

EAST FACTS

September 2009

Florida



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PROFESSIONAL.

About the Office of Insurance Regulation

The Florida Office of Insurance Regulation (Office) has primary responsibility for regulation, compliance and enforcement of statutes relating to the business of insurance and the monitoring of industry markets. The Office pursues its mission of public protection via regulatory oversight of insurance company solvency, policy forms and rates, market conduct performance and monitoring new company entrants into the Florida market.

About the Insurance Commissioner



Kevin McCarty became Florida's first appointed insurance commissioner in January 2003. Commissioner McCarty reports to the Financial Services Commission, composed of the Governor and Florida Cabinet.

During his tenure, Commissioner McCarty has focused on making the regulatory process more transparent, championed senior rights, implemented automation initiatives placing Florida on the forefront of regulatory technology, and is building a coalition to urge the passage of a National Catastrophe Plan.

Commissioner McCarty has elevated Florida's international presence by serving as a United States' representative on the International Association of Insurance Supervisors' (IAIS) Executive Committee, as well as the Joint Forum, a key group of leading international regulators from the insurance, banking and securities sectors.

In December 2008, Commissioner McCarty was elected Secretary-Treasurer of the National Association of Insurance Commissioners (NAIC), and will serve through December 2009.

Commissioner McCarty received his bachelor's degree and Juris Doctorate from the University of Florida.

Resources: Office of Insurance Regulation

Fiscal Year 2009-2010

Full-Time Employees	300
Total Budget**	\$28,003,462

100% of the budget is derived from the Insurance Regulatory Trust Fund.

***FY 2009-2010 Budget includes a special category of \$4,701,763 in budget authority for the outsourcing of financial examinations. The Insurance Regulatory Trust Fund acts as a pass-through and insurers pay the cost of the examination back to the Trust Fund; therefore it is revenue neutral.*

Operating Costs (Fiscal Year 2009-2010)

Regulatory	90%
Administration	10%

Position Allocation (Fiscal Year 2009-2010)

Regulatory	88%
Administration	12%

Revenue Collected (Fiscal Year 08-09)*

Insurance Premium Tax	\$651,300,000
Examination Cost Assessments	\$2,033,855
Fees	\$5,293,000
Penalties/Fines	\$12,825,259

**Office revenue is deposited into the Insurance Regulatory Trust Fund.*

***Insurance premium taxes are collected by the Florida Department of Revenue.*

Regulated Entities

As of June 30, 2009

The Office regulated a total of 3,932 insurance entities.

Life & Health Insurers	834
Property & Casualty Insurers	1,441
Specialty and Other Entities	1,494
Surplus Lines Companies	166

Excludes advisory organizations and rating organizations.

Overview of Insurance Premium in Florida Calendar Year 2008

Admitted

Property & Casualty	\$32.5 billion
Life & Health	\$66.5 billion
Other	\$1.1 billion
Total	\$100.1 billion

Surplus Lines Market*	\$4.1 billion
Citizens Property Insurance	\$2.8 billion
Residual Markets**	\$0.04 billion
Total Written Premium	\$107.0 billion

**Surplus Lines Companies write unique risks that often include high value residential and commercial properties.*

***Citizens and other residual markets are entities that sell coverage for consumers who cannot obtain coverage through private companies in Florida.*

Florida Domestic Insurance Companies

As of June 30, 2009

Authority Category	Authorities
Property & Casualty	143
Third Party Administrators	98
Service Warranty Associations	73
Premium Finance Companies	57
Continuing Care Retirement Communities	56
Motor Vehicle Service Organizations	59
Health Maintenance Organizations	37
Risk Purchasing Groups	43
Life & Health	17
Self-Insurance Funds	197
Other*	406
Total Domestic Authorities**	1,186
Total Domestic Companies***	1,135

* The "Other" category is predominately donor annuities (277).

** Companies are given "authority" to write multiple kinds of insurance. Therefore, the number of authorities exceeds the number of companies.

*** Overall data includes "Local Government Units/Payee Self-Insurers."

Enforcement Actions

Fiscal Year 2008-2009

Financial/Regulatory

Certificate of Authority Suspended	7
Certificate of Authority Revoked	2

Administrative Fines

Life & Health Product Review	\$75,500
Property & Casualty Product Review	\$395,250
Specialty Product Administration	\$973,612
Market Conduct/Investigations	\$8,762,044
Life & Health Financial Oversight	\$78,200
Property & Casualty Financial Oversight	\$586,748
Attorneys Fees	\$1,956,850

Total Administrative Fines **\$12,828,204**

Total Consumer Refunds **\$68,861,171**

Public Hearings

Rate Hearings	4
Other Hearings	2
Rule Hearings/Workshop	17

Regulatory Activities

Fiscal Year 2008-2009

Financial Reviews (Desk Audits)

Life & Health	2,516
Property & Casualty	4,783
Specialty	2,159

Market Conduct

Market Conduct Examinations	70
Market Conduct Investigations	560

Financial Field Examinations

Life & Health	16
Property & Casualty	78
Specialty	104

Form and Rate Filings Processed

Business Unit	Files	Time to Process
Life & Health	9,015	20 Days
Property & Casualty	11,589	42 Days
Total	20,604	Average 29 Days

Applications Statistics

In Fiscal Year 2008-2009, the Office received 539 company applications, which were processed in an average of 43 days. These applications were either approved, denied, withdrawn or deemed incomplete. In addition, the applications section completed 790 investigations of Officers and Directors in an average of 69 days.

Top 20 Personal Residential Writers in Florida

Policies as of December 31, 2008

	Policies
1 Citizens Property	1,050,613
2 State Farm Florida	901,850
3 Universal P&C	461,040
4 St. Johns	198,725
5 USAA	166,075
6 Castle Key (AllState)	159,562
7 ASI Assurance	133,785
8 Nationwide Ins. Co. of FL	129,174
9 Royal Palm	124,093
10 Homewise Preferred	124,075
11 Universal Ins. Co. of N.A.	108,058
12 Florida Peninsula	102,632
13 Magnolia	100,275
14 Liberty Mutual	99,291
15 American Strategic	98,907
16 American Integrity	90,740
17 Florida Family	85,292
18 Tower Hill Prime	81,932
19 Homewise	79,565
20 USAA Casualty	79,324

Top 20 Personal Automobile Writers in Florida

Premium for Calendar Year 2008

(Premium in millions)

1	State Farm Mutual	\$2,493
2	GEICO General	\$890
3	AllState P&C	\$820
4	AllState Insurance	\$661
5	Progressive American	\$623
6	Progressive Select	\$501
7	GEICO Indemnity	\$467
8	Government Employees	\$333
9	USAA	\$323
10	USAA Casualty	\$233
11	Nationwide Mutual	\$214
12	State Farm Fire	\$204
13	AllState Indemnity	\$194
14	Direct General	\$179
15	Progressive Express	\$160
16	Mercury	\$146
17	Security National	\$141
18	Metropolitan Casualty	\$141
19	United Automobile	\$132
20	Esurance	\$129

Source: National Association of Insurance Commissioners' I-Site. Premium is direct premium written and includes private passenger auto (PIP), other auto liability and auto physical damage.

Top 20 Life & Annuity Writers in Florida

Premium for Calendar Year 2008

(Premium in millions)

1	John Hancock Life	\$1,853
2	Lincoln National Life	\$1,448
3	AXA Equitable Life	\$1,283
4	Transamerica Life	\$1,246
5	Metropolitan Life	\$1,064
6	ING USA Annuity	\$1,036
7	Pacific Life	\$940
8	Allianz Life	\$895
9	Nationwide Life	\$850
10	MetLife Investors USA	\$846
11	Hartford Life	\$836
12	Variable Annuity Life	\$820
13	Principal Life	\$818
14	Massachusetts Life	\$812
15	New York Life	\$754
16	Riversource Life	\$708
17	Jackson National Life	\$687
18	Western National Life	\$611
19	Hartford Life & Annuity	\$601
20	Prudential Annuities Life	\$528

Source: National Association of Insurance Commissioners' I-Site

Top 20 Accident & Health Writers in Florida

Premium for Calendar Year 2008

(Premium in millions)

1 Blue Cross & Blue Shield	\$6,376
2 Humana Medical Plan	\$4,101
3 United Healthcare	\$4,017
4 Aetna Health	\$2,062
5 United Healthcare of FL	\$1,365
6 Wellcare of FL	\$1,339
7 AvMed	\$920
8 Health Options	\$878
9 Careplus Health Plans	\$823
10 VISTA Healthplan	\$697
11 Connecticut General	\$575
12 Aetna Life	\$555
13 Capital Health Plans	\$501
14 Amerigroup Florida	\$494
15 Healthease of Florida	\$480
16 Humana	\$474
17 Neighborhood Health Ptr.	\$424
18 Humana Health of FL	\$399
19 Health First	\$374
20 Healthspring of FL	\$374

Source: National Association of Insurance Commissioners' I-Site

Office of Insurance Regulation

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Department of Financial Services

Consumer Help Line
877-693-5236 (in-state)
850-413-3089 (out-of-state)



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