%
Country Preferred Ins Co	136,242	131,083	2.4%	55.4%	1.3%	10.1%	0.7%
State Farm Fire & Cas Co	106,265	108,669	1.9%	72.7%	4.7%	9.8%	4.9%
Geico General Ins Co	82,620	81,036	1.5%	51.7%	0.6%	0.1%	0.1%
Progressive Direct Ins Co	75,872	73,187	1.4%	52.4%	1.1%	0.0%	1.9%

Losses incurred, defense and cost containment expenses incurred, and taxes, licenses and fees are shown as a percent of earned premium. Commission and brokerage expenses are shown as a percent of written premium.

As Illinois motorists are only required to maintain automobile liability coverage the following market share totals identify the automobile liability market only. In Cook County, the top ten writers of private passenger automobile liability coverage for 2007 were:

State Farm Mutual Auto Insurance Co.	29.2%
Allstate Insurance Co.	5.8%
Allstate Property & Casualty Insurance Co.	5.6%
American Family Mutual Insurance Co.	4.4%
Illinois Farmers Insurance Co.	4.3%
Allstate Fire & Casualty Insurance Co.	4.0%
American Access Casualty Co.	3.7%
GEICO General Insurance Co.	3.2%
State Farm Fire & Casualty Co.	2.5%
Founders Insurance Co.	2.3%
Percent of total market	65.0%

The top ten writers in the downstate (outside Cook County) of private passenger automobile liability market in 2007 were:

State Farm Mutual Automobile Insurance Co.	28.6%
Country Mutual Insurance Co.	5.8%
Illinois Farmers Insurance Co.	5.7%
American Family Mutual Insurance Co.	5.5%
Allstate Prop & Casualty Insurance Co.	4.2%
Allstate Insurance Co.	4.1%
Country Preferred Insurance Co.	3.6%
Allstate Fire & Casualty Insurance Co.	2.3%

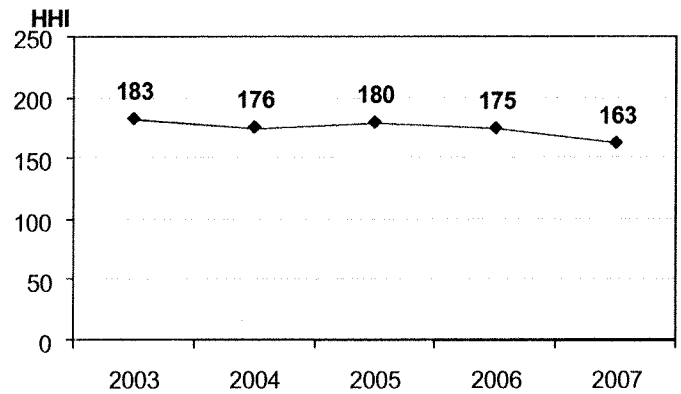
State Farm Fire And Casualty Co	1.7%
Farmers Automobile Insurance Assoc.	1.3%
Percent of total market	63.0%

Commercial Automobile Liability HHI

Figure 10 provides a graph of the HHI for Illinois commercial automobile liability from 2003 to 2007. The HHI suggests that the market concentration in Illinois for commercial automobile liability insurance continues to be very competitive. Based on the measures below, the system for cost containment appears to be appropriate for Illinois consumers.

Figure 10

Illinois Market Concentration - Commercial Automobile Liability (2003-2007)



Figures 11 and 12 show the top ten Illinois commercial automobile liability writers for 2007 and 2006.

Figure 11

Top 10 Commercial Auto Insurers in Illinois - 2007

Company	Direct Written Premium (000's omitted)	Direct Earned Premium (000's omitted)	Illinois Market Share	Losses Incurred	Direct Defense & Cost Cont. Expenses Incurred	Comm & Brokerage Expenses	Taxes, Licenses & Fees
Illinois Natl Ins Co	$36,697	$34,054	4.4%	42.0%	4.2%	7.1%	3.4%
Transguard Ins Co Of Amer Inc	32,458	32,358	3.9%	44.4%	19.8%	8.2%	0.6%
Great West Cas Co	28,752	30,304	3.5%	51.8%	7.0%	11.9%	1.3%
Lincoln Gen Ins Co	27,448	29,021	3.3%	174.8%	7.1%	17.4%	3.1%
Zurich American Ins Co	26,526	27,648	3.2%	50.3%	15.1%	11.4%	2.7%
American Serv Ins Co Inc	25,143	26,476	3.0%	49.6%	7.7%	10.2%	1.4%
Cincinnati Ins Co	23,802	24,538	2.9%	53.6%	5.1%	19.0%	0.4%
Northland Ins Co	22,739	23,705	2.8%	67.9%	6.7%	21.2%	1.7%
Travelers P&C Co Of Amer	18,733	20,583	2.3%	30.5%	3.0%	10.9%	2.4%
Acuity A Mut Ins Co	17,912	17,860	2.2%	52.7%	13.7%	15.7%	1.3%

Losses incurred, defense and cost containment expenses incurred, and taxes, licenses and fees are shown as a percent of earned premium. Commission and brokerage expenses are shown as a percent of written premium.

Figure 12

Top 10 Commercial Auto Insurers in Illinois - 2006

Company	Direct Written Premium (000's omitted)	Direct Earned Premium (000's omitted)	Illinois Market Share	Losses Incurred	Direct Defense & Cost Cont. Expenses Incurred	Comm & Brokerage Expenses	Taxes, Licenses & Fees
Transguard Ins Co Of Amer Inc	$39,609	$39,768	4.5%	49.4%	7.7%	7.7%	1.0%
Illinois Natl Ins Co	32,301	33,261	3.7%	24.5%	4.2%	7.9%	3.1%
Great West Cas Co	32,194	32,081	3.7%	70.2%	6.5%	11.3%	2.3%
Lincoln General Ins Co	32,071	29,582	3.7%	64.5%	2.7%	17.2%	3.6%
American Service Ins Co Inc	28,430	29,015	3.2%	44.6%	11.2%	10.8%	1.1%
State Farm Mut Auto Ins Co	28,348	27,921	3.2%	49.8%	4.2%	8.6%	1.4%
Zurich American Ins Co	26,828	28,743	3.1%	49.4%	5.6%	11.1%	2.2%
Cincinnati Ins Co	25,117	25,546	2.9%	47.7%	0.4%	21.0%	1.4%
Northland Ins Co	24,491	24,188	2.8%	54.8%	3.5%	19.5%	2.1%
Progressive Premier Ins Co Of IL	19,665	18,808	2.2%	59.8%	4.8%	9.8%	1.0%

Losses incurred, defense and cost containment expenses incurred, and taxes, licenses and fees are shown as a percent of earned premium. Commission and brokerage expenses are shown as a percent of written premium.

Pursuant to Part 4203, data are collected for specified classes of commercial automobile liability insurance through the Cost Containment filings. The four classes of business are fleet combined trucks, tractors and trailers, non-fleet combined trucks, tractors and trailers, fleet taxicabs and public livery, and non-fleet taxicabs and public livery.

The following are the top ten writers of commercial automobile insurance for the combined four classes in Illinois for 2007.

Transgaurd Insurance Co of America Inc.	7.5%
American Service Insurance Co. Inc.	5.8%
Cincinnati Insurance Co.	5.3%
Lincoln General Insurance Co.	4.6%
Northland Insurance Co.	4.2%
West Bend Mutual Insurance Co.	3.3%
Progressive Premier Insurance Co. of IL	2.8%
Great West Casualty Co.	2.8%
American Country Insurance Co.	2.6%
Country Mutual Insurance Co.	2.5%
Percent of total market	41.4%

The combined fleet and non-fleet coverage for trucks, tractors, and trailers market remains very competitive in Illinois. There were 224 companies that wrote coverage in these two classes in 2007, with 71 companies writing in excess of $1 million in premium.

The top writers in this market are:

Transgaurd Insurance Co of America Inc.	8.5%
American Service Insurance Co. Inc.	6.0%
Cincinnati Insurance Co.	5.2%
Lincoln General Insurance Co.	4.7%
Northland Insurance Co.	3.8%
West Bend Mutual Insurance Co.	3.2%
Progressive Premier Insurance Co. of IL	3.2%
Great West Casualty Co.	2.9%
American Country Insurance Co.	2.9%
Country Mutual Insurance Co.	2.8%
Percent of total market	43.1%

There were 52 companies that wrote coverage in the fleet or non-fleet taxicabs and public livery classes in Illinois in 2007. Of these, the top ten largest writers accounted for 97.1% of all premiums written for this type of business, with the top two making up 71.3%. These two insurers are part of the same group of companies. American Country Insurance Company, the second largest insurer of this type of business, insures the two largest taxicab firms in Chicago and the State of Illinois. The Division carefully monitors this market because of their significant market share.

American Service Insurance Co. Inc.	45.6%
American Country Insurance Co.	25.7%
Lancer Insurance Co.	6.6%
Sentry Select Insurance Co.	6.4%
Allied Property & Casualty Insurance Co.	4.9%
Rockford Mutual Insurance Co.	2.8%

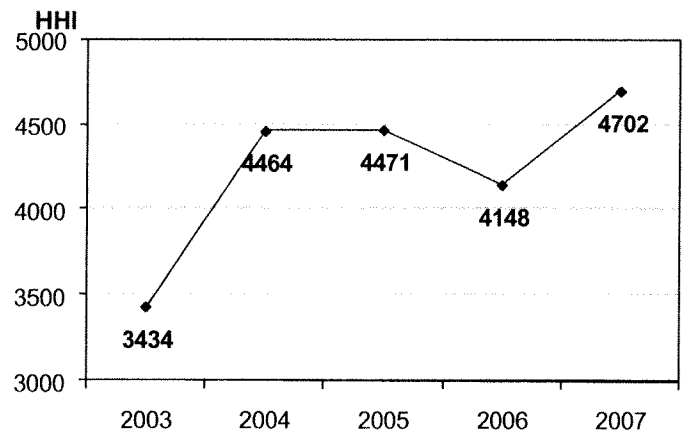
Selective Insurance Co. of SC	1.7%
Northland Insurance Co.	1.5%
Empire Fire & Marine Insurance Co.	1.2%
Gateway Insurance Co.	0.6%
Percent of total market	97.1%

Medical Malpractice HHI

Figure 13 provides a graph of the HHI for Illinois medical malpractice coverage from 2003 through 2007. As is the case for most other states, the largest writer in Illinois of medical malpractice coverage is a physician-affiliated exchange. In Illinois that provider is the ISMIE Mutual Insurance Company, which wrote 67.8 percent of the medical malpractice coverage in 2007. The second largest medical malpractice insurer, by direct written premium, was American Physicians Assurance Corp., which wrote only 6.4 percent of the business. As the chart shows, the market continues to be highly concentrated with an HHI well above the 1800 level.

Figure 13

Illinois Market Concentration - Medical Malpractice (2003-2007)



Figures 14 and 15 show the top ten Illinois medical malpractice writers and their market shares for 2007 and 2006.

Figure 14

Top 10 Medical Malpractice Insurers in Illinois – 2007

Company	Direct Written Premium (000's omitted)	Direct Earned Premium (000's omitted)	Illinois Market Share	Losses Incurred	Direct Defense & Cost Cont. Exp. Incurred	Comm. & Brokerage Expenses	Taxes, Licenses & Fees
ISMIE Mut Ins Co	$371,282	$370,711	67.8%	39.0%	29.1%	5.2%	0.9%
American Physicians Assur Corp	35,160	39,223	6.4%	28.8%	38.4%	8.3%	1.0%
Professional Liab Ins Co Of Amer	23,607	28,551	4.3%	3.1%	5.6%	10.0%	2.1%
Medical Protective Co	22,549	20,777	4.1%	67.1%	4.5%	7.5%	-1.0%
Pronational Ins Co	19,898	20,852	3.6%	23.9%	55.1%	8.9%	4.9%
Medical Alliance Ins Co	10,987	11,799	2.0%	48.5%	23.9%	3.2%	0.9%
American Cas Co Of Reading PA	7,131	6,794	1.3%	41.1%	30.1%	32.9%	-1.3%
Podiatry Ins Co Of Amer A Mut Co	6,618	6,536	1.2%	82.0%	42.8%	0.6%	0.8%
Cincinnati Ins Co	5,156	5,293	0.9%	104.7%	15.4%	16.8%	0.4%
NCMIC Ins Co	4,908	5,256	0.9%	28.9%	18.7%	0.0%	5.6%

Losses incurred, defense and cost containment expenses incurred, and taxes, licenses and fees are shown as a percent of earned premium. Commission and brokerage expenses are shown as a percent of written premium.

Figure 15

Top 10 Medical Malpractice Insurers in Illinois – 2006

Company	Direct Written Premium (000's omitted)	Direct Earned Premium (000's omitted)	Illinois Market Share	Losses Incurred	Direct Defense & Cost Cont. Exp. Incurred	Comm. & Brokerage Expenses	Taxes, Licenses & Fees
ISMIE Mut Ins Co	$384,043	$382,580	63.3%	41.8%	22.5%	4.5%	0.4%
American Physicians Assur Corp	48,421	52,137	8.0%	49.8%	21.8%	7.9%	1.5%
Professional Liab Ins Co Of Amer	35,969	32,957	5.9%	4.9%	2.6%	7.7%	2.1%
Pronational Ins Co	24,147	25,948	4.0%	38.5%	65.7%	8.9%	2.3%
Medical Protective Co	16,272	16,232	2.7%	26.3%	43.6%	6.2%	1.7%
Continental Cas Co	14,667	10,388	2.4%	-95.9%	-50.4%	3.6%	2.3%
Medical Alliance Ins Co	13,190	12,958	2.2%	48.0%	9.2%	3.6%	0.9%
Podiatry Ins Co Of Amer A Mut Co	6,910	6,654	1.1%	11.3%	18.0%	0.5%	1.8%
Physicians Ins Co Of WI	6,074	5,782	1.0%	69.9%	162.4%	11.7%	0.7%
Chicago Ins Co	5,550	5,676	0.9%	47.3%	25.4%	19.1%	0.7%

Losses incurred, defense and cost containment expenses incurred, and taxes, licenses and fees are shown as a percent of earned premium. Commission and brokerage expenses are shown as a percent of written premium.

Cost Containment data reporting require medical malpractice insurers to report data only for certain surgical/non-surgical classes for physicians, surgeons and dentists. The medical malpractice insurance market in Illinois is extremely concentrated, with only thirty companies writing business, of which the top ten writers make up 96.4% of the market. Listed below are these top ten writers in the Cost Containment classes and their market shares in Illinois for 2007.

ISMIE Mutual Insurance Co.	73.6%
American Physicians Assurance Corp	6.8%
Medical Protective Co.	4.4%
Pronational Insurance Co.	3.7%
Professional Liability Insurance Co. of America	2.3%
Medical Alliance Insurance Co.	2.2%
Medicus Insurance Co.	1.6%
Darwin National Assurance Co.	0.7%
National Union Fire Insurance Co. Of Pittsburgh	0.7%
Cincinnati Insurance Co.	0.6%
Percent of total market	96.4%

The top ten writers of medical surgery coverage in Illinois during 2007 are as follows:

ISMIE Mutual Insurance Co.	78.1%
American Physicians Assurance Corp	6.5%
Professional Liability Insurance Co. of America	5.3%
Pronational Insurance Co.	3.4%
Medical Protective Co.	2.7%
Medical Alliance Insurance Co.	2.3%
Doctors Co An Interinsurance Exchange	1.1%
Doctors Direct Insurance Inc.	0.4%
Preferred Professional Insurance Co.	0.2%
Medical Liability Alliance	0.1%
Percent of total market	100.0%

The top ten writers of medical non-surgery coverage in Illinois during 2007 were:

ISMIE Mutual Insurance Co.	70.6%
Medical Alliance Insurance Co.	10.9%
American Physicians Assurance Corp	6.8%
Professional Liability Insurance Co. of America	4.8%
Medical Protective Co.	3.8%
Pronational Insurance Co.	2.3%
Preferred Professional Insurance Co.	0.6%
Medical Liability Alliance	0.1%
Cincinnati Insurance Co.	0.0%
Percent of total market	100.0%

The top ten writers of physicians, surgeons and dentists coverage in classes not otherwise classified during 2007 in Illinois were:

ISMIE Mutual Ins Co.	76.6%
American Physicians Assurance Corp	7.3%
Medical Protective Co.	5.3%
Pronational Insurance Co.	4.3%
Darwin National Assurance Co.	1.4%
National Union Fire Insurance Co. Of Pittsburgh	1.3%

Cincinnati Insurance Co.	1.2%
ProAssurance WI Insurance Co.	1.1%
Medical Alliance Insurance Co.	0.6%
Preferred Professional Insurance Co.	0.3%
Percent of total market	99.3%

The top ten writers of dentists and oral surgery insurance in Illinois during 2007 are as follows:

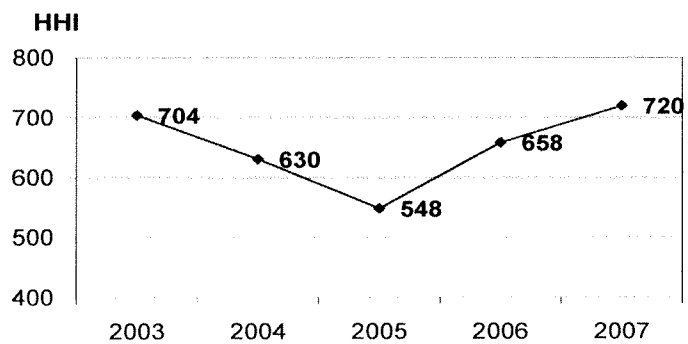
American Insurance Co.	25.7%
Oms National Insurance Co.	18.9%
Medical Protective Co.	17.8%
Ace American Insurance Co.	10.8%
Continental Casualty Co.	8.2%
Fortress Insurance Co.	7.5%
Truck Insurance Exchange	4.9%
National Casualty Co.	4.5%
Farmers Insurance Exchange	1.1%
Pronational Insurance Co.	0.3%
Percent of total market	99.3%

Other Liability HHI

Figure 16 provides a graph of the HHI for Illinois other liability insurance from 2003 through 2007. The figure indicates that the market for other liability insurance in Illinois continues to be very competitive. Based on the measures below, the system for cost containment appears to be appropriate for Illinois consumers.

Figure 16

Illinois Market Concentration - Other Liability (2003 - 2007)



Figures 17 and 18 show the top ten Illinois other liability writers and their market shares for 2007 and 2006.

Figure 17

Top 10 General Liability Insurers in Illinois – 2007

Company	Direct Written Premium (000's omitted)	Direct Earned Premium (000's omitted)	Illinois Market Share	Losses Incurred	Direct Defense & Cost Cont. Exp. Incurred	Comm. & Brokerage Expenses	Taxes, Licenses & Fees
Illinois Natl Ins Co	$633,759	$555,294	22.8%	103.2%	13.8%	1.8%	2.4%
New Hampshire Ins Co	262,218	191,659	9.4%	94.0%	2.4%	0.3%	4.9%
Zurich American Ins Co	137,490	106,227	4.9%	79.8%	54.7%	13.6%	-0.8%
Federal Ins Co	136,736	145,695	4.9%	81.2%	31.1%	10.4%	2.6%
Continental Cas Co	85,116	83,224	3.1%	37.7%	11.4%	12.2%	-1.3%
Ace Amer Ins Co	76,476	75,250	2.8%	57.4%	10.3%	4.5%	3.3%
Natl Union Fire Ins Co Of Pitts	73,308	62,183	2.6%	188.5%	33.9%	5.0%	4.5%
Underwriters At Lloyds London	62,485	59,518	2.2%	51.1%	104.8%	14.1%	0.7%
St Paul Fire & Marine Ins Co	53,403	53,982	1.9%	52.9%	10.2%	11.6%	1.8%
State Farm Fire And Cas Co	53,018	47,982	1.9%	111.0%	3.1%	13.6%	1.5%

Losses incurred, defense and cost containment expenses incurred, and taxes, licenses and fees are shown as a percent of earned premium. Commission and brokerage expenses are shown as a percent of written premium.

Figure 18

Top 10 General Liability Insurers in Illinois – 2006

Company	Direct Written Premium (000's omitted)	Direct Earned Premium (000's omitted)	Illinois Market Share	Losses Incurred	Direct Defense & Cost Cont. Exp. Incurred	Comm. & Brokerage Expenses	Taxes, Licenses & Fees
Illinois Natl Ins Co	$631,900	$504,893	21.1%	86.3%	8.7%	1.7%	2.6%
Zurich American Ins Co	254,314	284,179	8.5%	77.4%	18.3%	7.3%	2.9%
New Hampshire Ins Co	216,185	216,586	7.2%	126.7%	6.6%	0.1%	3.5%
Federal Ins Co	153,209	150,680	5.1%	54.8%	31.9%	10.2%	2.6%
Zurich American Ins Co Of IL	99,306	116,533	3.3%	72.4%	20.3%	0.3%	0.4%
Continental Cas Co	83,638	86,134	2.8%	-92.7%	-33.9%	12.1%	2.1%
Nat. Union Fire Ins Co Of Pitts	73,578	91,137	2.5%	-20.4%	16.3%	5.4%	2.9%
Ace American Ins Co	69,252	68,223	2.3%	80.5%	13.1%	4.4%	-1.6%
Underwriters At Lloyds London	65,097	63,123	2.2%	-1.1%	-19.6%	13.3%	0.2%
St Paul Fire & Marine Ins Co	54,091	52,476	1.8%	35.1%	15.0%	10.5%	3.4%

Losses incurred, defense and cost containment expenses incurred, and taxes, licenses and fees are shown as a percent of earned premium. Commission and brokerage expenses are shown as a percent of written premium.

Within the other liability line of business, the Division collects cost containment data for three main classes of coverage. These are liquor liability, lawyers' professional liability and commercial day care liability.

The top ten insurers by market share for other liability coverage in Illinois for all three of the above-mentioned classes combined in 2007 were:

Underwriters At Lloyds London	20.7%
Continental Casualty Co.	20.5%
Illinois State Bar Assn. Mutual Insurance Co.	15.4%
Chicago Insurance Co.	7.4%
Illinois Casualty Co. A Mutual Co.	5.6%
American Guaranty & Liability Insurance	3.8%
Founders Insurance Co.	2.2%
Executive Risk Indemnity Inc	2.1%
First Financial Insurance Co.	1.7%
Westchester Fire Insurance Co.	1.5%
Percent of total market	80.9%

The following identifies the top insurers by market share for the individual classes identified above. In 2007, one hundred and seven companies wrote liquor liability coverage in Illinois. Six reported premium in excess of $1 million. The top 10 writers in the liquor liability market in Illinois for 2007 are:

Illinois Casualty Co. A Mutual Co.	25.6%
Underwriters At Lloyds London	21.9%
Founders Insurance Co.	10.1%
First Financial Insurance Co.	7.7%
Badger Mutual Insurance Co.	6.6%
RSUI Indemnity Co.	4.7%
Constitutional Casualty Co.	4.0%
Springfield Fire & Casualty	3.9%
Capitol Indemnity Corp.	3.0%
North Pointe Insurance Co.	1.6%
Percent of total market	89.0%

The top ten writers of lawyers' professional liability insurance are:

Continental Casualty Co.	27.3%
Underwriters At Lloyds London	21.2%
Illinois State Bar Assn Mutual Ins Co.	20.5%
Chicago Insurance Co.	9.8%
American Guaranty & Liability Insurance	5.0%
Executive Risk Indemnity Inc.	2.8%
Westchester Fire Ins Co.	2.0%
Greenwich Insurance Co.	1.9%
Navigators Insurance Co.	1.6%
St Paul Fire & Marine Insurance Co.	1.4%
Percent of total market	93.7%

For commercial daycare insurance, the top ten writers of this coverage in Illinois during 2007 were:

West Bend Mutual Insurance Co.	40.2%
Capitol Indemnity Corp.	14.0%
Riverport Insurance Co.	11.3%
Philadelphia Indemnity Insurance Co.	8.3%
Markel Insurance Co.	5.6%
Cincinnati Insurance Co.	3.7%
Church Mutual Insurance Co.	3.5%
Brotherhood Mutual Insurance Co.	2.0%
Stonington Insurance Co.	1.9%
Guideone Mutual Insurance Co.	1.3%
Percent of total market	91.8%

Additionally, home daycare liability, which may be attached to a residential homeowner's coverage form is available. Insurers writing coverage for home daycare in Illinois in 2007 were:

State Farm Fire and Casualty Co.	66.4%
Country Mutual Insurance Co.	14.6%
Allstate Indemnity Co.	10.6%
Allstate Insurance Co.	6.4%
Percent of total market	98.0%

Market Shares of Residual Market Mechanisms

States establish residual market mechanisms to provide coverage for consumers who are unable to buy coverage in the voluntary market. Illinois residual market mechanisms provide essential insurance coverage for the hard-to-place risk at rate levels approved by the Division. 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 are placed directly through the FAIR Plan. Both personal and commercial insurance is available. 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 and only a very small percentage of consumers obtain coverage through the FAIR Plan. In addition, Illinois consumers are not at a coverage disadvantage when they buy insurance from the FAIR Plan, as is the case in many other states. In other states, property residual market programs offer only dwelling fire or basic homeowners' policies. Illinois has one of the most progressive plans in the nation. Through the FAIR Plan, Illinois consumers can buy virtually the same coverages that are available in the voluntary marketplace, including guaranteed replacement cost, sewer

back-up, earthquake, and building ordinance and law endorsements.

Figure 19 shows the total amount of dwelling and homeowners' premium written by the FAIR Plan as well as a percentage of all dwelling and homeowners' premium written in Illinois from 2003 through 2007.

Figure 19

Written Premiums for Illinois FAIR Plan (2003-2007)

	Amount of Written Premiums	As % of Total Written Premiums
2003	$9,800,000	0.49%
2004	$11,030,119	0.52%
2005	$9,073,367	0.41%
2006	$7,018,505	0.31%
2007	$6,047,739	0.26%

Source: Premium amounts provided by Illinois FAIR Plan

Automobile - The Illinois Automobile Insurance Plan (Auto Plan)

Private passenger automobile risks are assigned to private passenger automobile insurers on a rotational basis in proportion to their voluntary market shares. Assignments stay with the company and are not shared with other writers. 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.

Figure 20 shows the 2003 through 2007 market shares for the Illinois Automobile Insurance Plan compared to nationwide data. The percent of written car-years is derived by dividing the number of written car-years insured through the residual market by the total number of written car-years insured through the voluntary market. Note that Illinois has a significantly smaller number of automobiles in the residual market than the nationwide composite.

The percent of insured automobiles in the Illinois Automobile Insurance Plan was three hundredths of a percent of the total market in 2006. This figure reinforces the fact that the voluntary auto insurance market in Illinois is extremely competitive.

Figure 20

Percent of Automobiles in the Illinois Assigned Risk Plan and the United States Composite Automobile Residual Market (2003-2007)

	2003	2004	2005	2006	2007
Illinois	0.06%	0.05%	0.04%	0.03%	0.02%
Nationwide	0.54%	1.43%	1.27%	1.21%	1.10%

Source: AIPSO Facts 2009 (based on liability car-years)

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.

Figure 21 shows the percent of Illinois workers' compensation premiums written through the Pool from 2003 through 2007. The chart shows the amount of business being written in the residual market. During 2007, only four percent of Illinois direct premiums written for workers' compensation were written through the Pool.

The numbers illustrated in Figure 21 are from the NCCI and may not reconcile with numbers found in previous reports.

Figure 21

Percent of Illinois Workers' Compensation Written Through the Pool (2003-2007)

	2003	2004	2005	2006	2007
Percent of Total	10.0%	7.8%	6.2%	4.7%	4.0%

Source: National Council on Compensation Insurance (NCCI)

All insurers who write Workers' Compensation insurance are assessed a fee to fund the Assigned Risk Plan. The Take-Out Program allows each insurer that removes an employer insured through the Plan to be eligible for a credit against the fee's they are assessed. **Figure 22** shows the Take-Out Credit results for 2006 and 2007.

Figure 22 Illinois Take-Out Credit Results in 2006 and 2007

Year	Total Number of Policies Approved	Approved Credit
2006	9,066	$93,447,192
2007	8,055	$69,718,956

*Source: National Council on Compensation Insurance (NCCI)

Figure 23 shows the total premium in Illinois for the top ten class codes in the pool for calendar year 2007 based on written premium.

Figure 23

Illinois Residual Market Top Ten Classification Codes by Premium Volume for 2007

Rank	Code	Description	Total State Premium	% of Premium
1	5645	Carpentry – Detached One Or Two Family Dwellings	$7,604,407	6.99%
2	7228	Trucking-Local Hauling Only	$5,051,608	4.65%
3	5551	Roofing-All Kinds & Yard Employees	$4,575,454	4.21%
4	8835	Nursing – Home Health Public And Traveling – All Employees	$3,474,333	3.20%
5	5606	Contractor – Project Manager Construction Executive	$3,338,192	3.07%
6	7229	Trucking – Long Distance Hauling	$3,265,406	3.00%
7	8861	Charitable Or Welfare-Professional Employees And Clerical	$2,377,382	2.19%
8	9014	Janitorial Services By Contractors-No Window Cleaning Above Ground Level	$2,113,332	1.94%
9	5474	Painting Or Paperhanging NOC	$2,041,462	1.88%
10	5022	Masonry NOC	$2,034,321	1.87%

Source: National Council on Compensation Insurance (NCCI)

Participation in Alternative Risk Transfer Mechanisms

Traditionally, the level of participation in alternative markets is an indicator of how well the admitted market is doing at providing coverage or providing coverage at prices consumers perceive to be reasonable. Therefore, to assess the insurance marketplace in terms of availability one must look at the level of activity in these alternative markets.

One problem with the non-admitted market is the lack of means by which it can be monitored. Because of the Division's limited authority over many of the alternative mechanisms, the number of risks placed and the amount of premium written cannot be assessed and a complete picture of this aspect of the insurance marketplace is unattainable. This problem has become more prevalent as the size of the transfer of risk alternative markets continues to grow.

Surplus lines refers to insurance 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 Division has less jurisdiction over unlicensed companies and the Illinois Insurance Guaranty Fund provides no protection for the consumer. Thus, it is the producer and not the Division who must determine the company's financial stability and standards of management prior to submitting the risk.

Figure 24 shows the number of policies written in Illinois from 2003 to 2007 through surplus lines producers for homeowners', private passenger auto liability and physical damage, commercial auto liability, medical malpractice, and general liability coverage.

Figure 24

Surplus Lines - Number of primary and excess policies written in Illinois (2003 - 2007)

Line of Business	2003 Illinois Policy Count	2004 Illinois Policy Count	2005 Illinois Policy Count	2006 Illinois Policy Count	2007 Illinois Policy Count
Homeowners'	1,340	860	535	352	357
PPA Liability	410	293	189	124	157
PPA Physical Damage	7,210	9,074	7,426	5,722	7,049
Commercial Auto Liability	22	55	77	148	121
Medical Malpractice	701	752	892	940	1,160
General Liability	20,857	25,310	26,137	25,696	29,001

Source: Surplus Lines Association of Illinois

INEX (previously the Illinois Insurance Exchange) provides a market for direct insurance and reinsurance. It is comprised of syndicates which underwrite and insure risks, and brokers who are authorized to place business with those syndicates. Fashioned after Lloyd's of London, INEX serves as a facilitator, record keeper and regulator for the operations of its members. INEX submits an annual financial statement to the Division reflecting both its combined financial position and the financial position of each individual syndicate.

Insurance Pools are groups that join together for the purpose of sharing certain risks on an agreed-upon basis. Participants may consolidate their risk exposures without being subject to the same regulatory requirements as admitted insurers. Pools organized under the following Acts are allowed in Illinois:

> *The Workers' Compensation Act* allows entities that are members of a trade association or that have similar risk characteristics to form a risk-sharing pool. Each pool must submit annual financial statements, CPA audited reports, and actuarial opinions to the Division and are subject to examination by the Director.
>
> *The Religious and Charitable Risk Pooling Trust Act* permits entities having an IRS 501c(3) exemption (a non-profit entity) or hospitals owned and operated by a unit of local government to form a trust to pool their risks. These trust funds can only operate with prior approval of the Director. The trusts must make annual CPA audited reports to the Division and are subject to examination by the Director.
>
> *The Intergovernmental Cooperation Act* enables units of local government to enter into a pooling arrangement with other similar entities for the purpose of risk sharing. These pooling arrangements are not regulated by the Division, however, they must register with the Division and file annual audited financial statements.

Risk Retention and Purchasing Groups are allowed under the Federal Liability Risk Retention Act of 1986. This Act eliminated barriers to group self-insurance programs by allowing them to buy group liability insurance. At the end of year 2007, there were 433 registered purchasing groups, 109 registered foreign risk retention groups and one registered domestic risk retention group.

Captive Insurance Companies may be formed by:

- A company or group of companies to insure their own risks and exposures;
- An association to insure the member organizations; or by
- Industrial insured groups.

Illinois captives are regulated by the Division. They are required to file certain financial information with the Division and are subject to examination by the Director.

Self-insurance occurs when individuals or businesses retain their own risks. Entities that self-insure are under no obligation to report premiums, losses, or expenses to any statistical association or regulatory body.

Profitability

In monitoring competition in general and price performance in particular, the Division does not examine individual insurer prices for appropriateness. Instead, it monitors the effectiveness of competition, examining the pattern of profits throughout the market.

In examining profitability, the Director must balance the seemingly divergent concerns of consumers and insurers. To protect consumers, rates must not be excessive. To ensure insurance company solvency, rates should be adequate to cover the risk assumed as well as company viability and profitability. There is a fine line between rates that are excessive and rates that are inadequate, especially since insurance policies must be priced long before the results of the pricing decisions are known.

The Division must also be concerned about the long-term viability of the insurance marketplace, including the financial viability of the companies that insure consumers.

Illinois-specific Underwriting Results Compared to Countrywide Results

For each of the coverages listed below, this section contains:

1. Combined underwriting results for business written in Illinois and business written countrywide; and
2. A five-year trend for Illinois losses as a percent of premiums earned, compared to the five-year trend for countrywide losses.

Personal Lines Insurance

In **Figures 25** through **36** "countrywide" data reflects nationwide premiums generated by Illinois licensed insurers. This data comes from the Insurance Expense Exhibit Part III.

Homeowners

Figure 25 shows a comparison of the underwriting results of homeowners insurance written in Illinois with that written nationwide during 2007. As figure 25 shows, incurred losses in Illinois for the year were higher than the nationwide losses.

Figure 25

Homeowners' Underwriting Results (2007)

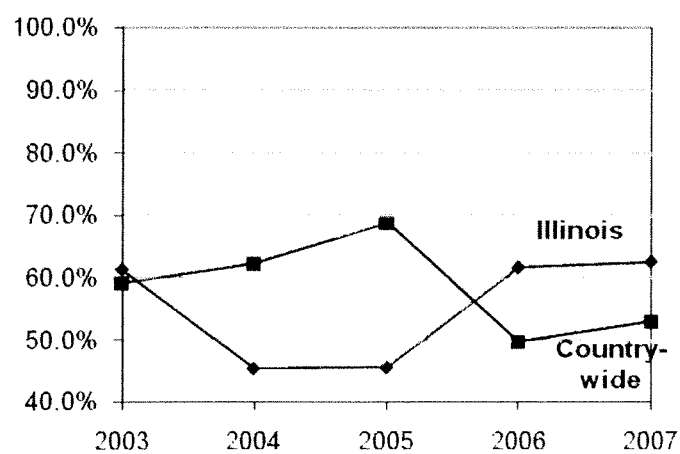
Homeowners ($000 omitted)	Illinois*	Countrywide**
Direct written premiums	$2,353,766	$46,205,460
Direct earned premiums	$2,321,924	$45,545,408
Expenses (% premium)		
Incurred losses	62.6%	52.9%
Def. & cost cont. exp. Incurred	1.2%	1.5%
Comm./brokerage	13.7%	13.4%
Taxes, licenses & fees	1.4%	2.5%

*Source: NAIC State Data Network, 2007 Illinois State Page Exhibit.
**Source: NAIC State Data Network 2007 Insurance Expense Exhibit Part III, Illinois-licensed insurers.

Figure 26 compares the five-year trend for loss percentages in Illinois and countrywide in the homeowners line of business.

Figure 26

Homeowners Losses as a percent of Premiums Earned (2003-2007)



Private Passenger Automobile

Figure 27 compares the underwriting results of private passenger automobile insurance written in Illinois with that written countrywide during 2007. Losses incurred in the private passenger automobile line of business were comparable to nationwide losses.

Figure 27

Private Passenger Auto Underwriting Results (2007)

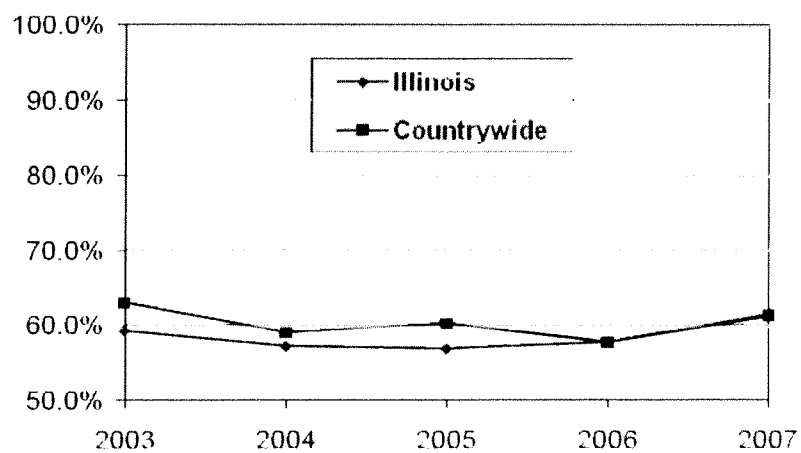
Private Passenger Auto ($000 omitted)	**Illinois***	**Countrywide****
Direct written premiums	$5,577,019	$122,422,949
Direct earned premiums	$5,582,022	$122,662,919
Expenses (*% premium*)		
Incurred losses	61.1%	61.4%
Def. & cost cont. exp. incurred	2.6%	2.2%
Comm./brokerage	10.4%	8.6%
Taxes, licenses & fees	1.2%	2.3%

*Source: NAIC State Data Network, 2007 Illinois State Page Exhibit.
**Source: NAIC State Data Network 2007 Insurance Expense Exhibit Part III Illinois-licensed insurers.

Figure 28 shows the five-year trend for loss percentages in the private passenger automobile line for Illinois and countrywide. As the chart shows, the Illinois private passenger automobile loss percentages have trended close to countrywide loss percentages over the past five years.

Figure 28

Private Passenger Auto Losses as a percent of Premiums Earned (2003-2007)



Commercial Automobile Liability

Figure 29 shows that the underwriting results in the Illinois commercial automobile liability line during 2007 were similar to those countrywide.

Figure 29

Commercial Automobile Liability Underwriting Results (2007)

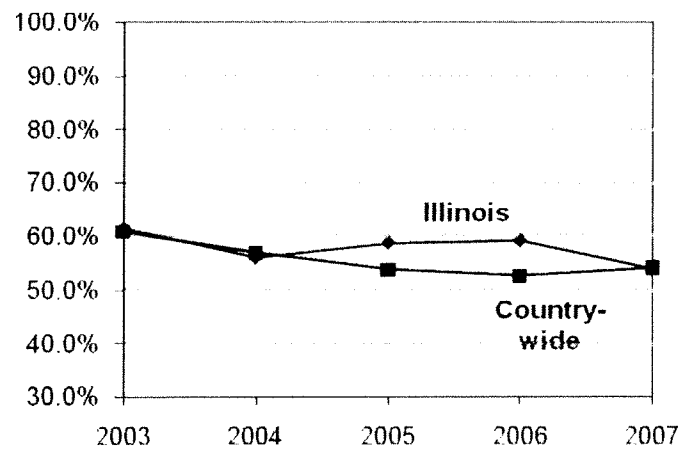
Commercial Auto Liability ($000 omitted)	Illinois*	Countrywide**
Direct written premiums	$825,904	$17,492,597
Direct earned premiums	$849,609	$17,612,268
Expenses (*% premium*)		
Incurred losses	53.8%	54.1%
Def. & cost cont. exp. incurred	7.5%	6.6%
Comm./brokerage	14.1%	14.2%
Taxes, licenses & fees	1.6%	2.7%

*Source: NAIC State Data Network, 2007 Illinois State Page Exhibit.
**Source: NAIC State Data Network 2007 Insurance Expense Exhibit Part III Illinois-licensed insurers.

Figure 30 compares the five-year trend for loss percentage for Illinois and countrywide commercial automobile liability. The trend over the past five years in loss percentages in Illinois has been very similar to losses countrywide.

Figure 30

Commercial Auto Liability Losses as a percent of Premiums Earned (2003-2007)



Medical Malpractice

Figure 31 shows the underwriting results for the medical malpractice market in Illinois and countrywide for 2007.

Figure 31

Medical Malpractice Underwriting Results (2007)

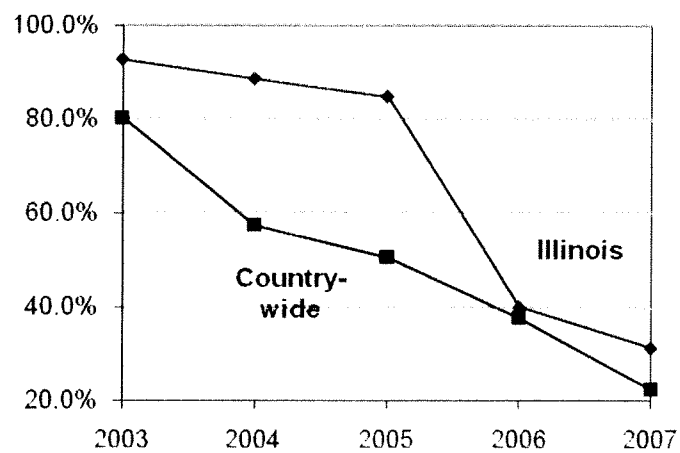
Medical Malpractice ($000 omitted)	Illinois *	Countrywide**
Direct written premiums	$538,170	$4,822,475
Direct earned premiums	$545,887	$4,897,090
Expenses (*% premium*)		
Incurred losses	42.4%	33.1%
Def. & cost cont. exp. incurred	31.3%	22.5%
Comm./brokerage	7.3%	9.0%
Taxes, licenses & fees	1.1%	2.0%

*Source: NAIC State Data Network, 2007 Illinois State Page Exhibit
**Source: NAIC State Data Network 2007 Insurance Expense Exhibit Part III, Illinois-licensed insurers.

Figure 32 compares the five-year loss percentages trend for Illinois and countrywide medical malpractice insurance. After soaring to over 150% of earned premium in 2002, losses in Illinois have dropped each year.

Figure 32

Medical Malpractice Losses as a percent of Premiums Earned (2003-2007)



Other Liability

Figure 33 compares the underwriting results between Illinois and countrywide for the other liability line of business.

Figure 33

General Liability Underwriting Results (2007)

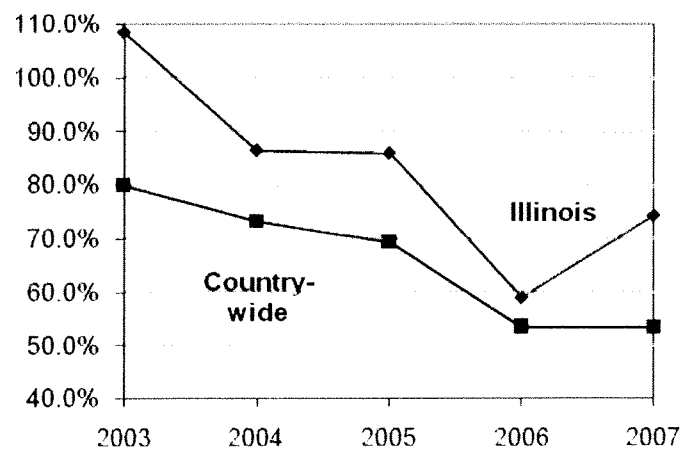
Other Liability ($000 omitted)	Illinois*	Countrywide**
Direct written premiums	$2,712,543	$39,859,852
Direct earned premiums	$2,578,838	$39,256,563
Expenses (*% premium*)		
Incurred losses	74.4%	53.4%
Def. & cost cont. exp. incurred	17.8%	13.1%
Comm./brokerage	8.6%	12.4%
Taxes, licenses & fees	2.0%	2.3%

*Source: NAIC State Data Network, 2007 Illinois State Page Exhibit
**Source: NAIC State Data Network 2007 Insurance Expense Exhibit Part III, Illinois-licensed insurers.

Figure 34 compares the five-year trend for loss percentages for Illinois and countrywide for other liability insurance. Losses as a percent of earned premium in Illinois in the other liability line of business experienced a significant increase while the national percent remained steady.

Figure 34

Other Liability Losses as a percent of Premiums Earned (2003-2007)



Workers' Compensation

Beginning in 2004, the loss ratio in the workers' compensation market in Illinois has been above the national loss ratio, but declined from 2006 to 2007.

Figure 35 shows a comparison of the underwriting results in 2007 in the workers' compensation line of business between Illinois and nationwide.

Figure 35

Workers' Compensation Underwriting Results (2007)

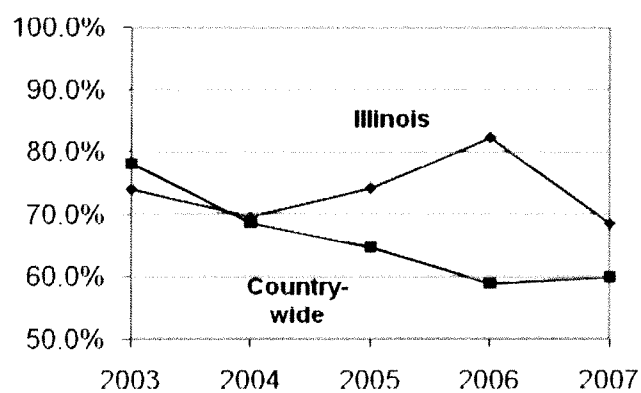
Workers' Compensation ($000 omitted)	Illinois *	Countrywide**
Direct written premiums	$2,677,332	$35,154,782
Direct earned premiums	$2,599,545	$34,659,050
Expenses (*% premium*)		
Incurred losses	68.6%	60.0%
Def. & cost cont. exp. incurred	5.0%	5.9%
Comm./brokerage	6.6%	7.1%
Taxes, licenses & fees	2.7%	4.7%

*Source: NAIC State Data Network, 2007 Illinois State Page Exhibit
**Source: NAIC State Data Network 2007 Insurance Expense Exhibit Part III, Illinois-licensed insurers.

Figure 36 shows workers' compensation losses as a percent of earned premium for the years 2003 through 2007. Workers' compensations losses as a percent of earned premium in Illinois increased from 2004 to 2006, but declined in 2007.

Figure 36

Workers' Compensation Losses as a percent of Premiums Earned (2003-2007)



Reliability

In determining whether the overall marketplace is viable the Division must consider:

1. Profitability.
2. Financial Solvency Regulation.

Businesses that provide a financial service must be financially sound. An insurance contract has little value to the insured if there is no guarantee that the insurance company will have the money to pay claims when needed.

One measure of a company's financial performance is its profitability. It must generate enough profit to survive and succeed. In a given month, if expenses exceed income they must be paid from the reserve fund. 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.

A company that can offer insurance coverage at competitive prices and reap adequate profits is considered to be financially viable. When the majority of insurers in the market are competitive and profitable, the market is considered to be financially strong.

Profitability

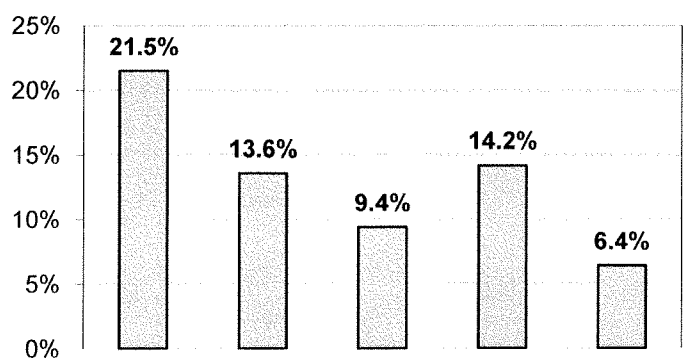
Change in Policyholders Surplus

One measure of overall profitability is the change in policyholders' surplus from one year to the next. 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.

Figure 37 shows the percent change in policyholders' surplus for the Illinois-licensed property/casualty industry as a whole over the past five years.

Figure 37

Percent Change in Policyholders' Surplus



Source: NAIC State Data Network

Figure 38 shows income from investments, net income, unrealized capital gains/losses and policyholders' surplus from 2003 to 2007.

Figure 38

Net Investment Income Earned, Net Income, Unrealized Capital Gains/Losses and Policyholders' Surplus (in millions)

	2003	2004	2005	2006	2007
Net Investment gain	$40,893	$44,952	$53,915	$53,434	$59,558
Net Income	27,199	36,488	39,675	61,230	56,685
Unrealized Capital Gains/Losses	30,624	17,189	4,096	28,677	8,131
Policyholders' Surplus	365,589	408,140	441,620	498,408	531,200

Source: NAIC State Data Network

Underwriting Gains/Losses

Figure 39 shows the aggregate underwriting gain/loss for Illinois-licensed insurers from 2003-2007. The property/casualty industry experienced a significant underwriting gain in 2007.

Figure 39

Aggregate Net Underwriting Gain (Loss) (in millions)

	2003	2004	2005	2006	2007
Premiums earned	$325,159	$344,724	$344,913	$359,332	$362,387
Losses incurred	200,092	206,102	213,774	191391	205,225
Loss expenses incurred	41,892	44,217	45,351	42,950	42,990
Other underwriting expenses incurred	85,604	88,666	90,570	96,724	98,687
Dividends to policyholders	1,197	978	1,040	2,540	1,359
Net underwriting gain/loss	**($3,626)**	**4,761**	**(5,822)**	**25,727**	**14,126**

Source: NAIC State Data Network

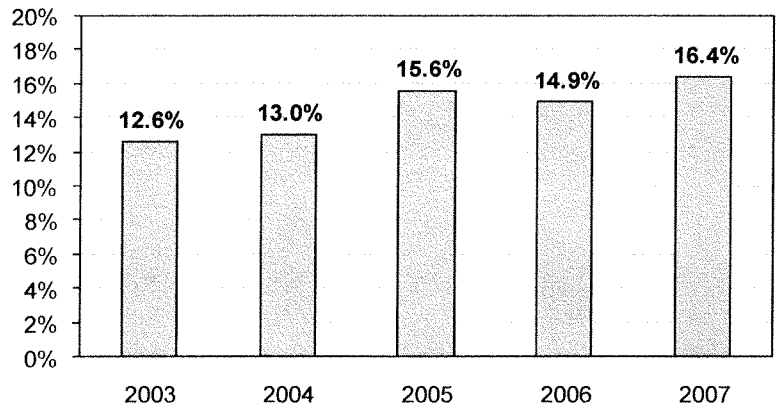
Net Investment Income Ratio

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

Figure 40 shows the net investment income ratio for Illinois-licensed property/casualty insurers during the most recent five-year period. This ratio shows the investment income component of overall profitability.

Figure 40

Net Investment Income Ratio (2003-2007)



Source: NAIC State Data Network

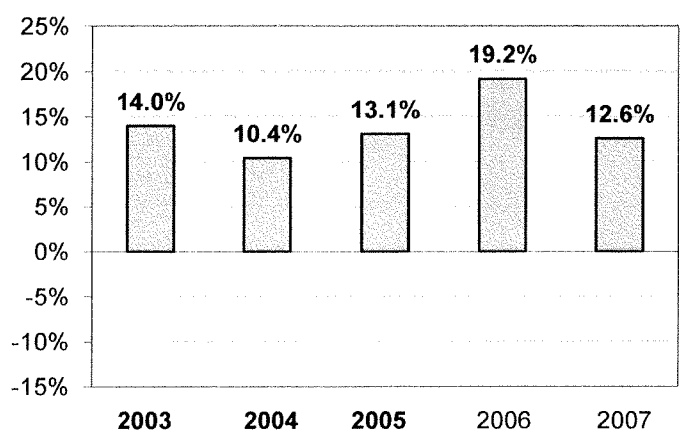
Return on Policyholders' Surplus

Another measure of overall profitability is the return on policyholders' surplus. It is the sum of net income after dividends and taxes and unrealized capital gains divided by the average of the current year and prior year's policyholders' surplus.

Figure 41 shows the aggregate return on policyholders' surplus from 2003 through 2007 for the Illinois-licensed property/casualty industry combined.

Figure 41

Return on Policyholders' Surplus (2003-2007)



Source: NAIC State Data Network

Financial Solvency Regulation

Although the Division 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 trained accountants and specialists who identify a company's developing financial difficulties so that the Division can step in to minimize potential losses to Illinois policyholders;
2. Working closely with insurance companies with identified 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 financial 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.

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APPENDIX A – Consolidated Assets of Illinois-licensed Property/Casualty Insurers for the year ending December 31, 2007

ASSETS

		Assets Current Year	Non-admitted Assets Current Year	Net Admitted Assets Current Year	Net Admitted Assets Prior Year
1	Bonds	683,529,673,654	140,827,002	683,388,846,652	664,413,335,960
2.1	Preferred stocks (stocks)	16,769,835,622	0	16,769,835,622	13,514,290,339
2.2	Common stocks (stocks)	310,167,430,071	1,054,587,869	309,112,842,200	295,262,003,522
3.1	First liens - mortgage loans on real estate	3,774,417,856	1,989,139	3,772,428,717	2,891,702,158
3.2	Other than first liens - mortgage loans on real estate	199,398,129	830,386	198,567,743	49,731,689
4.1	Properties occupied by the company (less $(1) encumbrances) (real estate)	7,212,085,852	6,999,126	7,205,086,726	6,822,736,189
4.2	Properties held for the production of income (less $(1) encumbrances) (real estate)	1,012,012,649	6,755,244	1,005,257,405	940,667,549
4.3	Properties held for sale (less $(1) encumbrances) (real estate)	479,327,966	0	479,327,966	447,340,200
5	Cash $(1), cash equivalents $(2) and short-term investments $(3)	69,825,145,590	14,448,058	69,810,697,532	75,860,743,276
6	Contract loans (including $(1) premium notes)	2,775,494	2,775,494	0	0
7	Other invested assets	69,813,239,545	621,049,226	69,192,190,318	48,874,790,262
8	Receivables for securities	1,600,220,463	1,447,811	1,598,772,651	1,821,688,330
9	Aggregate write-ins for invested assets	7,364,011,936	3,540,317,217	3,823,694,719	1,800,706,985
10	Subtotals, cash and invested assets	1,171,749,574,813	5,392,026,573	1,166,357,548,241	1,112,699,736,450
11	Title plants less $(1) charged off (for title insurers only)	0	0	0	0
12	Investment income due and accrued	8,948,997,178	34,056,664	8,914,940,515	8,680,132,560
13.1	Uncollected premiums and agents' balances in the course of collection (premiums and considerations)	35,251,523,102	2,618,031,025	32,633,492,078	34,463,495,068
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $(1) earned but unbilled premiums) (premiums and considerations)	56,913,194,265	311,217,877	56,601,976,387	54,101,237,326
13.3	Accrued retrospective premiums (premiums and considerations)	6,899,066,320	355,381,505	6,543,684,808	7,847,807,404
14.1	Amounts recoverable from reinsurers (reinsurance)	20,463,236,263	11,446,419	20,451,789,844	21,312,626,250
14.2	Funds held by or deposited with reinsured companies (reinsurance)	6,472,507,152	66,526,561	6,405,980,591	6,453,252,633
14.3	Other amounts receivable under reinsurance contracts (reinsurance)	1,052,219,933	952,297	1,051,267,635	1,311,699,917
15	Amounts receivable relating to uninsured plans	52,083,884	3,219,744	48,864,140	84,024,549
16.1	Current federal and foreign income tax recoverable and interest thereon	2,392,578,565	51,824,040	2,340,754,525	1,918,676,403
16.2	Net deferred tax asset	36,150,761,493	20,786,521,079	15,364,240,417	14,949,862,967
17	Guaranty funds receivable or on deposit	694,125,249	4,315,549	689,809,700	758,377,130
18	Electronic data processing equipment and software	3,811,397,117	2,502,418,353	1,308,978,762	1,289,619,030
19	Furniture and equipment, including health care delivery assets ($(1))	2,100,289,033	2,089,617,036	10,671,997	8,856,031
20	Net adjustment in assets and liabilities due to foreign exchange rates	33,979,364	234,992	33,744,372	1,275,206
21	Receivables from parent, subsidiaries and affiliates	7,669,742,084	513,671,413	7,156,070,669	11,856,201,421
22	Health care ($(1)) and other amounts receivable	31,274,920	9,566,031	21,708,889	29,121,426
23	Aggregate write-ins for other than invested assets	31,841,167,730	12,028,514,190	19,812,653,535	18,344,143,202
24	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts	1,392,527,718,474	46,779,541,349	1,345,748,177,134	1,296,110,144,976
25	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
26	Totals	1,392,527,718,474	46,779,541,349	1,345,748,177,134	1,296,110,144,976

Source: NAIC State Data Network Annual Statement page; Assets

APPENDIX B – Consolidated Liabilities, Surplus and Other Funds of Illinois-licensed Property/Casualty Insurers for the year ending December 31, 2007

	LIABILITIES, SURPLUS and OTHER FUNDS	Current Year	Prior Year
1	Losses	372,201,086,111	359,723,605,970
2	Reinsurance payable on paid losses and loss adjustment expenses	10,200,988,586	10,745,378,079
3	Loss adjustment expenses	78,381,526,475	75,440,284,681
4	Commissions payable, contingent commissions and other similar charges	5,056,803,759	4,924,242,274
5	Other expenses (excluding taxes, licenses and fees)	19,931,314,559	18,862,391,336
6	Taxes, licenses and fees (excluding federal and foreign income taxes)	4,693,202,827	4,752,943,220
7.1	Current federal and foreign income taxes (including $(1) on realized capital gains (losses)	3,152,314,810	3,914,646,573
7.2	Net deferred tax liability	16,909,842,766	17,148,523,028
8	Borrowed money $(1) and interest thereon $(2)	4,040,846,361	1,972,399,077
9	Unearned premiums (after deducting unearned premiums for ceded reinsurance of $(1) and including warranty reserves of $(2))	168,846,068,373	167,527,566,367
10	Advance premium	2,588,832,679	2,502,009,078
11.1	Stockholders (dividends declared and unpaid)	774,672,430	510,635,296
11.2	Policyholders (dividends declared and unpaid)	511,028,993	1,680,535,462
12	Ceded reinsurance premiums payable (net of ceding commissions)	22,301,725,982	21,360,473,867
13	Funds held by company under reinsurance treaties	23,140,891,538	27,300,984,738
14	Amounts withheld or retained by company for account of others	7,526,094,698	7,423,407,516
15	Remittances and items not allocated	1,235,495,931	1,475,595,828
16	Provision for reinsurance	4,223,086,554	4,956,678,784
17	Net adjustments in assets and liabilities due to foreign exchange rates	495,783,933	762,624,143
18	Drafts outstanding	3,135,119,734	3,432,254,430
19	Payable to parent, subsidiaries and affiliates	6,969,336,638	9,105,987,734
20	Payable for securities	3,181,129,600	4,108,743,442
21	Liability for amounts held under uninsured plans	2,648,229	1,605,265
22	Capital notes $(1) and interest thereon $(2)	-	-
23	Aggregate write-ins for liabilities	55,048,569,191	47,440,988,632
24	Total liabilities excluding protected cell liabilities	814,548,410,733	797,074,504,828
25	Protected cell liabilities	-	-
26	Total liabilities	814,548,410,733	797,074,504,828
27	Aggregate write-ins for special surplus funds	52,578,256,755	46,469,578,064
28	Common capital stock	4,671,059,583	4,599,938,584
29	Preferred capital stock	410,806,461	435,805,461
30	Aggregate write-ins for other than special surplus funds	86,443,006	59,477,302
31	Surplus notes	9,796,226,535	10,208,595,578
32	Gross paid in and contributed surplus	157,639,884,186	156,249,799,841
33	Unassigned funds (surplus)	307,338,785,655	282,321,699,271
34.1	(1) Shares common (value included in common capital stock $(2)) (less treasury stock at cost)	1,315,859,712	1,302,634,572
34.2	(2) Shares preferred (value included in preferred capital stock $(2)) (less treasury stock at cost)	5,836,437	8,923,853
35	Surplus as regards policyholders	531,199,766,032	499,033,335,673
36	Totals	1,345,748,176,771	1,296,107,840,485

Source: NAIC State Data Network Annual Statement page; Liabilities

APPENDIX C – Consolidated Statement of Income for Illinois-licensed Property/Casualty Insurers for the year ending December 31, 2007

	UNDERWRITING INCOME	Current Year	Prior Year
1	Premiums earned	$362,386,586,755	$359,651,746,006
2	Losses incurred	205,225,168,972	191,609,293,596
3	Loss expenses incurred	42,990,228,539	43,015,350,620
4	Other underwriting expenses incurred	98,687,131,314	96,776,552,799
5	Aggregate write-ins for underwriting deductions	(804,028,103)	93,620,867
6	Total underwriting deductions	346,098,500,715	331,494,817,879
7	Net income of protected cells		
8	Net underwriting gain (loss)	16,288,086,048	28,156,928,130
	INVESTMENT INCOME		
9	Net investment income earned	51,410,530,837	51,060,959,538
10	Net realized capital gains (losses) less capital gains tax of $(1)	8,147,116,539	2,464,862,242
11	Net investment gain (loss)	59,557,647,380	53,525,821,776
	OTHER INCOME		
12	Net gain (loss) from agents' or premium balances charged off (amount recovered $(1) amount charged off $(2))	(1,091,767,877)	(993,344,532)
13	Finance and service charges not included in premiums	2,091,698,906	1,912,077,226
14	Aggregate write-ins for miscellaneous income	(2,692,311,223)	(524,319,110)
15	Total other income	(1,692,380,199)	394,413,572
16	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	74,153,353,214	82,077,163,467
17	Dividends to policyholders	1,358,702,643	2,540,881,195
18	Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	72,794,650,572	79,536,282,280
19	Federal and foreign income taxes incurred	16,109,785,026	18,195,566,581
20	Net income	56,684,865,543	61,340,715,699
	CAPITAL and SURPLUS ACCOUNT		
21	Surplus as regards policyholders, December 31 prior year	499,033,336,048	436,854,753,584
22	Net income	56,684,865,543	61,340,715,699
23	Net transfers (to) from protected cell accounts	-	-
24	Change in net unrealized capital gains or (losses) less capital gains tax of $(1)	8,130,277,640	28,672,612,038
25	Change in net unrealized foreign exchange capital gain (loss)	812,321,433	98,772,679
26	Change in net deferred income tax	1,806,319,962	225,226,594
27	Change in nonadmitted assets	(4,572,567,781)	(1,347,595,512)
28	Change in provision for reinsurance	748,650,885	333,675,160
29	Change in surplus notes	(412,056,544)	(432,974,510)
30	Surplus (contributed to) withdrawn from protected cells	-	-
31	Cumulative effect of changes in accounting principles	5,864,594	31,765,873
32.1	Capital changes paid in	64,073,655	51,744,111
32.2	Capital changes transferred from surplus (stock dividend)	(195,318)	5,940,806
32.3	Capital changes transferred to surplus	(26,993,998)	(4,230,000)
33.1	Surplus adjustments paid in	2,308,230,558	1,270,426,414
33.2	Surplus adjustments transferred to capital (stock dividend)	(13,839,542)	(5,634,286)
33.3	Surplus adjustments transferred from capital	(762,458,058)	414,324
34	Net remittances from or (to) home office	30,906,516	(74,637,449)
35	Dividends to stockholders	(34,304,564,817)	(27,557,297,049)
36	Change in treasury stock	(10,137,724)	598,591,736
37	Aggregate write-ins for gains and losses in surplus	1,677,733,388	(1,028,934,128)
38	Change in surplus as regards policyholders for the year	32,166,430,380	62,178,582,488
39	Surplus as regards policyholders, December 31 current year	531,199,766,433	499,033,336,057

Source: NAIC State Data Network Annual Statement page; Statement of Income

APPENDIX D – Consolidated Exhibit of Premiums and Losses in the State of Illinois for All Illinois-licensed Property/Casualty Insurers During 2007

EXHIBIT OF PREMIUMS AND LOSSES

BUSINESS IN THE STATE OF ILLINOIS **DURING THE YEAR** 2007

	Line of Business	1 Direct Premiums Written	2 Direct Premiums Earned	3 Div. Paid or Credited to PolicyHldrs On Dir. Bus.	4 Direct Unearned Premium Reserves	5 Direct Losses Paid (deducting salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Dir. Def. And Cost Containment Expense Paid	9 Dir. Def. And Cost Containment Expense Incurred	10 Dir. Def. And Cost Containment Expense Unpaid	11 Commission & Brokerage Expenses	12 Taxes, Licenses And Fees
1	Fire	264,613,042	262,107,120	210,068	123,587,448	95,194,586	85,935,149	89,304,307	3,557,114	4,544,417	6,079,165	32,920,079	8,117,182
2.1	Allied lines	230,390,765	231,574,866	1,431,097	87,900,243	229,166,582	238,825,716	121,075,606	6,303,524	4,631,034	4,203,042	25,288,915	4,403,246
2.2	Multiple peril crop	586,378,158	580,979,928		11,300,931	66,429,480	80,573,965	74,260,809	515,669	624,987	1,850,445	77,520,907	2,140,615
2.3	Federal flood	27,095,024	25,537,002		14,111,277	10,273,404	10,840,693	1,418,326	372,111	374,063	19,265	3,354,349	162,863
3	Farmowners multiple peril	103,556,061	101,969,076		40,812,081	49,402,205	47,257,159	27,396,524	1,356,513	1,722,101	4,124,380	16,417,027	1,730,841
4	Homeowners multiple peril	2,353,765,971	2,321,924,220	2,909,486	1,225,600,163	1,438,197,927	1,453,696,087	593,267,092	29,096,618	28,923,772	62,716,167	322,675,476	32,532,369
5.1	Commercial mult peril (non-liab)	906,719,713	909,809,275	255,667	441,218,663	430,042,252	432,322,721	335,541,917	21,353,237	22,554,849	49,889,337	147,325,079	16,440,205
5.2	Commercial mult peril (liability)	577,260,139	589,231,412	132,514	266,776,046	251,194,841	227,965,500	994,445,390	94,362,272	110,583,261	386,297,216	95,037,606	8,519,939
6	Mortgage guaranty	272,866,345	268,910,709		27,726,541	98,404,295	232,380,193	578,981,830	2,857,153	7,855,884	8,992,756	653,292	2,069,266
8	Ocean marine	72,947,349	75,549,849	20,630	18,835,824	37,393,401	33,860,979	77,835,634	4,376,280	5,552,236	6,240,039	11,103,456	1,179,470
9	Inland marine	528,612,054	534,948,929	4,755,419	182,732,299	232,922,543	203,375,839	117,430,651	4,012,088	4,517,493	10,103,107	81,210,975	9,638,858
10	Financial guaranty	107,377,727	74,714,630		471,386,499	2,015	(2,411,447)	9,980,223		(133,608)	1,653,269		2,717,013
11	Medical malpractice	538,169,840	545,886,621	4,632,917	307,346,159	340,798,646	231,277,943	1,630,052,364	134,468,878	170,600,312	465,463,219	39,261,098	6,169,369
12	Earthquake	38,540,621	38,490,942	72,896	18,943,911	11,783	201,568	1,255,379	18,289	(21,079)	86,894	4,645,300	721,042
13	Group accident and health	140,295,695	89,937,093		204,786,723	106,906,059	21,754,888	113,963,040	751,095	1,340,329	1,505,171	20,283,353	2,655,146
14	Credit A&H (group and individual)	17,836,318	17,239,982		5,069,277	1,487,069	1,480,488	1,948,614	58	8,116	31,051	3,733,236	249,081
15.1	Collectively renewable A&H	5,622	4,992		20,993	3,800	(244,932)	3,038		120	120	569	139
15.2	Non-cancelable A&H	859	13,549		480,769	1,604	1,014	16,236		(368)	1,804	108	5
15.3	Guaranteed renewable A&H	83,355,299	51,635,753		306,473,211	54,974,153	55,955,674	85,867,992	312,967	489,407	514,494	7,725,993	120,415
15.4	Non-renewable for stated reasons only	10,215,164	10,532,622	2,464	3,078,802	10,923,863	9,276,144	8,490,564	65,761	41,942	137,808	828,551	236,474
15.5	Other accident only	11,170,210	11,122,691	1,301,995	808,496	7,109,193	4,717,761	1,025,891	18	1,638	5,796	2,581,696	93,491
15.6	Medicare Title XVIII	124	131		40		9,355	(82,822)		(345)	-	5	655
15.7	All other A&H	8,320,815	8,341,188		1,835,888	3,071,402	3,819,108	4,160,936	91,258	(80,295)	51,373	1,625,855	137,030
15.7	Federal employees health benefits program premium									-	-	-	-
16	Workers' compensation	2,677,331,875	2,599,545,256	8,096,498	989,271,786	1,555,600,894	1,782,516,369	5,420,314,641	131,111,682	129,913,692	514,481,154	177,107,261	69,460,571
17	Other liability	2,712,542,702	2,578,838,207	1,785,704	1,684,999,569	2,073,443,651	1,918,557,263	7,745,876,017	351,583,764	460,189,469	1,581,029,511	234,201,472	51,456,618
18	Products liability	120,631,278	124,493,532	23,635	42,090,356	78,790,801	3,181,507	712,503,939	62,007,527	42,476,955	290,010,207	12,088,912	2,039,276
19.1	Priv. pass. auto no-fault (PIP)	2,650,958	2,029,329	11,294	717,196	2,443,628	2,884,350	6,469,042	288,308	166,737	300,851	893,336	92,105
19.2	Other priv. pass. auto liability	3,076,432,464	3,071,847,033	36,309,754	895,395,890	1,930,825,426	1,984,014,366	2,469,683,115	139,942,718	137,369,960	392,526,166	325,624,471	32,645,173
19.3	Commercial auto no-fault (PIP)	32,051	38,232	87	15,211	201,332	(4,791)	313,984	99,466	158,823	97,637	98,223	9,305
19.4	Other commercial auto liability	825,904,263	849,609,009	590,875	317,986,271	465,570,245	457,115,773	1,188,375,289	54,841,977	63,893,899	151,421,383	116,502,738	13,215,781
21.1	Private pass auto phys dam	2,500,586,226	2,510,175,159	30,625,932	710,780,054	1,416,958,511	1,425,012,650	116,280,329	10,489,529	10,495,445	8,501,449	252,445,836	34,032,754
21.2	Commercial auto phys. damage	265,881,600	267,711,872	219,443	111,834,037	133,690,375	128,466,620	28,629,841	2,730,571	3,410,962	5,038,163	35,127,448	4,134,162
22	Aircraft (all perils)	88,815,512	88,768,190		33,742,153	47,824,860	30,519,185	802,303,461	5,681,846	3,689,311	65,850,822	12,316,204	2,606,243
23	Fidelity	78,000,920	77,111,849	1,221	43,378,321	18,396,968	10,931,042	67,943,024	1,706,851	1,074,216	8,755,784	7,218,860	1,872,969
24	Surety	170,667,658	175,347,384	775	95,279,566	21,903,213	13,389,582	142,553,363	7,284,359	9,368,245	17,607,960	43,664,630	4,492,797
26	Burglary and theft	7,021,919	7,229,674	12,014	3,675,147	(306,057)	27,827	4,882,032	119,622	196,006	498,072	1,048,330	172,850
27	Boiler and machinery	48,428,367	49,173,028	4,467	23,007,322	8,901,458	2,583,563	11,640,838	108,988	158,111	891,316	5,303,785	1,207,856
28	Credit	63,137,248	56,240,114	37	29,113,558	20,385,859	15,955,333	23,601,173	142,643	32,379	462,206	10,381,622	1,294,729
33	Aggregate write-ins	251,636,932	342,163,498	(11,588,265)	569,651,763	243,253,379	244,282,457	259,198,424	2,605,293	2,942,271	8,570,284	14,247,421	3,464,392
34	Total	19,769,194,879	19,550,783,918	81,818,620	9,311,770,493	11,481,795,638	11,392,304,652	23,868,208,045	1,074,616,019	1,229,666,723	4,056,008,882	2,142,463,458	322,232,313

Source: NAIC State Data Network Annual Statement page; Illinois State Page Exhibit

APPENDIX E – Consolidated Insurance Expense Exhibit Part III for all Illinois-licensed Property/Casualty Insurers for 2007

PART III – ALLOCATION TO LINES OF DIRECT BUSINESS WRITTEN

($000 omitted)

	PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS FOR DIRECT BUSINESS WRITTEN	Premiums Written	Premiums Earned	Dividends To Policy-holders	Incurred Loss	Defense And Cost Containment Expenses Incurred	Adjustment and Other Expenses Incurred	Unpaid Losses	Defense And Cost Containment Expenses Unpaid	Adjustment and Other Expenses Unpaid	Unearned Premium Reserves	Agents' Balances
1	Fire	7194345	7147228	11633	2508485	111408	218468	3161372	188180	129149	3620537	1264648
2.1	Allied lines	6079942	6093817	15846	2264644	161153	205605	3418529	206495	104078	2554293	938040
2.2	Multiple peril crop	6390954	6275103	0	3636641	12703	47930	1800586	15771	13847	455679	1166424
2.3	Federal flood	2066276	1955704	0	192884	19693	15932	304133	1592	84001	1103153	132437
3	Farmowners multiple peril	1280408	1256699	0	698072	36072	57237	403959	54207	35610	602750	260192
4	Homeowners multiple peril	46205460	45545408	184104	24074048	668741	3281709	11780448	1274605	1750413	24343392	6876868
5.1	Commercial multiple peril (non-liability portion)	17762664	17825223	12553	7953459	592741	596192	7341396	1424602	525427	8559418	3541591
5.2	Commercial multiple peril (liability portion)	11123660	11349607	8229	4264682	2011858	611324	18353917	7104709	1087833	5145574	2458103
6	Mortgage guaranty	6015832	5741039	0	5307044	138761	108523	10442709	153785	88863	894200	301729
8	Ocean marine	3505845	3425229	2362	1630443	133257	124885	3153358	281156	106516	1183054	685967
9	Inland marine	13366922	13238555	29150	4765217	109329	427120	3381633	210051	233612	4645516	2642113
10	Financial guaranty	3338503	2865687	0	3730749	2339	3554	3968158	8625	1394	13473100	74532
11	Medical malpractice	4822475	4897090	65409	1622539	1101407	203128	11720952	4031737	495172	2299614	968714
12	Earthquake	1256065	1273819	2901	-22020	1283	9135	146502	8511	16906	608549	180646
13	Group A & H	3861681	3643755	0	1950036	27963	85341	2046132	44346	111773	1502965	994107
14	Credit A & H	514675	506003	0	46901	481	1930	49920	965	3610	74278	48861
15	Other A & H	2681458	2553707	1334	1584248	30758	117169	1902350	15987	138264	5376229	544861
16	Workers' compensation	35154782	34659050	315612	20795172	2054639	1347224	90023825	8006049	3650250	11259586	9840412
17	Other liability	39859852	39256563	28282	20955148	5128906	2103743	96314422	19503467	3929286	20539169	8981471
18	Products liability	2729662	2862026	652	983383	1017247	329004	12042701	4612359	722428	1120542	542779
19.1	Private passenger auto liability	72381650	72626488	282514	46567999	2570840	6882984	62432714	7781989	5367995	21284700	10924673
19.3	Commercial auto liability	17492597	17612268	9277	9533353	1154372	977369	21884452	2712840	1072071	7688180	4248190
21.1	Private passenger auto physical damage	50041299	50036431	211882	28777162	146214	4849331	2350244	157660	1402671	14804096	7454270
21.2	Commercial auto physical damage	5595869	5593799	2146	2875766	55939	358158	649738	102657	83230	2470313	1242808
22	Aircraft (all perils)	2875511	2890363	0	1543386	144594	51799	4682465	456365	50160	958369	454581
23	Fidelity	1287206	1287245	411	423894	38872	45746	1197691	146154	46911	706164	272932
24	Surety	4987892	4749748	35010	900288	243031	105914	2884397	486014	148945	2831413	894284
26	Burglary and theft	140168	141249	34	22964	2583	2777	62815	9265	2216	75910	24922
27	Boiler and machinery	1132767	1132567	118	363381	17136	31559	493168	36532	42577	543571	216338
28	Credit	1605892	1487556	1009	1424857	8932	13305	983708	12054	3654	1350227	153800
29	International	42360	38962	0	11591	-487	5013	49480	122	556	14152	9220
33	Aggregate write-ins for other lines of business	3717134	3948824	-1221	2390931	48316	97651	4827973	178186	87789	6793437	339853
34	Total	376511838	373916782	1219253	203777343	17791061	23316732	384255905	59227057	21537199	168882146	68680392

Source: NAIC State Data Network Annual Statement page; Insurance Expense Exhibit Part III

APPENDIX E (continued) – Consolidated Insurance Expense Exhibit Part III for all Illinois-licensed Property/Casualty Insurers for 2007

PART III – ALLOCATION TO LINES OF DIRECT BUSINESS WRITTEN

($000 omitted)

	PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS FOR DIRECT BUSINESS WRITTEN	Commission And Brokerage Expenses Incurred	Taxes, Licenses and Fees Incurred	Other Acquisitions, Field Supervision and Collection Expenses Incurred	General Expenses Incurred	Other Income Less Other Expenses	Pre-tax Profit or Loss Excluding all Investment Gain
01	Fire	924897	194754	410476	550777	-45035	2171286
02.1	Allied lines	659613	124016	337925	441857	-22365	1860809
02.2	Multiple peril crop	453545	7984	-64590	153605	-162896	1864388
02.3	Federal flood	326701	39953	22742	-18986	2070	1358851
03	Farmowners multiple peril	217215	26800	92582	72038	767	57443
04	Homeowners multiple peril	6197910	1124614	3627573	1957627	159658	4588748
05.1	Commercial multiple peril (non-liability portion)	2908214	459393	1193330	1114512	-18813	2976005
05.2	Commercial multiple peril (liability portion)	1863994	260624	717796	746107	-7337	857674
06	Mortgage guaranty	9283	134559	200189	633869	-142926	-934116
08	Ocean marine	530230	54111	138827	207977	-57728	545414
09	Inland marine	1779307	349447	608862	777681	-93236	4299228
10	Financial guaranty	-100	83763	351349	412923	-38798	-1757686
11	Medical malpractice	433968	98940	118083	377580	-485	875549
12	Earthquake	144740	27112	79534	51558	-6570	972980
13	Group A & H	648039	87728	196577	161624	-83320	403127
14	Credit A & H	132812	13940	29949	31474	-1574	246939
15	Other A & H	463874	31513	142576	199163	-72191	-89117
16	Workers' compensation	2489277	1628776	1893389	2057028	-581213	1496713
17	Other liability	4946882	918982	2139588	2030272	-559036	445725
18	Products liability	330643	54614	165010	177070	-12329	-207938
19.1	Private passenger auto liability	6217912	1707127	5869286	3875501	459645	-888034
19.3	Commercial auto liability	2484006	478301	958064	1063794	-37548	916200
21.1	Private passenger auto physical damage	4293037	1155695	4027703	2631723	235520	4179207
21.2	Commercial auto physical damage	807115	142214	312218	389181	16832	667903
22	Aircraft (all perils)	452110	58985	119208	113481	-91532	315271
23	Fidelity	150953	30293	115496	103222	-16873	361489
24	Surety	1162344	137891	448841	313363	1591	1404653
26	Burglary and theft	19498	3651	8156	5630	-243	75695
27	Boiler and machinery	96683	33177	97755	109808	-7251	375712
28	Credit	328162	37442	45778	98493	15429	-454996
29	International	1931	496	1966	6383	108	12178
33	Aggregate write-ins for other lines of business	393751	92331	128678	257220	-56521	484645
34	Total	41868565	9599261	24534933	21103548	-1224198	29481917

Source: NAIC State Data Network Annual Statement page; Insurance Expense Exhibit Part III

APPENDIX F – Consolidated Schedule T for all Property/Casualty Insurers for 2007

SCHEDULE T – EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

	States, Etc.	Gross Direct Premiums Written	Gross Direct Premiums Earned	Dividends Paid Or Credited To Policyholders On Direct Business	Direct Losses Paid (deducting salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges not Included in Premiums	Direct Premiums Written For Federal Purchasing Groups (incl. in column 2)
1	Alabama AL	$6,689,132,821	$6,629,698,413	$33,218,165	$3,544,598,763	$3,611,946,630	$5,679,641,513	$50,314,091	$19,825,022
2	Alaska AK	1,514,096,410	1,509,036,913	11,816,811	554,184,159	634,626,192	1,458,290,017	4,819,561	2,960,296
3	Arizona AZ	8,998,421,273	8,939,058,875	153,998,850	4,531,552,774	5,072,833,959	8,843,228,885	55,492,037	23,736,111
4	Arkansas AR	3,917,494,001	3,904,763,481	20,613,647	1,938,760,001	1,909,680,899	2,822,587,832	24,391,213	6,967,187
5	California CA	61,484,081,545	61,295,939,934	533,225,659	29,864,010,100	32,314,326,500	72,797,932,121	417,927,934	151,936,940
6	Colorado CO	8,277,030,351	8,254,437,351	119,251,447	4,165,633,830	4,447,663,743	7,132,818,887	47,439,999	20,253,834
7	Connecticut CT	7,041,382,585	7,027,312,551	33,308,962	3,498,708,335	3,829,725,319	9,294,789,413	47,471,751	19,212,901
8	Delaware DE	2,525,804,525	2,493,511,052	277,804,749	1,387,201,297	1,412,871,621	2,558,330,830	9,409,107	25,870,083
9	Dist. Columbia DC	1,701,235,217	1,682,471,765	4,348,816	569,987,312	750,721,880	1,794,998,655	4,559,393	6,203,199
10	Florida FL	42,011,930,308	42,253,596,877	207,940,199	18,392,352,279	18,367,595,413	30,112,367,839	170,289,713	87,915,163
11	Georgia GA	13,971,161,028	13,820,403,184	100,399,639	7,450,117,107	8,137,708,809	11,529,736,607	107,386,758	30,391,540
12	Hawaii HI	2,338,783,130	2,314,591,454	26,029,392	859,261,666	977,358,913	2,063,067,992	9,306,229	6,374,961
13	Idaho ID	2,119,923,891	2,089,555,855	37,796,103	1,013,839,519	1,091,187,650	1,691,185,553	13,298,071	4,786,938
14	Illinois IL	21,095,721,031	20,843,098,482	83,380,506	12,027,189,807	12,096,809,843	26,289,074,250	93,724,310	80,340,684
15	Indiana IN	8,554,360,362	8,513,085,880	49,512,522	4,674,629,321	4,630,417,125	6,751,631,284	64,349,143	36,760,845
16	Iowa IA	4,820,940,435	4,787,053,680	50,497,100	2,075,412,660	2,243,654,381	3,328,239,193	24,766,679	17,244,691
17	Kansas KS	4,781,366,577	4,678,051,222	30,045,954	2,695,822,750	2,979,312,638	3,207,877,532	23,457,999	9,512,340
18	Kentucky KY	5,806,942,270	5,799,346,769	26,023,502	3,028,522,808	3,309,577,030	6,055,255,764	39,627,975	10,823,528
19	Louisiana LA	9,186,315,799	9,007,692,274	34,078,394	6,614,836,099	4,493,646,372	10,457,926,959	48,524,080	19,495,785
20	Maine ME	1,908,943,530	1,921,486,683	26,926,714	948,221,885	998,330,595	1,896,774,298	14,492,869	4,554,274
21	Maryland MD	9,171,024,664	9,114,361,998	131,079,874	4,427,138,277	4,810,952,593	8,649,448,322	47,022,915	41,501,194
22	Massachusetts MA	11,737,434,685	11,827,172,789	31,196,245	5,348,655,040	5,623,652,461	12,608,069,606	107,022,863	31,279,791
23	Michigan MI	14,813,232,504	15,359,467,681	56,203,843	8,912,391,819	9,511,002,769	25,849,529,525	91,067,729	45,255,168
24	Minnesota MN	8,848,413,234	8,776,796,236	97,023,788	5,258,147,043	6,029,053,490	8,463,294,195	36,136,240	14,600,220
25	Mississippi MS	4,232,739,136	4,210,657,485	4,302,738	2,900,222,344	2,091,493,608	3,704,844,322	25,302,492	11,589,551
26	Missouri MO	9,030,816,258	8,931,879,709	43,018,323	4,834,806,286	4,694,118,890	7,642,450,132	53,258,171	17,408,477
27	Montana MT	1,642,045,818	1,599,683,676	14,575,182	867,301,869	927,403,056	1,290,695,304	7,862,148	3,350,965
28	Nebraska NE	3,325,609,367	3,305,849,362	26,154,713	1,419,502,441	1,575,212,393	2,404,551,731	12,674,001	7,377,236
29	Nevada NV	4,622,314,738	4,563,352,999	22,900,490	2,365,650,831	2,697,764,314	5,746,237,167	30,945,963	11,833,100
30	New Hampshire NH	2,034,169,230	2,044,640,307	16,972,933	1,070,301,475	1,071,155,301	2,007,447,367	12,445,569	5,427,248
31	New Jersey NJ	17,107,868,734	17,111,468,672	310,881,670	9,196,921,336	9,457,290,155	25,192,939,556	70,727,608	48,663,208
32	New Mexico NM	2,637,399,682	2,591,585,435	19,552,298	1,373,302,859	1,495,510,213	2,002,006,169	17,096,351	6,751,159
33	New York NY	36,977,756,975	36,571,323,477	457,978,811	18,713,375,683	22,165,557,583	62,707,304,639	200,982,502	196,035,924
34	North Carolina NC	12,274,491,953	12,029,587,221	68,051,246	5,860,887,185	6,280,055,498	9,099,882,360	90,947,080	23,364,532
35	North Dakota ND	1,471,041,515	1,455,940,237	6,415,197	733,633,392	849,849,937	610,129,913	3,848,419	1,824,028
36	Ohio OH	13,102,231,652	13,165,468,770	71,370,821	7,059,937,857	6,951,192,014	11,107,150,508	131,540,881	52,758,975
37	Oklahoma OK	5,366,703,726	5,287,259,063	32,739,746	2,823,416,836	3,265,998,370	3,891,048,988	35,161,434	12,426,156
38	Oregon OR	5,643,900,312	5,450,609,738	96,566,221	2,860,281,380	3,154,334,001	7,237,174,105	30,074,296	11,624,986
39	Pennsylvania PA	20,052,750,265	19,914,969,173	88,813,188	11,060,719,904	11,910,151,845	25,922,847,744	137,055,072	53,420,859
40	Rhode Island RI	1,938,378,673	1,934,339,605	24,725,106	986,593,475	1,037,326,709	2,185,706,700	11,995,014	13,275,620
41	South Carolina SC	6,842,051,311	6,756,045,558	60,457,756	3,079,179,054	3,326,306,539	4,588,579,836	57,796,854	12,364,835
42	South Dakota SD	1,694,478,485	1,660,456,209	7,959,322	867,504,139	1,100,990,387	1,192,193,910	5,712,218	2,874,004
43	Tennessee TN	8,586,817,262	8,533,860,587	49,564,538	4,164,469,934	4,301,182,057	7,145,343,116	58,388,371	21,258,233
44	Texas TX	36,023,359,099	35,246,047,462	358,534,054	16,714,955,401	18,688,061,638	27,860,293,351	157,663,787	235,265,839
45	Utah UT	3,436,182,918	3,379,991,789	61,099,221	1,515,592,709	1,827,720,682	3,102,214,929	18,658,415	6,762,759
46	Vermont VT	1,128,486,063	1,120,268,353	5,431,525	525,622,184	560,757,475	1,117,565,676	7,586,014	7,058,875
47	Virginia VA	10,621,110,089	10,599,100,139	67,175,875	5,101,983,441	5,606,339,642	8,724,450,238	92,285,891	104,403,167
48	Washington WA	9,161,722,220	8,995,417,610	31,000,866	4,797,888,064	4,825,560,478	7,191,128,894	52,976,888	26,721,451
49	West Virginia WV	3,003,244,179	2,797,259,972	4,972,997	1,334,422,920	1,407,719,830	2,345,844,917	13,042,034	4,439,115
50	Wisconsin WI	8,116,379,013	7,998,837,106	176,807,603	4,463,582,163	4,822,131,557	8,200,739,348	39,115,155	11,042,547
51	Wyoming WY	890,825,075	866,729,097	7,748,061	392,905,035	434,016,090	528,961,688	4,495,658	1,739,595
52	American Samoa AS	213,447	369,642	81	733	127,193	47,782	-	-
53	Guam GU	90,817,349	85,825,336	194,328	47,612,239	48,884,185	14,629,094	3,813	9,845
54	Puerto Rico PR	2,193,166,122	2,077,626,264	316,825	847,376,384	854,997,642	1,141,644,901	1,031,800	771,039
55	U.S. Virgin Islands VI	78,828,546	78,527,883	109,259	22,493,320	21,841,892	46,278,101	46,468	86,782
56	N. Mariana Islands MP	4,760,424	4,729,756	2,352	1,730,683	1,476,377	835,551	1,187	-
57	Canada CN	4,523,813,234	4,317,920,705	3,415,373	2,060,301,624	2,475,786,746	4,373,154,293	6,042,126	940
58	Aggregate other alien OT	7,440,337,705	7,983,058,446	2,823,664	3,198,424,352	2,986,265,538	6,106,232,511	406,710	(9,908)
59	Totals	$508,611,982,645	$505,512,648,959	$4,318,353,270	$257,044,074,171	$272,199,236,667	$527,768,651,869	$2,939,468,980	$1,629,723,844

Source: NAIC State Data Network Annual Statement page; Schedule T

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