

Operations and



Select the document or documents you reviewed.

Source of Information

<input type="checkbox"/>	Annual Statement/Quarterly Filings	Cooper, Teresa: List not fully considered. May need to add to the list or make items more generic.
<input type="checkbox"/>	Management Discussion	
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>	Other	<input type="text"/>
<input type="checkbox"/>		<input type="text"/>
<input type="checkbox"/>		<input type="text"/>

2a Human Resources Department: State review of job applicants from the company's employee
Comments:

3 Has the insurer reported its Financial Annual Statement over the last three years that has:

- a. Been involved in or a part of a merger or consolidation
 Yes No
- b. Had any Certificates of Authority, licenses, or registrations (including corporate registrations if applicable) suspended or revoked by any governmental entity?
 Yes No
- c. Changed its state of domicile
 Yes No

Financial Annual Statement General Interrogatories Part 1 Question 1



2015

Financial Annual Statement General Interrogatories Part 1 Question 1



2014

State of Domicile

Year	State of Domicile
------	-------------------

2016

2015

2014

Comments

Financial Ratios

4

Review the company's Risk Based Capital (RBC) ratios and Financial Analysis Solvency Tools (FAST) scores for the last five year period to determine whether financial results may have the potential to have an adverse impact on the market conduct activities of the company.

Financial Summary

Scoring Report

2016 2015 2014 2013 2012

4a) Identify and describe any action level events triggered by RBC ratios or significant declines in the RBC ratio during the period reviewed.

Annual Statement Jurat Page

2016 2015 2014

Year	RBC Ratio	Action
2016		
2015		
2014		
2013		
2012		

4b

Identify and describe any concerns related to the total Financial Scores or individual scores.

Year	Total Score	Financial Position	Results of Operations	Cash Flow & Liquidity	Leverage
2016					
2015					
2014					
2013					
2012					

4c Financial Analysis: State review of Company Financial Data with assistance from state financial analysts
Comments:

4d Financial Rating Agencies: State review of Company Financial Ratings
Comments:

Regulatory Actions

5

Review the Regulatory Actions Report for 5 Years, the Substantive Regulatory Actions Report and the summary information of these reports. Identify and describe any regulatory actions reported of concern, or concerns with any patterns in the origin of action reasons for action disposition, etc.

Regulatory Actions Report for 5 years Substantive Regulatory Actions 5 Years

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Regulatory Action Reviewed			
Order #	State	Date of Order	Description



Total Number of regulatory actions listed in the Regulatory Action Report for 5 Years

Number of Substantive Regulatory Actions listed in the Regulatory Action Report for 5 Years

Origin of Actions	Regulatory Action Report for 5 Year		Substantive Regulatory Actions	
	Number	Percentage of Total	Number	Percentage of Total

Reason for Action	Regulatory Action Report for 5 Year		Substantive Regulatory Actions	
	Number	Percentage of Total	Number	Percentage of Total

Disposition	Regulatory Action Number	Report Percentage of Total	r 5 Year Number	Substantive Regulatory Actions Percentage of Total

5a Regulatory Actions: State review of Disciplinary Orders
 Comments:

5b Legal Information: State review of pending legal activity
 Comments:

Exam Status	Number	Percentage of Total

Exam Type	Number	Percentage of Total

Market Exam Trigger Excludes Financial & Combined Exams	Number	Percentage of Total

Market Exam Area Excludes Financial & Combined Exams	Number	Percentage of Total

States with Exams (Excludes Financial & Combined Exams)	Number	Percentage of Total

Add Chart to document exam triggers, scrutinies, findings and comments (10/23/17)		

6c Review of Examination Reports

Comments:

Market Action r Initiatives

7

Market Action Initiative Summary Initiative

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Premiums

Please Note Premium information provided excludes premiums outside the US states and territories.

8 Review the company's direct written premium reported on a national and state basis.

Schedule T
2016 2015 2014 2013 2012

Schedule T Part 2
2016 2015

State Page Exhibit
2016 2015 2014 2013 2012

Cooper, Teresa:
 The Market Regulation Handbook indicates that dramatic growth (>+33 percent) or decline (<-10 percent) in one or more lines of business is a warning sign. Should these percentages be used here?

8a Has the company's direct written premium in any one jurisdiction increased or decreased by more than 33% in any single year during the last five years?

Yes No

Yes No

Cocode	State	2016	2015	2014	2013	2012	CY/PY	PY/PY1	PY1/PY2	PY2/PY3
Co#1	Review									
Co#1	Additional									
Co#2	Review									
Co#2	Additional									
Group										
Group										

Comments:

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Market Share

9 Review the company's Market Share information for the state under review over the last five years. Identify and describe significant changes in the company's Market Share for the line(s) of business under review.

Line of Business HO

Year	Premiums Written	Market Share	Percentage Change From Prior Year
2016			
2015			
2014			
2013			
2012			

Year	Cocode	Premiums Written	Market Share	% Change from PY
2016	Co#1			
2016	Co#2			
2016	Group			
2015	Co#1			
2015	Co#2			
2015	Group			
2014	Co#1			
2014	Co#2			
2014	Group			
2013	Co#1			
2013	Co#2			
2013	Group			
2012	Co#1			
2012	Co#2	Cc.56 5119fa 2C72.6 .S20.9(Cc.56 5119fa 2C72.6 .S20.9(Cc.56 5119fa 2C72.6 .S2276 416C7		
2012	Group			

Loss and Expense Ratios

10 Review the company's loss and expense ratio information on a national and state specific basis for the line(s) of business under review for the last five years.

Exhibit of Business Complete Profile

State Page Exhibit

2016 2015 2014 2013 2012

10a For the line(s) of business under review in all jurisdictions, identify and describe any unusually high or low loss and expense ratios, or unusual trends for the company, as compared to the industry averages.

10b For the state and line(s) of business under review, identify and describe any unusually high or low loss and expense ratios, or unusual trends for the company, as compared to the industry averages.

Company: All Jurisdiction

	2016	% Chg	2015	2014	2013	% Chg	2012	% Chg
Pure Net Loss								
Pure Net LAE								
Net Loss								

Company: Line of Business All Jurisdictions

	2016	2015	2014	2013	% Chg	2012	% Chg
Pure Net LAE							
Net Loss							
Expense							

Resisted or Unpaid Claims

11

11a

DEFENSE COSTS & GAINS RESERVES 5 YEARS

Year	% Chg from Prior Year	% Chg from Prior Year	Direct Losses Incurred	% Chg from Prior Year	Direct Def & Cost Contain ExpPd As Pct of Premium Written	Industry Avg Direct Def & Cost Exp Pd As Pct Premium Written (a LOBs)
2016						
2015						
2014						
2013						
2012						

Company: Line of Business or All Jurisdictions

LOB	Year	% Chg from Prior Year	% Chg from Prior Year	Direct Losses Incurred	% Chg from Prior Year	Direct Def & Cost Contain ExpPd As Pct of Premium Written	Industry Avg Direct Def & Cost Exp Pd As Pct Premium Written (a LOBs)
HO	2016						
HO	2015						
HO	2014						
HO	2013						
HO	2012						

11b On a state specific basis: 5 1 T1 Tf 68183 -1.306 Td (Year) Tj 4.689 (Or 1 1 Tf -7.097 -1.301 Tf <000n d d (Ye

MO

Year	Premium Written	% Chg from Prior Year	Direct Def & Cost Contain ExpPd	% Chg from Prior Year	Direct Losses Incurred	% Chg from Prior Year	Direct Def & Cost of Premium Written	Industry Avg Direct Def & Cost Pct Exp Pd As Pct	Industry Avg Direct Contain
2016									
2015									
2014									
2013									
2012									

Company: Line of Business for MO

LOB	Year	Premium	% Chg	Direct Def & Cost	% Chg	Direct	% Chg	Direct Def & Cost	Industry Avg Direct
HO	2016								
HO	2015								
HO	2014								
HO	2013								
HO	2012								

Complaints

12

12a

Confirmed

Year	Year
------	------

2016
2015
2014
2013
2012

12b

Complete

Year

2016
2015
2014
2013
2012

12c

Complaints: Review of Department Complaint Documents

Comments:

Market Conduct Annual Statement

MCAS state averages and national values will change as data is received and amended. Please note that using national values and state averages for analysis purposes is as the

13

Yes No

If yes, did the company file a Market Conduct Annual Statement for the date year under review?

Yes No

13a1

Yes
No
Not Applicable

If yes, in what areas are the ratios and/or rankings of concern ?

Homeowners Ratios

Claims (Ratio 1 r3)
Underwriting (Ratio 4 r6)
Lawsuits (Ratio 7)

13a2

- Yes
- No
- Not Applicable

If yes, in what areas are the ratios and/or rankings of concern ?

Homeowners Ratios

- Claims (Ratio 1 r3)
- Underwriting (Ratio 4 r6)
- Lawsuits (Ratio 7)

- MCAS Company Specific Report
- MCAS State Ratio Distribution Report
- MCAS 2016 HO Claims Activity
- MCAS 2016 Underwriting Activity
- MCAS 2016 HO Interrogatories

2016 Homeowners State Ratio and Rank Results

Ratio	Company	State	Above or Below State
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Ratio 1: Claims closed without payment to the total claims closed.

- Ratio 3: Cancellations over 90 days to policies in force issued.
- Ratio 6: Cancellations under 60 days to new policies issued.
- Ratio 7: Suits opened during the period of claims closed without payment.

2016 Homeowners State Rank Results

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Comments:

13b1 Review the ratio and rank results at the national level. According to this review, does the company have any ~~areas of concern~~?

- Yes
- No
- Not Applicable

If yes, in what areas are the ratios and/or rankings ~~of concern~~?

Homeowners Ratios

- Claims (Ratio 1 r3)
- Underwriting (Ratio 4 r6)
- Lawsuits (Ratio 7)

13b2 Review the ratio and rank results at the national level. According to this review, does the company have any ~~areas of concern~~?

- Yes
- No
- Not Applicable

If yes, in what areas are the ratios and/or rankings ~~of concern~~?

Homeowners Ratios

- Claims (Ratio 1 r3)
- Underwriting (Ratio 4 r6)
- Lawsuits (Ratio 7)

2016 Homeowners National Ratio and Rank Results

Ratio	Claim	Ratio	Types	State	Ratio	Rank	State	Ratio	Rank
Ratio 1: Claims closed without payment to the total claims closed.									

2016 Homeowners National Rank Results

Comments:

13c1

- Yes
- No
- Not Applicable

If yes, what are the coverage types that are of concern ?

Homeowners Coverage Types

- Dwelling
- Personal Property
- Liability
- Medical Payments
- Loss of Use

13d Identify and describe any of the company's data trends that cause a concern.

Homeowners State Ratio Trend (All Coverage Tables)

Ratio	2016	2015	2014
-------	------	------	------

Ratio 1: Claims closed without payment to the total claims closed.

Ratio 2: Percentage of claims processed at end of period.

13e Was the company identified

Yes No

If yes, in which line(s) of business is the company considered an outlier?

Homeowners
Private Passenger
Long Term Care

Comments:

Additional areas of review currently included in the MARS Level 2 review

Comments:

▲ Jo LeDuc:
What other market analysis would be included in here? If there other things that aren't covered above, then the guidance document should explain what would fall into this category.

Comments:

Comments:

Comments:

Comments:

Comments:

Comments:

Comments:



Jo LeDuc:
At a minimum there should be a link to NIPR here. Ideally, summary data about producer licensing trends for the company should be displayed.

Comments:

Comments:

Comments:

Comments:

Conclusion

rIncomplete Review

rDirect contact with the company is scheduled recommended

rInvestigation is scheduled recommended

rExamination is scheduled recommended

rEnforcement is scheduled recommended

r

r

rNo further analysis is necessary recommended

rNo further analysis this year

Other General Updates:

- 1 Add an "Other"