



Wisconsin Office of the  
**COMMISSIONER**  
**OF INSURANCE**

**2022**

# **FINANCIAL AND STATISTICAL DATA**

## **Table B**

**Wisconsin Operations of All Insurers by Type of Company**

# Financial and Statistical Data

## Notes to Table B

The financial information was obtained from the National Association of Insurance Commissioners (NAIC) database downloaded on May 10, 2023, for those companies filing electronically with NAIC and annual statements filed with OCI for those companies not filing electronically with NAIC. The tables report the financial position of companies licensed to do business in Wisconsin as of December 31, 2022, and the results of their 2022 operations. Companies in rehabilitation and liquidation may not be included in the financial data.

Table B does not contain financial data for the Other Entities Subject to Limited Regulation.

Direct premiums and deposits for life business reported in

Table B include direct premiums written; annuity, deposit, and other considerations; and policyholder dividends used for renewals and paid-up additions.

Direct business written in Wisconsin by Domestic Surplus Lines insurers on an unauthorized basis is excluded from Table B. These premiums were included in the nationwide amounts reported in Tables C and F. The total direct business written, direct premiums earned, and direct losses incurred by Domestic Surplus Lines insurers excluded in the amounts reported in Table B were \$4,890,253, \$4,790,522, and -\$2,232,324 respectively.

Table B includes non-health premiums written and benefits paid reported for Life insurers filing on the health blank.

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## Explanation of Terms Used in Tables

**Wisconsin Operations** columns report the direct premiums and losses for Wisconsin-only business for the year.

**Nationwide Operations** columns report the net premiums and losses for all operations for the year.

**Direct Business** refers to business for which the insurer issued an insurance policy and accepted the premium.

**Net** business is direct business plus reinsurance assumed and less reinsurance ceded.

**Reinsurance** is the transfer of risk between insurance companies. Almost all direct writing companies use reinsurance to transfer a portion of the risk associated with their direct policies. Reinsurance assumed is accepting the risk of other insurers, while reinsurance ceded is transferring the risk to other insurers. Some companies specialize in providing reinsurance to other companies versus writing business directly.

**Premium Written** is usually defined as premium billed by fire and casualty companies. Rules of life insurance accounting require reporting premiums actually collected. Premium written is a measure of sales activity for the year.

**Premium Earned** is the result of premiums written in the current and previous years and, in some instances, premiums to be written in the future for current coverages. It is approximately the pro rata portion of the premium charged for each policy for the portion of coverage provided within the calendar year.

**Losses Incurred** equals losses paid, plus an estimate at the close of the current year of the amounts to be paid in the future for all unsettled claims as of the financial statement date, less the corresponding estimate made at the end of the prior year. If the estimates were exactly correct, then the incurred losses would be the actual cost of all claims arising from coverage provided during the current year. The estimates would also include

amounts for IBNR claims (incurred but not reported). Loss adjustment expenses are also included in the losses incurred for nationwide operations of title companies.

**Annuity Considerations** is revenue received for annuity contracts during the year. The amount corresponds to premiums written on insurance contracts.

**Deposits** are amounts placed with the insurer that do not incorporate risk from the death or disability of the policyholder and are more comparable to financial or investment instruments than insurance contracts.

**Other Considerations** are annuity considerations or other deposits which are not allocated to a specific policy but include an insurable risk.

**Net Loss Ratio** is equal to net losses incurred plus net loss adjustment expenses incurred, divided by net premiums earned.

**Expense Ratio** is equal to underwriting expenses divided by net premiums written. The loss ratio is determined based on net premiums earned as losses occur randomly throughout the policy term which matches the period the premiums are earned. The expense ratio is determined using net premiums written, because most underwriting expenses (commissions, home office underwriting, and clerical expenses) are incurred at the time the policy is written, not evenly throughout the policy term.

**Wisconsin Direct Loss Ratio** is a pure loss ratio equal to the direct losses incurred divided by the direct premiums earned for Wisconsin business. This ratio does not include Loss Adjustment Expenses. For insurers with small direct premiums earned, this ratio may not be a meaningful representation of their overall operations. Negative losses incurred would result from the company overestimating the cost to settle open claims as of the end of the prior year or the receipt of salvage or other recoveries from claims paid in prior years which were in excess of amounts incurred for the current year claims.

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## Additional Reports

The Office of the Commissioner of Insurance submits reports to the governor and to the legislature each year providing overviews of the insurance industry, the operations of OCI, and important *Financial and Statistical Data* on the insurers doing business in Wisconsin.

The *Directory of Licensed Insurers* includes all companies, fraternal benefit societies, associations, and town mutuals

licensed or otherwise authorized to transact the business of insurance in Wisconsin as of December 31 of the year of the *Wisconsin Insurance Report*.

All of these reports can be viewed and downloaded on the OCI website at [oci.wi.gov/Pages/AboutOCI/WisconsinInsuranceReport.aspx](https://oci.wi.gov/Pages/AboutOCI/WisconsinInsuranceReport.aspx).

**TABLE B**  
**2022 Summary of Wisconsin Operations of All Insurers by Type of Company**

<b>TYPE OF COMPANY</b>	<b>DIRECT PREMIUM WRITTEN</b>	<b>DIRECT BENEFITS PAID</b>
STOCK LIFE AND HEALTH	\$ 17,910,968,885	\$ 16,597,236,959
MUTUAL LIFE AND HEALTH	\$ 2,167,294,788	\$ 1,897,476,544
OTHER LIFE AND HEALTH	\$ 1,831,964,978	\$ 1,632,378,397
FRATERNALS	\$ 1,024,229,462	\$ 1,231,689,107
<b>TOTALS</b>	<b>\$ 22,934,458,113</b>	<b>\$ 21,358,781,007</b>

<b>TYPE OF COMPANY</b>	<b>DIRECT PREMIUM EARNED</b>	<b>DIRECT LOSSES INCURRED</b>	<b>LOSS RATIO %</b>
HEALTH MAINTENANCE ORGANIZATION	\$ 12,883,777,002	\$ 11,509,182,813	89%
LIMITED SERVICE HEALTH INSURER	\$ 38,194,699.00	\$ 23,193,063	61%
STOCK PROPERTY AND CASUALTY	\$ 9,454,239,438	\$ 6,326,332,555	67%
MUTUAL PROPERTY AND CASUALTY	\$ 3,272,863,326	\$ 2,349,386,003	72%
RECIPROCAL EXCHANGES	\$ 365,006,228	\$ 321,695,913	88%
TOWN MUTUALS	\$ 58,758,048	\$ 41,136,765	70%
TITLE	\$ 270,227,721	\$ 2,017,889	1%
<b>TOTALS</b>	<b>\$ 26,343,066,462</b>	<b>\$ 20,572,945,001</b>	

\* See Notes to Table



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