

State Insurance Regulation: Key Facts and Market Trends



2022

- North Dakota has **10** total domestic and licensed foreign insurers.
- North Dakota ranks **10** in premiums written on property/casualty (P/C) annual statement filings.
- North Dakota ranks **10** in written farm premiums with **1.1%** of the U.S. market.
- North Dakota ranks **10** in written crop premiums with **1.1%** of the U.S. market.
- Total direct premium written in-state has increased **10%** since **2017**.
- The cost of regulation in North Dakota is **\$ 1.5 million**, based on an Insurance Department budget per **\$ 1.5 million** in written premium.

NAIC Scorecard

State Insurance Regulation: Key Facts and Market Trends

The mission of the National Association of Insurance Commissioners (NAIC) is to assist state insurance regulators, individually and collectively, in serving the public interest and achieving the following fundamental insurance regulatory goals in a responsive, efficient and cost effective manner, consistent with the wishes of its members. As part of this mission, the NAIC compiles meaningful data about the insurance regulatory community, as well as the insurance industry.

Number of Insurance Companies

The number of insurance companies is provided by state insurance regulators and is compiled annually by the NAIC. Depending on the type of insurance companies provided, they are classified either as property/casualty, life and fraternal, health, or title insurers. Insurers with primary corporate headquarters located in a particular state are called domestic insurers. The insurance regulator in the insurer's state of domicile is the primary regulator of that insurer. Foreign insurers are those that are allowed to sell insurance in a state but have a primary legal residence in another state. The state rank represents the rank relative to the state with the largest number of insurers among all states.

U.S. Premiums by NAIC Financial Statement Type

The premium volume from the NAIC financial

another line of business. For example, traditional health data may be filed by an insurer using the filing type of life, accident and health. Depending on the regulatory requirements in the state of domicile, captives and risk retention groups are not always required to file with the NAIC and, consequently, this data may not be considered complete. Not all state funds are required to file with the NAIC. State fund data contained herein is reported separately and added to the premium volume during composition of this report. Some categories are modified to more closely align with the structure of the NAIC financial statement filings and may not be comparable to data reported in prior years. The state rank represents the rank relative to the state with the largest premium volume among all states.

U.S. Premiums by IDRR Premium Type

The premium volume from the *Insurance Department Resources Report* (IDRR) is comprised of direct written premium that the states report to the NAIC in compiling the IDRR. This data is grouped by type of business and will not match up with data grouped by NAIC financial statement type. This data includes total direct written premium reported by each state insurance department and does not include premiums from captives or surplus lines business. It was requested that each state include state funds in its premium volume reported. Some companies may report premium data to the state insurance department that are not required to report to the NAIC due to sales volume or other regulatory requirements of their domiciliary state.

Insurance Department Data

The insurance department data is provided by state insurance regulators and is compiled annually by the NAIC. Total taxes include premium, retaliatory, franchise and income taxes paid by insurers. Total revenue includes other

sources of revenue, such as licensing fees and fines and assessments, as well as total taxes. Total budget represents the annual operating budget of the state insurance department. Total employment is the number of full-time state insurance department employees. The state rank represents the rank relative to the state with the largest respective number among all states.

Cost of Regulation

The cost of regulation is calculated from data supplied by state insurance regulators and collected from insurers' financial filings. It is a ratio that compares the insurance department budget to total premium written in the state. For state-specific details on the figures used, please refer to the IDRR technical notes.

Property/Casualty Premium by Line of Business

The premiums are from the annual financial statement information that property/casualty insurers file with the NAIC. Property/casualty premium is subdivided into several categories. This data includes information on state funds reported separately and added to the premium volume during composition of this report. The state rank represents the rank relative to the state with the largest respective premium by line of business among all states.

Insurance Industry Employment

The U.S. Bureau of Labor Statistics (BLS) produces the Quarterly Census of Employment and Wages (QCEW). The QCEW is derived from the QCEW tables and represents the

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The primary goal of state regulation is to protect insurance consumers, while recognizing that consumers as well as companies are well served by efficient, market oriented regulation of the business of insurance.

OVERVIEW OF THE UNITED STATES INSURANCE MARKET 2022

Five Largest Insurance Groups in the U.S. by Direct Premium Written		
Insurance Group	Direct Premium Written*	% of Total Premium
UNITEDHEALTH GRP	\$220,056,634,079	7.21%
METROPOLITAN GRP	\$120,586,066,997	3.95%
ELEVANCE HLTH INC GRP	\$103,593,396,083	3.39%
CENTENE CORP GRP	\$96,779,952,547	3.17%
HUMANA INC	\$87,045,174,657	2.85%
Top 5 Total	\$628,061,224,363	

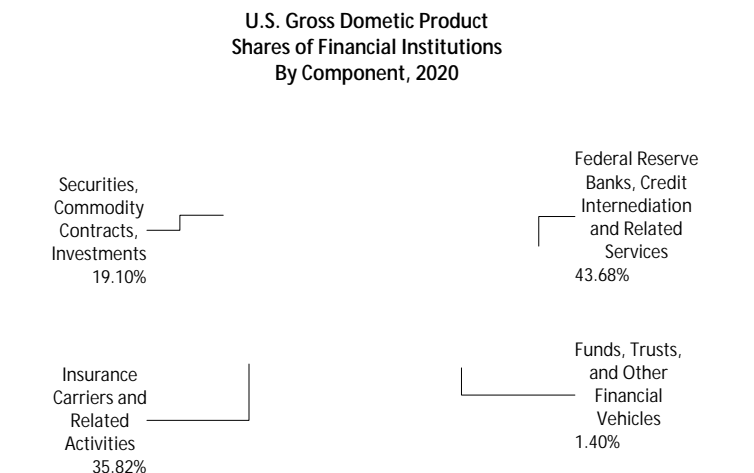
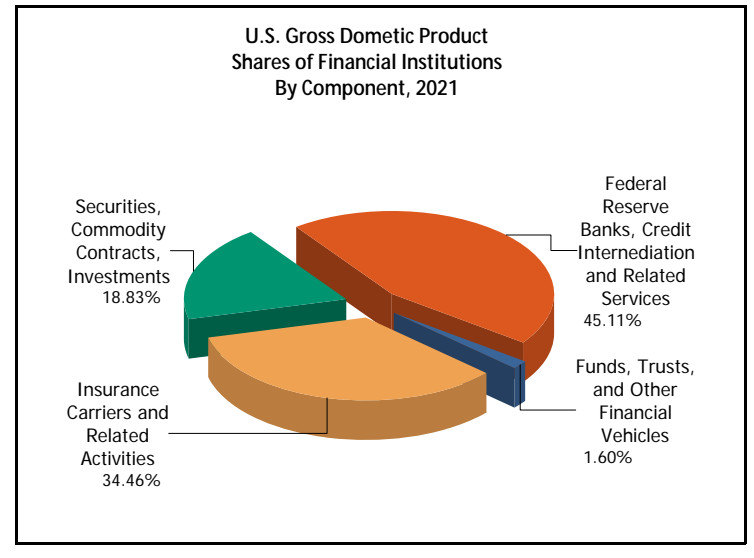
*Includes Deposit Type Funds and premium written in U.S. territories from Property, Life, Fraternal, Title, and Health Annual Statements.
Source: National Association of Insurance Commissioners

U.S. Gross Domestic Product (Millions)		
	2021	2022
Funds, trusts, and other financial vehicles	29,567	N/A
Insurance carriers and related activities	638,501	N/A
Securities, commodity contracts, and other financial investments and related activities	348,880	N/A
Monetary Authorities central bank, credit intermediation, and related services	835,722	N/A
Finance and insurance	1,852,670	1,932,937

*Figure is an estimate.
Source: US Department of Commerce, Bureau of Economic Analysis

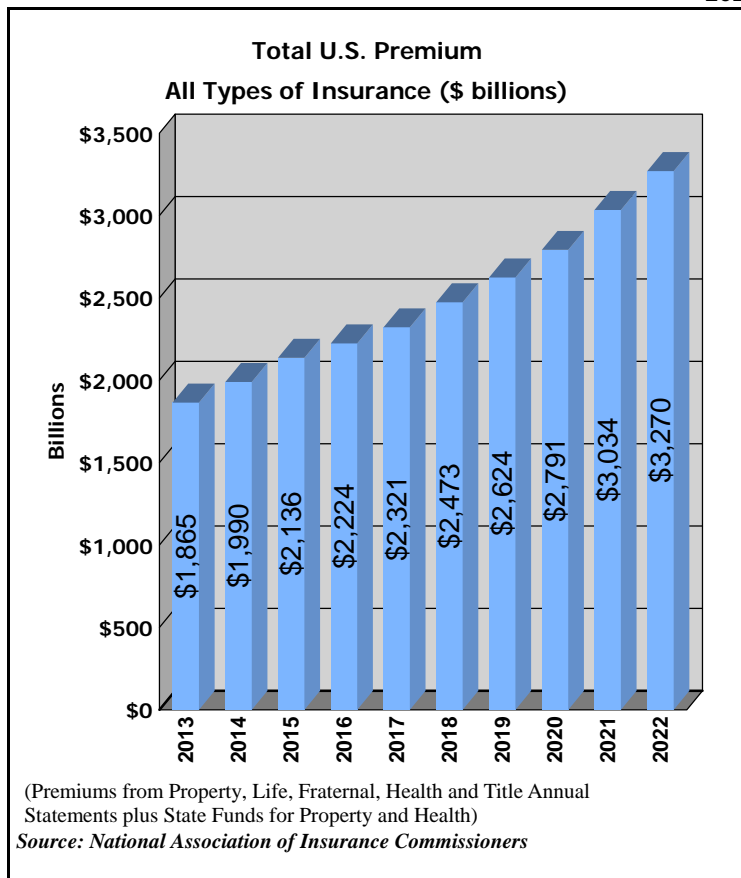
U.S. Financial Sector Employment			
	2020	2021	2022
Insurance Carriers and Related Activities	2,419,845	2,449,834	2,520,241
<u>Insurance Carriers</u>	<u>1,216,922</u>	<u>1,200,301</u>	<u>1,221,112</u>
Direct Life and Health Insurance Carriers	641,994	637,235	623,829
Direct Life Insurance Carriers	240,024	233,651	224,738
Direct Health and Medical Insurance Carriers	403,979	405,846	415,025
Direct Insurers (except Life and Health)	514,994	503,471	515,110
Direct Property and Casualty Insurers	463,586	444,392	456,633
Direct Title Insurance Carriers	59,556	66,151	65,005
Other Direct Insurance Carriers	15,957	16,346	17,351
Reinsurance Carriers	19,571	19,443	20,249
<u>Insurance Agencies and Brokerages</u>	<u>1,202,923</u>	<u>1,249,542</u>	<u>1,299,132</u>
Other Insurance Related Activities	351,072	356,126	366,728
Claims Adjusting	56,707	60,144	62,681
Third Party Administration of Insurance Funds	205,640	207,608	209,690
All Other Insurance Related Activities	88,725	88,369	94,364

Source: U.S. Department of Labor, Bureau of Labor Statistics



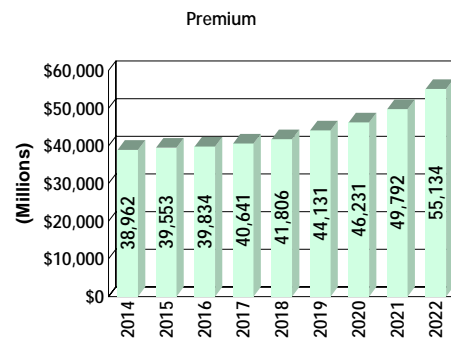
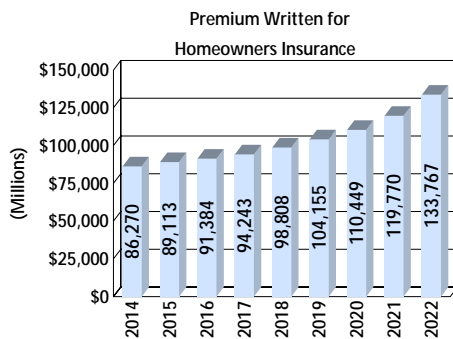
OVERVIEW OF THE UNITED STATES INSURANCE MARKET

2022



U.S. Property & Casualty Premium by Line of Business

Line of Business	2021	2022
Fire	17,949,409,479	20,962,005,810
Allied lines	18,359,180,650	21,900,339,418
Federal flood	3,095,227,225	2,777,000,344
Crop	1,267,688,228	1,471,672,366
Private Flood	1,021,026,151	1,263,628,480
Farm	18,991,653,046	24,291,432,551
Homeowners mul ple peril	119,769,512,885	133,766,985,693
Commercial mul peril	49,791,768,120	55,133,567,113
Mortgage guaranty	5,715,488,991	5,600,575,886
Ocean & Inland Marine	33,377,833,123	38,100,524,324
Financial guaranty	332,979,456	362,677,279
Medical professional liability	11,179,056,258	
Medical professional liability Occurance		2,637,584,556
Medical professional liability Claims Made		9,265,022,140
Earthquake	3,780,527,198	4,197,676,654
Accident & Health	110,024,800,356	112,240,019,110
Auto	4,151,911,081	4,151,911,081
Health	1,665,514,751	1,665,514,751
Total	\$3,816,090,000,000	\$4,151,911,081,000



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**OVERVIEW OF THE UNITED STATES INSURANCE MARKET
2022**

State Insurance Regulation in North Dakota: Key Facts and Market Trends

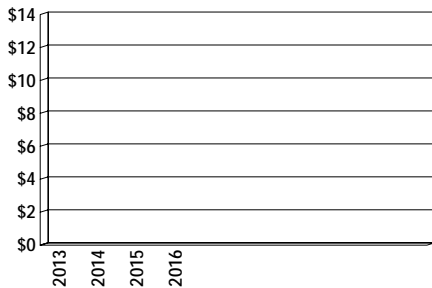
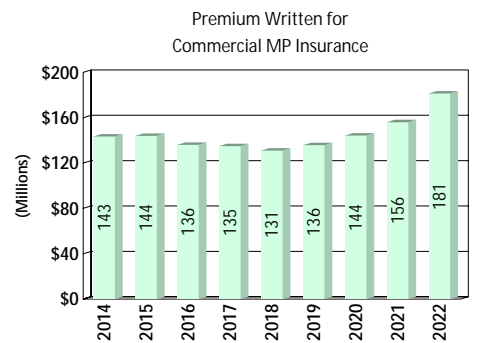
Overview of the 2022 Insurance Market In North Dakota

Number of Insurance Companies in North Dakota		
Type	Number	State Rank
Domestic	33	45
Total Domestic and Licensed Foreign Insurers	1,440	44
<i>Captives not included.</i>		
<i>Source: NAIC Insurance Department Resources Report</i>		

Captive Insurance Companies in North Dakota			
Number of Captives	Direct Written Premium	Total Captive Premium	
0	\$0	\$0	
\$			

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Overview of the 2022 Insurance Market In North Dakota



* Figures include Life, Annuities, Deposit Type Funds, and Other Considerations from the NAIC Life, and Fraternal financial statements.

** Figures include Health data from the NAIC Health, Life, and Fraternal financial statements and California Insurance data.

Figures include data from State Funds where applicable.

Overview of the 2022 Insurance Market In North Dakota

Insurance Industry Employment in North Dakota			
Year	Insurance Carriers and Related Activities	Insurance Carriers	Agents Brokers and Other Related Activities
2015	7,549	2,657	4,893
2016	7,406	2,705	4,702
2017	7,311	2,665	4,645
2018	7,172	2,622	4,550
2019	7,078	2,598	4,481
2020	6,952	2,455	4,497
2021	6,783	2,332	4,451
2022	6,650	2,233	4,417

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