



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

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2016 Property & Casualty 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 2016 Property & Casualty MCAS, licensed companies with at least \$50,000 in subject homeowner's and/or private passenger automobile premium were required to participate in the project in Wisconsin. A total of 176 companies participated in the project and OCI received 139 private passenger automobile statements and 134 homeowner's statements.

Statewide averages are calculated for seven categories for both the Private Passenger Automobile and Homeowners portions of the Property & Casualty 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 and/or statewide averages, may not be used in any form of company advertising or marketing.

| Private Passenger Auto | Statewide Average Ratio |
|--|-------------------------|
| 1. The number of claims closed without payment compared to the total number of claims closed | 22.58% |
| 2. Percentage of claims unprocessed at the end of the period | 13.12% |
| 3. Percentage of claims paid beyond 60 days | 16.09% |
| 4. Non-renewals to policies in force | 0.48% |
| 5. Cancellations over 60 days to policies in force | 0.16% |
| 6. Cancellations under 60 days to new policies issued | 1.23% |
| 7. Suits opened during the period to claims closed without payment | 3.26% |

| Ratio | 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% |
| 1 | 3 | 14 | 63 | 40 | 14 | 4 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 | 4 | 30 | 84 | 15 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | 3 | 19 | 60 | 36 | 15 | 3 | 1 | 0 | 1 | 0 | 0 | 0 |
| 4 | 24 | 113 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | 55 | 83 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | 32 | 81 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | 39 | 82 | 8 | 2 | 1 | 2 | 1 | 0 | 0 | 0 | 0 | 0 |

| Homeowners | Statewide Average Ratio |
|--|----------------------------|
| 1. The number of claims closed without payment compared to the total number of claims closed | 32.79% |
| 2. Percentage of claims unprocessed at the end of the period | 9.84% |
| 3. Percentage of claims paid beyond 60 days | 24.52% |
| 4. Non-renewals to policies in force | 0.61% |
| 5. Cancellations over 60 days to policies in force | 0.19% |
| 6. Cancellations under 60 days to new policies issued | 2.11% |
| 7. Suits opened during the period to claims closed without payment | 1.39% |

| Ratio | 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% |
| 1 | 2 | 4 | 19 | 33 | 44 | 21 | 5 | 0 | 1 | 0 | 2 | 0 |
| 2 | 6 | 56 | 47 | 18 | 2 | 2 | 0 | 0 | 0 | 0 | 2 | 0 |
| 3 | 7 | 12 | 30 | 27 | 26 | 18 | 6 | 2 | 0 | 0 | 1 | 0 |
| 4 | 15 | 114 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | 34 | 97 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | 26 | 89 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | 69 | 55 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |