



Scott Walker, Governor
Theodore K. Nickel, Commissioner

Wisconsin.gov

125 South Webster Street • P.O. Box 7873
Madison, Wisconsin 53707-7873
Phone: (608) 266-3585 • Fax: (608) 266-9935
E-Mail: ocicomplaints@wisconsin.gov
Web Address: oci.wi.gov

2014 Life & Annuity Market Conduct Annual Statement

The Market Conduct Annual Statement (MCAS) is an analysis tool that states can use to review market activity of the entire insurance marketplace in a consistent manner and to identify companies whose practices are outside normal ranges. For the 2014 Life & Annuity MCAS, licensed companies with at least \$50,000 in subject life insurance premium and/or annuity considerations were required to participate in the project in Wisconsin. A total of 251 companies participated in the project.

Statewide averages are calculated for up to seven categories depending on the type of insurance reported in the Life & Annuity MCAS. The following statewide averages and charts indicating where the number of reporting companies whose ratios fall within various ranges are for informational purposes only and do not represent standards for market behavior. This information does not establish compliance or non-compliance. MCAS data, company specific ratios and/or statewide averages, may not be used in any form of company advertising or marketing.

Individual Life Cash Value Products	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	8.39%
Ratio 2. The number of replacements where insureds age >= 65 to total replacements	21.17%
Ratio 3. The number of policies surrendered compared to the number of policies issued	48.97%
Ratio 4. The number of policies surrendered under 10 years from policy issuance to total policies surrendered	29.68%
Ratio 5. The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	0.83%
Ratio 6. The number of claims denied, resisted or compromised compared to the number of claims closed	0.24%
Ratio 7. Number of complaints received from consumers per 1,000 policies in force	0.18#

	Number of companies with ratios falling in the range:											
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	50	52	31	10	16	6	2	0	0	0	1	0
Ratio 2	28	15	18	13	12	12	1	5	4	2	8	0
Ratio 3	8	21	29	16	6	14	6	6	4	5	10	43
Ratio 4	49	23	23	22	12	16	14	12	9	5	36	0
Ratio 5	163	41	14	1	0	0	1	0	0	0	0	0
Ratio 6	185	29	4	0	2	0	0	0	0	0	0	0

	Number of complaints received from consumers per 1,000 policies in force											
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 7	161	29	13	8	4	15	0	3	1	0	0	1

Individual Life Non-Cash Value Products	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	21.38%
Ratio 5. The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	1.05%
Ratio 6. The number of claims denied, resisted or compromised compared to the number of claims closed	1.82%
Ratio 7. Number of complaints received from consumers per 1,000 policies in force	0.15#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	32	18	20	16	22	6	0	0	0	0	0	0
Ratio 5	113	6	1	0	2	1	0	0	0	0	1	0
Ratio 6	111	7	2	1	1	2	0	0	0	0	0	0

Number of complaints received from consumers per 1,000 policies in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 7	169	13	7	2	3	5	2	0	1	0	0	1

Individual Fixed Annuities	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of contracts issued	23.85%
Ratio 2. The number of replacements for annuitants age > 80 to total replacements	12.31%
Ratio 3. The number of deferred contracts issued to annuitants age > 80 to total deferred contracts issued	9.18%
Ratio 4. The number of contract surrenders < 10 years from contract issuance to total contract surrenders	65.10%
Ratio 7. Number of complaints received from consumers per 1,000 contracts in force	0.40#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	24	16	13	17	15	8	3	1	0	0	1	0
Ratio 2	22	14	14	11	4	4	0	1	2	0	2	0
Ratio 3	26	26	21	7	4	1	0	1	0	1	1	0
Ratio 4	10	2	2	5	7	6	9	13	11	13	31	0

Number of complaints received from consumers per 1,000 contracts in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 7	86	6	7	5	3	8	3	1	0	1	0	1

Individual Variable Annuities

	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of contracts issued	33.50%
Ratio 2. The number of replacements for annuitants age > 80 to total replacements	8.16%
Ratio 3. The number of deferred contracts issued to annuitants age > 80 to total deferred contracts issued	3.94%
Ratio 4. The number of contract surrenders < 10 years from contract issuance to total contract surrenders	58.34%
Ratio 7. Number of complaints received from consumers per 1,000 contracts in force	0.22#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	9	1	6	4	11	5	3	2	1	1	1	0
Ratio 2	12	15	7	0	1	0	0	0	0	0	0	0
Ratio 3	13	22	6	0	1	0	0	0	0	0	1	0
Ratio 4	8	6	3	4	6	10	9	12	5	3	8	0

Number of complaints received from consumers per 1,000 contracts in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 7	50	10	4	6	1	3	0	1	0	0	0	0