

Update on Florida's Insurance Market

House Insurance & Banking Subcommittee

January 21, 2015

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Residential Property

- Reinsurance rates continue to decline
- Rates are starting to come down for a large portion of the market
 - Decreases for Multi-Peril policies written by Citizens Property Insurance Corporation (eff. 2/1/2015)
 - Homeowners – decrease 6.1%
 - Dwelling Fire – decrease 4.7%
 - Mobile Home – decrease 4.6%
 - Mobile Home Dwelling – decrease 4.8%
 - More decreases approved during FY 2013/14 than in FY 2012/13 for personal residential property



Personal Residential Property Rate Changes

	Fiscal Year 2013/14		Fiscal Year 2012/13	
Total Rate Filings Approved	97		121	
-With statewide average decreases	43	44%	12	10%
-With statewide average increases	46	47%	75	62%
-With statewide average change 0%	8	8%	34	28%
Range of statewide average approved changes	-15.4% to +14.9%		-8.8% to +22.0%	

Source: OIR Personal Lines Residential Property Rate Reports for FY 2012/13 and 2013/14



Property Insurance

-- Florida Office of Insurance Regulation --

Top 25 -- Policies in Force Personal & Commercial Residential

Data as of September 30, 2014

Rank	Insurer Name	Policies in Force
1	CITIZENS PROPERTY INSURANCE CORPORATION	910,154
2	UNIVERSAL PROPERTY & CASUALTY INSURANCE COMPANY	500,503
3	AMERICAN INTEGRITY INSURANCE COMPANY OF FLORIDA	192,131
4	SECURITY FIRST INSURANCE COMPANY	192,058
5	HERITAGE PROPERTY & CASUALTY INSURANCE COMPANY	173,512
6	ST. JOHNS INSURANCE COMPANY, INC.	173,166
7	FEDERATED NATIONAL INSURANCE COMPANY	167,597
8	UNITED PROPERTY & CASUALTY INSURANCE COMPANY	156,696
9	HOMEOWNERS CHOICE PROPERTY & CASUALTY INSURANCE COMPANY, INC.	147,737
10	AMERICAN BANKERS INSURANCE COMPANY OF FLORIDA	144,341
11	TOWER HILL PRIME INSURANCE COMPANY	139,242
12	FLORIDA PENINSULA INSURANCE COMPANY	134,584
13	PEOPLE'S TRUST INSURANCE COMPANY	132,790
14	UNITED SERVICES AUTOMOBILE ASSOCIATION	124,834
15	CASTLE KEY INDEMNITY COMPANY	107,771
16	ASI PREFERRED INSURANCE CORP.	107,695
17	FLORIDA FAMILY INSURANCE COMPANY	106,217
18	TOWER HILL SIGNATURE INSURANCE COMPANY	98,566
19	ARK ROYAL INSURANCE COMPANY	95,893
20	CASTLE KEY INSURANCE COMPANY	90,905
21	ASI ASSURANCE CORP.	78,869
22	OLYMPUS INSURANCE COMPANY	76,276
23	CYPRESS PROPERTY & CASUALTY INSURANCE COMPANY	69,349
24	SOUTHERN FIDELITY INSURANCE COMPANY	68,922
25	TOWER HILL PREFERRED INSURANCE COMPANY	67,530
Total for top 25 companies		4,257,338

Data submitted to the QUASRng database is not audited by the Florida Office of Insurance Regulation before publication. Beginning with the first quarter of 2014, State Farm Florida Insurance Company is filing QUASR reports as Trade Secret, their current data is therefore not included in this database.

Quarterly Supplemental Report (QUASRng)

Updated 01/07/2015



Property Insurance

Domestic Property Writers 2012 - 2014

Company name	Date Licensed	Initial Capital
Southern Fidelity Property & Casualty, Inc.	1/12/2012	\$20,000,000
Heritage Property & Casualty Insurance Company	8/17/2012	\$19,000,000
Weston Insurance Company	12/21/2012	\$55,000,000
Elements Property Insurance Company	9/27/2013	\$25,000,000
Safepoint Insurance Company	11/21/2013	\$25,000,000
Mount Beacon Insurance Company	9/2/2014	\$25,000,000
Anchor Property and Casualty Insurance Company	10/24/2014	\$25,000,000
Total		\$194,000,000

Source: CORE licensing application,1/5/15



Auto Insurance

Average Personal Auto Rate Changes

The statewide average rate changes for the top 25 Florida personal auto insurers:

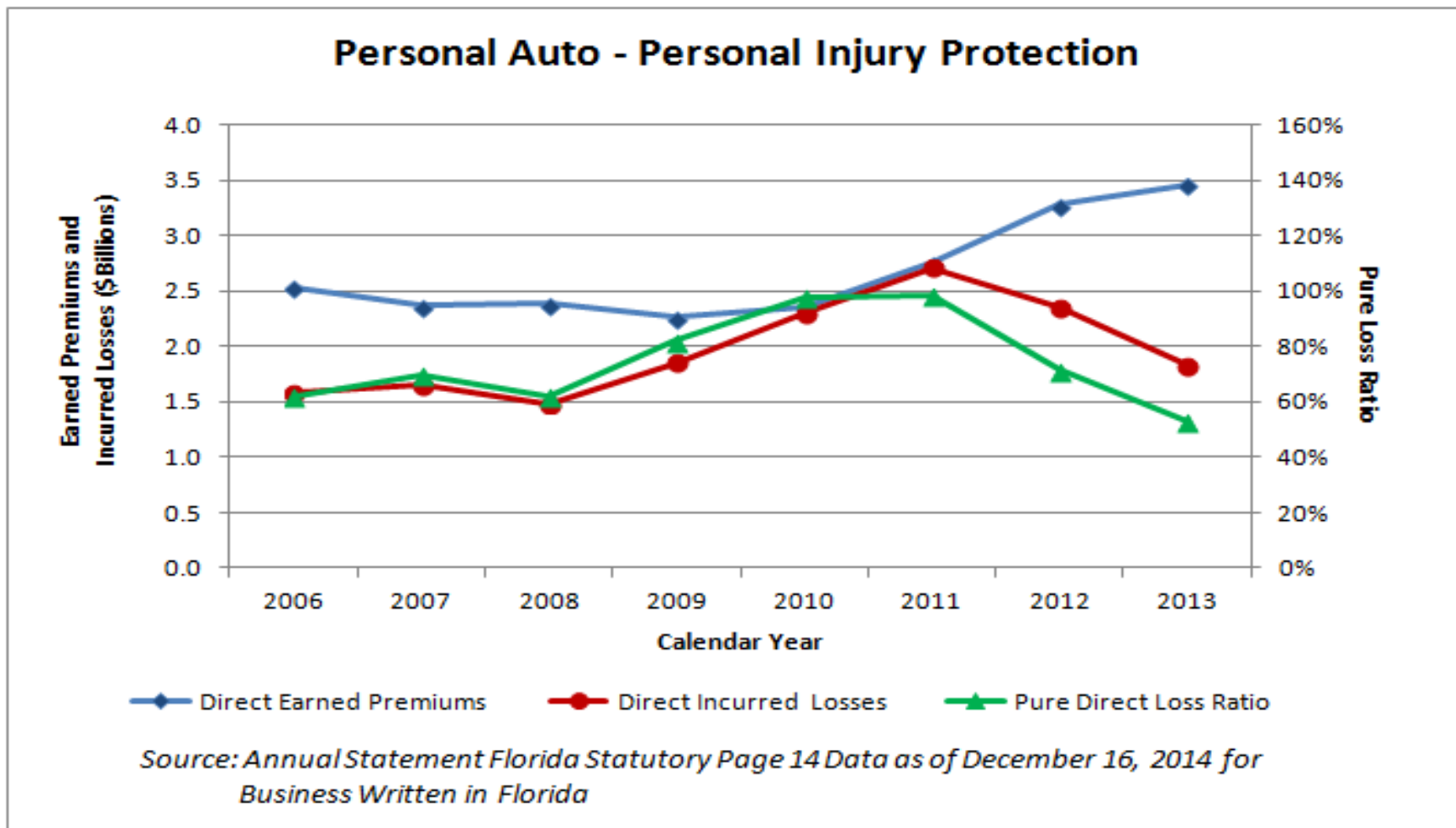
Coverage Type	Pre-HB 119	Post-HB 119
Personal Injury Protection (PIP)	+46.3%	-13.6%
Liability (incl. PIP)	+20.9%	-0.5%
Overall (All Coverages)	+12.9%	-0.1%

- Pre-HB 119 – Filings effective between January 1, 2011 and up to, but not including, the first HB 119 required filing.
- Post-HB 119 – From the first HB 119 required filing (due by October 1, 2012) through filings effective January 1, 2015.
- Data/filing information as of December 19, 2014



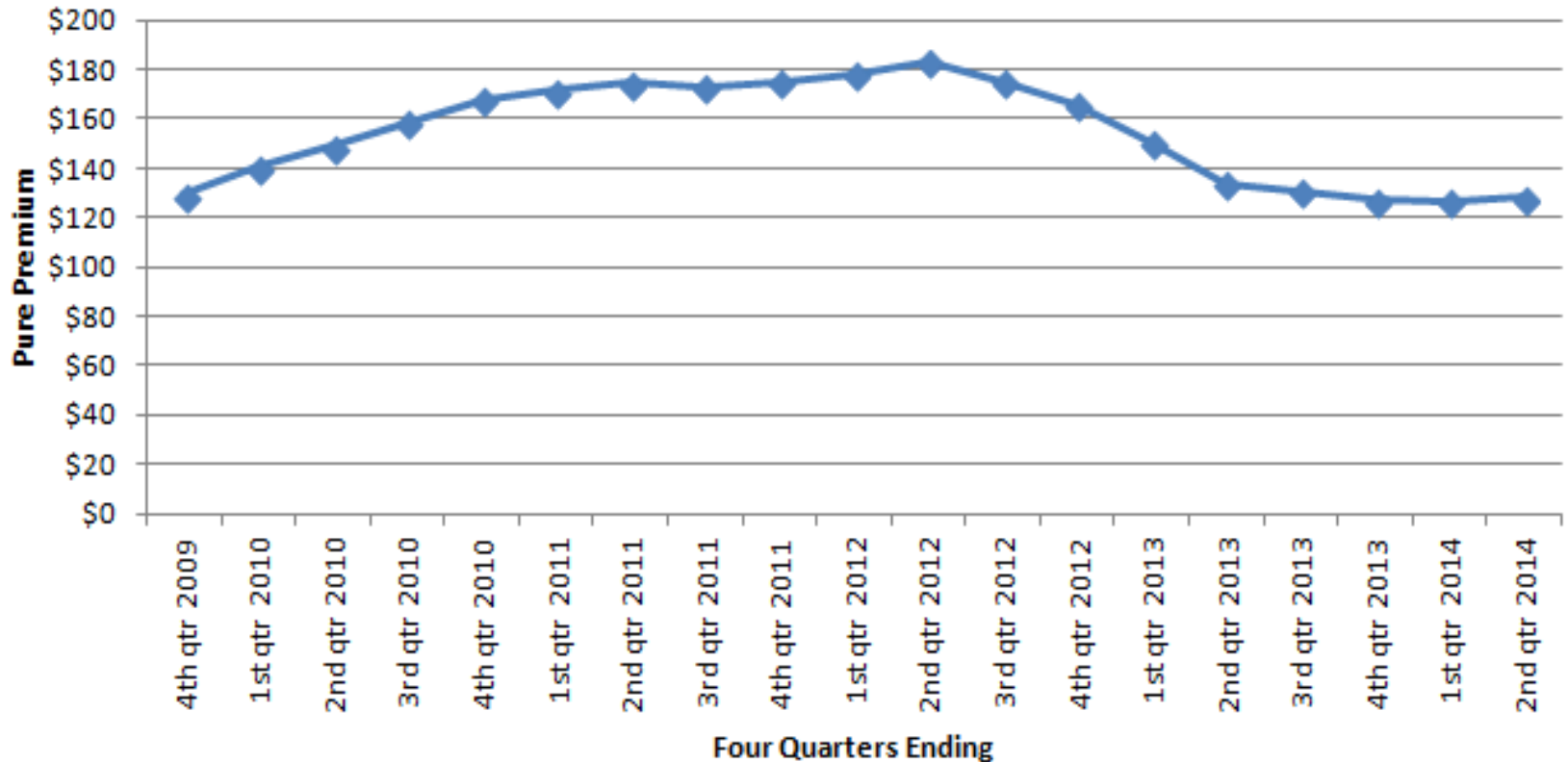
Auto Insurance

PIP Premium, Loss and Loss Ratios



Auto Insurance

Personal Injury Protection - Pure Premium

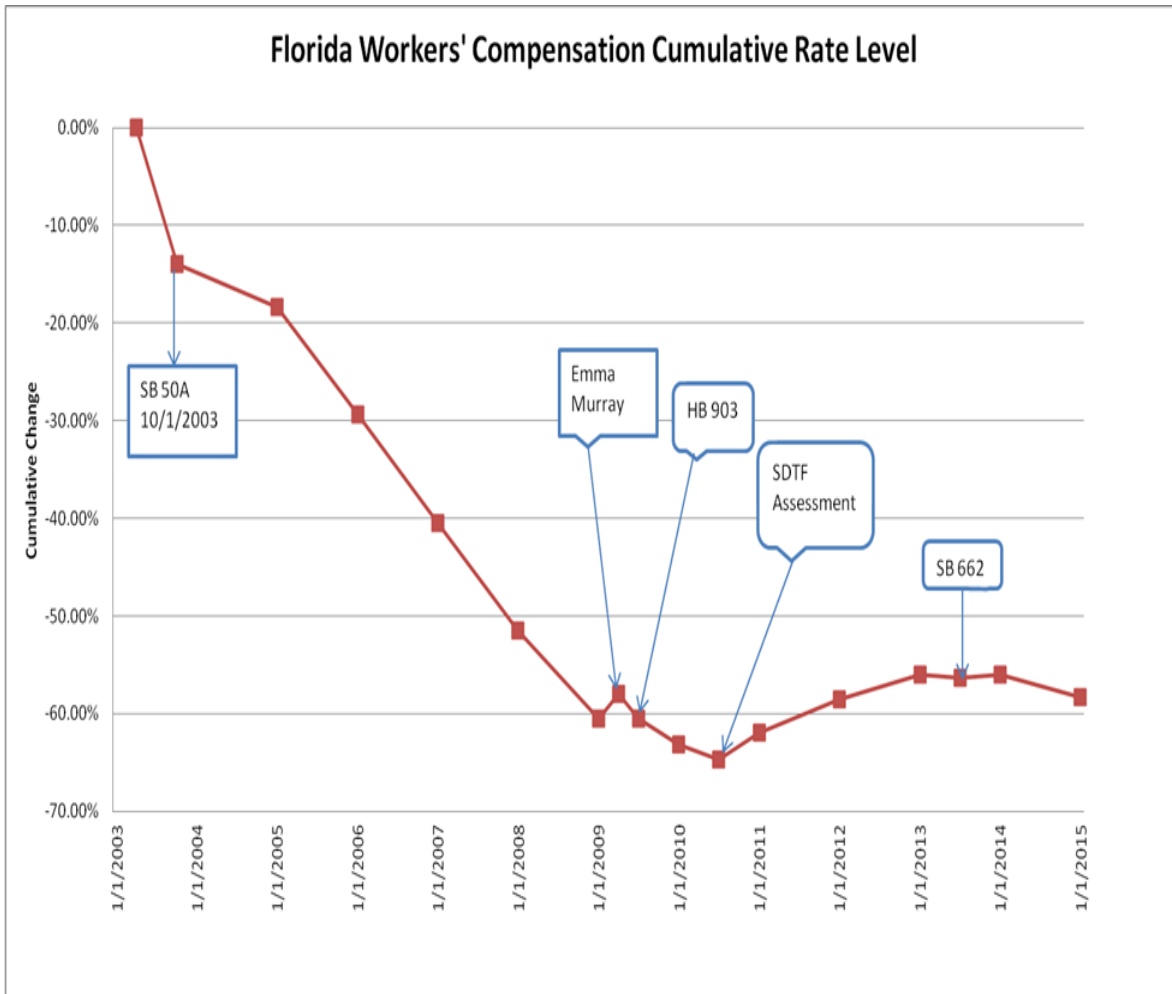


Source: Fast Track Monitoring System - includes data from ISO, ISS and NISS

Pure premium excludes all expenses, including loss adjustment expenses



Workers' Compensation Insurance



Overall Statewide Rate Level Change		
	Proposed Rate	Approved Rate
Effective Date	Level	Level
1/1/2011	8.3%	7.8%
1/1/2012	8.9%	8.9%
1/1/2013	6.1%	6.1%
7/1/2013	-0.7%	-0.7%
1/1/2014	1.0%	0.7%
1/1/2015	-3.3%	-5.2%



Workers' Compensation Insurance

Ten Largest Workers' Compensation Insurers

Company Name	State of Domicile	Workers' Compensation		
		Direct Premium Written	Market Share (%)	Cumulative Market Share (%)
Bridgefield Employers Ins Co	FL	\$260,472,335	11.34	11.34
Zenith Ins Co	CA	126,704,658	5.52	16.86
FCCI Ins Co	FL	125,553,960	5.47	22.32
RetailFirst Ins Co	FL	82,947,816	3.61	25.94
Technology Ins Co Inc	NH	73,755,242	3.21	29.15
Twin City Fire Ins Co	IN	70,497,810	3.07	32.22
Amerisure Ins Co	MI	69,243,971	3.01	35.23
FFVA Mut Ins Co	FL	58,073,687	2.53	37.76
Comp Options Ins Co Inc	FL	58,042,277	2.53	40.29
Guarantee Ins Co	FL	53,439,563	2.33	42.62



Health Insurance

Individual PPACA Market Monthly Premiums for Plan Year 2015

	Company	HMO / PPO	Offering Plans On the Federal Exchange ⁽¹⁾ (Yes/No)	Florida File Log Number	Average Monthly Premium ⁽²⁾ per Person for Actual 2014 Enrollment	Average Monthly Premium ⁽²⁾ per Person for Projected 2015 Enrollment	Average Percentage Change Requested ⁽⁴⁾
On and Off Exchange							
1	Aetna Health Inc.	HMO	Yes	14-11970	\$387	\$367	-5%
2	Blue Cross Blue Shield of Florida Inc.	PPO	Yes	14-11249	\$427	\$503	18%
3	Cigna Health and Life Insurance Company	PPO	Yes	14-11310	\$425	\$497	17%
4	Coventry Health Care of FL, Inc.	HMO	Yes	14-11830	\$300	\$343	14%
5	Florida Health Care Plan Inc.	HMO	Yes	14-13243	\$313	\$348	11%
6	Health First Health Plans Inc.	HMO	Yes	14-11472	N/A	\$447	New Plans
7	Health First Insurance Inc.	PPO	Yes	14-11469	\$383	\$470	23%
8	Health Options Inc.	HMO	Yes	14-11247	\$407	\$488	20%
9	Humana Medical Plan Inc.	HMO	Yes	14-11822	\$296	\$338	14%
10	Molina Healthcare of Florida Inc.	HMO	Yes	14-10844	\$342	\$302	-12%
11	Preferred Medical Plan Inc.	HMO	Yes	14-11999	\$320	\$363	14%
12	Sunshine State Health Plan Inc.	HMO	Yes	14-11519	\$365	\$329	-10%
13	Time Insurance Company	PPO	Yes	14-10791	N/A	\$457	New Plans
14	UnitedHealthCare of Florida Inc.	HMO	Yes	14-12339	N/A	\$404	New Plans
Off Exchange Only							
15	Aetna Life Insurance Company	PPO	No	14-13008	\$316	\$293	-7%
16	Avmed, Inc.	HMO	No	14-14343	\$373	\$365	-2%
17	Celtic Insurance Company	PPO	No	14-15681	\$490	\$490	0%
18	Coventry Health Plan of FL, Inc.	HMO	No	14-12270	\$328	\$333	1%
19	Freedom Life Insurance Company of America	PPO	No	14-13110	\$352	\$387	10%
20	Humana Health Insurance Company of FL, Inc.	PPO	No	14-11820	\$388	\$397	2%
21	UnitedHealthCare Life Insurance Company	PPO	No	14-12485	N/A	\$438	New Plans
	Weighted Average using Projected Membership⁽³⁾:				\$364	\$412	13.1%

(1) A plan available through the Federally Facilitated Exchange (FFE) may or may not be available outside of the FFE.

(2) Average Monthly Premiums do not include the impact of potential premium subsidies.

(3) Weighted averages give more weight to companies with larger membership. The projected membership is based on proprietary company projections.

(4) Requested changes are rounded to the nearest percentage point and do not represent the percent difference for a single policyholder.

General Information

This information has not been reviewed or finalized by the Department of Health & Human Services; therefore, it is subject to change.

Florida file log numbers can be used to search the Office of Insurance Regulation's "I-File Forms & Rates Filing Search" system.



Questions?

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