





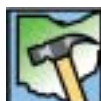

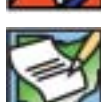


The Insurance Industry




in OHIO

Insurance provides property and financial security

Insurance is just one of the factors that enables Ohioans to make long-term commitments and secure a better future. In 2002 insurance played a role in:

-  • **51,246 new family dwellings and apartments that broke ground**
-  • **17,870 new businesses that were formed, creating new job markets**
-  • **\$8.9 billion in wages earned by Ohio's 236,106 construction industry employees**
-  • **The sale of 397,604 cars and 350,334 trucks (2001 figures)**
-  • **Protecting Ohio's 8.3 million licensed drivers by providing auto insurance through a strong, competitive market**
-  • **Nearly \$4.6 billion paid to Buckeye residents employed by Ohio's insurance industry (2001 figure)**
-  • **Providing protection to Ohio's 4,894 schools, along with enabling the construction and renovation of new and existing school buildings**
-  • **Supporting a \$148 billion Ohio retail sales industry**

Ohioans purchase insurance to protect their assets and as a means of financial security. The insurance industry covered personal losses well into the billions of dollars in 2002 including:

-  • **Nearly \$10.8 billion in property, automobile, medical and other property/casualty insurance losses, which include: \$3.6 billion for personal and commercial automobile accident losses, \$986 million in direct losses paid for homeowners insurance policyholder losses and \$3.7 million in losses related to accident and health**
-  • **\$6.3 billion distributed to the beneficiaries of accident and health insurance policies in private companies**

Insurance—It's affordable in Ohio

The next time you pay an auto or homeowners insurance premium, think about this. Ohioans pay over \$104 less than the US average expenditure for auto insurance and \$174 less than the US average for homeowners insurance. Ohio insurance consumers opting for a full coverage auto insurance policy (liability, collision and comprehensive coverages) will find their premiums are lower than their counterparts in all but nine states. Their average homeowners insurance premium ranks 48th lowest in the country (study includes Washington D.C.) Only three states have a lower average homeowners premium than Ohio.



Built-in consumer protection

The insurance industry protects consumers when an insurer declares bankruptcy or becomes insolvent. The Ohio Insurance Guaranty Association provides consumers a safety net should their insurance company fail. This allows policyholders to recoup unearned premiums or to be compensated for claims in process. The association provides a mechanism to collect and pool funds from all state licensed insurance companies. Insurers are assessed based on their statewide market share.

Since 1970, the Ohio fund assessed companies over \$257 million through December 2001. This includes \$15 million assessed in 2001.

The Ohio Department of Insurance has a division that oversees the liquidation of Ohio-based insurance companies. For details, go to: www.ohinsliq.com.

Insurance as an employer

Insurance is a big player in Ohio when it comes to employment opportunities. It's one of the state's major employers with over 100,000 employees and wages approaching \$4.6 billion. Ohio has about 75,500 licensed resident insurance agents, according to the Ohio Department of Insurance, some of whom are part of the state's insurance employment picture, some are not. (There's an additional 91,176 non-resident agents licensed by the Department too.) The numbers below don't include those who operate as single-person businesses—those who service the insurance industry as consultants or self-employed agents. Over one-third of the state's insurance employment is in the property/casualty line.

Ohio ranks #7 in the country when it comes to insurance employment.

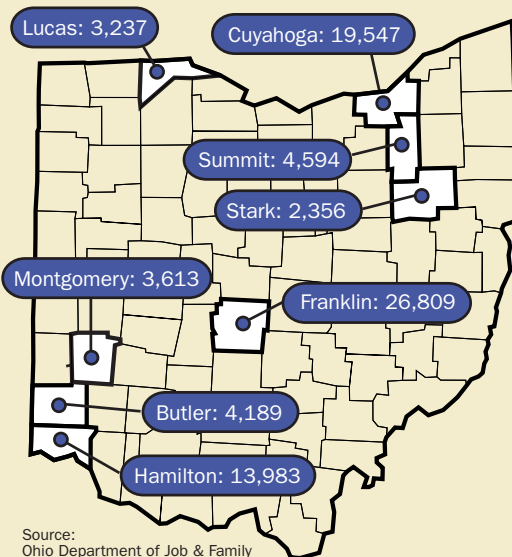
(Alliance of American Insurers, 2002 estimated employment figures)

Ohio Employment by Insurance Line—1997 and 2001

Insurance Line	1997 Employment	1997 Wage Estimates	2001 Employment	2001 Wage Estimates
Life	15,126	\$ 583,881,000	14,588	\$ 669,237,000
Medical Service/Health	12,374	473,529,000	14,043	640,969,000
Fire/Casualty/Marine	33,481	1,405,708,000	36,885	1,837,774,000
Title	3,150	100,457,000	3,367	128,327,000
Surety	365	17,417,000	450	26,234,000
Pension/Health/Welfare Funds	1,211	42,813,000	3,053	119,812,000
Other	115	\$5,359,000	268	14,726,000
Agents/Brokers	25,243	879,636,000	27,421	1,128,582,000
Total	91,065	\$ 3,508,800,000	100,075	\$ 4,565,661,000

Source: Ohio Department of Job & Family Services, Bureau of Labor Market Information. Note: Totals may be slightly off due to rounding.

Top Counties in Insurance Industry Employment for 2001



Source: Ohio Department of Job & Family Services, Bureau of Labor Market Information

Employment in Ohio's insurance industry rose 9% in the five year period between 1997–2001. Wages earned by its employees rose 23%.

Based on state projections, insurance company employment is expected to increase 7.3% between 2000–2010. Agent/broker services employment is expected to increase 11.2%.



Source: Ohio Department of Job & Family Services Services, Industry Employment Projections Report, 2000–2010

Insurers contribute over a million dollars a day to the state treasury.

(Based on 2003 tax information)

Ohio Employment in Insurance 1996-2001

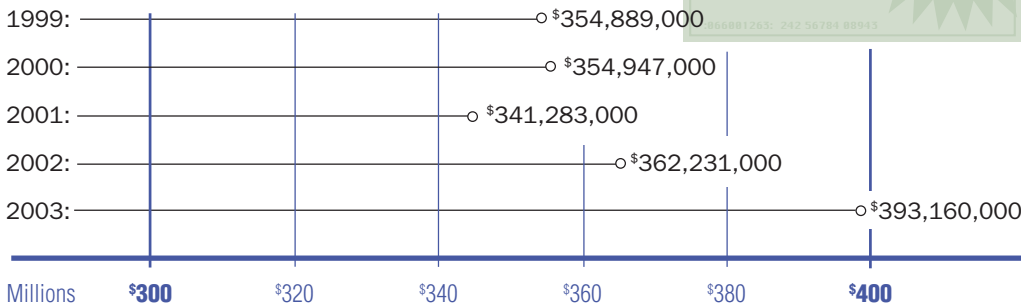
Year	Total Industry	Total Insurance Carriers	Agent & Broker Services
1996	87,519	63,432	24,087
1997	91,064	65,821	25,243
1998	95,346	69,207	26,139
1999	98,954	72,199	26,755
2000	99,980	73,305	26,675
2001	100,074	72,653	27,421

Source: Ohio Department of Job & Family Services, Bureau of Labor Market Information
Note: Totals reflect those who qualified for unemployment compensation, and don't include agents or insurance industry consultants operating as single-person businesses. Totals may be slightly off due to rounding.

Insurance as an economic contributor

Insurance companies continue to be a major contributor to Ohio's bottom line. In 2003, insurance companies paid over \$393 million insurance taxes.

State Taxes Paid by Insurance Companies 1999-2003



Home sweet home

Ohio is headquarters to 129 property/casualty (P/C) insurers. We're in the Top 10 in the country when it comes to the number of such companies domiciled within a state. And the word is out on Ohio's healthy insurance environment. There are 1,753 insurance companies licensed to conduct business in the Buckeye state. 970 write predominantly P/C lines, while 575 write life insurance.



Consumers benefit from the fact that there are hundreds of companies vying for their insurance business which helps keep premiums competitive. In fact, Ohio's auto and homeowners insurance premiums consistently remain lower than the US average.

For more information

- For more about Ohio's insurance industry:
- **Ohio Insurance Institute** 614-228-1593
www.ohioinsurance.org
 - **Ohio FAIR Plan** 800-282-1772
www.ohiofairplan.com
 - **Ohio Automobile Insurance Plan** 614-221-2596
www.assignedoriskohio.com
 - **Ohio Insurance Guaranty Association** 614-442-6601
 - **Ohio Department of Insurance** ... 614-644-2658
www.ohioinsurance.gov
Consumer Services Hotline 800-686-1526
Senior Health Insurance Hotline 800-686-1578
Insurance Fraud Hotline 800-686-1527
Office of the OH Insurance Liquidator 614-487-9200
www.ohinsliq.com

THE INSURANCE INDUSTRY IN



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Ohio's Insurance Industry

When you think of insurance, you might think about the last premium you paid or the auto accident you had last summer. But there's more to insurance than just premiums and claims.

By taking a look at its overall impact in the Buckeye state, you begin to realize that without it, many of the things we take for granted—our health, a car or our home—would not be as easy to attain or maintain.