



# Commonwealth of Massachusetts

## Division of Insurance

# 2012 Annual Report

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Commissioner of Insurance

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Insurance

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# 1 - Division of Insurance

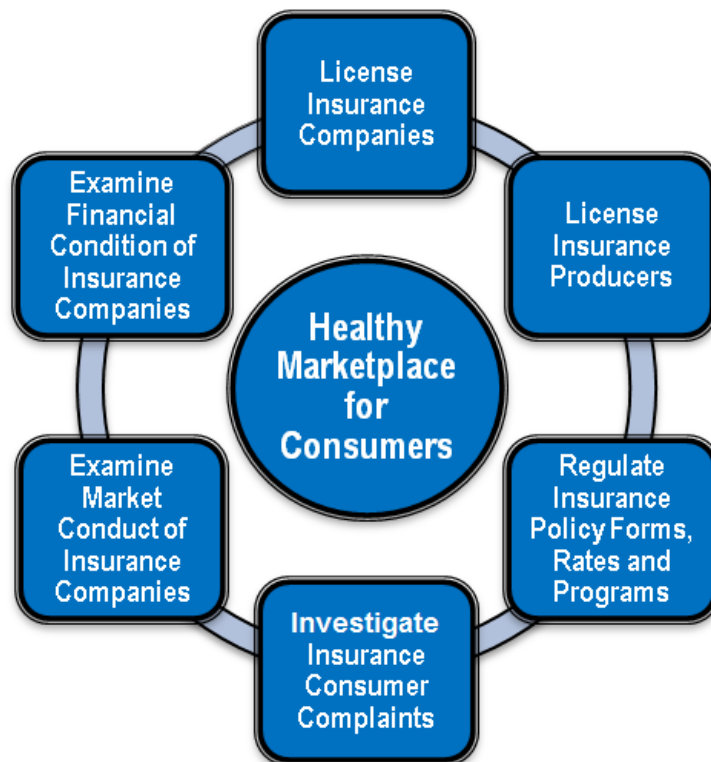
The Division of Insurance (“Division”) administers the laws of the Commonwealth as they pertain to the protection of the insurance consumer through the regulation of the insurance industry. The Division monitors financial solvency, licenses insurance companies and producers, reviews and approves rates and forms, and coordinates the rehabilitation of financially troubled companies and the takeover and liquidation of insolvent insurance companies. The Division also investigates and responds to consumer inquiries and complaints and enforces state laws and regulations pertaining to insurance. The Division provides the public with information regarding various types of insurance through its website and assorted publications.

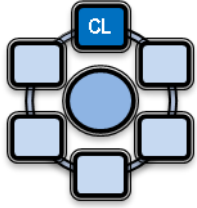
## 1.1 Mission

The primary mission of the Division is to monitor the solvency of its licensees in order to promote a healthy, responsive and willing marketplace for consumers who purchase insurance products. Protection of consumer interests is of prime importance. The Division safeguards these interests by providing accurate and unbiased information so consumers may make informed decisions and by intervening on behalf of consumers who believe they have been victimized by unfair business practices.

## 1.2 Primary Activities

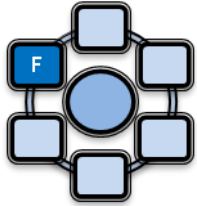
The Division protects consumers and promotes a fiscally sound insurance marketplace through the performance of six primary activities. Taken together, these activities represent the core of effective insurance regulation.





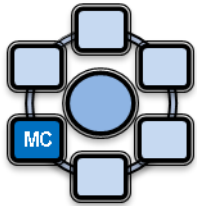
### **License Insurance Companies (CL)**

The process of licensing insurance companies promotes a marketplace of solvent, fiscally sound companies through the review and analysis of filings and financial statements.



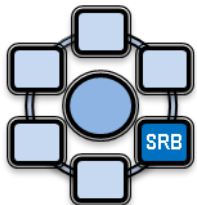
### **Examine the Financial Condition of Insurance Companies (F)**

The Division monitors the financial condition of insurance companies through quarterly financial analyses. This process provides an early warning of possible financial problems so that appropriate regulatory action can be taken before the extreme situation of insolvency. The monitoring process also includes periodic on-site financial examinations of all domestic companies to value assets, determine liabilities and verify compliance with applicable statutes and regulations.



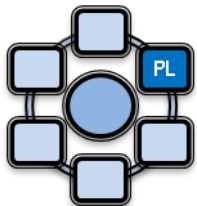
### **Examine the Market Conduct of Insurance Companies (MC)**

Beyond the financial health of an insurer, the Division also examines how the company interacts with policyholders and potential customers. The market conduct process looks beyond the financial condition of a company and examines business practices, such as policy underwriting and rating practices, cancellations and non-renewals, claim settlements, original insurance applications, and advertising materials. The goal of these examinations is to confirm that Massachusetts consumers are treated with fairness and according to the terms of insurance contracts.



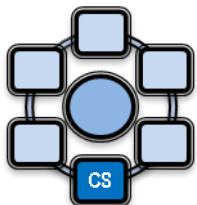
### **Regulate Insurance Policy Forms, Rates and Programs (SRB)**

By reviewing and approving insurance policy forms, rules, rates, and associated program procedures and operations, the Division verifies that insurance products sold to Massachusetts consumers by licensed insurance companies comply with the laws and regulations of the Commonwealth.



### **License Insurance Producers and Others (PL)**

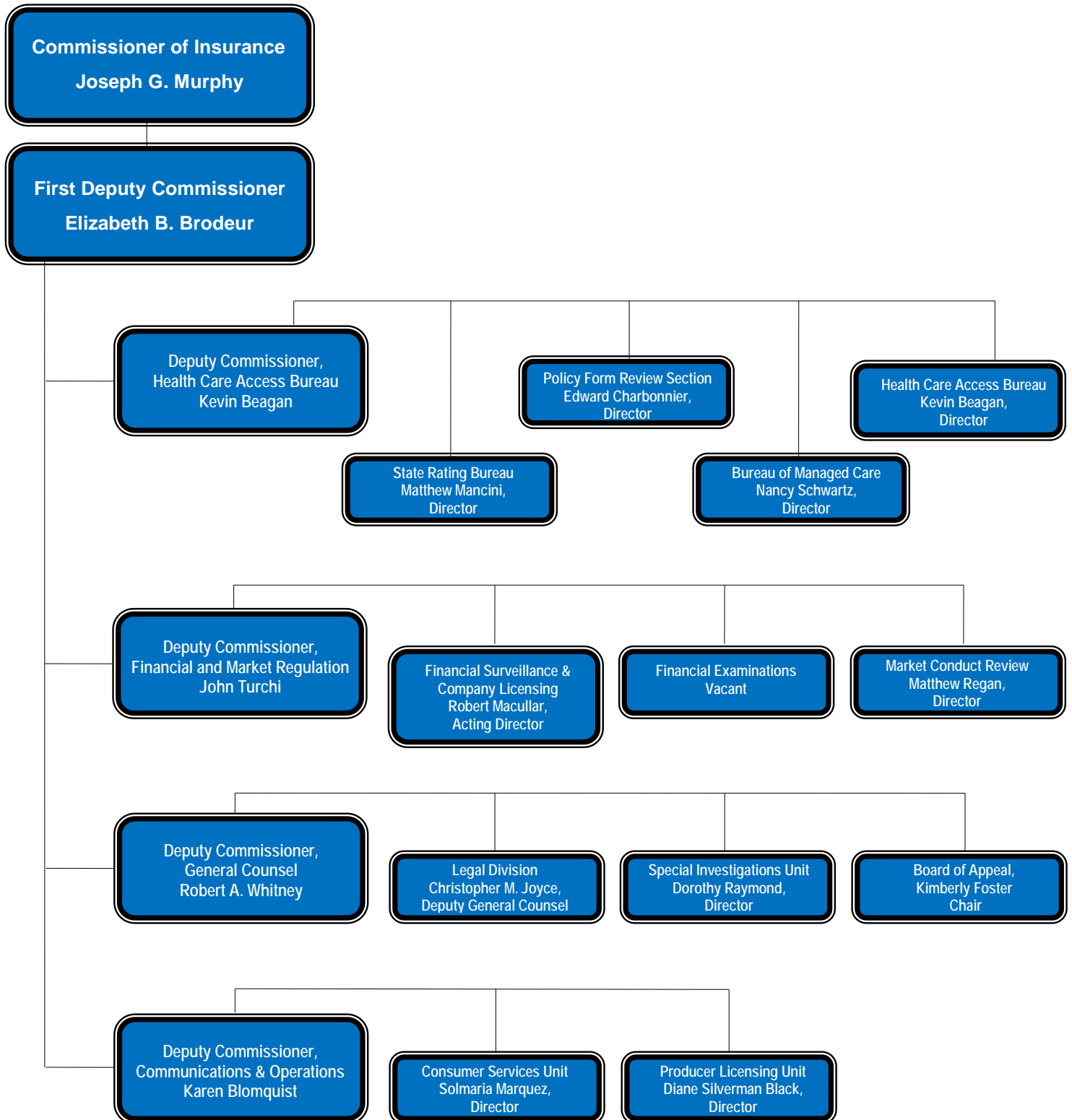
The process of licensing insurance producers and other key participants in the insurance industry allows the Division to promote a marketplace where individuals and firms engaging in the business of insurance are qualified and are conducting business in compliance with the laws and regulations of the Commonwealth.



### **Investigate Insurance Consumer Complaints (CS)**

The Division provides insurance consumers with a non-judicial alternative for pursuing complaints against insurance companies and insurance producers by investigating consumer complaints within its jurisdiction and consistent with Massachusetts law.

### 1.3 Organizational Chart



## 1.4 Human Resources

The Administration Department works closely with the Human Resources Department of the Office of Consumer Affairs and Business Regulation on all aspects of managing the Division's workforce, including hiring, promoting, and training. In addition, working with the Division's Labor Relations Counsel, the Administration Department responds to various labor relations issues, including employee complaints, grievances and other activities. As of December 31, 2012, the Division employed 124 full time equivalent ("FTE") staff.

### Division of Insurance Staffing Levels

1978 - 233

2012 - 124



## 1.5 Budget, Revenue & Assessments

### Budget

The Division receives an annual appropriation from the Massachusetts Legislature to account 7006-0020, the value of which is then assessed back on the entities regulated by the Division. In addition, the Division has three statutorily created trust accounts: Workers' Compensation Rating Bureau Trust Account - 9222-7650; State Rating Bureau Medical Malpractice Trust Account - 9222-7900; and the Medical Malpractice Analysis Bureau Trust Account - 9222-7500. These accounts are funded through direct assessment on the insurance industry.

The Administration Department works closely with the Budget Department of the Office of Consumer Affairs and Business Regulation's Administrative Services Unit on the Division's budget, the Governor's budget recommendation for House 1, the allocation of funds into lower subsidiaries, and the management of the spending throughout the year.

### Revenue & Assessments

The Division collects revenue from individuals and companies as part of its statutory responsibilities. In addition, the Division also bills assessments to the industry and collects these funds for the General Fund. Most revenue collected from individuals and companies comes from application and filing fees as well as some fines and penalties.

The Commissioner of Insurance is required by the Massachusetts General Laws to bill assessments to insurance companies for various purposes. In Fiscal Year 2012, the Division billed 13 assessments totaling more than \$50 million. The revenue collected from these assessments funds a number of state agencies, including the Division of Insurance, Registry of Motor Vehicle's Merit Rating Board, the Department of Fire Services and various fraud-fighting programs in the Attorney General's Office.

Taken together, these revenues and assessments are typically nine to ten times greater than the annual budget appropriation for the Division. In Fiscal Year 2012, the Division collected a total of more than \$138 million.

<b>Division of Insurance Budget for Fiscal Year 2012</b>	<b>\$14,300,000</b>
<b>Total Collections for the General Fund for Calendar Year 2012</b>	<b>\$138,098,721</b>

Budget, Revenue and Assessment figures on this page are from the 2012 Fiscal Year - July 1, 2011 through June 30, 2012.

Revenue & Assessments	Amount
Revenue	
Annual Statements/Securities	\$221,199.00
Appointment Licenses	\$43,110,838.26
Appraiser Exam	\$18,950.00
Appraiser Licenses	\$271,160.00
Auto Club Licenses	\$20,925.00
Charters	\$45,865.00
Company Licenses	\$300,556.00
Dept of Public Health Lead Paint Surcharge	\$968,400.00
Domestic Company Exams	\$631,316.57
Fines & Penalties	\$4,119,520.95
Fraternal Licenses	\$6,122.00
HMO Application Fee	\$15,000.00
Letters of Certification	\$39,222.00
Life Insurance Valuations	\$579,620.30
Loss of License Filing Fee	\$165,825.00
Policy Form Filing Fee	\$683,911.00
Preferred Provider Arrangement Application Fee	\$23,600.00
Producer Licenses	\$9,672,684.96
Rate Filing Fee	\$595,450.00
Rating Organization	\$55.00
Service of Process	\$4,029.00
Special Brokers Tax	\$24,139,675.83
Surcharge Appeal Filing Fee	\$1,691,065.09
Miscellaneous	\$123,514.87
<b>Total Revenue</b>	<b>\$87,448,505.83</b>

<b>Assessments</b>	
Attorney General	\$2,569,246.86
Attorney General – Workers' Compensation	\$371,919.24
Auto Insurance Bureau	\$566,942.68
Department of Fire Services	\$20,491,923.66
Division Insurance Fraud Trust	\$310,288.40
Division Operations	\$13,766,184.11
Health Care Access Bureau	\$635,746.00
JUA Medical Malpractice	\$71,986.02
Merit Rating Board	\$8,808,312.42
Special Maintenance Assessment	\$1,034,844.36
State Rating Bureau	\$925,435.72
SRB Medical Malpractice	\$251,197.07
SRB Workers' Compensation	\$846,188.84
<b>Total Assessments</b>	<b>\$50,650,215.38</b>
<b>Total Revenue &amp; Assessments</b>	<b>\$138,098,721.21</b>

## Insurance Written in Massachusetts

According to a 2012 survey by the National Association of Insurance Commissioners (“NAIC”), Massachusetts ranks 10<sup>th</sup> among 56 U.S. states and territories with respect to premium written by domestic insurers. The survey consisted of data from 2011.

Considering that the Commonwealth’s population is much smaller than the other states in the top ten, Massachusetts shoulders a disproportionate share of the responsibility to regulate U.S. insurers. In fact, by most measures of regulatory performance, the Massachusetts Division of Insurance does more with less. Compared to most other states, the Division represents a relative bargain for taxpayers, policyholders and insurers in the Commonwealth.

## A Bargain for Taxpayers

### 2012 Staffing & Budget National Rank\*:

Premium Volume	10 <sup>th</sup>
Full Time Employees	24 <sup>th</sup>
Annual Budget	24 <sup>th</sup>
Budget as Percentage of Revenue	48 <sup>th</sup>
Budget as Percentage of Total Premium	53 <sup>rd</sup>

\* 56 states and territories ranked from highest to lowest.

## 1.6 The Massachusetts Insurance Marketplace

### Massachusetts Domesticity

Hundreds of insurance companies are licensed to do business in the Commonwealth of Massachusetts. Each year these companies write tens of billions of dollars in premium in Massachusetts. The Division licenses each of these companies and regulates all aspects of their business conduct. For those companies domiciled in Massachusetts, the Division is responsible for ensuring company solvency. Monitoring the solvency of Massachusetts domesticity not only protects citizens of the Commonwealth, but also policyholders across the nation and around the world.

In 2012, Massachusetts was the domicile of:

- 55 property and casualty insurers,
- 17 life and accident and sickness insurers,
- 1 title insurance company,
- 14 health organizations,
- 2 lodge fraternal benefit associations,
- 22 workers' compensation self-insured groups,
- 4 residual market pools, and
- 159 fraternal benefit and mutual aid societies.

### Company Market Share

Among the scores of insurance products marketed and sold in Massachusetts, certain lines of insurance represent the lion's share of premium and policies. Premium written under Accident and Health, Homeowners, Life, Automobile and Workers' Compensation policies make up approximately 30% of all premium written in the Commonwealth. Most lines of insurance operate with diverse markets comprising insurers domiciled in Massachusetts and insurers domiciled in other states but licensed to write business in Massachusetts. Consumers can choose from among large numbers of competing companies.

In 2012,  
Massachusetts  
was the  
Principal  
Regulator for:

89 Insurance  
Companies

&

185 Related  
Organizations

**Top 10% of Selected Market Sectors****Top 10 Accident & Health Insurance Companies\***

United Healthcare Insurance Co	28.4%
Aetna Life Insurance Co	7.1%
Metropolitan Life Insurance Co	6.4%
Unum Life Insurance Co of America	5.1%
Connecticut General Life Insurance Co	4.9%
Guardian Life Insurance Co of America	3.2%
Genworth Life Insurance Co	2.5%
First Health Life & Health Insurance Co	2.2%
John Hancock Life Insurance Co	2.1%
Humana Insurance Co	2.0%

**Top 10 Auto Insurance Companies**

Commerce Insurance Co	27.2%
Liberty Mutual Insurance Co	12.1%
Safety Insurance Co	11.0%
Arbella Mutual Insurance Co	8.8%
Plymouth Rock Assurance Co	5.9%
Metropolitan Property & Casualty Ins Co	4.6%
Premier Insurance Co of Massachusetts	3.7%
Amica Mutual Insurance Co	3.5%
Citizens Insurance Co of America	3.1%
Progressive Direct Insurance Co	3.0%

**Top 10 Home Insurance Companies**

Citation Insurance Co	8.0%
Arbella Mutual Insurance Co	7.3%
Liberty Mutual Fire Insurance Co	5.8%
Commerce Insurance Co	4.7%
Merrimack Mutual Fire Insurance Co	4.4%
Safety Insurance Co	4.0%
Amica Mutual Insurance Co	3.5%
Vermont Mutual Insurance Co	3.4%
Quincy Mutual Fire Insurance Co	2.9%
Metropolitan Property & Casualty Ins Co	2.8%

**Top 10 Workers' Compensation Companies**

Associated Industries of MA Mutual Ins	8.2%
Travelers Indemnity Co	5.2%
New Hampshire Insurance Co	4.9%
Twin City Fire Insurance Co	3.2%
Liberty Mutual Fire Insurance Co	3.1%
Atlantic Charter Insurance Co	2.9%
ACE America Insurance Co	2.9%
LM Insurance Co	2.8%
Insurance Co of the State of Pennsylvania	2.3%
Travelers Indemnity Co of Connecticut	2.3%

**Top 10 Life Insurance Companies**

Prudential Insurance Co of America	33.2%
Northwestern Mutual Life Insurance Co	5.2%
Metropolitan Life Insurance Co	5.1%
John Hancock Life Insurance Co	6.5%
The Savings Bank Life Ins Co of MA	3.6%
MA Mutual Life Insurance Co	3.3%
Guardian Life Insurance Co of America	3.2%
New York Life Insurance Co	3.1%
Lincoln National Life Insurance Co	2.6%
MetLife Investors USA Insurance Co	1.8%

**Top 10 Total Property & Casualty Companies**

Commerce Insurance Co	11.7%
Liberty Mutual Insurance Co	5.6%
Safety Insurance Co	5.0%
Arbella Mutual Insurance Co	4.6%
Metropolitan Property & Casualty Ins Co	2.3%
Plymouth Rock Assurance Co	2.2%
Federal Insurance Co	2.0%
Amica Mutual Insurance Co	1.9%
Citizens Insurance Co of America	1.7%
National Union Fire Ins Co of Pittsburg	1.6%

\* Most health insurance is offered through Health Maintenance Organizations ("HMOs"). For HMO market share data, see appendix C-7.

## 2 - Significant Events of 2012

In 2012, the Division facilitated a supervisory college that convened regulators from the United States and abroad to examine an internationally active company. The Division also hosted *Managing the Costs of Natural Disasters*, a seminar that examined the insurance impact of catastrophic events, and held several other consumer outreach events across the Commonwealth.

### *Managing the Costs of Natural Disasters*

The Division developed an informational seminar entitled *Managing the Costs of Natural Disasters* to educate public policymakers and insurance consumers about new initiatives that aim to more accurately recognize the impact of natural disasters on insurance company solvency. Speakers from across the industry presented practical information regarding:

- the ways in which primary insurance companies manage catastrophe risk;
- the ways in which predictive models reflect the loss prevention efforts of policyholders;
- the challenges of interpreting the results of catastrophe models in making operating decisions regarding reinsurance purchases, primary pricing, and loss control programs; and
- the processes used to ensure the accuracy of the modeling data.

The NAIC also launched an initiative to more accurately recognize the impact of natural disasters on insurance company solvency and the potential effect on property insurance pricing. Full execution of this effort is anticipated by 2015.

## 3 - Financial Surveillance & Company Licensing

### 3.1 Mission

The primary mission of the Financial Surveillance and Company Licensing Section is to monitor the financial solvency of Massachusetts domestic insurers in order to ensure a healthy and competitive insurance market in the Commonwealth.

### 3.2 2012 Goals



**Complete**

- Monitor the solvency of all insurance companies domiciled in Massachusetts. Complete quarterly and annual analyses of all files within the deadlines delineated in the NAIC Accreditation Guidelines. Hold annual meetings with senior company management, which could include members of audit committees and boards of directors.



**Complete**

- Maintain Accreditation by the NAIC. The NAIC Accreditation program provides a process whereby solvency regulation of multi-state insurance companies can be enhanced and adequately monitored with an emphasis on: adequate solvency laws and regulations to protect consumers as well as to guarantee funds, effective and efficient financial analysis and examination processes, and appropriate organizational and personnel practices.



**Complete**

- Process license applications - including license amendment applications - from insurance companies seeking to do insurance business in the Commonwealth in order to provide for a solvent and competitive insurance market.



**Complete**

- Oversee insurance company transactions and practices, such as demutualizations, surplus notes issuances, surplus notes interest and principal payments, ordinary and extraordinary dividend requests, mergers and acquisitions, mutual affiliations, quasi-reorganizations, additional reserving requirements, corporate governance practices and the creation of new Massachusetts domestic insurers.



### 3.3 Primary Activities

The Financial Surveillance and Company Licensing staff processes license certifications, analyzes annual statement filings and manages other revenue collections that resulted in approximately \$500,000 in revenue in 2012.

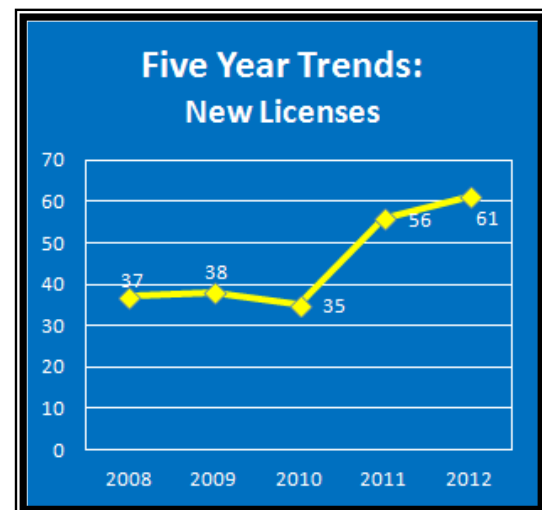
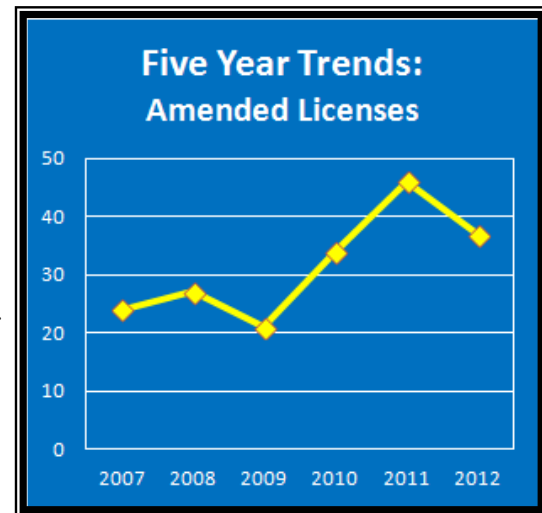
#### Financial Surveillance

The Financial Surveillance Section monitors the solvency of domestic and foreign (domiciled in another state) insurance companies. There are currently 1,664 insurance companies licensed, authorized, or eligible to transact insurance business in the Commonwealth. Included in this number are:

- Life insurers,
- Accident and health insurers,
- Property and casualty insurers,
- Health maintenance organizations,
- Non-profit hospital and medical service corporations,
- Dental service plans,
- Vision service plans,
- Fraternal benefit societies,
- Title insurers,
- Risk retention groups,
- Self-insurance groups,
- Surplus lines insurers,
- Eligible Alien Unauthorized Insurers,
- Reinsurers
- Service contract providers, and
- Viatical settlement companies.

As of December 31, 2012, there were 89 insurance companies domiciled in Massachusetts. Of the 89 Massachusetts domestic insurers, there were 55 property and casualty insurers, 17 life insurers, 14 health insurers, one title insurer, and two fraternal benefit societies. These insurers wrote gross premiums of approximately \$74 billion during 2012.

A comprehensive desk audit of each of these Massachusetts domestic companies was completed by an analyst and reviewed by a manager in 2012. These desk audits consist of over 20 detailed analyses for each company. The analyses include an in-depth review of the Annual Statement, including the investment portfolios, reinsurance portfolios, reserving analysis, income statement, cash flows statement, and balance sheet. Additionally, the Statement of Actuarial Opinion, the Management's Discussion and Analysis, holding company filings and independent CPA Audit are reviewed in great detail. Lastly, each domestic insurer files a quarterly statement similar to the Annual Statement for review. These various tasks help the Division to closely monitor the solvency of the company. The national ratings of each domestic insurer are monitored and tracked as well.



## Company Licensing

The Company Licensing staff reviews and processes all applications from insurers seeking to obtain or amend licenses to transact insurance business in the Commonwealth. The Division participates in the NAIC Uniform Certificate of Authority Application (“UCAA”) process. The UCAA consists of 14 parts that allow the Division to review the applicant’s solvency, management team, and experience in the insurance industry. Information compiled by the NAIC, as well as input from the domestic regulators, also has a part in the review process.

In 2012, the Company Licensing Section issued 19 new insurance company licenses and 37 amended insurance company licenses; approved four companies to be eligible to accept surplus lines placements; approved six companies as accredited reinsurers; and issued Certificates of Authority to one domestic life insurer, one health maintenance organization, and 30 home service contract providers.

New Licenses, Authority or Eligibility		
Accredited Reinsurers		Property & Casualty Insurers
Associated Industries of Mass, Mutual Insurance Company	Federal Warranty Service Corp	Aioi Nissay Dowa Insurance Company of America
DaVinci Reinsurance LTD	First American Home Buyers Protection Corp.	Allegheny Casualty Company
Peach Re, Inc.	Home Buyers Resale Warranty Corp	American Hallmark Insurance Company of Texas
Renaissance Reinsurance LTD	Home Security Association, Inc.	Amerisure Partners Insurance Company
SB LI Re VT LLC	HomeSure of America, Inc.	Amtrust Insurance Company of Kansas, Inc.
SB LI Re, LLC of Phoenix	Microsoft Corp.	Assured Guaranty Municipal Insurance Company
Health Maintenance Organizations	N.E.W. Administrative Services Company, Inc.	Axis Specialty Insurance Company
Network Health LLC	N.E.W. Customer Protection Company, Inc.	Fair American Insurance and Reinsurance Company (fka Putnam Reins)
Home Service Contract Providers	National Product Care Company	GeoVera Insurance Company
4 Warranty Corp	Safeware, the Insurance Agency, Inc.	Medical Mutual Insurance Company of Maine
American Home Shield of Maine, Inc.	Service Net Warranty, LLC	Meridian Security Insurance Company
AMT Warranty Group	Sprint Spectrum L.P.	Milwaukee Casualty Insurance Company
AppleCare Services Company, Inc.	Sterling Jewelers, Inc.	Plateau Casualty Insurance Company
Asurion Service Plans, Inc.	TWG Home Warranty Service, Inc.	Plaza Insurance Company
Asurion Warranty Protection Services, LLC	Utility Service Partners Private Label, Inc.	Samsung Fire & Marine Insurance Co. Ltd (US Branch)
Asurion Warranty Services, Inc.	Verizon Wireless Services, LLC	Surplus Lines
Bankers Warranty Group, Inc.	Warrentech Consumer Protection Services, Inc.	Associated Industries Insurance Company, Inc.
Bay State Gas Company	Life, Accident & Health Insurers	Berkley Assurance Company
CE Care Plan Corp	Corvesta Life Insurance Company	Covington Specialty Insurance Company
Chartis Warranty Services, Inc.	DentaQuest USA Insurance Company, Inc	SPARTA Specialty Insurance Company
Chartis WarrantyGuard, Inc.	HNE Insurance Company	
Dell Marketing, LP	Plateau Insurance Company	
	Pruco Insurance Company of Iowa	
Amended Licenses		
Life, Accident & Health Insurers		
HealthMarkets Insurance Company	Foremost Property and Casualty Ins. Company	Philadelphia Indemnity Insurance Company
Zurich American Life Insurance Company	Foremost Signature Insurance Company	Progressive Casualty Insurance Company
	Hartford Insurance Company of the Midwest	Response Insurance Company
Property & Casualty Insurers		
Atlantic Specialty Insurance Company	Hartford Underwriters Insurance Company	RLI Insurance Company
Benchmark Insurance Company	Hospitality Mutual Insurance Company	Sagamore Insurance Company
Berkley Insurance Company	Housing Authority Property Insurance	StarNet Insurance Company
Catlin Indemnity Company	Mitsui Sumitomo Insurance USA, Inc.	Starr Indemnity & Liability Insurance Company
Continental Western Insurance Company	National Continental Insurance Company	Stratford Insurance Company
CorePointe Insurance Company	National Union Fire Insurance Co. of Pittsburg PA,	Tri-State Insurance Company of Minnesota
CUMIS Insurance Society Inc.	Navigators Insurance Company	Union Insurance Company
Darwin National Assurance Company	New York Marine and General Insurance Company	White Mountains Reinsurance Company of America
Foremost Insurance Company Grand Rapids, MI	Nova Casualty Company	XL Insurance America, Inc.
	Old United Casualty Company	XL Reinsurance America Inc.

### 3.4 Notable Transactions

There were several new Massachusetts domestic insurers created and licensed during 2012. These included the following:

- **Harvard Pilgrim Health Care, Inc., Harvard Pilgrim Health Care of NE, Inc., & HPHC Insurance Company, Inc.**
  - On October 25, 2012, Harvard Pilgrim Health Care announced that it had reached an agreement with Partners HealthCare on a collaborative, four-year contract in which Partners would be reimbursed for care provided to Harvard Pilgrim members under a global payment arrangement rather than on a fee-for-service basis.
- **Health New England, Inc. & HNE Insurance Company**
  - Health New England, Inc. created and capitalized a new Massachusetts domestic insurance company, HNE Insurance Company, on March 19, 2012.
- **Hospitality Mutual Insurance Company & Hospitality Insurance Company**
  - In 2012 Hospitality Mutual Insurance Company became a multi-state insurer after obtaining licenses in Rhode Island and New Hampshire.
  - In 2012 Hospitality Insurance Company also became a multi-state insurer after obtaining licenses in Rhode Island, Pennsylvania and New Hampshire.
- **Neighborhood Health Plan, Inc.**
  - Neighborhood Health Plan, Inc. was acquired by Partners HealthCare System on September 14, 2012.

## 4 - Financial Examinations

### 4.1 Mission

The mission of the Financial Examination Section is to perform statutory examinations of Massachusetts domestic insurers in order to assure the financial health of these companies and, thereby, protect consumers purchasing insurance products.

### 4.2 2012 Goals

 **Complete**

- Conduct financial audits of domestic insurance companies in order to ensure that policyholders' and claimants' rights are protected and fulfilled, and that insurance consumers can do business with financially solvent companies.

 **Complete**

- Maintain Accreditation by the NAIC. Impose qualitative standards in the regulation of insurance and ensure company compliance with the NAIC Accounting Practices and Procedures Manual and Massachusetts laws, rules and regulations. Ensure that our domestic insurance companies operate and provide insurance coverage to policyholders and consumers with the least amount of regulatory oversight and involvement from other U.S. jurisdictions, and thus with the least amount of cost to them.

 **Complete**

- Conduct financial audits in accordance with the NAIC Financial Condition Examiners Handbook to ensure timely and regular examination reviews that are based on a substantive "risk-focused" audit approach toward proper allocation of examination resources within the financial operations of our domestic insurance companies.

## 4.3 Primary Activities

### Financial Examinations

Financial examinations are conducted in accordance with standards established by the Financial Condition (E) Committee of the NAIC as well as with the requirements of the NAIC Financial Condition Examiner's Handbook, the Division's own examination standards and Massachusetts General Laws. The principal focus of an examination is the most recent calendar year's activity. However, transactions both prior and subsequent to the "as of" examination date are reviewed as deemed appropriate.

In addition to a review of the financial condition of the insurer, the examination includes a review of the company's:

- Business plans and policies,
- Financial condition,
- Corporate governance,
- Corporate records,
- Reinsurance programs,
- Systems and controls environment,
- Current and prospective risks, and
- Disaster recovery plan.

In addition to this list, the review also includes other pertinent matters in order to provide a reasonable assurance that the company is in compliance with applicable laws, rules and regulations. In planning and conducting an examination, consideration is given to the concepts of materiality and risk, and examination efforts are directed accordingly.

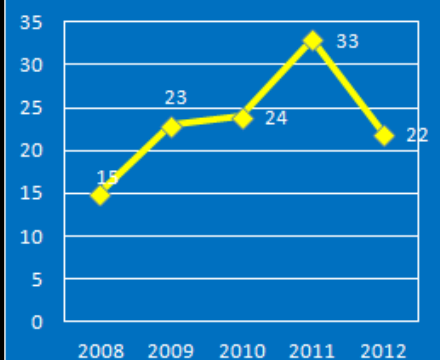
In 2012, the Financial Examination Section completed routine statutory examinations of 22 insuring organizations. These companies produced \$4 billion in premium nationwide (\$3.3 billion in Massachusetts). The Section also continued its special purpose examinations of domestic managed care organizations to evaluate their premium rate setting processes.

The NAIC Financial Regulation Standards & Accreditation (F) Committee has a standard known as the "18 Month Rule." This standard establishes a general rule that comprehensive financial examinations conducted by state insurance departments should be completed and reports issued within 18 months of the "as of" date of the examination. Exceptions to this rule are permitted for reasonable justification and an extension of up to 22 months is allowed before the state is required to roll the "as of" date of a re-initiated exam forward one year.

### 2012 Statutory Examinations

Life, Accident & Health Insurers	3
Health Organizations	4
Property & Casualty Insurers	6
Title Insurers	1
Fraternal Organizations	1
Self-Insured Groups	7

### Five Year Trends: Completed Examinations



The Financial Examination Section conducted 22 full-scope financial examinations with an “as of” date of December 31, 2010. All of these examinations were completed by June 30, 2012, within the “18 Month Rule” timeframe noted above. There were 17 financial examinations in progress at year’s end, representing approximately \$5.2 billion in premium nationwide (\$4 billion in Massachusetts).

Examination Reports Issued in 2012			
	US Direct Premium	MA Direct Premium	Surplus
<b>Property &amp; Casualty Insurers</b>			
Atlantic Charter Insurance Company (AC Group)	\$27,762,000	\$25,349,000	\$57,770,000
Endeavour Insurance Company (AC Group)	2,719,000	2,693,000	5,002,000
Independence Casualty Insurance Company (AC Group)	12,923,000	12,802,000	3,844,000
Barnstable County Insurance Company (Barnstable Group)	2,892,000	2,892,000	16,483,000
Barnstable County Mutual Insurance Company (Barnstable Group)	28,911,000	28,911,000	63,167,000
The Premier Insurance Company of Massachusetts	190,595,000	190,595,000	209,684,000
<b>Health Insurers</b>			
Dental Service of MA	276,817,000	276,817,000	96,613,000
ConnectiCare of MA, Inc. HMO	17,595,000	17,595,000	110,787,000
Harvard Pilgrim Health Care, Inc. (H-P Group)	2,302,952,000	2,189,220,000	412,724,000
Harvard Pilgrim Health Care of New England, Inc. (H-P Group)	301,387,000	301,387,000	31,678,000
<b>Life, Accident &amp; Health Insurers</b>			
Berkshire Life Insurance Company	352,015,000	16,136,000	490,577,000
Centre Life Insurance Company	32,028,000	1,297,000	86,651,000
HPHC Insurance Company, Inc. (H-P Group)	361,953,000	162,045,000	36,723,000
<b>Self-Insured Groups</b>			
FutureComp SIG - HVAC Compensation Corp.	962,000	962,000	0
FutureComp SIG - Massachusetts High Technology Self-Insurance Group	500,000	500,000	0
FutureComp SIG - NEEIA Compensation. Inc.	5,309,000	5,309,000	0
FutureComp SIG – Automotive Industries Compensation Corp.	3,864,000	3,864,000	0
FutureComp SIG - ABC MA Workers' Compensation SIG, Inc.	1,265,000	1,265,000	0
FutureComp SIG - STAM Workers' Compensation Self-Insurance Group, Inc.	2,622,000	2,622,000	0
MIIA Property and Casualty Group	48,470,000	48,470,000	88,984
<b>Fraternal Organizations</b>			
Catholic Association of Foresters	206,000	187,000	6,319,000
<b>Title Insurers</b>			
New England Title Insurance Company	0	0	104,000
<b>TOTALS</b>	<b>\$3,974,027,000</b>	<b>\$3,291,198,000</b>	<b>\$1,717,110,000</b>

Examinations in Progress 12/31/2012			
	US Direct Premium	MA Direct Premium	Surplus
<b>Property &amp; Casualty Insurers</b>			
Electric Insurance Company	\$370,466,000	\$27,805,000	\$460,413,000
Holyoke Mutual Insurance Company In Salem	50,494,000	21,244,000	82,363,000
Massachusetts Homeland Insurance Company	122,310,000	71,146,000	7,989,000
One Beacon America Insurance Company (One Beacon Group)	338,763,000	17,935,000	182,867,000
Employers Fire Insurance Company (One Beacon Group)	146,482,000	12,464,000	60,034,000
Coface of North America Insurance Company	91,993,000	2,359,000	49,305,000
Northern Assurance Company of America (One Beacon Group)	106,413,000	8,478,000	62,182,000
<b>Health Insurers</b>			
Tufts Associated HMO, Inc. (Tufts Group)	2,516,565,000	2,507,616,000	504,158,000
Fallon Community Health Plan (Fallon Group)	1,097,521,000	1,097,521,000	127,195,000
<b>Life, Accident &amp; Health Insurers</b>			
Boston Mutual Life Insurance Company	146,898,000	37,702,000	126,302,000
Tufts Insurance Company (Tufts Group)	163,838,000	149,536,000	47,398,000
Fallon Health & Life Insurance Company, Inc. (Fallon Group)	25,227,000	25,227,000	4,734,000
<b>Self-Insured Groups</b>			
Massachusetts Catholic Self-Insurance Group, Inc.	2,916,000	2,916,000	5,359,000
Meadowbrook/TPA Associates - Self-Insured Lumber Business Association, Inc.	3,194,000	3,194,000	25,000
Meadowbrook/TPA Associates - Commonwealth Transportation Compensation Corporation	2,449,000	2,449,000	(13,000)
Meadowbrook/TPA Associates - Manufacturers of MA Compensation Group, Inc.	1,135,000	1,135,000	(9,000)
Meadowbrook/TPA Associates - Independent Schools Compensation Corporation	6,521,000	6,521,000	(12,000)
<b>TOTALS</b>	<b>\$5,179,926,000</b>	<b>\$3,982,149,000</b>	<b>\$1,720,769,000</b>



## **Other Insurance Entities**

In addition to examining traditional insurance companies, the Financial Examination Section also conducts periodic examinations of domestic self-insured groups, residual market pools and over 150 fraternal benefit and mutual aid societies.

## **Special Brokers Tax Collection**

The Financial Examination Section collects state taxes on the Excess and Surplus Lines business written by Special Brokers licensed in Massachusetts. Collections in calendar year 2012 for business written in calendar year 2011 totaled \$23.3 million on written premium of \$583.3 million.

## **Life Company Certification and Valuation Fees Collection**

At the end of each calendar year, Division financial examiners are charged with compiling the actuarial valuations of insurance reserves of Massachusetts domiciled life insurance companies as described in the annual financial statements and the actuarial reserve exhibits. These valuations are reviewed in context with the actuarial opinions provided by the companies, including asset adequacy testing required on these reserves. The Division then issues a certification of the company's entire reserve liability. Under Massachusetts law, the companies are required to pay fees for the annual valuation process and for the certificates issued. Valuation and certification fees billed in 2012 amounted to \$571,000.00.

# **4.4 Special Activities**

## **Training & Professional Accomplishments**

Financial Examination Section staff attended the Society of Financial Examiner's annual Career Development Seminar ("CDS") in July 2012. The Society of Financial Examiners ("SOFE") is a professional society made up of state insurance examiners throughout the United States and its territories. Through lectures, roundtable discussions and interactive formats, participants learn the latest developments, current and emerging issues, and new solutions in the regulation of insurance companies. Topics also include the risk-focused examination approach, fraud detection, IT development, and the latest legislation, auditing and regulatory issues.

## 5 - Market Conduct






### 5.1 Mission

The primary mission of the Market Conduct Section is to conduct examinations (comprehensive and limited scope) and market analysis reviews of insurance companies to ensure the fair treatment of policyholders in the Massachusetts insurance marketplace.

The Market Conduct Section reviews the manner in which insurance companies treat policyholders in order to ensure that such treatment complies with the terms and conditions of insurance contracts, as well as state laws, regulations and bulletins. Examinations involve interviews with key company personnel and review of company records and practices, including those relating to company operations, sales, advertising, rating, underwriting, claims decisions and complaint handling.

The Section also conducts Market Analysis Reviews of various regulatory data covering select companies doing business in Massachusetts. Review of this regulatory data enables the Section to better understand the current state of the marketplace and to identify possible areas of regulatory intervention.

### 5.2 2012 Goals

- |   |   |
|---|---|
| • Monitor insurers and industry trends, and analyze their impact on consumers and the insurance marketplace to determine whether regulatory intervention or oversight is appropriate. | <b>Complete</b>  |
| • Monitor the progress of multi-state regulatory settlement agreements in which the Massachusetts Division of Insurance is a lead state negotiator.                                   | <b>Complete</b>  |
| • Determine whether multi-state regulatory settlement agreements negotiated by other states are fair to Massachusetts consumers.  | <b>Complete</b>  |
| • Maintain a market conduct examination program in accordance with Division and NAIC guidelines.  | <b>Complete</b>  |
| • Conduct substantive market conduct examinations that are thoughtfully planned and timely executed by qualified and trained professionals.   | <b>Complete</b>  |

### 2012 Comprehensive Examinations

- AIG Insurance Group (11)
- Allianz Life Insurance Company of North America
- Bankers Life and Casualty
- Berkshire Life Insurance Company of America
- Consec Insurance Company
- Electric Insurance Company
- Holyoke Mutual Insurance Company
- John Hancock Group (3)
- Metropolitan Group (2)
- Nat'l Union Fire Insurance Company of Pittsburgh
- Nationwide Group (2)
- One Beacon Insurance Group (3)
- Preferred Mutual Insurance Company
- Prudential Insurance Group (5)

### 2012 Limited-Scope Examinations

- Commerce Insurance Company
- Hartford Life and Health Insurance Company
- HealthMarkets Group (3)
- Liberty Mutual Group (3)

## 5.3 Primary Activities

### Examinations and Reviews

The market conduct examination process enables the Division to ensure that insurance companies treat policyholders and consumers fairly and in accordance with both the terms of the insurance contract and state laws and regulations. Completed examinations can result in insurance companies taking corrective action to address identified violations and to prevent their recurrence.

In 2012, the Market Conduct Section completed comprehensive examinations evaluating the following business practices of 34 domestic and foreign companies:

- Company operations and management,
- Timely and fair complaint handling,
- Marketing and sales practices,
- Appointment and licensing of producers,
- Underwriting and rating guidelines and practices, and
- Claims handling and settlement practices.

In addition to comprehensive examinations, the Section completed eight limited-scope examinations of domestic and foreign insurers in 2012. A limited-scope examination is one that covers only specifically stated areas of activity rather than the comprehensive set of areas listed above.

### Market Analysis

In 2012, the Market Conduct Section completed 124 market analysis reviews on 67 companies for certain lines of business (homeowners, long term care, and life and annuity). During market analysis reviews, the Division assesses data from a variety of sources, including the Market Conduct Annual Statement; certain NAIC databases, including the Complaint Database, Regulatory Information Retrieval System, and Examination Tracking System; and insurance company-submitted financial statements. Additionally, the Market Conduct Section reviews complaint files from the Division's Consumer Services Unit. These market analysis reviews provide an early warning mechanism used to identify company non-compliance with insurance laws and regulations and negative financial trends which may impact future claim payments.

### Consumer Restitution

The Market Conduct Section's single-state examinations and settlement agreements executed in 2012 resulted in approximately \$260,000 in consumer restitution.

Also, the Market Conduct Section's examination and multi-state regulatory settlement agreement with UNUM Group detailing UNUM's improper claim handling practices, including denials and terminations of payments on group and individual disability income policies, continues to provide restitution to disabled Massachusetts claimants. As of December 31, 2012, over \$15.7 million has been paid or reserved for payment to future claimants.

### Monetary Fines

In 2012, as a result of multi-state regulatory settlement agreements, the Market Conduct Section collected approximately \$7.6 million in fines.

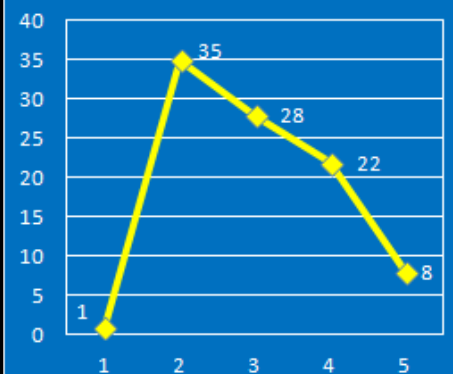
### Additional Reviews

The Division regulates 289 risk purchasing groups by registering new groups and renewing the registrations of existing groups. In 2012, the Market Conduct Section collected approximately \$36,000 in fees from these risk purchasing groups. In addition, the Market Conduct Section reviews and analyzes the financial statements of 21 workers' compensation self-insured groups in order to ensure the solvency of each group.

**Five-Year Trends:  
Comprehensive Exams**



**Five-Year Trends:  
Limited-Scope Exams**



## 6 - Producer Licensing

### License Types

- Producers
- Advisers
- Auto Clubs & Auto Club Agents
- Bank Insurance Licenses
- Public Insurance Adjusters
- Reinsurance Intermediaries (brokers & managers)
- Surplus Lines Brokers
- Viatical Settlement or Loan Brokers
- Viatical Representatives
- Motor Vehicle Damage Appraisers

The Producer Licensing Section is responsible for licensing individuals and business entities engaging in the business of insurance in the Commonwealth. It is also responsible for assuring that all insurers who appoint licensed producers annually renew or non-renew their appointments. The Section also issues Certification Letters, Clearance Letters, duplicate or replacement licenses, and responds to public record requests involving active and non-active licensees.

### 6.1 Mission

- Ensuring that individuals and business entities conducting the business of insurance in Massachusetts are qualified and in good standing, and that they conduct business within the requirements of the laws and regulations of the Commonwealth.
- Processing all licensing applications in a timely and accurate manner.
- Responding to all licensing inquiries in a timely and accurate manner.
- Providing excellent customer service to our licensees.
- Properly training staff members to carry out the mission of the Producer Licensing Section and that of the Division.

### 6.2 2012 Goals



**Complete**



**Complete**



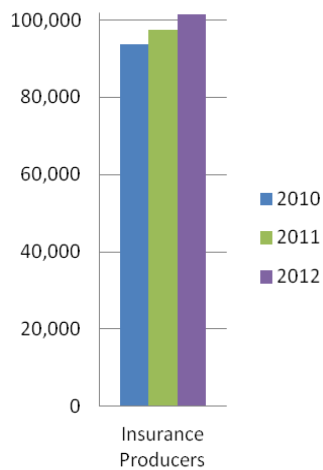
**Complete**

**In Progress**

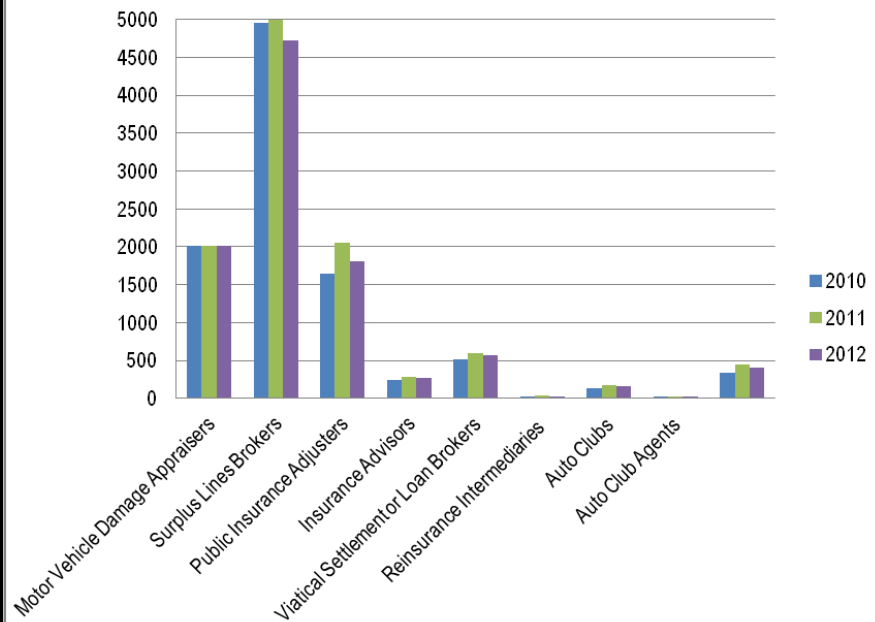
- Maintain organized and efficient licensure processes, and process new licensure applications within five days of receipt.
- Cross-train Section staff members on licensing procedures for 90% of all license types, including all online services.
- Train new staff members on all aspects of the Producer Licensing Section.
- Manage new online update projects; including OLLIE enhancements.

Licenses Issued and/or Renewed in 2010 – 2012 by Type			
License Type	2010	2011	2012
Insurance Producers	93,743	97,488	101,398
Motor Vehicle Damage Appraisers	4,958	5,000	4,717
Surplus Lines Brokers	1,647	2,056	1,814
Public Insurance Adjusters	246	285	271
Insurance Advisors	520	595	570
Viatical Settlement or Loan Brokers	31	33	29
Reinsurance Intermediaries	130	169	155
Auto Clubs	23	22	22
Auto Club Agents	344	448	411

**Three Year  
Licensing Trend -  
Insurance  
Producers**



**Three Year Licensing Trend - All Others**



## 7 - State Rating Bureau

### 7.1 Mission

The mission of the State Rating Bureau (“SRB”) consists of three primary functions:

- Monitoring insurance markets;
- Developing technical reports and analyses on emerging trends in support of the Division’s regulatory responsibilities; and
- Reviewing policy forms, rules and rates filed by or on behalf of insurance companies to ensure that insurance coverage and rating practices are actuarially sound, comply with all laws and regulations, and are fair to consumers.

The SRB participates on behalf of the Commissioner in numerous intra-governmental and public policy groups to evaluate policy options. It also works closely with the Division’s legal staff to develop regulatory guidance that clarifies rating and policy requirements. The SRB communicates rate filing procedures through filing guidance letters and assists in the development of guides and alerts that explain features of various insurance products to consumers.

### 7.2 2012 Goals

- Continue to facilitate the implementation of the reformed private passenger auto insurance market by establishing guidelines that promote the entrance of new insurers, greater diversity of products, and rates that improve the availability of choices for Massachusetts consumers.
- Coordinate the Division’s efforts to implement health insurance reform as identified in Chapter 58 of the Acts of 2006 and related statutes.
- Evaluate the market for small group health insurance, conduct examinations to evaluate the factors underlying the recent increases in small group premiums, and propose policy options in conjunction with other state agencies to address the factors leading to increasing costs.
- Regulate insurance policy forms, rates and programs. Take steps to revise regulatory processes - including transitioning to electronic systems, such as the System for Electronic Rate and Form Filing (“SERFF”) and Electronic Funds Transfer (“EFT”) - to promote more efficient and effective business practices and consumer communications. These efforts are intended to reduce the average reviewing time for policy, form and rate filings to 120 days or less.

**Complete**



**Complete**



**In Progress**

**Complete**

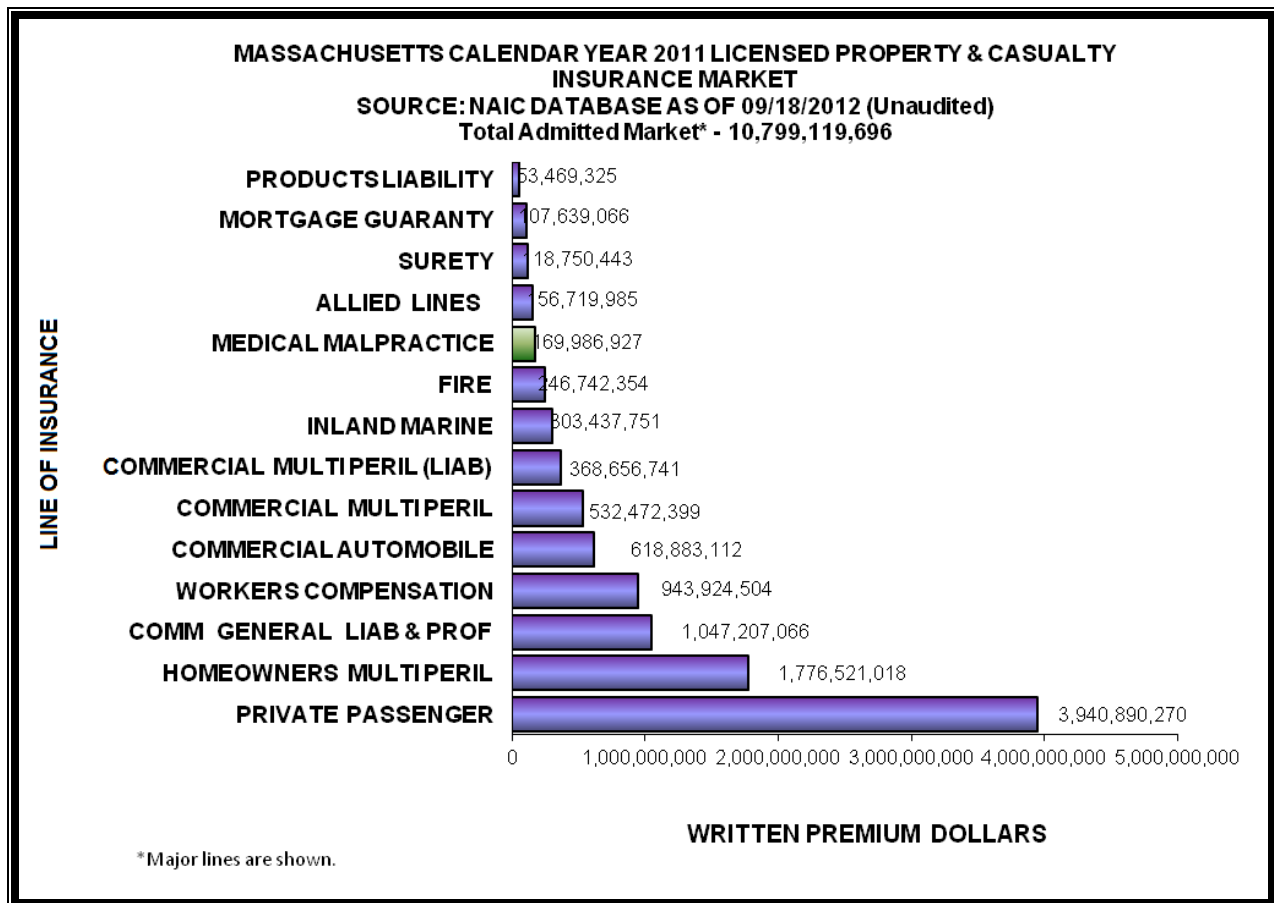


### 7.3 Primary Activities

As the technical advisor to the Commissioner, the work of the SRB covers many different areas of the insurance marketplace. In 2012, the SRB performed reviews and analyses in the following areas of insurance:

- Private passenger automobile,
- Home,
- Workers' compensation,
- Medical malpractice,
- Credit,
- Life, and
- Health.

The following chart illustrates premium for the Massachusetts property and casualty market.





### 7.31 Private Passenger Automobile

Private passenger automobile insurance accounted for over \$3.9 billion in Massachusetts written premium dollars in calendar year 2011, which is more than twice the level of premiums collected for any other line of property and casualty insurance.

The SRB is responsible for:

- Monitoring the market's transition to competitive rate regulation;
- Monitoring the activities of the residual market administered through Commonwealth Automobile Insurers ("CAR");
- Reviewing all company and CAR form, rule and rate filings; and
- Reviewing statistical plan filings.

#### Transition to Competitive Rate Regulation

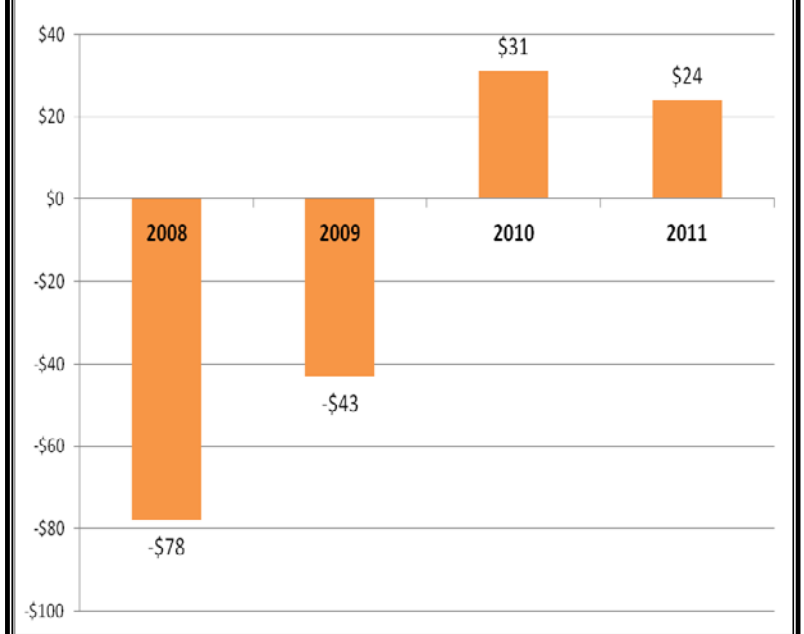
Since the move to managed competition in the private passenger automobile insurance market on April 1, 2008, 13 new insurance companies have started writing private passenger auto insurance in Massachusetts. In 2012 alone, the Division reviewed applications submitted by four new companies seeking to enter the Massachusetts private passenger motor vehicle market. Nine of the 13 new companies market their products through independent agents.

The average annual personal automobile premium per vehicle rose slightly between 2010 and 2011 by approximately \$24 per vehicle. This is consistent with the expectations following the "competitive correction" and the general inflationary pressures of premiums generated by the replacement of older vehicles with newer ones. The average personal automobile premium per vehicle remains \$66 less than it was prior to the introduction of managed competition.

#### Automobile Insurers Entering MA Since April 1, 2008

- AIG Private Client
- Allstate
- Ameriprise
- Bankers Standard
- GEICO
- Green Mountain
- Harleysville
- Occidental
- Peerless
- Praetorian
- Preferred Mutual
- Progressive
- Vermont Mutual

**Average Annual Change in Personal Vehicle  
Insurance Premium Over Prior Year**



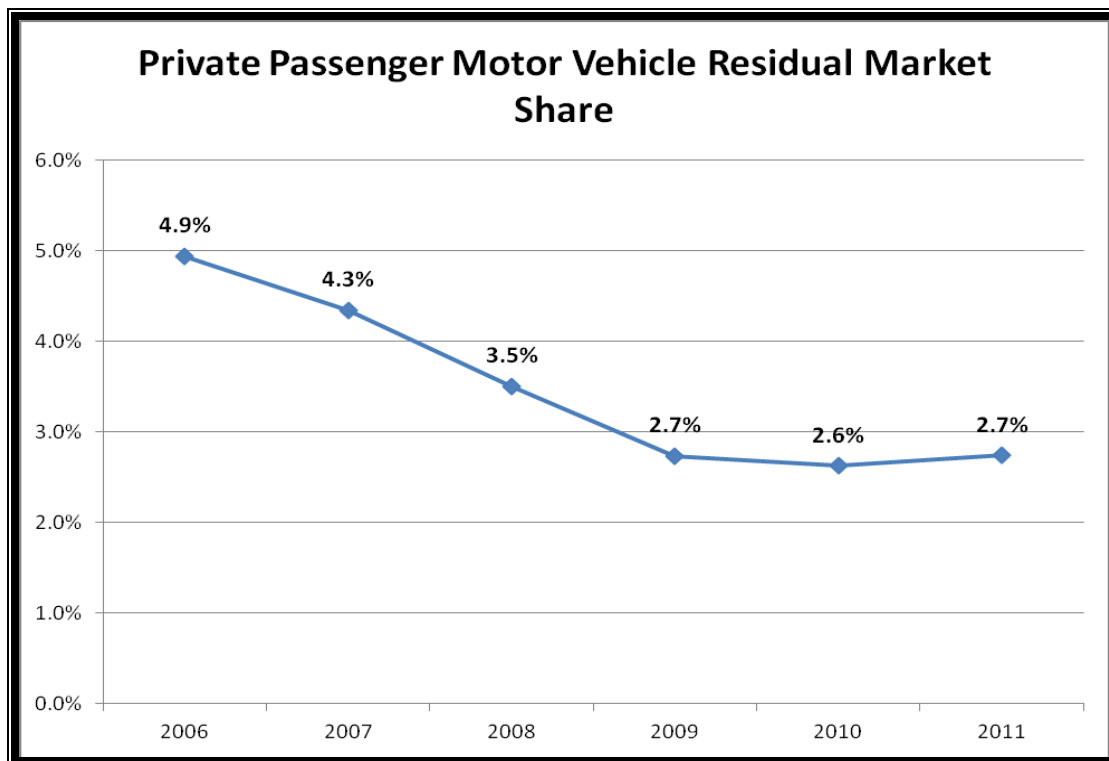
## Residual Market Reform

The final year of transition to an assigned risk plan for the residual market began on April 1, 2009. In 2009, the residual market declined from 3.5% of the total market to 2.7% based on results through November 30.

The SRB reviewed numerous proposed changes to the Massachusetts Automobile Insurance Plan (“MAIP”) rules of operation to identify their impact on both the industry and consumers. Staff also worked closely with CAR to promulgate and communicate recent MAIP rule changes designed to ease the transition for specific insurance producers, and assisted in the preparation of a report to the Legislature concerning the effects of this transition on insurance producers.

Significant procedural changes were implemented at CAR for the purpose of developing and maintain credits for insurance companies who voluntarily insure policies that would otherwise likely be insured through the MAIP. Actual changes in residual market share now drive the indicated and actual credits in the market, which is a more transparent and objective process than had been followed in the past.

As noted on the following chart, the private passenger automobile residual market has declined from 4.9% in 2006 to 2.7% in 2011.



## 7.32 Home Insurance

Home insurance covers the cost of damage to one's home, as well as personal liability claims that may be filed against the owner of the home. The SRB is responsible for:

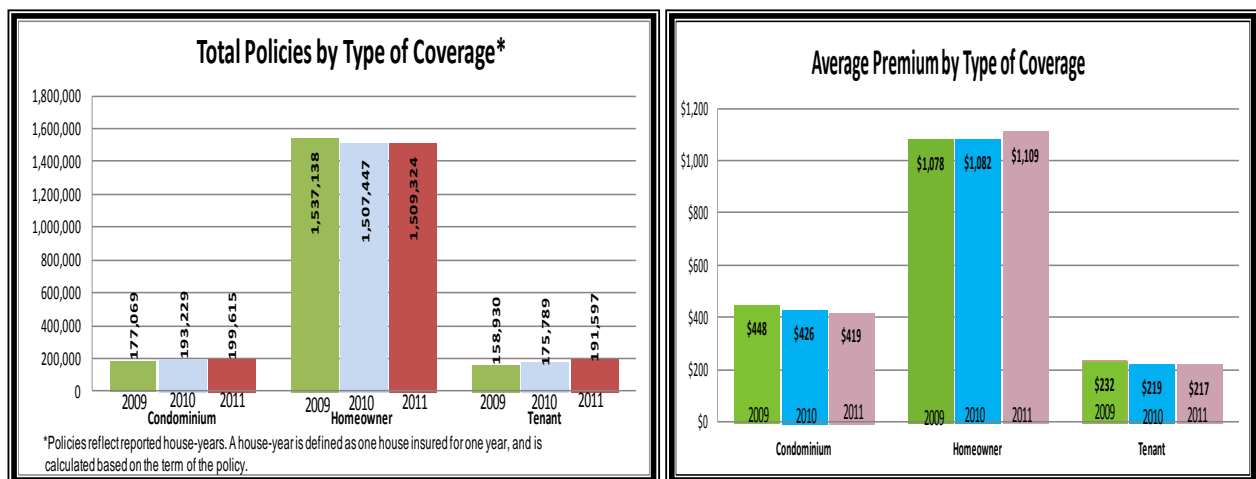
- Monitoring the market for coverage;
- Reviewing the activities of the residual market administered through the Massachusetts Property Insurance and Underwriting Association (the "FAIR Plan"); and
- Reviewing all company and FAIR Plan form, rule and rate submissions.

### Commissioner's Report on Home Insurance

In 2012, SRB staff completed a report (required under M.G.L. c. 175, §§ 4A and 4B) that examines the market for home insurance, the causes of home insurance loss, trends in cancellations/non-renewals, and emerging trends in the availability of coverage, especially in coastal areas. A copy of the report is available in the Publications and Reports section of the Division's website at [www.mass.gov/doi](http://www.mass.gov/doi).

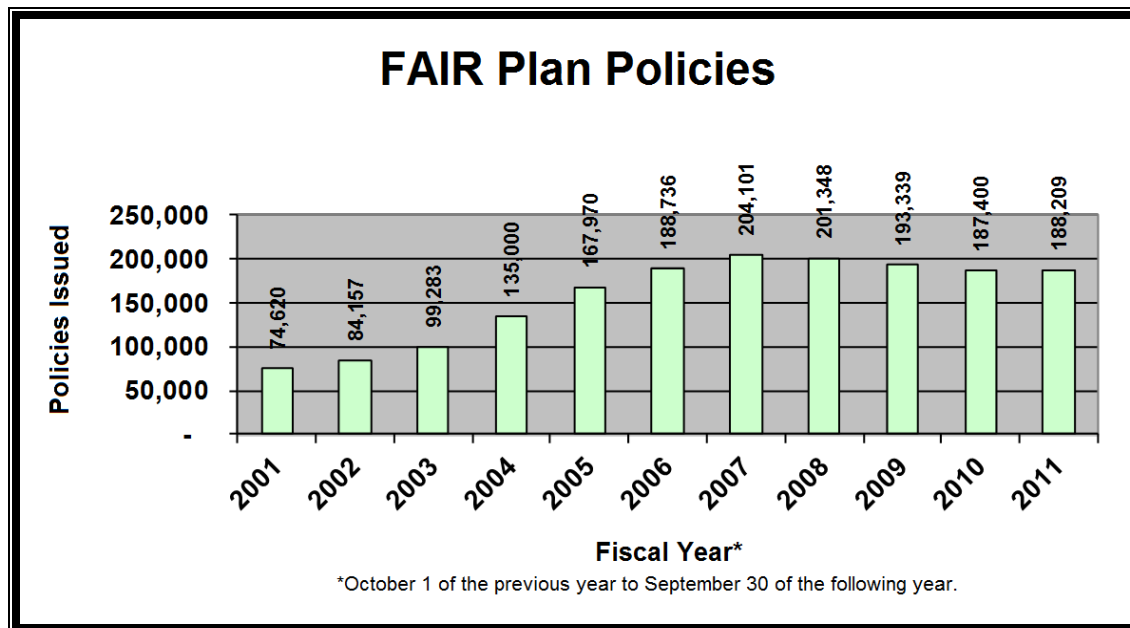
Among the findings of the report is that the number of Massachusetts home insurance policies written between 2009 and 2011 increased by approximately 24,000 policies.

Between 2009 and 2011, the average premium for condominium and tenant policies decreased, but the average premium for homeowners' policies increased from \$1,078 to \$1,109 per policy.

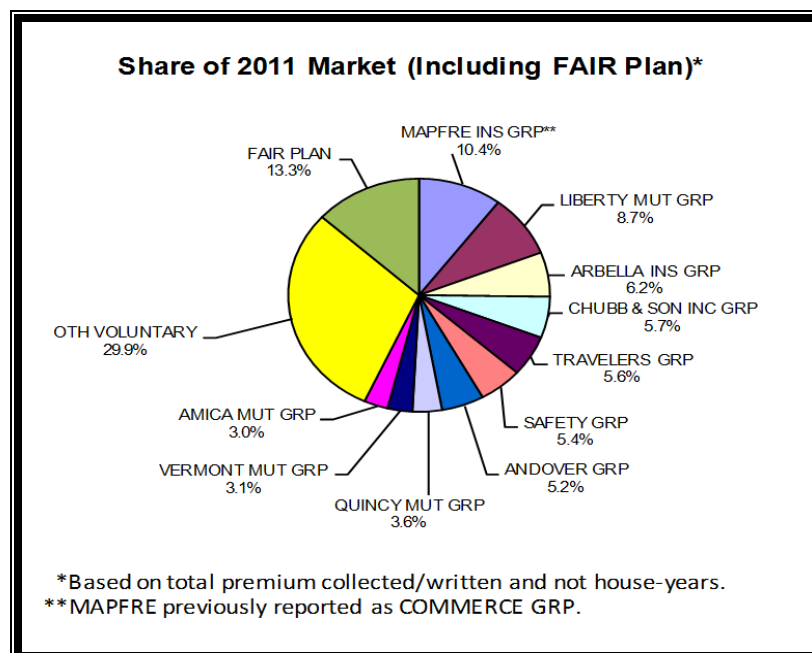


## Availability of Coverage

In Massachusetts, the FAIR Plan provides coverage for home insurance when a homeowner cannot locate coverage from licensed home insurance companies. Beginning in 2003, the number of policies covered under the FAIR Plan increased dramatically as licensed companies began nonrenewing their coastal exposures in the Cape, Islands and southern Bristol and Plymouth Counties. While the figure remains quite high, we believe we have seen the FAIR Plan's overall market share plateau. By the end of 2011, the FAIR Plan had decreased from a high of 204,101 policies in 2007 to 188,209 in 2011.

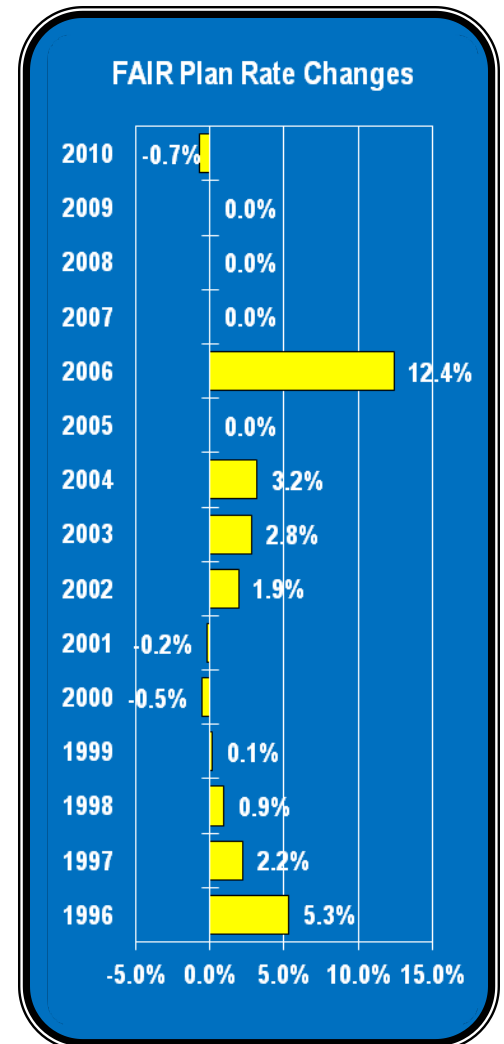


At 13.3%, the FAIR Plan writes the largest share of the homeowners' market, but this is lower than the 15.4% share that the FAIR Plan wrote in 2008.



### FAIR Plan Rate Hearing

In late 2011, the FAIR Plan submitted a request for an overall statewide increase of 7.2%. The hearing concluded in 2012. The requested increases were denied after the Commissioner found that the FAIR Plan failed to meet its burden of proof to support each aspect of its rate requests and to prove, by a preponderance of the evidence, that its rates satisfied the statutory requirements. There were therefore no rate changes for 2011 and 2012.



## Workers' Compensation

The State Rating Bureau is responsible for monitoring:

- Market-wide alterations in availability of coverage.
- The structure of the statistical plan documenting insurer loss and premium experience.
- The health and efficiency of residual market pool.
- Industry-wide rates and rating programs for non-discrimination and actuarial appropriateness.

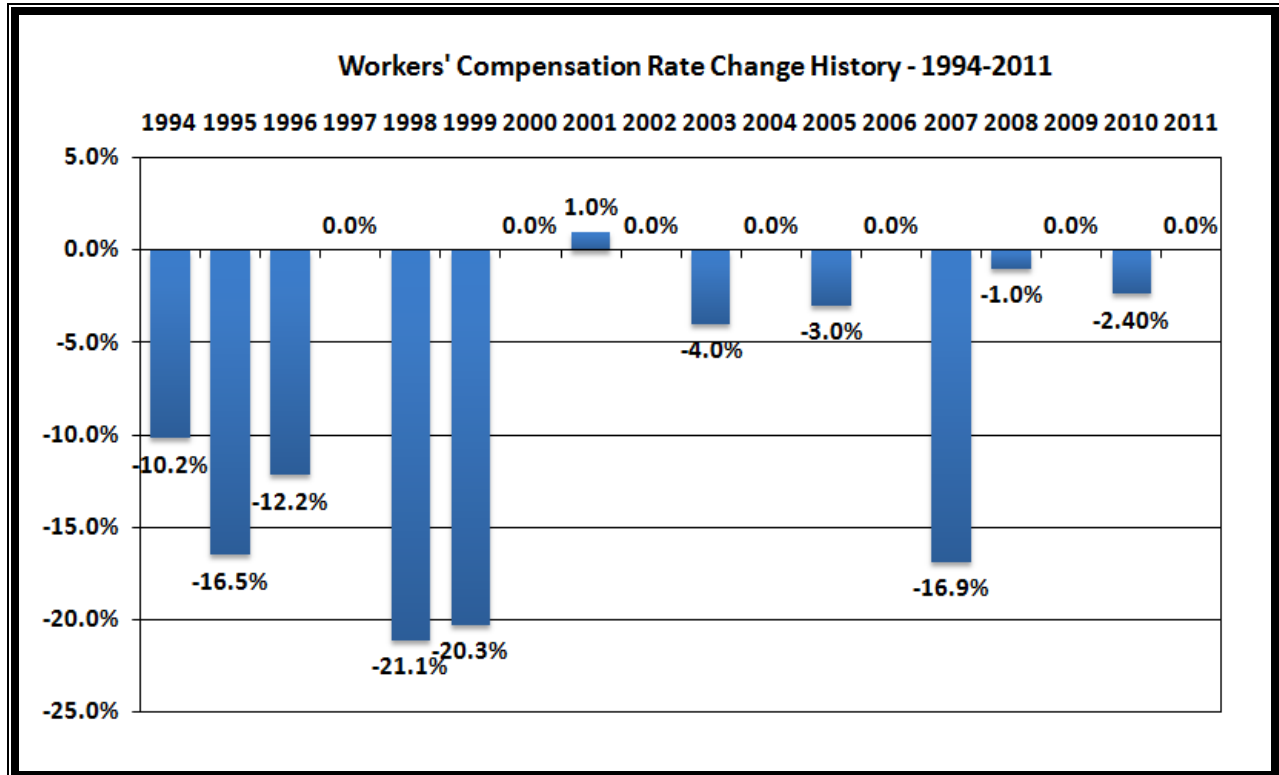
### 7.33 Workers' Compensation

Workers' compensation insurance covers lost wages, medical costs and rehabilitation costs associated with work-related accidents or illnesses. With few exceptions, employers are required to purchase workers' compensation coverage for their employees.

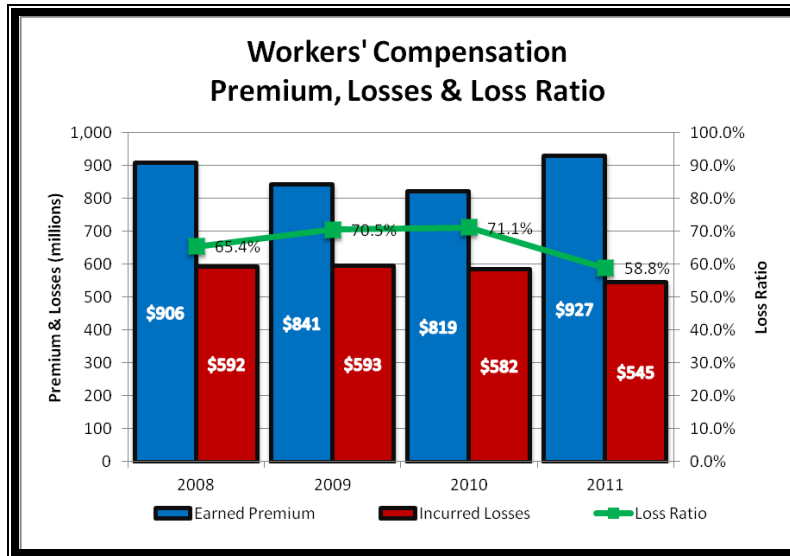
SRB staff review all industry bureau and individual company rate, rule, and form filings, including rate deviation filings. The coverage and rates are established according to the processes established under M.G.L. c. 152. Industry filings are coordinated through the Workers' Compensation Rating and Inspection Bureau of Massachusetts ("WCRIB"), an entity licensed as a Rating Organization under M.G.L. c. 174A. The WCRIB also acts as the Division's Statistical Agent and Pool Administrator.

#### Rate Review

The WCRIB made no changes to the industry-wide rates in 2011. Approximately 50 carrier groups kept their downward deviations to the 2010 rates in 2011, with over 25 individual companies offering discounts of at least 25%. Many companies also made individual filings of various non-standard rating plans, rules and forms.



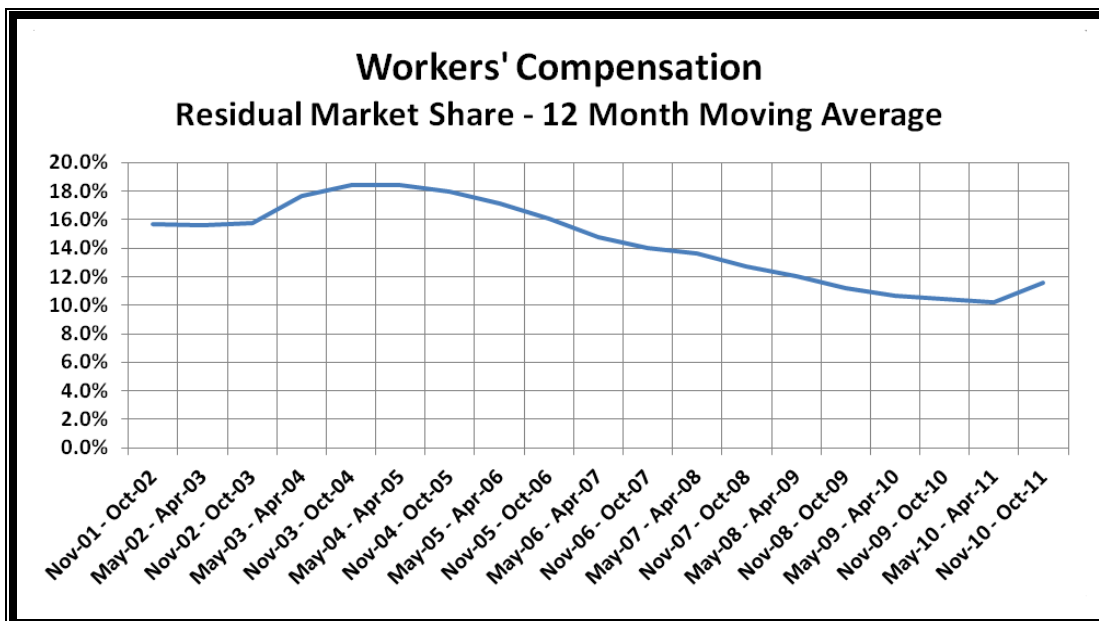
It is worth noting that the calendar year information displayed below suggests that, in spite of the many rate reductions and downward company deviations over the last two decades, workers' compensation insurance continues to be a profitable line in Massachusetts.



In 2011, the SRB undertook a market conduct examination of all workers' compensation carriers utilizing schedule credit programs to determine whether each insurer was fully in compliance with our regulations and guidelines for such program. The study highlighted opportunities for improvement in the practices of several companies.

### Monitoring the Workers' Compensation Residual Market

Workers' compensation companies are permitted to decline risks, which can then obtain coverage through the Massachusetts Workers' Compensation Assigned Risk Pool. The Division monitors whether companies are increasing the number of risks covered through the pool.



### 7.34 Medical Malpractice Insurance

Medical malpractice insurance covers medical malpractice claims and the expenses associated with defending alleged medical malpractice. The SRB is responsible for:

- Monitoring the market for coverage;
- Analyzing and collecting data;
- Reviewing the activities of the Residual Market Pool; and
- Reviewing all company-filed form, rule and rate filings.

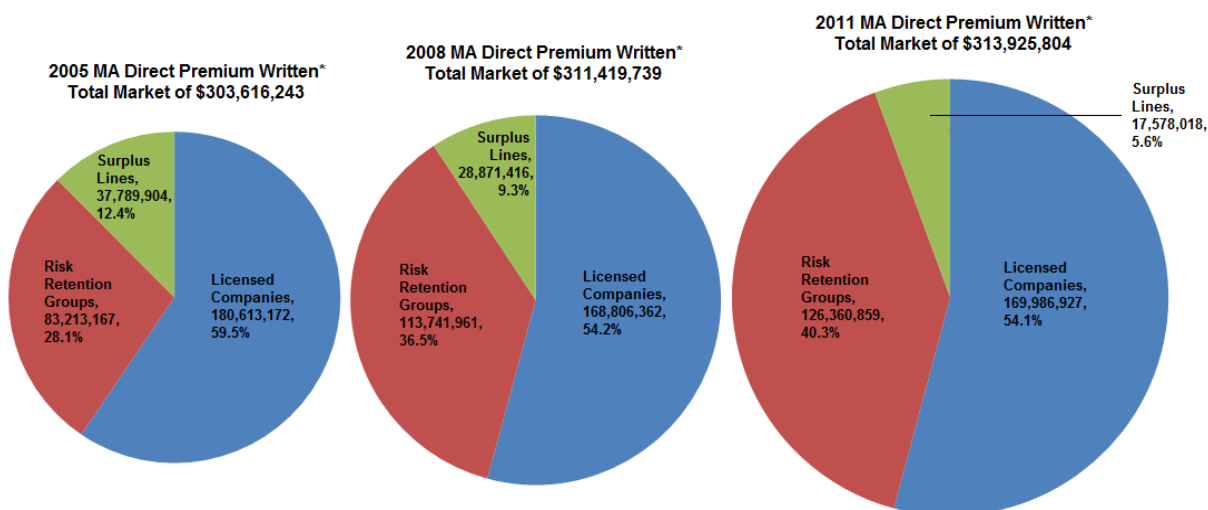
In 2012, SRB staff completed the “Medical Malpractice Insurance in the Massachusetts Market 2011” report, which is available in the Publications and Reports section of the Division’s website at [www.mass.gov/doi](http://www.mass.gov/doi).

#### Annual Medical Malpractice Report

##### 2011 Findings

- Premium dollars written for medical malpractice coverage increased from \$303M in 2005 to \$314M in 2011.
- Proportion of coverage written in regulated market dropped from 59.5% in 2005 to 54.1% in 2011.
- Proportion of coverage written in unregulated surplus lines and risk retention markets grew from 40.5% in 2005 to 45.9% in 2011.

### Total Market 2005, 2008, 2011



\*Based on unaudited NAIC data - direct premium written

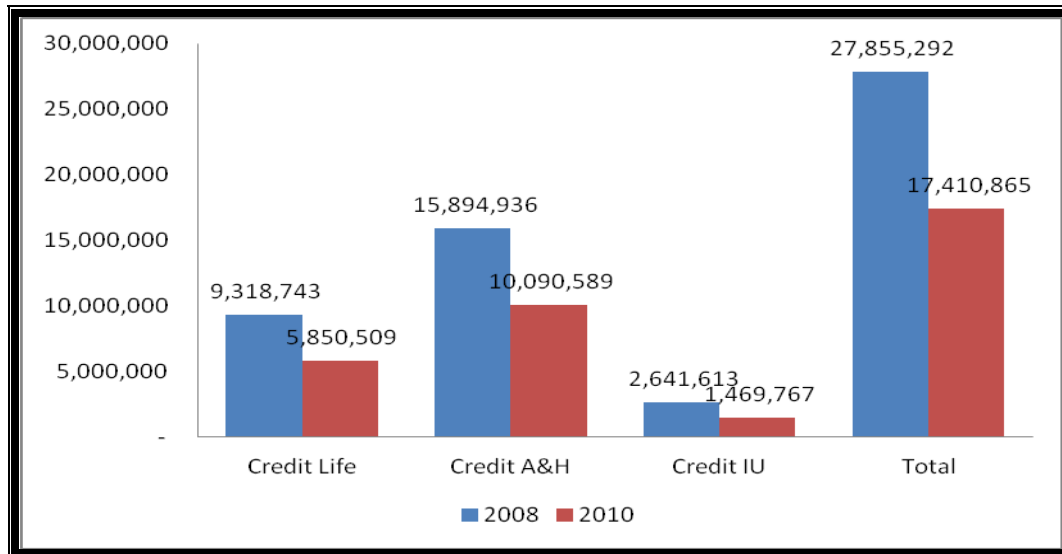


### 7.35 Credit Insurance

Credit insurance is offered with many non-mortgage loans and credit card applications. Depending on the coverage, these products will pay all or some portion of outstanding loan balances in the event of the death, disability or involuntary unemployment of the covered person. Insurance companies offering these policies must issue special disclosures that make the covered persons aware that they are not required to purchase the coverage to obtain the loan or credit. Insurers must also comply with special statutory loss ratio requirements.

The Division compiles an annual report on credit insurance based upon information submitted annually by the individual carriers. In the course of reviewing the data, the SRB determines whether companies continue to satisfy the statutorily required minimum loss ratio for credit life (50%), credit accident and sickness (55%), and credit involuntary unemployment insurance (60%).

In general, the level of coverage issued in Massachusetts has continued to drop as other non-insurance debt relief products (*e.g.*, debt cancellation products) become available from banking institutions. Between 2008 and 2010, total reported incurred credit insurance premium for Massachusetts fell from \$28 to \$17 million, as shown below.



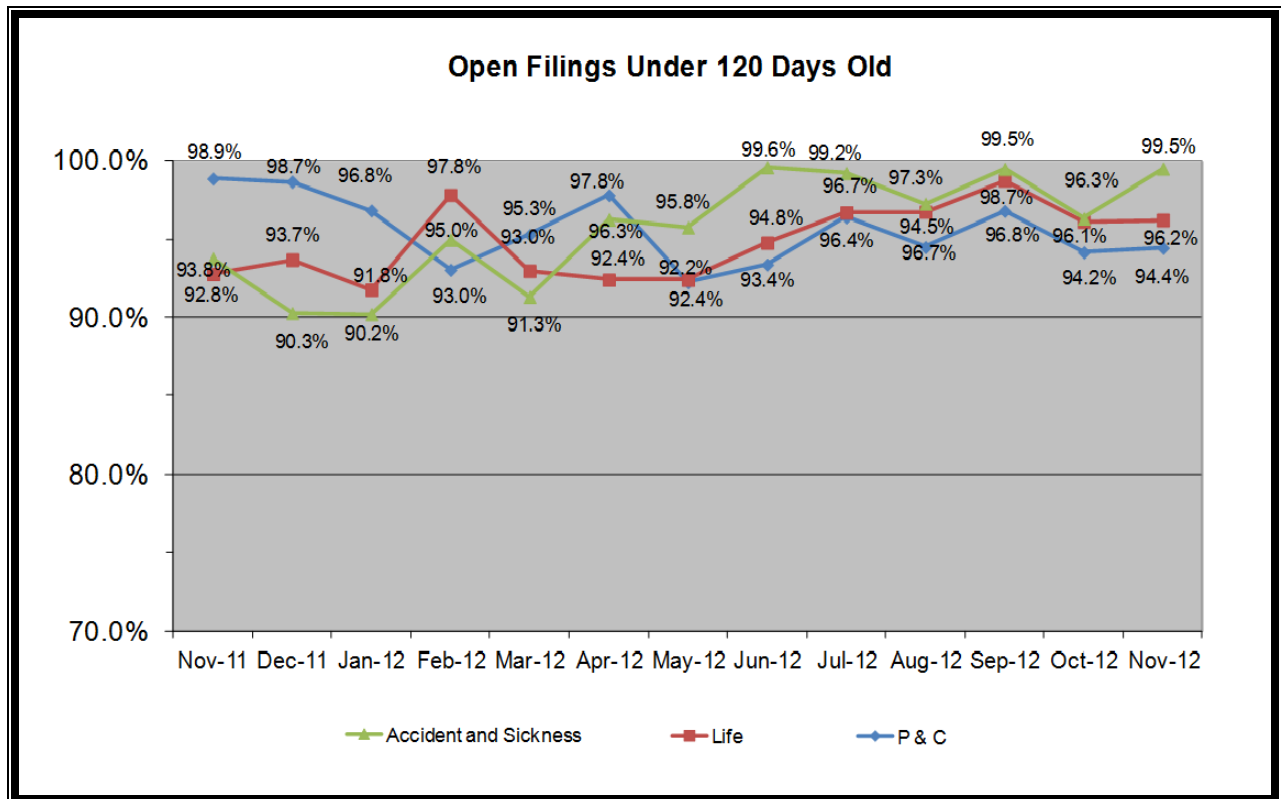
### 7.36 Life Insurance

The Division did not promulgate any new life insurance regulations or issue any new life insurance bulletins during calendar year 2012.

## 8 - Policy Form Review

The Policy Form Review Section is responsible for reviewing property and casualty, life and annuity, and accident and sickness filings made by insurance companies to ensure they are consistent with Massachusetts laws. The focus of these reviews is on consumer protection, adequate reserving for claims, and justification of rates.

The Policy Form Review Section works to manage product reviews in order to complete reviews in a timely manner. The Section monitors review time so that it can redeploy resources to address delays and complete reviews to make policy forms available for companies to use in the market.



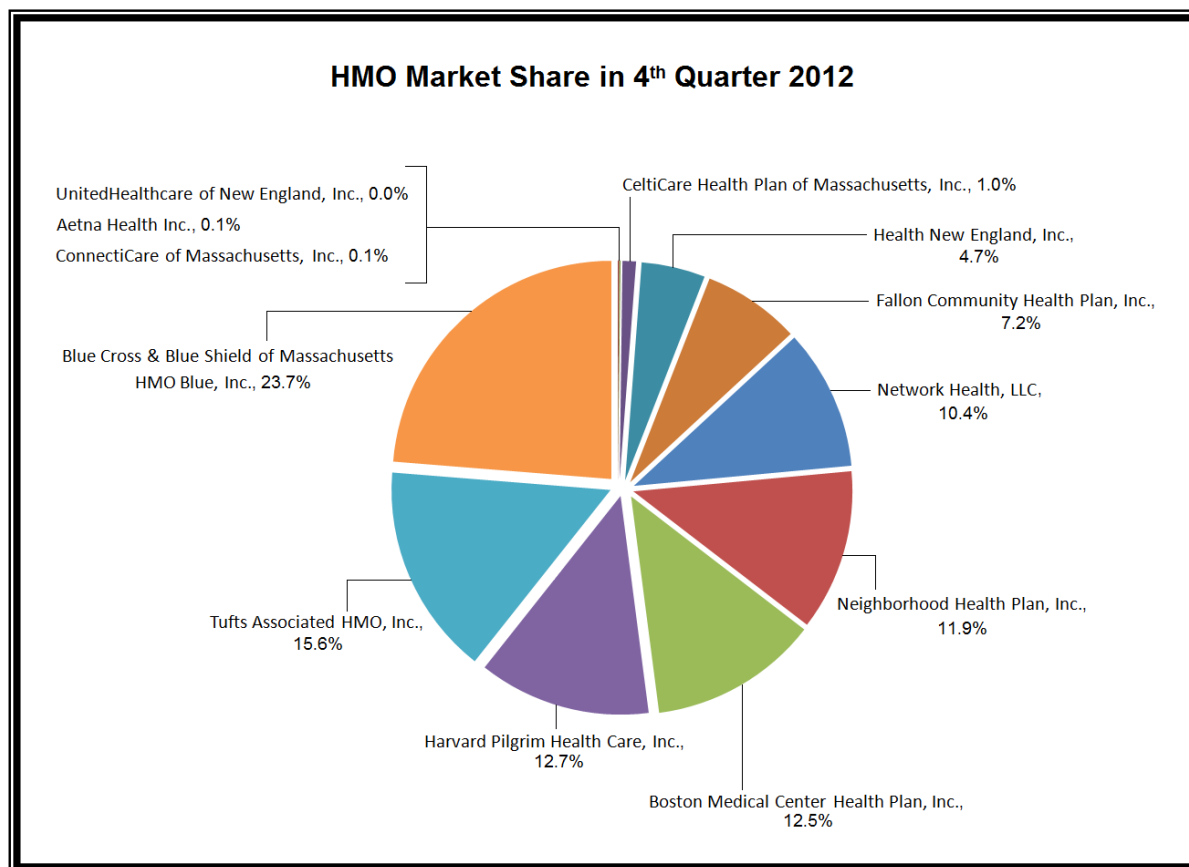
## 9 - Bureau of Managed Care

The Bureau of Managed Care (“BMC”) reviews health insurance company materials to determine whether their operations satisfy managed care protections required under M.G.L. c. 176O. These protections include those related to:

- Consumer disclosures,
- Evidences of coverage,
- Provider contracts,
- Network directories,
- Utilization reviews,
- Quality assurance and credentialing, and
- Internal appeals systems.

In addition, the BMC advises the Commissioner on emerging issues associated with health reform, health insurance company operations and administrative practices, managed care practices, and mandated health benefits.

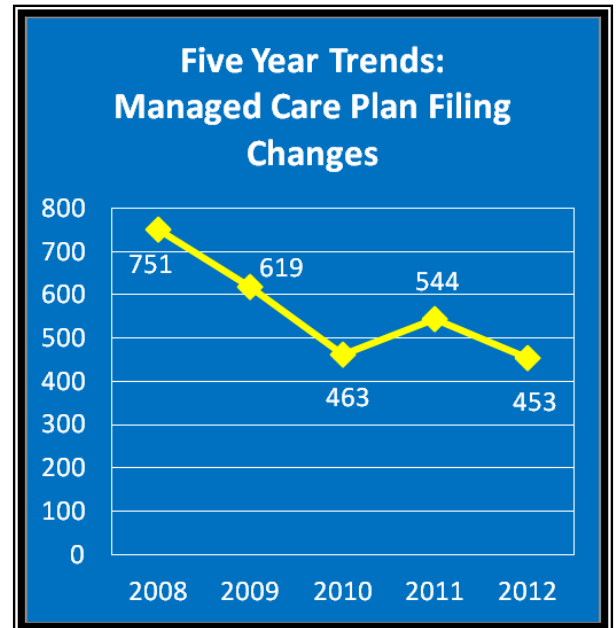
Health maintenance organizations (“HMO”) provide the vast majority of all insured health plan coverage in Massachusetts. More than 2 million people receive health care coverage through an HMO plan provided by one of 12 companies. Relative market share during the 4<sup>th</sup> quarter of 2012 is shown below.



### Managed Care Accreditation Reviews

The BMC is responsible for conducting a comprehensive review every two years of all insured health plans with managed care systems to determine their compliance with the requirements of M.G.L. c. 176O. Companies that are not accredited are not permitted to offer a managed care plan in Massachusetts. The BMC completed the review of 543 filings that were material changes to already completed accreditation filings. Most of the materials submitted were changes to existing health insurance evidences of coverage.

In 2012, the BMC coordinated many of the Division's efforts to implement health reforms and mandates. The BMC worked closely with other state agencies, including the Commonwealth Health Insurance Connector Authority, the Department of Public Health, the Department of Mental Health, and the Executive Office of Health and Human Services, to revise regulations and to develop bulletins and guidelines to assist consumers and insurance companies in complying with the new policies.



### Mental Health

In response to changes to both the state and federal requirements for mental health parity in 2012, the BMC worked closely with the Department of Mental Health and the Department of Public Health's Office of Patient Protection to monitor compliance with state and federal mental health parity provisions.

## 10 - Health Care Access Bureau

In 2006, Massachusetts enacted a comprehensive health reform law in an effort to expand access to affordable health insurance, which formed the basis of the federal Patient Protection and Affordable Care Act (“ACA”). Chapter 58 of the Acts of 2006 (“Chapter 58”), the Massachusetts health reform law, mandates that residents maintain an adequate level of health coverage (called “minimum creditable coverage”) or face significant tax penalties.

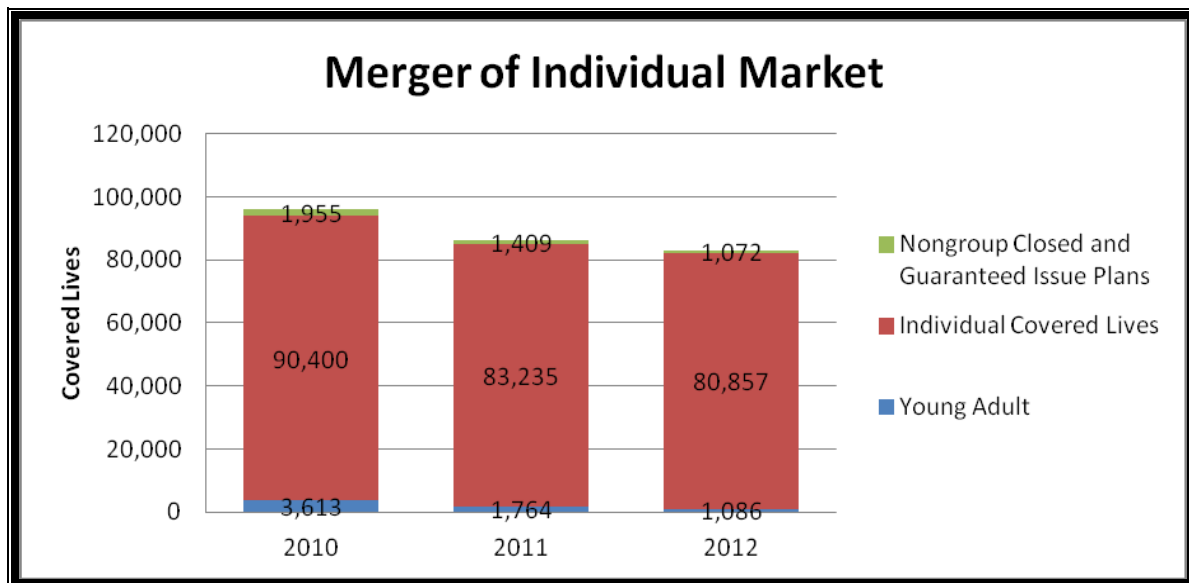
The Health Care Access Bureau (“HCAB”) is responsible for monitoring the market for health insurance coverage, concentrating on the availability and affordability of coverage. Members of the HCAB represent the Commissioner on a number of health insurance committees and task forces, including:

- the Health Care Quality and Cost Council,
- the HealthyMass Compact, and
- the Interagency Analytic Work Group.

In 2012, the HCAB continued to work actively with the BMC and with other state agencies, including the Executive Office of Health and Human Services, the Commonwealth Health Insurance Connector Authority, and the Division of Health Care Finance and Policy, to implement reforms created under Chapter 58 and Chapter 305 of the Acts of 2008 and to examine ways to address health care cost and quality concerns.

### Access: Merger of Small Group/Individual Markets

One pillar of Chapter 58 was the July 1, 2007 merger of the small group and individual markets and the development of Young Adult Plans to provide more coverage options for individuals in Massachusetts. The HCAB examined the number of people covered in individual plans before and after the merger and found that coverage in individual health plans had, in fact, decreased by 12,953 from 2010 to 2012.



## ACA Implementation

The ACA created a number of significant rules that impact the availability of coverage throughout the United States. Although many features of the ACA drew from the Massachusetts health reforms of the mid-2000s, there were also many features that standardized individuals' choice of plans, open enrollment periods, and the ways that companies could calculate the premiums that would be offered to individuals and small employers. In 2012, the Division worked closely with other state agencies and the federal government to determine how rules would be applied in Massachusetts so that guidance could be given to companies as they developed products and rates for the Massachusetts' merged market.

The Division also participated in a number of task forces to share information with other state agencies in order to develop consumer materials that would allow all impacted consumers better access to information explaining their options in the market for health coverage. The Division worked with the Commonwealth Health Insurance Connector Authority to ensure that clear information was available about open enrollment periods that would apply to the availability of products.

Moreover, Division staff also commissioned a number of actuarial studies to understand the impact that small employers may feel with certain rating changes, including the elimination of Massachusetts-specific rate variables and rules that will require the expansion of the small group market to encompass groups with between 51 and 100 eligible employees. These reports became essential to the policy development about future activities and in identifying areas where greater flexibility from the federal government should be considered in order to mitigate the impact of certain ACA changes.

## Small Group Rate Review

During a period of rapidly increasing small group rates, Governor Deval Patrick directed the Division to modify its rate review process to require that company rate filings for small group plans be submitted for the Division's review on a quarterly basis. Following the promulgation of emergency changes to 211 CMR 43.00 and the issuance of Bulletin 2010-05 in February 2010, the Division implemented procedures to collect rate filing information for small group plan rates intended to be effective April 1, 2010. In March 2010, the Division shifted internal resources to review the April 1, 2010 small group filings and disapproved 235 out of 274 small group base rate requests. Following this disapproval, Division staff became actively involved in administrative rate hearings to review the disapproval decisions. Many of these filings were handled through negotiated settlements that applied through the end of 2010.

In August 2010, Chapter 288 of the Acts of 2010 ("Chapter 288") was enacted. Chapter 288 expanded the Division's authority to review small group health insurance rate filings and established additional filing requirements, including that companies file rates a defined number of days prior to their intended effective date and allowing the Division 45 days to finish its review of completed rate filings. Chapter 288 also established presumptive disapproval standards applicable to rate filings: a medical loss ratio of less than 90%, administrative expenses increasing by more than the regional medical consumer price index ("CPI"), and contribution to the surplus of greater than 1.9%. The presumptive disapproval standards were scheduled to expire by October 2012, but instead, they were subsequently amended under Chapter 464 of the Acts of 2012, which established the medical loss ratios to be 90% for calendar year 2013, 89% for calendar year 2014, and 88% for calendar year 2015 and beyond.

During calendar year 2012, the Division reviewed Massachusetts small group carriers' filings submitted for 2<sup>nd</sup> quarter, 3<sup>rd</sup> quarter and 4<sup>th</sup> quarter 2012 rates, as well as the rates to be effective for 1<sup>st</sup> quarter 2013. All rate filings were reviewed by the Division's internal actuary and five external contracting actuaries for completeness according to the filing standards identified in 211 CMR 66.00; to verify that the filings did not trigger any of the presumptive disapproval standards for medical loss ratio, administrative expenses, or contribution-to-surplus; and to examine the reasonableness of the rates in relation to the benefits provided in the filing. During these periods, the average health rate increases were kept to 3.6% or less.

# 11 - Office of General Counsel

## 11.1 Mission

The Office of General Counsel (“OGC”) assists the Commissioner in administering the laws of the Commonwealth as they pertain to the protection of the insurance consumer through the regulation of the insurance industry. The OGC further assists the Commissioner in monitoring the solvency of insurance companies by coordinating the rehabilitation of financially troubled insurers and the takeover and liquidation of insolvent insurers.

## 11.2 2012 Accomplishments

- Provided legal support and advice to the Commissioner, Division staff, consumers, executive and legislative branch members and other interested parties in the Massachusetts insurance marketplace.
- Reviewed and analyzed proposed or enacted legislation affecting insurance companies and the insurance-buying public.
- Researched and drafted regulations, regulatory bulletins and interpretative letters on Massachusetts insurance laws and regulations.
- Served as hearing officers in various regulatory proceedings, including hearings concerning new or amended regulations and financial transactions. Examples include proposed mergers, acquisitions and transfers of domicile.
- Provided a flexible alternative to litigation through the adjudicatory hearing and administrative appeal processes conducted by the Hearings and Appeals Section. Adjudicatory hearings include insurance rate proceedings and enforcement actions against Division licensees, and administrative appeals include appeals from decisions of the residual market entities overseen by the Commissioner.



## 11.3 Primary Activities

### 11.31 Health Care

The Division continued its regulatory efforts to address escalating health insurance premiums. Controlling health care costs continues to be a priority for Governor Patrick, and the Division's efforts have assisted in reducing health insurance premium increases in the individual and small group market. Massachusetts continues to insure a higher percentage of its residents than any other state, and its individual and small group health plans are consistently rated among the nation's best.

Legal staff devoted an extensive amount of time in 2012 to assisting the BMC and HCAB with the continuing implementation of health care reform. These activities included reviewing and analyzing new or amended health care legislation, drafting new or amended regulations to conform with or implement health care laws, and drafting interpretive bulletins to provide guidance to the insurance industry on the implementation of various new and amended health care laws and regulations. Attorneys also provided support to the Division in regard to helping advance the Commonwealth's move toward integration with the ACA, which provides for health care reform on a national level.

#### 2012 OGC Health Care Highlights

On August 6, 2012, the Massachusetts legislature passed the landmark health care bill, Chapter 224 of the Acts of 2012, *An Act Improving the Quality of Health Care and Reducing Costs through Increased Transparency, Efficiency and Innovation* ("Chapter 224"). Since Chapter 224's enactment, Division attorneys have worked with other Division staff as well as other state agencies to implement the various provisions of the new law, including the regulation of risk-bearing provider organizations ("RBPOs"). Pursuant to Chapter 224, the Division is responsible for issuing risk certificates to RBPOs doing business in Massachusetts. As a result, Division attorneys spent a considerable amount of time and effort in 2012 preparing standards and procedures relative to the issuance of risk certificates, as well as transitional rules for carriers and provider organizations relative to the certification of RBPOs. Regulations regarding RBPOs are expected to be promulgated by the Division in late 2013.

Division attorneys also participated as members on committees and workgroups focused on ensuring the Commonwealth's ongoing compliance with the ACA. With the assistance of the BMC and HCAB, Division attorneys drafted legislation to ensure that Massachusetts law continues to be in compliance with the ACA. Much of the proposed legislation is planned for submission to the Massachusetts legislature in 2013. Legal staff also provided support for the Division's continued efforts to implement state health insurance reforms dating from the Massachusetts legislature's passage of Chapter 288 of the Acts of 2010.

In 2012, health insurance carriers worked to create cost-effective health insurance plans. A number of carriers introduced limited, regional or tiered network products that encouraged consumers to receive services from lower-cost facilities. The Massachusetts legislature provided consumers with additional protections when it passed Chapter 61 of the Acts of 2012, *An Act Relative to Tiered and Selective Network Health Plans* ("Chapter 61"). As part of the implementation of Chapter 61, Division attorneys assisted in promulgating the new regulation 211 CMR 153.00, *Continuity of Care Access to Comprehensive Cancer Centers, Pediatric Hospitals, and Pediatric Specialty Units for Small Group Health Benefit Plans that Utilize Limited, Regional or Tiered Provider Networks*.

Division attorneys additionally assisted in drafting and issuing regulatory bulletins to provide guidance to the industry on a variety of health care topics. These include:

- Bulletin 2012-01, *Reporting to the Bureau of Managed Care (the "Bureau") of Instances Where Insurance Carriers Are Not Consistent with Required Uniform Coding and Billing Standards*;
- Bulletin 2012-02, *Methodology for Calculating and Reporting Medical Loss Ratio Rebate or Credit Calculations in Massachusetts*;
- Bulletin 2012-03, *Comprehensive Cancer Centers, Pediatric Hospitals and Pediatric Specialty Units Impacted by Chapter 61 of the Acts of 2012*;
- Bulletin 2012-05, *Open Enrollment and Continuation of Coverage for Eligible Individuals in Existing Plans with Policy-Year Deductibles*;
- Bulletin 2012-07, *Small Group/Individual (Merged) Market Rate Filings Submitted for Rates to be Effective in the First Quarter of 2012*;
- Bulletin 2012-08, *Transitional Rules for Carriers and Provider Organizations Relative to the Certification of Risk-Bearing Provider Organizations*;
- Bulletin 2012-09, *Addendum to "2013 Guide to Health Insurance for People with Medicare"*;
- Bulletin 2012-11, *Coverage of Hearing Aids for Children*;
- Bulletin 2012-12, *Coverage of Treatment of Cleft Palate and Cleft Lip for Children*; and
- Bulletin 2012-13, *Transition Rules for Long-Term Care Insurance Offered on and after January 1, 2013*.

## **11.32 Automobile Insurance**

By 2012, the transition to a competitive private passenger motor vehicle insurance market was virtually complete. During this time, the Division issued one bulletin to advise insurers that a recent change of zip codes in the Boston neighborhoods of Hyde Park and Mattapan should not be the sole reason for a change in motor vehicle premium charged to insureds.

In the residual market, CAR submitted to the Division proposed changes to the Massachusetts Automobile Insurance Plan's ("MAIP's") Rules of Operation regarding Rules 28, 29, 30 and 31. The major change concerned the manner in which voluntary rating information is provided to MAIP producers so that producers can compare the voluntary rates to the MAIP rates to comply with the Lane-Bolling amendment. The Massachusetts Association of Insurance Agents ("MAIA") appealed the proposed changes, and a hearing was held on June 8, 2012. After receiving and considering submitted testimony, the Division approved the changes as submitted by CAR.

### **Transition of Exclusive Representatives Producers to Voluntary Agents**

The Division continued its efforts to assist insurance producers, formerly known as Exclusive Representative Producers ("ERPs"), to transition to the new assigned risk residual market system and to obtain voluntary contracts with insurers. As of the end of 2012, 30 producers remained without voluntary contracts, and an additional ten negotiated brokerage agreements. The Division is optimistic that some of the remaining ERPs will obtain voluntary contracts or brokerage agreements with insurers. Even those without such contracts, however, can continue their insurance business because they can continue to write policies through the MAIP. All customers of former ERPs, therefore, will continue to be able to obtain automobile insurance.

### 11.33 Hearings and Appeals

Massachusetts statutes require the Division to conduct hearings on a variety of matters. The Hearings and Appeals Unit consists of a docket clerk and two hearing officers, who manage all aspects of the hearing process, from initial docketing to final decision. In any year, the case load may include:

- insurance rates for workers' compensation coverage;
- rates for property insurance issued by the FAIR Plan;
- disciplinary actions that the Division initiates against licensees;
- appeals from Division decisions denying licenses;
- matters relating to the residual market for automobile insurance, such as the Commonwealth Automobile Reinsurers' Rules of Operation and Standards for Claims Handling;
- appeals from employers relating to workers' compensation insurance premiums;
- appeals from FAIR Plan decisions denying insurance;
- insurance company mergers and acquisitions;
- proposed new regulations or amendments to existing regulations; and
- a hearing on the state of the market for Medicare supplement insurance.

#### 2012 Hearings and Appeals Highlights

Major matters that were heard in 2012 included the following:

- On March 3, 2012, the Workers' Compensation Rating and Inspection Bureau submitted a rate filing requesting an increase in rates. After an initial hearing on March 30 and subsequent cross-examination of witnesses between May and July, a decision denying the requested rate increase was issued on August 30, 2012.
- A proposal from Partners Health Care to acquire Neighborhood Health Plan was the subject of a hearing on August 17, 2012. The acquisition was approved in a decision issued on September 14, 2012.
- Eleven cases filed in 2012 arose in connection with the Division's authority to license insurance producers. Ten were disciplinary actions initiated by the Division; one was an appeal of a Division decision denying a license application. Two disciplinary actions were settled through consent decrees, two were withdrawn, five resulted in decisions revoking licenses and one remains open. The Division's action denying a license was upheld on appeal. In addition to cases filed in 2012, two appeals of license denials that were initiated in 2011 were resolved in 2012. In both cases the denials were upheld.
- Regulatory matters in 2012 focused, as in 2011, on changing requirements related to health insurance. Hearings were held on regulations relating to infertility benefits and continuity of access to health care. The annual hearing on the condition of the Massachusetts market for Medicare supplement insurance took place on June 28, 2012.

### 11.34 Litigation

No cases challenging administrative decisions by the Division were filed or resolved in 2012.

### 11.35 Receiverships

If a Massachusetts domestic insurer's financial condition becomes impaired, the Commissioner, by statute, is empowered to seek a judicial order for appointment as receiver of the subject insurer. The Commissioner as receiver of a domestic insurer has the responsibility to act as a fiduciary on behalf of policyholders and creditors to provide the greatest possibility that, at the conclusion of the matter, an insurer's obligations to policyholders will be met at or near 100%. The receivership statutes and regulations are designed for the benefit of all creditors, but the protection of policyholders is of the utmost concern.

Receiverships may involve plans to rehabilitate, run-off or liquidate a company. If the Commissioner determines that an insurer lacks sufficient assets to meet all of its obligations to policyholders in the ordinary course of business, then such insolvent insurer will be liquidated. The Commissioner as liquidator marshals the insolvent insurer's assets, liquidates the assets, adjudicates claims, and makes distributions to approved creditors of the company.

If a foreign insurer doing business in Massachusetts becomes financially impaired, the Commissioner may seek judicial appointment as Ancillary Receiver for the purpose of conserving the impaired foreign insurance company's assets in the Commonwealth for the benefit of its Massachusetts' policyholders and creditors.

Domestic and Ancillary Receiverships			
Active Domestic Receiverships			
Date	Company	Status	
01/17/1989	American Mutual Liability Insurance Company and American Mutual Insurance Company of Boston	In Liquidation	
08/26/1992	Attleboro Mutual Liquidating Trust	In Rehabilitation	
11/01/2000	Lumber Mutual Insurance Companies	In Rehabilitation	
06/09/1994	Monarch Life Insurance Company	In Rehabilitation	
02/10/2000	Trust Insurance & Trust Assurance Companies	In Liquidation	
05/12/2009	Eastern Casualty Insurance Company	In Liquidation	
06/08/2012	Newburyport Mutual Fire Insurance Company	In Liquidation	
Closed Domestic Receiverships			
None in 2012			
Active Ancillary Receiverships			
Date	Company	State	Estimated Assets (as of 12/31/12)
10/16/2002	Legion Insurance Company	PA	\$72,368,144.00
10/16/2002	Villanova Insurance Company	PA	\$577,326.00
10/03/2001	Reliance Insurance Company	PA	\$28,219,824.00
06/06/2005	Home Insurance Company	NH	\$2,474,949.00
Closed Ancillary Receiverships			
None in 2012			

### Distribution to Creditors

In 2012, the Commissioner, acting in his capacity as Liquidator and pursuant to an August 15, 2012 order of the supervising court, authorized distributions of \$50 million to approved creditors of insolvent Massachusetts insurance companies, American Mutual Liability Insurance Company and American Mutual Insurance Company of Boston.

## 11.4 Other Activities

### Public Records Requests

The OGC responded to approximately 100 written public records requests and two to three oral public record requests per week in 2012. In addition, attorneys handled two appeals to the Supervisor of Public Records in 2012. The Division's decision was upheld in both cases. The OGC also supervised and assisted in responding to public records inquiries made directly to all Division departments, including Consumer Services, Financial Surveillance, Policy Forms Review, Producer Licensing, and Special Investigations. The OGC provided public records law training to all new employees at the start of their Division employment and updated training sessions to Division departments.

### 1033 Committee Reviews

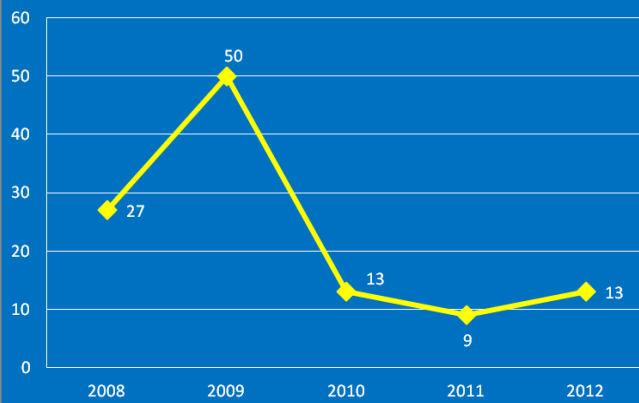
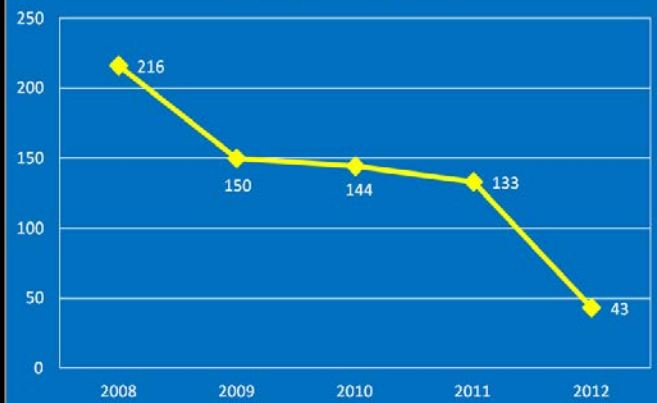
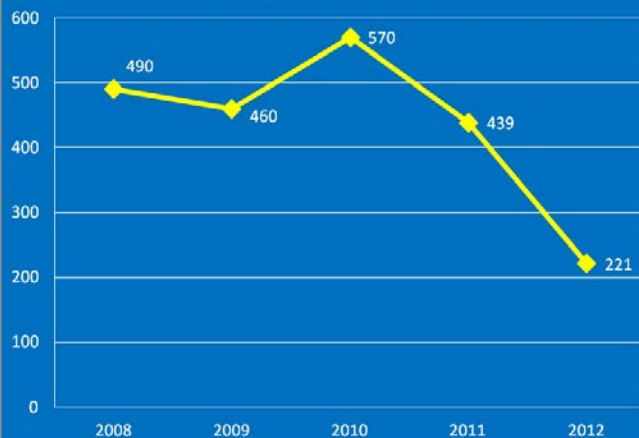
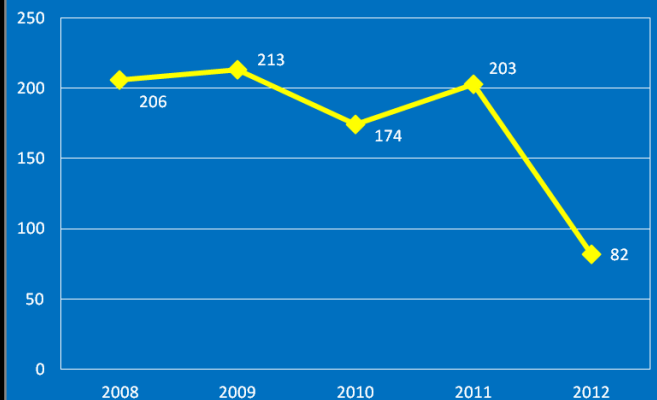
Additionally, Division attorneys continue to serve as appointees by the Commissioner to an advisory committee that reviews all applications for written consent to engage or participate in the business of insurance under the provisions of the federal Violent Crime Control and Law Enforcement Act of 1994, 18 U.S.C. § 1033 ("1033 Committee") and makes recommendations to the Commissioner on such applications. In 2012, the 1033 Committee received one complete application for written consent to engage or participate in the business of insurance. After careful consideration and review, the application was denied by the Commissioner.

## 12 - Special Investigations Unit

The Special Investigations Unit (“SIU”) investigates allegations of misconduct by licensees and certain non-licensees and recommends enforcement action where appropriate. These investigations involve finding, reviewing and documenting evidence supporting allegations of unfair methods of competition, unfair or deceptive acts or practices in the business of insurance, and other violations of insurance laws and regulations. Division enforcement attorneys pursue appropriate enforcement action by applying relevant law to the facts and evidence developed by SIU during the investigation. Enforcement case results are reported on the Division’s website and to the NAIC Regulatory Information Retrieval System (“RIRS”) database, which is accessible by insurance regulators in other jurisdictions.

### 2012 Accomplishments

- The SIU and enforcement attorneys closed a total of 221 cases in calendar year 2012. Common allegations investigated in this group of cases include:
  - Licensees engaging in forgery or theft of insurance premium;
  - Licensees failing to make appropriate disclosures on license applications;
  - Licensees failing to timely disclose administrative or criminal matters to the Division; and
  - Licensee misrepresentation on insurance policy applications.
- Enforcement results among the 221 cases closed in 2012 include the suspension or revocation of 13 individual licenses, the assessment of \$209,250 in financial penalties and 82 orders to cease and desist from improper conduct.
- Enforcement case highlights include:
  - A settlement with a south shore insurance agency, whose employees included fraudulent information on applications for private passenger automobile insurance policies. This case resulted in a \$50,000 fine and a six-month suspension of the principal’s individual producer license for his failure to adequately supervise the agency employees. The agency itself also paid a \$50,000 fine.
  - A case involving a national financial services company which allowed its Massachusetts non-resident business entity producer license to lapse for a three year period, but which improperly sold more than 2,500 Massachusetts policies during the lapse period. This case resulted in the imposition of a \$50,000 fine against the business entity for its unlicensed activity.

**Five Year Trends: Financial Penalties****Five Year Trends: Restitution Orders****Five Year Trends:  
Suspended or Revoked Licenses****Five Year Trends:  
Cease & Desist Orders****Five Year Trends: Cases Resolved****Five Year Trends:  
Enforcement Referrals**



## 13 - Board of Appeal

Pursuant to M.G.L. c. 26, § 8A, there is within the Division the Board of Appeal (the “Board”). The role of the Board is to conduct hearings for consumers appealing:

- The determination by an insurer that the insured was primarily at fault for a motor vehicle accident;
- A decision of the Registry of Motor Vehicles (“RMV”) regarding an operator license suspension, revocation or denial; and
- An insurance cancellation issued to a consumer by his or her insurance company.

### Primary Activities

On average, the Board’s hearing officers hear approximately 30,000 to 45,000 at-fault accident determination appeal cases and 3,000 to 5,000 appeals of RMV actions per year. In 2012, the Board received 31,424 new appeals and conducted 41,715 live hearings. In addition, the Board responds to consumer inquiries, researches legal issues, proposes new legislation, and works with the Attorney General’s Office to defend the Board’s decisions in Superior Court.

Hearings before the Board are conducted in accordance with M.G.L. c. 30A, although the Board also has promulgated 211 CMR 88.00, which is its own practice and procedure regulation for appeals.

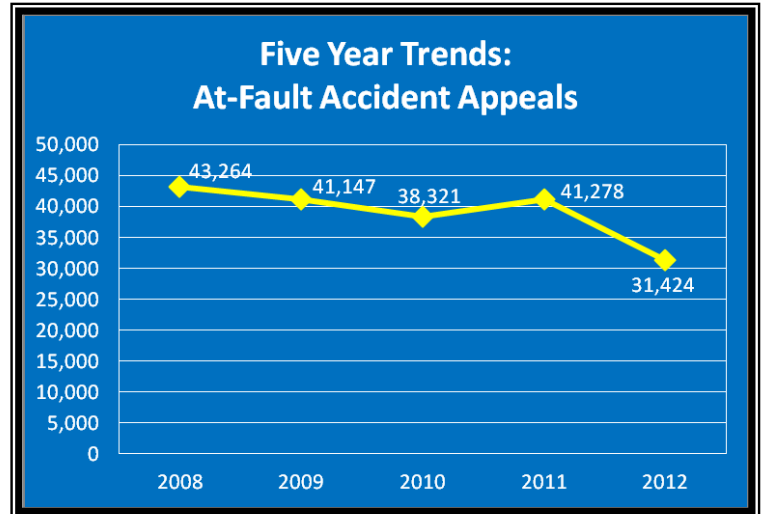
### Hearing Locations

In addition to its primary office in Boston, in order to provide greater convenience to consumers in Massachusetts who need to schedule an appeal hearing, the Board held hearings at 11 additional satellite locations throughout the Commonwealth. Current satellite locations include Brockton, Dedham, Leominster, Peabody, Plymouth, Somerset, Somerville, South Yarmouth, Springfield, Waltham, and Worcester.

## Hearings on At-fault Accident Determinations

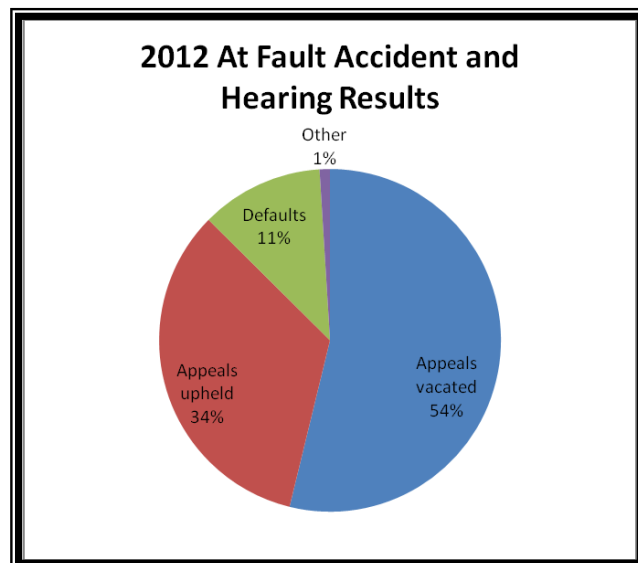
Each automobile insurance carrier administers a unique system of adjusting premiums based on an operator's driving record. Typically, these merit rating plans decrease premiums for years of incident-free driving and increase premiums for operators with at-fault accidents or traffic citations. These premium adjustments create a financial incentive that encourages safer driving.

A driver who feels he or she is not at fault for an accident may elect to have a hearing in order to contest that fault determination. These hearings only look at whether a driver is more than 50% at fault for the accident. This process ensures that each company's merit rating plan is being run fairly and equitably.



At the hearing, the appellant and the insurer have the right to present relevant facts and circumstances by oral testimony or documentary evidence, as well as present witnesses and question testimony. The appellant may also elect not to appear at a hearing and instead submit a statement, along with any relevant documents, to the Board for an administrative review.

If the Board finds that the insurer's determination of fault was not in accordance with the Standards of Fault promulgated by the Commissioner in 211 CMR 74.00, the at-fault determination is vacated. The insurer must then refund to the appellant any collected premium that was specifically related to the vacated at-fault determination. If the Board finds that the insurer's determination of fault was in accordance with the Standards of Fault, the determination is upheld. The Board conducted 38,765 hearings on appeals of at-fault accident determinations in 2012.

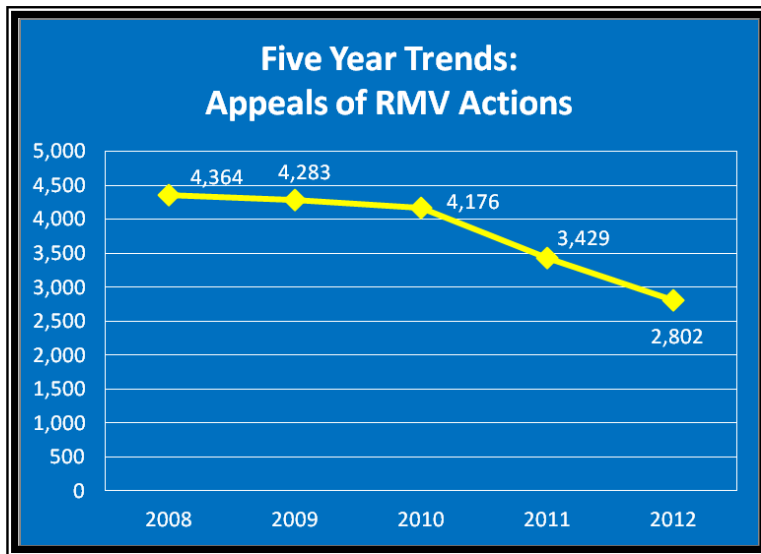


### At-Fault Hearings By Location

Boston	4,010
Brockton	2,546
Dedham	3,668
Leominster	2,146
Peabody	4,031
Plymouth	2,115
Somerville	7,034
Somerset	1,444
Springfield	4,354
South Yarmouth	708
Waltham	2,459
Worcester	4,250
<b>Total</b>	<b>38,765</b>

## License Appeal Hearings

The Board has jurisdiction to entertain appeals from decisions or rulings of the RMV. The Board reviews applicable law, sworn testimony and relevant documentation from both an RMV representative and the appellant. After the hearing, the Board decides whether to affirm the RMV's decision or ruling or to modify its decision in any way. If the decision allows a license privilege to be reinstated partially or fully, the appellant must take the decision to the RMV to complete the required administrative procedures to become reinstated. A favorable decision does not automatically provide reinstatement of an operator's license; it only allows the appellant to go to the RMV to become reinstated with or without restriction. The Board does not review license suspensions arising from a chemical test refusal or statutory revocation pursuant to a court order. In 2012, the Board conducted and decided 2,802 license appeal hearings.



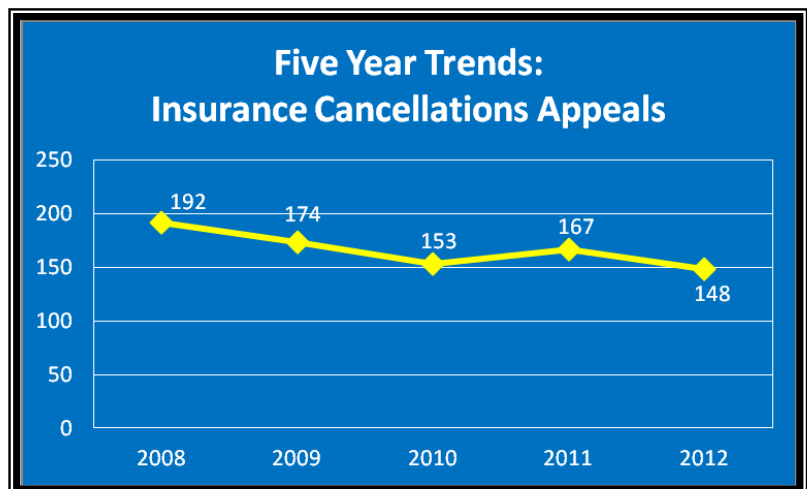
## Automobile Insurance Cancellation

The Board also hears complaints arising from automobile insurance cancellations. If the matter is a cancellation, the appeal must be filed before the cancellation date. If the appeal is filed before the cancellation date, the policy remains in effect until the Board issues its decision. If an appeal is filed after the cancellation date, but within ten days of cancellation, the appeal is heard, but the cancellation will still take effect.

A complaint may not be filed:

- If a policy has been secured from another insurance company;
- For non-payment of premium on a registered taxicab or fleet of taxicabs;
- On a cancellation of a policy effected by a finance company; or
- If a company refuses to renew a policy after the expiration of said policy.

In 2012, the Board conducted 148 insurance cancellation hearings.



## 14 - Automobile Damage Appraiser Licensing Board

Pursuant to M.G.L. c. 26, § 8G, there is within in the Division the Automobile Damage Appraiser Licensing Board (“ADALB”). The ADALB is responsible for the regulation of motor vehicle damage appraisers in Massachusetts. Four of five ADALB members are appointed by the Governor, two of whom shall be affiliated with the auto body repair industry and two of whom shall be affiliated with insurance companies writing casualty insurance within the Commonwealth. The fifth member is appointed by the Commissioner of Insurance and serves as the ADALB's chairperson. The ADALB institutes and maintains standards for the conduct of motor vehicle damage appraisers. It conducts licensing examinations, processes applications, and issues and renews licenses. Its members can suspend, cancel, and revoke licenses following a hearing process that may result from complaints that are brought before the ADALB. The ADALB also may not renew licenses where allegations of misconduct exist. The ADALB sets licensing eligibility requirements, approves training programs, and establishes license revocation guidelines. It also holds frequent public meetings throughout the year.

In 2012, the ADALB issued 189 new licenses and approved 4,528 renewals. There were a total of seven complaints and no licenses were suspended, revoked or cancelled. It held four exams, which were taken by 225 applicants.

# 15 - Consumer Services Section

## 15.1 Mission

The Consumer Services Section (“CSS”) handles inquiries and investigates complaints against insurers, producers and other licensees. The Section protects policyholders by educating and informing consumers about their options and rights under their policies and state insurance laws and regulations.

## 15.2 2012 Goals



**Complete**

- Finalize investigation of a majority of consumer complaints within 180 days.



**Complete**

- Respond to all inquiries received through the toll-free telephone hotline and by electronic submissions in a timely manner.



**Complete**

- Address written concerns and assist consumers in receiving justifiable recoveries, such as required claims payments and insurance refunds.



**Complete**

- Monitor reported consumer complaints for issue trends or patterns of improper business practices. Escalate pertinent matters for further investigation to the Market Conduct or Special Investigation Units.

## 15.3 2012 Accomplishments

- CSS staff handled almost 21,000 inquiries and requests for information. The majority of questions from consumers were regarding insurance cancellations, continuation of coverage, company contact information, claim settlement delays, and premium rates.
- Insurance examiners received 1,614 new formal complaints and finalized investigation of 1,955 consumer matters.
- CSS resolved most complaint investigations within 180 days and obtained over \$3,054,540 in recoveries and required payments on behalf of consumers.

## 15.4 Primary Activities

### Consumer Hotline: Real-Time Response

CSS responds to consumer issues in real-time and has the capacity to address matters received via its toll-free telephone hotline, general e-mail address, postal mail, and fax. Staffed by trained and experienced insurance examiners, CSS staff provides personalized assistance to consumers and responds to over 10,000 requests each year.

### Complaint Investigations: Protecting Policyholders

When a consumer files a formal complaint with CSS, an insurance examiner is assigned to the matter to contact the licensee named in the complaint, to gather and review information, to investigate the allegations, and to work with the consumer and licensee towards a resolution. Complaints are investigated in accordance with applicable insurance laws, regulations, and contract provisions.

Complaints address consumer protection issues, such as delays in claim payment, concerns about increasing premiums, and cancellation of coverage. CSS closely monitors and tracks complaints in order to detect possible systemic concerns. Consistently, the top three types of insurance coverage receiving the largest share of complaints are auto, home, and health insurance.

Complaint resolution may result in recovered monies or realized coverage for consumers. Other favorable outcomes achieved in 2012 on behalf of policyholders include prompt resolution of unsettled claims, restoration of lines of coverage, resolution of billing disputes, and waiver of fees.

The Division receives over 100 formal written complaints each month, each of which the CSS staff endeavors to resolve within 180 days.

### Top 10 Reasons for Consumer Complaints in 2012

Denial of Claim	25%
Claim Handling	19%
Claim Delay	14%
Unsatisfactory Settlement/Offer	9%
Premium and Rating	8%
Cancellation	7%
Premium Notice / Billing	5%
Agent Handling	4%
Policyholder Service	4%
Unsatisfactory Refund	4%

### 2012 Consumer Complaint Dispositions

Company In Compliance	471
Advised Complainant	282
No Jurisdiction	279
Recovery	241
Furnished Clarification	205
Insufficient Complaint Information	179
Compromised Resolution	174
Referred to Another Agency	139
Question of Fact for Court	95
Claim Settled	86

## 15.5 Online Consumer Publications

As part of its mission to provide insurance consumers with accurate and useful information, the Division publishes a range of insurance resources in print and online. These materials deliver information on relatively complicated insurance topics in a manner that is accessible and easily understood by consumers. Some of the most requested materials include:

- Consumer alerts, such as:
  - *Beware of Unlicensed Health Plans,*
  - *Risks of Self-funded Health Plans,*
  - *Premium Assistance for Employees of Small Employers,*
  - *Annuities and Senior Citizens,*
  - *Winter Weather and Insurance,* and
  - *Insured for Summer Fun,*
- *Ways to Save on Your Auto Insurance;*
- *Companies Writing Automobile Insurance in Massachusetts;*
- *Flood Insurance and the National Flood Insurance Program;*
- *Frequently Asked Questions on Homeowner's Insurance;*
- *Buying Life Insurance and Annuities in Massachusetts;*
- *Consumer Guide to Health Care Coverage;*
- *Guide to Long Term Care Insurance;*
- *Mini-COBRA Continuation of Coverage Benefits Guide;* and
- *Insurance information for disasters and winter weather.*

## 16 - Administration





The Administration Department is responsible for providing Division employees with various operational and administrative services. It ensures that other departments have the necessary resources to carry out the regulatory mission of the agency.

### 16.1 Mission

The Administration Department's mission is to ensure:

- The availability of adequate funding to carry out the Division mission;
- The efficient, accurate and secure receipt of revenue associated with fees, fines and assessments;
- Communication of and compliance with federal, state and collective bargaining labor requirements;
- The availability of knowledgeable, motivated and trained human resources capable of carrying out the Division mission;
- The timely payment of all Division fiscal obligations;
- The best value procurement of goods and services;
- The safety and security of employees, visitors and property; and
- A comfortable work environment for employees and visitors.

### 16.2 2012 Goals

- |  |                 |   |
|--|-----------------|---|
| • Complete billing of assessments according to timelines so as to ensure collection of all open receivables before year-end and compliance with state Comptroller guidelines and Division internal control plan.   | <b>Complete</b> |  |
| • Collect all revenue in a timely and accurate way and ensure compliance with state Comptroller guidelines and Division internal control plan.   | <b>Complete</b> |  |
| • Complete all hiring and staffing requests in a timely way so as to ensure available human resources to carry out the Division mission.   | <b>Complete</b> |  |
| • Guide agency users in drafting and issuing Requests for Responses for various needed professional services. Assist in evaluating and selecting vendors. Ensure procurements are completed in compliance with Operational Services Division requirements. | <b>Complete</b> |  |



# Appendix A - Acts, Regulations & Bulletins

## 2012 ACTS

### **Chapter 61 – AN ACT RELATIVE TO TIERED AND SELECTIVE NETWORK HEALTH PLANS**

This Act amends M.G.L. c. 176J by adding two new sections and other language regarding access to continuity of care for serious diseases including cancer and cystic fibrosis. Insured members who began an active course of treatment before being enrolled in a reduced or selective network plan where the provider is not part of the reduced network, or where the plan moves the provider into a higher tier in a tiered network plan, must be provided coverage for medically necessary covered services if the insured's employer offers only a choice of a reduced or selective network plan, and the provider is either not a member of the reduced or selective network or the provider is in the highest cost tier of the reduced or selective network, and the provider is a comprehensive cancer center, a pediatric hospital or a pediatric specialty unit, and the provider is providing the insured with a course of treatment that is not available from another provider in the insured's network. For providers not in the plan's network, patient cost-sharing shall be at the lowest cost-sharing level for those services in the plan. If the provider is in the highest cost tier, patient cost-sharing will be based on the second-highest cost-sharing tier. If a medically necessary covered service is not provided in the plan's network, the plan must cover the services out-of-network.

### **Chapter 139 – AN ACT MAKING APPROPRIATIONS FOR THE FISCAL YEAR 2012 FOR THE MAINTENANCE OF THE DEPARTMENTS, BOARDS, COMMISSIONS, INSTITUTIONS AND CERTAIN ACTIVITIES OF THE COMMONWEALTH, FOR INTEREST, SINKING FUND AND SERIAL BOND REQUIREMENTS AND FOR CERTAIN PERMANENT IMPROVEMENTS**

Section 127 of this Act adds a new section 19X to M.G.L. c. 175. Section 19X requires mutual insurance companies to clearly disclose compensation paid to their named executive officers or directors, as well as publish the disclosure for their members.

### **Chapter 188 – AN ACT RELATIVE TO THE TRANSFER OF CERTAIN INSURANCE POLICIES AMONG CERTAIN INSURANCE COMPANY AFFILIATES**

This Act amends M.G.L. c. 175, §§ 113F and 193P in regard to cancellation notices required of insurers. This Act adds language that notice is not required to insureds if an insurer within the same company group issues a succeeding policy that provides coverage on the same terms and conditions as the preceding policy.

### **Chapter 208 – AN ACT REQUIRING THE REGISTRATION OF MOTOR VEHICLE GLASS REPAIR SHOPS**

Section 20 of this Act adds Section 113X to M.G.L. c. 175. Section 113X generally prohibits insurers, producers, adjusters or third party administrators from steering insureds towards or away from a particular automobile glass repair shop.

### **Chapter 224 – AN ACT IMPROVING THE QUALITY OF HEALTH CARE AND REDUCING COSTS THROUGH INCREASE TRANSPARENCY, EFFICIENCY AND INNOVATION**

This Act provides the Commissioner with the authority to implement and enforce state mental health parity laws, as well as the federal Mental Health Parity and Addiction Equity Act. It also provides for the Division of Insurance to certify risk-bearing provider organizations and prohibits carriers from entering into downside risk arrangements with provider organizations that have not received a risk certificate. The new law adds provisions regarding telemedicine and wellness program rate adjustments, and includes provisions enabling health plans to attribute members to primary care providers. The Act provides for consumers to be able to ascertain cost-sharing information via a carrier website and provides for standardization of preauthorization and summary of payments.

**Chapter 233 – AN ACT PROVIDING HEARING AIDS FOR CHILDREN**

This Act amends the statutes governing commercial health insurance plans, Blue Cross Blue Shield of Massachusetts and Health Maintenance Organizations, by requiring the plans to provide for insured children 21 or younger coverage for expenses related to hearing aids. Coverage must provide for one hearing aid per ear at a cost of up to \$2000 every 26 months, as well as related expenses such as evaluations and fittings. An insured may elect to purchase a more expensive hearing aid but must pay the difference between the \$2000 in coverage and the cost of the selected aid. The Act applies to policies delivered, issued or renewed on or after January 1, 2013.

**Chapter 234 – AN ACT RELATIVE TO THE TREATMENT OF CLEFT PALATE AND CLEFT LIP**

This Act amends the statutes governing commercial health insurance plans, Blue Cross Blue Shield of Massachusetts and Health Maintenance Organizations by providing the plans to provide coverage for the treatment of cleft lip and palate for children up to age 18. This includes benefits for medical, dental, oral and facial surgery, orthodontic treatment, speech therapy, audiology and nutrition services if certified as medically necessary by the treating physician.

**Chapter 301 – AN ACT INCREASING CONSUMER ACCESS TO LICENSED MARRIAGE AND FAMILY THERAPISTS**

This Act adds licensed marriage and family therapists to the definition of licensed mental health professionals under the commercial health statutes, the BCBSMA statutes and the HMO statute. Including licensed marriage and family therapists within the definition of licensed mental health professionals enables such professionals to provide medically necessary mental health services that are covered by health insurance.

**Chapter 312 – AN ACT ESTABLISHING STANDARDS FOR LONG-TERM CARE INSURANCE**

This Act creates a new Chapter 176U of the Massachusetts General Laws. Chapter 176U generally regulates the sale and contents of long-term care insurance policies. The Act protects applicants from unfair and deceptive sales or enrollment practices. Pursuant to the Act, prospective insureds must be given a detailed outline of coverage of any policy for which they may apply, the content of which must be prescribed by the Commissioner. The Act prohibits the cancellation of a policy on the basis of age or deteriorating mental or physical condition. There can be no new pre-existing condition limitation on a successor policy if the new policy is issued by the same company as the prior policy. A policy may not provide solely for skilled nursing care or provide more coverage for skilled care than for lower levels of care. Producers wishing to sell long-term care policies must receive training prior to selling policies and must receive ongoing training regarding long-term care.

**Chapter 403 – AN ACT RELATIVE TO ORAL CANCER THERAPY**

This Act amends the statutes governing commercial health insurance plans, BCBSMA and HMOs by adding a new section to each chapter requiring policies that cover cancer chemotherapy treatment to cover orally administered anticancer medications on a basis not less favorable than intravenously administered or injected cancer medicates that are covered as medical benefits. Plans may not increase patient cost sharing for these medications. The Act applies to all contracts delivered, issued or renewed on or after January 1, 2013.

**Chapter 434 – AN ACT RELATIVE TO LIFE SETTLEMENTS AND STRANGER ORIGINATED LIFE INSURANCE**

This Act repealed the existing law governing Viatical Settlement Providers, Viatical Settlement or Loan Brokers and Viatical Settlement or Loan Representatives. In its place, the Act regulates Life Settlement Providers and Life Settlement Brokers. The Act requires any person acting as a Life Settlement Broker or a Life Settlement Provider in Massachusetts, unless exempted, be licensed by the Division of Insurance. The Act became effective on April 9, 2013 and applies to life settlement contracts entered into on or after June 1, 2013, involving a life insurance policy in effect, or entered into, on or after the effective date. The Act defines “stranger-originated life insurance” and makes “engaging in stranger-originated life insurance” a prohibited “fraudulent life settlement act.” The Act is codified in M.G.L. c. 175, §§212-223.

**Chapter 464 – AN ACT RELATIVE TO THE MEDICAL LOSS RATIO**

This Act amends M.G.L. c. 176J regarding rates in the small group/individual merged health insurance market. Carriers must file all changes to small group product base rates and rating factors at least 90 days prior to the date the changes take effect. The Commissioner must disapprove rates that are excessive, inadequate or unreasonable. Pursuant to the Act, a rate shall be presumptively disapproved if the administrative expense component of the rate or the contribution to surplus is excessive, or if the aggregate medical loss ratio is less 90% through 2013, 89% during 2014, and 88% during 2015 and thereafter. The Act provides for a refund of excess premium to eligible individuals and small groups if a carrier's medical loss ratio is not compliant with law. The Act further sets out the duty of the carrier to notify affected employers and individuals of a presumptively disapproved rate, and the Commissioner shall conduct a public hearing regarding the rate.

**2012 REGULATIONS****211 CMR 153.00 – Continuity of Care Access to Comprehensive Cancer Centers, Pediatric Hospitals, and Pediatric Specialty Units for Small Group Health Benefit Plans that Utilize Limited, Regional or Tiered Provider Networks**

This regulation was promulgated under Chapter 61 of the Acts of 2012, *An Act Relative to Tiered and Selective Network Plans* (see summary of Act above). The regulation provides guidance and definitions for terms contained in the Act. The regulation applies to health benefit plans offered to eligible small businesses or eligible individuals that utilize limited, regional and tiered provider networks. Notice must be provided by relevant carriers regarding access to continuity of care, including an insured's right to continuity of care, the process by which an insured or provider may pursue access to continuity of care at comprehensive cancer centers, pediatric hospitals or pediatric specialty units, and the possibility that the insured will be liable for charges if such care is accessed in violation of the regulation. Insureds have a right to appeal an adverse determination by carrier regarding access to continuity of care.

**2012 BULLETINS****Bulletin 2012-01 – Reporting to the Bureau of Managed Care (the “Bureau”) of Instances Where Insurance Carriers Are Not Consistent with Required Uniform Coding and Billing Standards**

Issued to reiterate the requirements under HIPAA for using compliant code sets, and informing providers that the Bureau has set up a system for providers to file a complaint against a carrier the provider feels is not in compliance with the required standards. Includes a form for reporting instances of a carrier's inconsistency with required uniform standards for billing and coding.

**Bulletin 2012-02 – Methodology for Calculating and Reporting Medical Loss Ratio Rebate or Credit Calculations in Massachusetts**

Issued to instruct carriers on compliance with 211 CMR 66.09(8) and to clarify the requirements of 211 CMR 66.00 regarding Medical Loss Ratio calculations. Provides guidance to carriers on submitting rebate calculation forms. Requires rebate plans to be submitted on SERFF and describe how the carrier intends to issue the rebate. Notes that the financial reports and rebate forms used to comply with the rebate calculation under 211 CMR 66.00 are separate and distinct from those required by the federal government.

**Bulletin 2012-03 – Comprehensive Cancer Centers, Pediatric Hospitals and Pediatric Specialty Units Impacted by Chapter 61 of the Acts of 2012**

Issued to instruct health carriers regarding compliance with the provisions of Chapter 61 of the Acts of 2012. Carriers with limited, regional and tiered network health plans in the small group/individual health insurance market are required to continue benefits under certain circumstances for members who are in an active course of treatment for a serious disease in a comprehensive cancer center, pediatric hospital or pediatric specialty hospital, and the bulletin lists facilities in Massachusetts that fall into those three categories.

#### **Bulletin 2012-04 – Changes to ZIP Codes in the Boston Neighborhoods of Mattapan and Hyde Park**

Issued to alert insurance companies offering home and automobile coverage that the post office approved the City of Boston's request to change ZIP codes from Mattapan to Hyde Park. Directs insurers to remind employees and producers that premiums should not be changed on the basis of this change in ZIP code.

#### **Bulletin 2012-05 – Open Enrollment and Continuation of Coverage for Eligible Individuals in Existing Plans with Policy-Year Deductibles**

Issued to provide guidance to health carriers regarding deductibles on policies issued in the small group and individual merged markets. Massachusetts will transition the small group/merged market to the requirements under new federal law. The bulletin instructs companies regarding the handling of short-year policies and the notices carriers must give to insureds regarding their options under these policies.

#### **Bulletin 2012-06 – New Online Licensing of Resident and Nonresident Surplus Lines Brokers**

Issued to notify resident and non-resident surplus lines brokers or prospective brokers that the Division is using the National Insurance Producer Registry ("NIPR") for both original surplus lines broker applications and renewals, as of July 18, 2012.

#### **Bulletin 2012-07 – Small Group/Individual (Merged) Market Rate Filings Submitted for Rates to be Effective in the First Quarter of 2012**

Issued to instruct health carriers about requirements for small group/individual (merged) market rate filings submitted to the Division on and after October 1, 2012 for coverage issued or renewed during the first quarter of 2013. Changes to those base rates must be filed at least 90 days prior to the proposed effective date of the rates, and the Commissioner shall disapprove excessive, inadequate or unreasonable rates in relation to the benefits. Reiterates the provision in M.G.L. c. 176J regarding the presumptive disapproval of rates in certain circumstances.

#### **Bulletin 2012-08 – Transitional Rules for Carriers and Provider Organizations Relative to the Certification of Risk-Bearing Provider Organizations**

Issued to provide further guidance regarding the health care payment reform law, Chapter 224 of the Acts of 2012. Provides a transition period for the implementation of the law to be from November 4, 2012 through December 31, 2013. The Division will issue regulations outlining the procedure that risk-bearing provider organizations must follow to apply for required risk certificates or risk certificate waivers. In order to continue operating during the transition period, certain groups must apply for a transition-period waiver from the Division.

#### **Bulletin 2012-09 – Addendum to "2013 Guide to Health Insurance for People with Medicare".**

Issued along with the attachment of the "Massachusetts Bulletin for People with Medicare," which must be provided along with the "[2013 Guide to Health Insurance for People with Medicare](#)" to those persons eligible for Medicare pursuant to Massachusetts regulations [211 CMR 42.09\(4\)](#) and [211 CMR 71.13\(2\)\(d\)4](#).

#### **Bulletin 2012 – 10 – Executive Compensation Disclosure Requirements for Massachusetts Domestic Mutual Insurance companies and Massachusetts Domestic Mutual Holding Companies**

Issued to provide further guidance on M.G.L. c. 175, §19X regarding the mandatory disclosure of executive compensation for domestic mutual and mutual holding companies. Disclosure may be made by the Supplemental Compensation Exhibit to the Annual Statement. Each company may use its own format for disclosure. The bulletin sets out the permissible ways the disclosure may be published.

#### **Bulletin 2012 – 11 – Coverage of Hearing Aids for Children**

Issued to clarify changes to Massachusetts law regarding coverage for hearing aids for children up to the age of 21. Outlines the requirements of the law regarding the amount of the benefit and covered services and devices. Coverage must be included in all plans issued, delivered or renewed on or after January 1, 2013.

**Bulletin 2012-12 – Coverage of Treatment of Cleft Palate and Cleft Lip for Children**

Issued to clarify changes to the law regarding coverage for the treatment of cleft palate and cleft lip for children under the age of 18. Outlines the required covered treatments. Coverage must be included in plans issued, delivered or renewed on or after January 1, 2013.

**Bulletin 2012-13 – Transition Rules for Long-Term Care Insurance Offered on and after January 1, 2013**

Issued to announce a transition period for implementation of the new long-term care insurance law, Chapter 312 of the Acts of 2012, from January 1, 2013 through October 31, 2013, during which time the Division will issue regulations. The Bulletin also provides rules for the transition period.



# Appendix B - Select 2012 Financial Information from Massachusetts Domestic Insurance Companies

## Property & Casualty Insurance Companies

NAIC#	Company Name	Total Premium Written in MA 2012	Total Premium Written 2012	Total Net Assets as of 12/31/2012	Total Liabilities as of 12/31/2012	Total Surplus as of 12/31/2012
10017	Arbella Ind Ins Co	\$10,248,733	\$10,813,573	\$42,322,339	\$27,495,549	\$14,826,790
10206	Medical Professional Mut Ins Co	\$115,331,935	\$115,331,935	\$3,103,723,842	\$1,820,922,926	\$1,282,800,920
10230	Commonwealth Reins Co	\$0	\$0	\$39,747,127	\$26,045,410	\$13,701,717
10231	Commonwealth Mut Ins Co	\$0	\$0	\$5,742,800	\$108,595	\$5,634,205
10394	Bunker Hill Ins Co	\$35,930,627	\$39,484,020	\$42,180,170	\$19,726,483	\$22,453,687
10638	Proselect Ins Co	\$2,635,113	\$171,415,520	\$76,674,260	\$52,014,661	\$24,659,599
10664	Endeavour Ins Co	\$3,118,526	\$3,118,299	\$5441,309	\$18,648	\$5,422,660
11104	Associated Employers Ins Co	\$19,219,295	\$19,219,295	\$5,091,849	\$782,892	\$4,308,957
11984	Independence Cas Ins Co	\$17,483,691	\$17,483,691	\$4,133,502	\$16,651	\$4,116,851
12154	Encompass Ins Co of MA	\$45,256,288	\$45,256,288	\$6,650,236	\$89,759	\$6,560,476
12484	Liberty Mut Personal Ins Co	\$499,283	\$499,283	\$6,754,947	\$7,974	\$6,746,973
12725	New England Mut Ins Co	\$12,867,529	\$12,867,529	\$47,886,907	\$8,738,479	\$39,148,428
12808	Safety Prop & Cas Ins Co	\$12,243,835	\$12,430,189	\$38,446,554	\$22,109,682	\$16,336,872
12850	Premier Ins Co Of MA	\$153,645,632	\$153,645,632	\$374,983,228	\$156,338,194	\$218,645,034
12886	Massachusetts Employers Ins Co	\$15,665,207	\$15,665,207	\$4,140,950	\$600,640	\$3,540,310
13163	Hospitality Mut Ins Co	\$7,355,912	\$7,355,912	\$42,711,208	\$17,763,387	\$24,947,821
13374	Arrow Mut Liab Ins Co	\$4,588,102	\$4,908,064	\$43,226,749	\$14,234,422	\$28,992,327
13463	Barnstable Cnty Mut Ins Co	\$27,424,004	\$27,424,004	\$93,654,106	\$22,015,693	\$71,638,413
13643	Bunker Hill Ins Cas Co	\$0	\$0	\$10,246,039	\$4,809,755	\$5,436,284
13706	Dorchester Mut Ins Co	\$21,623,736	\$23,104,227	\$62,006,285	\$28,078,388	\$33,927,897
13943	Fitchburg Mut Ins Co	\$6,444,008	\$27,128,611	\$90,942,743	\$43,879,014	\$47,063,729
14027	Hospitality Ins Co	\$0	\$717,533	\$7,686,365	\$150,371	\$7,535,994
14192	Hingham Mut Fire Ins Co	\$21,360,562	\$29,683,351	\$70,999,228	\$35,197,261	\$35,801,966
14206	Holyoke Mut Ins Co In Salem	\$18,628,877	\$55,921,469	\$216,586,202	\$134,858,183	\$81,728,019
14486	Liberty Mut Mid Atlantic Ins Co	\$0	\$232,035,906	\$19,016,279	\$1,509,702	\$17,506,577
14613	Montgomery Mut Ins Co	\$0	\$26,117,315	\$51,505,138	\$3,933,076	\$47,572,062
14737	Plymouth Rock Assur Corp	\$247,473,558	\$259,439,252	\$405,024,412	\$260,117,375	\$144,907,037
15067	Quincy Mut Fire Ins Co	\$159,383,900	\$205,211,240	\$1,310,855,413	\$514,172,110	\$796,683,303
17000	Arbella Mut Ins Co	\$519,505,728	\$519,505,728	\$1,139,116,958	\$658,233,334	\$480,883,624
19763	Bay State Ins Co	\$13,241,008	\$39,031,453	\$361,350,677	\$143,923,319	\$217,427,359
19771	Cambridge Mut Fire Ins Co	\$27,476,672	\$113,439,186	\$679,721,718	\$327,079,209	\$352,642,510
19798	Merrimack Mut Fire Ins Co	\$131,254,755	\$272,724,780	\$1,117,629,487	\$473,691,330	\$643,938,158

20621	OneBeacon Amer Ins Co	\$4,731,952	\$160,093,982	\$88,514,868	\$13,447,896	\$75,066,972
20648	Employers Fire Ins Co	\$4,280,079	\$59,133,605	\$20,065,092	\$632,203	\$19,432,889
21261	Electric Ins Co	\$25,425,654	\$369,264,644	\$1,442,439,660	\$960,764,911	\$481,674,749
21750	Pilgrim Ins Co	\$24,044,733	\$24,044,733	\$51,454,679	\$37,516,565	\$13,938,114
23043	Liberty Mut Ins Co	\$630,782,120	\$5,049,033,910	\$40,205,366,577	\$25,694,899,915	\$14,510,466,662
23965	Norfolk & Dedham Mut Fire Ins Co	\$105,336,055	\$111,174,963	\$305,516,093	\$144,541,117	\$160,974,976
31887	Coface N Amer Ins Co	\$2,415,229	\$93,270,184	\$142,098,588	\$72,440,557	\$69,658,031
33618	Safety Ind Ins Co	\$111,228,054	\$113,344,535	\$103,945,776	\$53,142,841	\$50,802,935
33758	Associated Industries of MA Mut Ins	\$79,178,414	\$79,914,065	\$448,371,347	\$283,980,401	\$164,390,946
34754	Commerce Ins Co	\$1,319,018,901	\$1,331,585,339	\$2,372,600,306	\$1,384,764,222	\$987,836,084
36226	United Cas & Surety Ins Co	\$2,845,525	\$3,016,693	\$9,706,034	\$5,253,461	\$4,452,573
37346	Danbury Ins Co	\$883,333	\$4,871,487	\$14,479,791	\$7,808,269	\$6,671,522
38369	Northern Assur Co of Amer	\$13,132	\$6,472,214	\$38,429,667	\$3,089,707	\$35,339,960
39454	Safety Ins Co	\$563,691,218	\$570,445,521	\$1,319,702,615	\$720,678,444	\$599,024,172
40274	Citation Ins Co	\$170,713,025	\$170,713,025	\$252,330,811	\$148,939,306	\$103,391,505
40320	Massachusetts Homeland Ins Co	\$64,313,917	\$124,872,678	\$8,322,735	\$17,788	\$8,304,947
41360	Arbella Protection Ins Co	\$132,373,643	\$153,920,779	\$285,350,565	\$205,880,555	\$79,470,011
41955	Barnstable Cnty Ins Co	\$2,278,604	\$2,278,604	\$20,414,020	\$2,230,965	\$18,183,055
43702	Tower Natl Ins Co	\$10,175,245	\$188,782,293	\$49,537,674	\$37,749,366	\$11,788,308
44326	Atlantic Charter Ins Co	\$28,372,906	\$32,445,941	\$153,998,427	\$112,256,711	\$41,741,716
TOTAL		\$4,932,008,255	\$11,109,657,687	\$56,858,844,352	\$34,708,697,672	\$22,150,146,686



## Life Insurance Companies

NAIC#	Company Name	Total Premium Written in MA 2012	Total Premium Written 2012	Total Net Assets as of 12/31/2012	Total Liabilities as of 12/31/2012	Total Surplus as of 12/31/2012
61476	Boston Mut Life Ins Co	\$38,314,930	\$167,995,574	\$1,138,430,655	\$1,012,440,741	\$125,989,914
65919	Primerica Life Ins Co	\$39,129,837	\$1,839,155,001	\$1,569,720,291	\$899,286,536	\$670,433,755
65935	Massachusetts Mut Life Ins Co	\$160,723,721	\$5,541,242,082	\$155,648,727,921	\$142,961,844,283	\$12,686,883,638
66265	Monarch Life Ins Co	\$70,001	\$1,691,711	\$753,487,745	\$748,459,158	\$5,028,585
67598	Paul Revere Life Ins Co	\$770,325	\$12,434,154	\$4,458,163,857	\$4,089,880,401	\$368,283,456
67601	Paul Revere Variable Ann Ins Co	\$178,896	\$3,723,879	\$53,552,782	\$15,069,707	\$38,483,075
69140	First Allmerica Fin Life Ins Co	\$792,235	\$20,935,138	\$2,898,256,141	\$2,772,898,400	\$125,357,741
70435	The Savings Bank Life Ins Co Of MA	\$173,737,602	\$293,706,586	\$2,406,465,187	\$2,203,668,453	\$202,796,734
71714	Berkshire Life Ins Co of Amer	\$756,492	\$11,908,419	\$3,209,248,070	\$2,665,884,842	\$543,363,227
74920	Regal Reins Co	\$0	\$0	\$7,532,152	\$374,931	\$7,157,221
80896	Centre Life Ins Co	\$0	\$0	\$1,815,075,124	\$1,716,319,383	\$98,755,742
84824	Commonwealth Ann & Life Ins Co	\$4,168,953	\$75,686,805	\$9,089,777,331	\$8,762,382,778	\$327,394,553
91626	New England Life Ins Co	\$22,301,750	\$313,628,376	\$10,601,354,933	\$10,062,718,547	\$538,636,386
93610	John Hancock Life & Health Ins Co	\$158,185	\$1,906,864	\$10,039,510,749	\$9,374,659,675	\$664,851,074
<b>TOTAL</b>		<b>\$441,102,927</b>	<b>\$8,284,014,589</b>	<b>\$203,689,302,938</b>	<b>\$187,285,887,835</b>	<b>\$16,403,415,101</b>

## Health Insurance Companies

NAIC#	Company Name	Total Premium Written in MA 2012	Total Premium Written 2012	Total Net Assets as of 12/31/2012	Total Liabilities as of 12/31/2012	Total Surplus as of 12/31/2012
11109	Neighborhood Health Plan Inc	\$1,282,359,478	\$1,282,359,478	\$321,885,519	\$167,845,278	\$154,040,241
12210	Dentegra Ins Co of New England	\$2,472,675	\$2,472,675	\$6,410,803	\$506,698	\$5,904,105
12219	BCBS of MA HMO Blue Inc	\$3,892,728,634	\$3,892,728,634	\$1,780,731,130	\$703,593,129	\$1,077,138,001
13203	Boston Medical Center Health Plan Inc	\$1,219,479,008	\$1,219,479,008	\$360,576,135	\$124,162,625	\$236,413,510
13632	Celticare Health Plan of MA Inc	\$119,800,852	\$119,800,852	\$32,240,384	\$19,030,306	\$13,210,078
14131	Network Health LLC	\$1,000,154,733	\$1,000,154,733	\$217,595,317	\$103,944,168	\$113,651,150
14198	HNE Ins Co.	\$0	\$0	\$4,996,526	\$0	\$4,996,526
18975	HPHC Ins Co.	\$304,616,057	\$547,336,407	\$150,304,102	\$109,635,982	\$40,668,120
47093	Massachusetts Vision Serv Plan	\$23,735,666	\$23,735,666	\$28,370,174	\$3,819,495	\$24,550,679
52060	Dental Serv of Ma Inc	\$268,650,816	\$268,650,816	\$259,509,893	\$84,936,773	\$174,573,120
53228	BCBS of MA	\$2,565,247,292	\$2,565,247,292	\$2,018,365,907	\$1,277,556,958	\$740,808,949
60117	Tufts Ins Co Inc	\$182,899,551	\$207,041,569	\$92,121,967	\$43,702,340	\$48,419,627
66828	Fallon Health & Life Assur Co	\$28,240,270	\$28,240,270	\$25,822,422	\$19,405,458	\$6,416,964
95299	Connecticare of MA Inc	\$17,213,535	\$17,213,535	\$7,070,622	\$1,467,463	\$5,603,159
95541	Fallon Comm Health Plan Inc	\$1,108,354,470	\$1,108,354,470	\$367,739,414	\$213,285,746	\$154,453,668
95673	Health New England Inc	\$493,441,087	\$493,441,087	\$127,635,924	\$77,367,530	\$50,268,394
95688	Tufts Associated Health Maintenance Or	\$2,517,046,201	\$2,527,976,678	\$1,062,199,871	\$400,559,482	\$661,640,389
96717	Harvard Pilgrim Health Care New Eng	\$0	\$195,072,826	\$72,883,560	\$22,793,538	\$50,090,022
96911	Harvard Pilgrim Health Care Inc	\$1,825,725,572	\$1,924,988,248	\$882,592,488	\$401,455,601	\$481,136,887
<b>TOTAL</b>		<b>\$16,852,165,897</b>	<b>\$17,424,294,244</b>	<b>\$7,819,052,158</b>	<b>\$3,775,068,570</b>	<b>\$4,043,983,588</b>

## Fraternal Organizations

NAIC#	Company Name	Total Premium Written in MA 2012	Total Premium Written 2012	Total Net Assets as of 12/31/2012	Total Liabilities as of 12/31/2012	Total Surplus as of 12/31/2012
58130	Catholic Assn Of Foresters	\$168,734	\$191,738	\$13,115,397	\$6,878,680	\$6,236,717
58181	Supreme Council The Royal Arcanum	\$1,604,236	\$8,133,700	\$100,376,521	\$86,150,217	\$14,226,304
<b>TOTAL</b>		<b>\$1,772,970</b>	<b>\$8,325,438</b>	<b>\$113,491,918</b>	<b>\$93,028,897</b>	<b>\$20,463,021</b>

## Workers' Compensation Self-Insured Groups

Self-Insurance Group Name	Gross Premium Written 2012	Net Premium Written 2012	Total Assets as of 12/31/2012	Total Liabilities as of 12/31/2012	Total Surplus as of 12/31/2012
ABC Massachusetts Workers Comp. Self-Insurance Group	\$1,900,310	\$1,601,127	\$3,145,769	\$3,145,769	\$0
Automotive Industries Compensation Corp.	\$4,538,070	\$4,212,583	\$7,442,271	\$7,442,271	\$0
Commonwealth Transportation Compensation Corporation	\$2,968,822	\$2,592,816	\$4,306,309	\$4,306,309	\$0
Diocesan Facilities Self-Insurance Group	\$1,073,527	\$968,610	\$3,689,052	\$1,677,156	\$2,011,896
HVAC Compensation Corp.	\$978,427	\$878,977	\$1,476,681	\$1,476,681	\$0
Independent Schools Compensation Corporation	\$7,549,000	\$7,013,581	\$14,234,866	\$14,251,036	-\$16,170
Manufacturers of Massachusetts Compensation Group	\$58,188	\$48,213	\$1,930,297	\$1,938,175	-\$7,878
Massachusetts Bay Self-Insurance Group	\$3,657,031	\$3,374,809	\$5,198,544	\$4,958,682	\$239,862
Massachusetts Catholic Self-Insurance Group	\$2,890,957	\$2,618,905	\$13,809,515	\$9,366,425	\$4,443,089
Massachusetts Care Self-Insurance Group	\$4,220,279	\$3,850,323	\$9,844,136	\$9,844,136	\$0
Massachusetts Education and Government Assn. P&C Group	\$11,263,914	\$10,710,962	\$14,658,077	\$15,297,276	-\$639,199
Massachusetts Healthcare Self-Insurance Group	\$2,833,728	\$2,833,728	\$3,484,726	\$3,484,726	\$0
Massachusetts High Technology Self-Insurance Group	\$870,876	\$778,289	\$1,517,359	\$1,517,359	\$0
Massachusetts Manufacturing Self-Insurance Group	\$3,037,468	\$2,715,738	\$6,664,887	\$6,554,887	\$100,000
Massachusetts McDonald's Operators Workers' Comp. Grp.	\$1,745,304	\$1,629,744	\$3,462,514	\$3,462,514	\$0
Massachusetts NAHRO Insurance Group	\$5,546,216	\$4,918,463	\$12,096,202	\$8,545,999	\$3,550,203
Massachusetts Retail Merchants Work. Comp. Self-Ins.Group	\$17,193,009	\$15,864,818	\$27,675,165	\$27,675,165	\$0
Massachusetts Trade Self-Insurance Group	\$3,230,238	\$2,946,972	\$4,522,551	\$4,522,551	\$0
MIA Property-Casualty Group	\$55,241,733	\$44,457,601	\$195,743,309	\$104,136,854	\$91,606,455
NEEIA Compensation	\$6,236,874	\$5,927,703	\$18,618,577	\$18,618,577	\$0
Self Insured Lumber Businesses Assn	\$2,774,476	\$2,463,880	\$6,473,264	\$6,547,063	-\$73,799
School Transportation Assn. of MA Self-Insurance Group	\$2,950,634	\$2,695,367	\$4,325,605	\$4,325,605	\$0
<b>TOTAL</b>	<b>\$142,759,081</b>	<b>\$125,103,209</b>	<b>\$364,299,676</b>	<b>\$263,085,216</b>	<b>\$101,214,459</b>



# Appendix C – 2012 Direct Written Premium by Line of Insurance

## ACCIDENT & HEALTH INSURANCE

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
79413	UnitedHealthcare Ins Co	CT	\$815,807,322	28.44%	
60054	Aetna Life Ins Co	CT	\$202,771,309	7.06%	
65978	Metropolitan Life Ins Co	NY	\$183,694,716	6.40%	
62235	Unum Life Ins Co of Amer	ME	\$146,530,313	5.10%	
62308	Connecticut Gen Life Ins Co	CT	\$139,824,182	4.87%	
64246	Guardian Life Ins Co Of Amer	NY	\$91,848,648	3.20%	
70025	Genworth Life Ins Co	DE	\$72,849,607	2.53%	
90328	First Health Life & Health Ins Co	TX	\$62,611,327	2.18%	
65838	John Hancock Life Ins Co (USA)	MI	\$59,734,829	2.08%	
73288	Humana Ins Co	WI	\$56,290,986	1.96%	
80314	Unicare Life & Health Ins Co	IN	\$48,777,411	1.70%	
70815	Hartford Life & Accident Ins Co	CT	\$48,490,305	1.69%	
60380	American Family Life Assur Co of Col	NE	\$46,155,597	1.60%	
80802	US Br SunLife Assur Co of Canada	MI	\$43,266,677	1.50%	
68241	Prudential Ins Co of Amer	NJ	\$40,209,803	1.40%	
65315	Liberty Life Assur Co of Boston	NH	\$34,599,194	1.20%	
65676	Lincoln Natl Life Ins Co	IN	\$34,351,682	1.19%	
86231	Transamerica Life Ins Co	IA	\$34,289,928	1.19%	
62049	Colonial Life & Accident Ins Co	SC	\$34,157,627	1.19%	
65498	Life Ins Co of N Amer	PA	\$31,090,675	1.08%	
Total Companies Writing in Massachusetts					224
Top 20 Companies Direct Written Premium					\$2,227,352,138 77.6%
Remaining Companies Direct Written Premium					\$640,884,201 22.4%
Total Direct Written Premium					\$2,868,236,339

## AIRCRAFT (ALL PERILS)

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
23817	Illinois Natl Ins Co	IL	\$2,622,281	16.78%	
22667	Ace Amer Ins Co	PA	\$1,916,001	12.26%	
20281	Federal Ins Co	IN	\$1,348,259	8.63%	
24147	Old Republic Ins Co	PA	\$1,139,085	7.29%	
23841	New Hampshire Ins Co	PA	\$1,076,191	6.88%	
35300	Allianz Global Risks US Ins Co	IL	\$955,989	6.11%	
19445	National Union Fire Ins Co Of Pitts	PA	\$827,169	5.29%	
20052	National Liab & Fire Ins Co	CT	\$825,437	5.28%	
19720	American Alt Ins Corp	DE	\$635,214	4.06%	
37885	XL Specialty Ins Co	DE	\$632,276	4.04%	
23043	Liberty Mut Ins Co	MA	\$589,400	3.77%	
10367	Avemco Ins Co	MD	\$432,910	2.77%	
29599	US Specialty Ins Co	TX	\$421,769	2.69%	
19518	Catlin Ins Co	TX	\$329,473	2.10%	
34274	Central States Ind Co Of Omaha	NE	\$319,343	2.04%	
40045	Starnet Ins Co	DE	\$304,240	1.94%	
38318	Starr Ind & Liab Co	TX	\$250,654	1.60%	
34037	Hallmark Ins Co	AZ	\$177,116	1.13%	
13604	Starr Surplus Lines Ins Co	IL	\$166,950	1.06%	
12904	Tokio Marine & Nichido Fire Ins Co	NY	\$163,103	1.04%	
Total Companies Writing in Massachusetts					28
Top 20 Companies Direct Written Premium					\$15,132,860 96.9%
Remaining Companies Direct Written Premium					\$489,014 3.1%
Total Direct Written Premium					\$15,621,874

## ANNUITIES

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
68241	Prudential Ins Co Of Amer	NJ	\$1,048,012,781	14.28%	
65056	Jackson Natl Life Ins Co	MI	\$661,487,170	9.02%	
69345	Teachers Ins & Ann Assoc Of Amer	NY	\$546,790,657	7.45%	
79227	Pruco Life Ins Co	AZ	\$474,562,018	6.47%	
86509	Ing Life Ins & Ann Co	CT	\$336,898,383	4.59%	
65676	Lincoln Natl Life Ins Co	IN	\$336,181,791	4.58%	
91596	New York Life Ins & Ann Corp	DE	\$333,866,369	4.55%	
61050	MetLife Investors USA Ins Co	DE	\$318,005,958	4.34%	
65935	Massachusetts Mut Life Ins Co	MA	\$310,110,087	4.23%	
65978	Metropolitan Life Ins Co	NY	\$280,509,862	3.82%	
65005	RiverSource Life Ins Co	MN	\$217,520,425	2.97%	
62944	AXA Equitable Life Ins Co	NY	\$197,385,952	2.69%	
90611	Allianz Life Ins Co Of N Amer	MN	\$162,279,780	2.21%	
93696	Fidelity Investments Life Ins Co	UT	\$122,024,371	1.66%	
86231	Transamerica Life Ins Co	IA	\$116,118,608	1.58%	
61689	Aviva Life & Ann Co	IA	\$111,962,639	1.53%	
68322	Great W Life & Ann Ins Co	CO	\$108,828,940	1.48%	
60488	American Gen Life Ins Co	TX	\$107,291,273	1.46%	
67466	Pacific Life Ins Co	NE	\$104,138,314	1.42%	
61271	Principal Life Ins Co	IA	\$92,755,092	1.26%	
<b>Total Companies Writing in Massachusetts</b>					<b>169</b>
<b>Top 20 Companies Direct Written Premium</b>					<b>\$5,986,730,470 81.6%</b>
<b>Remaining Companies Direct Written Premium</b>					<b>\$1,347,975,116 18.4%</b>
<b>Total Direct Written Premium</b>					<b>\$7,334,705,586</b>

## BOILER & MACHINERY

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
21482	Factory Mut Ins Co	RI	\$7,029,000	24.92%	
20281	Federal Ins Co	IN	\$2,380,874	8.44%	
10014	Affiliated Fm Ins Co	RI	\$1,981,077	7.02%	
19445	National Union Fire Ins Co Of Pitts	PA	\$1,413,337	5.01%	
20443	Continental Cas Co	IL	\$1,383,756	4.91%	
25674	Travelers Prop Cas Co Of Amer	CT	\$1,250,265	4.43%	
23841	New Hampshire Ins Co	PA	\$1,119,762	3.97%	
16535	Zurich Amer Ins Co	NY	\$1,076,395	3.82%	
11452	Hartford Steam Boil Inspec & Ins Co	CT	\$971,891	3.45%	
23035	Liberty Mut Fire Ins Co	WI	\$741,786	2.63%	
39845	Westport Ins Corp	MO	\$653,898	2.32%	
43460	Aspen Amer Ins Co	TX	\$629,632	2.23%	
19259	Selective Ins Co Of SC	IN	\$528,478	1.87%	
25623	Phoenix Ins Co	CT	\$485,201	1.72%	
20397	Vigilant Ins Co	NY	\$427,164	1.51%	
26247	American Guar & Liab Ins	NY	\$426,456	1.51%	
20303	Great Northern Ins Co	IN	\$415,114	1.47%	
35300	Allianz Global Risks US Ins Co	IL	\$411,148	1.46%	
25658	Travelers Ind Co	CT	\$385,970	1.37%	
41181	Universal Underwriters Ins Co	IL	\$383,408	1.36%	
<b>Total Companies Writing in Massachusetts</b>					<b>117</b>
<b>Top 20 Companies Direct Written Premium</b>					<b>\$24,094,612 85.4%</b>
<b>Remaining Companies Direct Written Premium</b>					<b>\$4,110,227 14.6%</b>
<b>Total Direct Written Premium</b>					<b>\$28,204,839</b>

## BURGLARY & THEFT

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
19445	National Union Fire Ins Co Of Pitts	PA	\$5,285,284	51.83%	
31194	Travelers Cas & Surety Co Of Amer	CT	\$1,237,025	12.13%	
39306	Fidelity & Deposit Co of MD	MD	\$725,872	7.12%	
20281	Federal Ins Co	IN	\$704,590	6.91%	
16535	Zurich Amer Ins Co	NY	\$406,436	3.99%	
29599	US Specialty Ins Co	TX	\$225,132	2.21%	
43460	Aspen Amer Ins Co	TX	\$135,774	1.33%	
29424	Hartford Cas Ins Co	IN	\$130,059	1.28%	
20346	Pacific Ind Co	WI	\$114,861	1.13%	
29459	Twin City Fire Ins Co	IN	\$106,848	1.05%	
10200	Hiscox Ins Co Inc	IL	\$100,400	0.98%	
41181	Universal Underwriters Ins Co	IL	\$97,447	0.96%	
10030	Westchester Fire Ins Co	PA	\$93,837	0.92%	
22292	Hanover Ins Co	NH	\$86,828	0.85%	
26182	Harleysville Worcester Ins Co	PA	\$85,703	0.84%	
18058	Philadelphia Ind Ins Co	PA	\$80,089	0.79%	
23647	Ironshore Ind Inc	MN	\$69,277	0.68%	
20303	Great Northern Ins Co	IN	\$56,926	0.56%	
22306	Massachusetts Bay Ins Co	NH	\$51,999	0.51%	
25976	Utica Mut Ins Co	NY	\$40,682	0.40%	
<b>Total Companies Writing in Massachusetts</b>					<b>94</b>
<b>Top 20 Companies Direct Written Premium</b>					<b>\$9,835,069 96.5%</b>
<b>Remaining Companies Direct Written Premium</b>					<b>\$361,806 3.5%</b>
<b>Total Direct Written Premium</b>					<b>\$10,196,875</b>

## COMMERCIAL AUTO

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
34754	Commerce Ins Co	MA	\$68,468,984	10.70%	
41360	Arbella Protection Ins Co	MA	\$59,900,090	9.37%	
39454	Safety Ins Co	MA	\$44,444,029	6.95%	
25615	Charter Oak Fire Ins Co	CT	\$44,018,796	6.88%	
33618	Safety Ind Ins Co	MA	\$30,161,775	4.72%	
18058	Philadelphia Ind Ins Co	PA	\$21,060,593	3.29%	
19046	Travelers Cas Ins Co Of Amer	CT	\$14,855,078	2.32%	
41840	Allmerica Fin Benefit Ins Co	MI	\$13,679,505	2.14%	
40274	Citation Ins Co	MA	\$12,053,206	1.88%	
32620	National Interstate Ins Co	OH	\$11,755,187	1.84%	
31325	Acadia Ins Co	NH	\$11,253,705	1.76%	
14788	NGM Ins Co	FL	\$10,958,489	1.71%	
10243	National Continental Ins Co	NY	\$9,545,978	1.49%	
19801	Argonaut Ins Co	IL	\$9,497,713	1.48%	
21750	Pilgrim Ins Co	MA	\$9,437,524	1.48%	
25674	Travelers Prop Cas Co Of Amer	CT	\$9,224,757	1.44%	
11045	Excelsior Ins Co	NH	\$8,926,223	1.40%	
13722	Knightbrook Ins Co	DE	\$8,486,585	1.33%	
19445	National Union Fire Ins Co Of Pitts	PA	\$8,006,718	1.25%	
25658	Travelers Ind Co	CT	\$7,765,668	1.21%	
<b>Total Companies Writing in Massachusetts</b>					<b>177</b>
<b>Top 20 Companies Direct Written Premium</b>					<b>\$413,500,603 64.6%</b>
<b>Remaining Companies Direct Written Premium</b>					<b>\$226,110,930 35.4%</b>
<b>Total Direct Written Premium</b>					<b>\$639,611,533</b>

## COMMERCIAL MULTI-PERIL

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
18058	Philadelphia Ind Ins Co	PA	\$50,425,859	5.23%	
20281	Federal Ins Co	IN	\$37,907,610	3.93%	
31534	Citizens Ins Co Of Amer	MI	\$28,125,082	2.91%	
29939	Main St Amer Assur Co	FL	\$27,952,323	2.90%	
23965	Norfolk & Dedham Mut Fire Ins Co	MA	\$26,737,614	2.77%	
22306	Massachusetts Bay Ins Co	NH	\$25,528,956	2.65%	
25992	Northern Security Ins Co Inc	VT	\$25,377,222	2.63%	
39217	QBE Ins Corp	PA	\$23,852,276	2.47%	
25674	Travelers Prop Cas Co Of Amer	CT	\$22,479,447	2.33%	
25615	Charter Oak Fire Ins Co	CT	\$22,132,239	2.29%	
19046	Travelers Cas Ins Co Of Amer	CT	\$21,502,817	2.23%	
25666	Travelers Ind Co Of Amer	CT	\$20,465,429	2.12%	
18333	Peerless Ind Ins Co	IL	\$20,066,178	2.08%	
34754	Commerce Ins Co	MA	\$20,065,318	2.08%	
26018	Vermont Mut Ins Co	VT	\$19,670,155	2.04%	
25682	Travelers Ind Co Of CT	CT	\$18,268,834	1.89%	
15067	Quincy Mut Fire Ins Co	MA	\$17,935,787	1.86%	
19682	Hartford Fire In Co	CT	\$17,771,259	1.84%	
14532	Middlesex Mut Assur Co	CT	\$17,015,701	1.76%	
43460	Aspen Amer Ins Co	TX	\$16,259,176	1.68%	
<b>Total Companies Writing in Massachusetts</b>					<b>207</b>
<b>Top 20 Companies Direct Written Premium</b>					<b>\$479,539,282 49.7%</b>
<b>Remaining Companies Direct Written Premium</b>					<b>\$485,451,170 50.3%</b>
<b>Total Direct Written Premium</b>					<b>\$964,990,452</b>

## CREDIT

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
16691	Great Amer Ins Co	OH	\$5,701,641	18.29%	
20516	Euler Hermes N Amer Ins Co	MD	\$5,490,558	17.62%	
27154	Atlantic Specialty Ins Co	NY	\$5,369,485	17.23%	
31887	Coface N Amer Ins Co	MA	\$2,415,229	7.75%	
12831	State Natl Ins Co Inc	TX	\$2,103,354	6.75%	
26344	Great Amer Assur Co	OH	\$1,930,281	6.19%	
25422	Atradius Trade Credit Ins Co	MD	\$1,596,712	5.12%	
29980	First Colonial Ins Co	FL	\$1,446,804	4.64%	
20648	Employers Fire Ins Co	MA	\$1,225,018	3.93%	
39217	QBE Ins Corp	PA	\$928,500	2.98%	
11150	Arch Ins Co	MO	\$650,089	2.09%	
24147	Old Republic Ins Co	PA	\$451,874	1.45%	
10952	Stonebridge Cas Ins Co	OH	\$427,279	1.37%	
10111	American Bankers Ins Co Of FL	FL	\$422,412	1.36%	
24813	Balboa Ins Co	CA	\$380,822	1.22%	
29599	US Specialty Ins Co	TX	\$116,197	0.37%	
22667	Ace Amer Ins Co	PA	\$115,142	0.37%	
16667	United Guar Residential Ins Co of NC	NC	\$109,416	0.35%	
26565	Ohio Ind Co	OH	\$96,440	0.31%	
13722	Knightbrook Ins Co	DE	\$51,834	0.17%	
<b>Total Companies Writing in Massachusetts</b>					<b>29</b>
<b>Top 20 Companies Direct Written Premium</b>					<b>\$31,029,087 99.6%</b>
<b>Remaining Companies Direct Written Premium</b>					<b>\$137,471 0.4%</b>
<b>Total Direct Written Premium</b>					<b>\$31,166,558</b>



## DEPOSIT FUNDS

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
65056	Jackson Natl Life Ins Co	MI	\$229,275,818	20.24%	
61271	Principal Life Ins Co	IA	\$186,162,616	16.44%	
68136	Protective Life Ins Co	TN	\$148,417,470	13.11%	
80942	ING USA Ann & Life Ins Co	IA	\$125,000,000	11.04%	
88072	Hartford Life Ins Co	CT	\$93,473,852	8.25%	
93629	Prudential Retirement Ins & Ann Co	CT	\$89,627,973	7.91%	
87726	MetLife Ins Co of CT	CT	\$50,000,000	4.41%	
61689	Aviva Life & Ann Co	IA	\$22,914,247	2.02%	
69868	United Of Omaha Life Ins Co	NE	\$22,707,135	2.01%	
70025	Genworth Life Ins Co	DE	\$16,850,913	1.49%	
80802	US Br Sun Life Assur Co of Canada	MI	\$15,189,940	1.34%	
67814	Phoenix Life Ins Co	NY	\$12,919,748	1.14%	
67172	Ohio Natl Life Ins Co	OH	\$11,138,099	0.98%	
69345	Teachers Ins & Ann Assoc Of Amer	NY	\$10,906,995	0.96%	
93548	PHL Variable Ins Co	CT	\$10,491,281	0.93%	
69019	Standard Ins Co	OR	\$9,234,563	0.82%	
65536	Genworth Life & Ann Ins Co	VA	\$7,809,063	0.69%	
70435	The Savings Bank Life Ins Co Of MA	MA	\$5,232,196	0.46%	
86231	Transamerica Life Ins Co	IA	\$4,509,404	0.40%	
68241	Prudential Ins Co Of Amer	NJ	\$4,445,201	0.39%	
<b>Total Companies Writing in Massachusetts</b>					<b>87</b>
<b>Top 20 Companies Direct Written Premium</b>					<b>\$1,076,306,514 95 %</b>
<b>Remaining Companies Direct Written Premium</b>					<b>\$56,211,228 5%</b>
<b>Total Direct Written Premium</b>					<b>\$1,132,517,742</b>

## FIDELITY & SURETY

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
31194	Travelers Cas & Surety Co Of Amer	CT	\$25,938,820	16.22%	
13188	Western Surety Co	SD	\$15,319,076	9.58%	
20281	Federal Ins Co	IN	\$13,055,779	8.16%	
23043	Liberty Mut Ins Co	MA	\$12,627,618	7.89%	
39306	Fidelity & Deposit Co Of MD	MD	\$11,093,399	6.94%	
24740	Safeco Ins Co Of Amer	NH	\$10,622,990	6.64%	
10030	Westchester Fire Ins Co	PA	\$4,471,830	2.80%	
19445	National Union Fire Ins Co Of Pitts	PA	\$4,406,598	2.76%	
22292	Hanover Ins Co	NH	\$4,153,474	2.60%	
29424	Hartford Cas Ins Co	IN	\$4,117,862	2.57%	
11150	Arch Ins Co	MO	\$3,439,531	2.15%	
14788	NGM Ins Co	FL	\$3,391,570	2.12%	
24074	Ohio Cas Ins Co	NH	\$3,339,482	2.09%	
29580	Berkley Regional Ins Co	DE	\$3,336,832	2.09%	
29874	North Amer Specialty Ins Co	NH	\$3,233,286	2.02%	
16691	Great Amer Ins Co	OH	\$3,102,223	1.94%	
36226	United Cas & Surety Ins Co	MA	\$2,845,525	1.78%	
11592	International Fidelity Ins Co	NJ	\$2,292,591	1.43%	
19682	Hartford Fire In Co	CT	\$2,225,479	1.39%	
10847	Cumis Ins Society Inc	IA	\$1,486,707	0.93%	
<b>Total Companies Writing in Massachusetts</b>					<b>157</b>
<b>Top 20 Companies Direct Written Premium</b>					<b>\$134,500,672 84.1%</b>
<b>Remaining Companies Direct Written Premium</b>					<b>\$25,444,000 15.9%</b>
<b>Total Direct Written Premium</b>					<b>\$159,944,672</b>

## FIRE

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
41360	Arbella Protection Ins Co	MA	\$25,196,199	10.71%	<b>Total Companies</b> <b>Writing in Massachusetts</b>
42978	American Security Ins Co	DE	\$21,666,962	9.21%	
34754	Commerce Ins Co	MA	\$15,138,681	6.43%	
10014	Affiliated Fm Ins Co	RI	\$14,380,790	6.11%	
21482	Factory Mut Ins Co	RI	\$13,870,769	5.90%	
19798	Merrimack Mut Fire Ins Co	MA	\$12,012,872	5.11%	
23035	Liberty Mut Fire Ins Co	WI	\$11,481,775	4.88%	
26018	Vermont Mut Ins Co	VT	\$9,243,089	3.93%	
17000	Arbella Mut Ins Co	MA	\$7,023,002	2.99%	
25658	Travelers Ind Co	CT	\$6,516,799	2.77%	
26298	Metropolitan Prop & Cas Ins Co	RI	\$5,246,277	2.23%	
25674	Travelers Prop Cas Co Of Amer	CT	\$5,007,795	2.13%	
15067	Quincy Mut Fire Ins Co	MA	\$4,064,674	1.73%	
13803	Farm Family Cas Ins Co	NY	\$4,028,366	1.71%	
39454	Safety Ins Co	MA	\$3,304,224	1.40%	
23469	American Modern Home Ins Co	OH	\$3,274,456	1.39%	
20443	Continental Cas Co	IL	\$3,222,813	1.37%	
16535	Zurich Amer Ins Co	NY	\$3,191,573	1.36%	
11185	Foremost Ins Co Grand Rapids MI	MI	\$3,069,434	1.30%	
19771	Cambridge Mut Fire Ins Co	MA	\$2,787,616	1.18%	
					<b>201</b>
					<b>Top 20 Companies</b> <b>Direct Written Premium</b>
					<b>\$173,728,166</b> <b>73.8%</b>
					<b>Remaining Companies</b> <b>Direct Written Premium</b>
					<b>\$61,535,233</b> <b>26.2%</b>
					<b>Total</b> <b>Direct Written Premium</b>
					<b>\$235,263,399</b>

## FRATERNALS

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
58033	Knights Of Columbus	CT	\$30,701,042	49.40%	<b>Total Companies</b> <b>Writing in Massachusetts</b>
56014	Thrivent Financial For Lutherans	WI	\$16,172,148	26.02%	
58068	Independent Order Of Foresters Us Br	NY	\$4,963,298	7.99%	
57541	Modern Woodmen Of Amer	IL	\$2,854,969	4.59%	
58181	Supreme Council The Royal Arcanum	MA	\$1,604,236	2.58%	
57770	Catholic Holy Family Society	IL	\$1,358,239	2.19%	
56030	Catholic Financial Life	WI	\$1,139,830	1.83%	
57487	Catholic Order Of Foresters	IL	\$759,737	1.22%	
57622	Polish Natl Alliance Us Of Na	IL	\$729,534	1.17%	
56332	First Cath Slovak Ladies Assn USA	OH	\$340,818	0.55%	
57215	Ukrainian Natl Assn Inc	NJ	\$329,814	0.53%	
57010	William Penn Assn	PA	\$244,255	0.39%	
57320	Woodmen World Life Ins Soc	NE	\$238,466	0.38%	
58130	Catholic Assn Of Foresters	MA	\$168,734	0.27%	
57967	Luso Amer Life Ins Society	CA	\$148,799	0.24%	
56820	Polish Falcons Of Amer	PA	\$108,450	0.17%	
56383	Order of United Commercial Travelers	OH	\$77,322	0.12%	
57142	Sons Of Norway	MN	\$75,620	0.12%	
57630	Polish Roman Catholic Union Of Amer	IL	\$36,322	0.06%	
56758	Loyal Christian Benefit Assn	PA	\$28,046	0.05%	
					<b>27</b>
					<b>Top 20 Companies</b> <b>Direct Written Premium</b>
					<b>\$62,079,679</b> <b>99.9%</b>
					<b>Remaining Companies</b> <b>Direct Written Premium</b>
					<b>\$69,953</b> <b>0.1%</b>
					<b>Total</b> <b>Direct Written Premium</b>
					<b>\$62,149,632</b>

## HEALTH

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
12219	BCBS of MA HMO Blue Inc	MA	\$3,892,728,634	22.74%	<b>Total Companies</b> <b>Writing in Massachusetts</b> <b>32</b>
53228	BCBS of MA	MA	\$2,565,247,292	14.98%	
95688	Tufts Associated Health Maintenance Or	MA	\$2,517,046,201	14.70%	
96911	Harvard Pilgrim Health Care Inc	MA	\$1,825,725,572	10.66%	
11109	Neighborhood Health Plan Inc	MA	\$1,282,359,478	7.49%	
13203	Boston Medical Center Health Plan Inc	MA	\$1,219,479,008	7.12%	
95541	Fallon Comm Health Plan Inc	MA	\$1,108,354,470	6.47%	
14131	Network Health LLC	MA	\$1,000,154,733	5.84%	
95673	Health New England Inc	MA	\$493,441,087	2.88%	
18975	HPHC Ins Co Inc	MA	\$304,616,057	1.78%	
52060	Dental Serv of MA Inc	MA	\$268,650,816	1.57%	
60117	Tufts Ins Co Inc	MA	\$182,899,551	1.07%	
13632	Celticare Health Plan of MA Inc	MA	\$119,800,852	0.70%	
12575	SilverScript Ins Co	TN	\$93,110,716	0.54%	
67660	Pennsylvania Life Ins Co	PA	\$57,317,468	0.33%	
52632	Altus Dental Ins Co Inc	RI	\$40,864,255	0.24%	
66828	Fallon Health & Life Assur Co	MA	\$28,240,270	0.16%	
12902	Healthspring Life & Health Ins Co Inc	TX	\$26,647,755	0.16%	
47093	Massachusetts Vision Serv Plan	MA	\$23,735,666	0.14%	
10155	Wellcare Prescription Ins Inc	FL	\$23,496,434	0.14%	
<b>Top 20 Companies</b> <b>Direct Written Premium</b>					<b>\$17,073,916,315</b> <b>99.7%</b>
<b>Remaining Companies</b> <b>Direct Written Premium</b>					<b>\$46,356,362</b> <b>0.3%</b>
<b>Total</b> <b>Direct Written Premium</b>					<b>\$17,120,272,677</b>

## HOMEOWNER'S MULTI-PERIL

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
40274	Citation Ins Co	MA	\$148,759,164	7.96%	<b>Total Companies</b> <b>Writing in Massachusetts</b> <b>141</b>
17000	Arbella Mut Ins Co	MA	\$135,788,097	7.27%	
23035	Liberty Mut Fire Ins Co	WI	\$108,216,878	5.79%	
34754	Commerce Ins Co	MA	\$88,177,522	4.72%	
19798	Merrimack Mut Fire Ins Co	MA	\$82,712,133	4.43%	
33618	Safety Ind Ins Co	MA	\$75,007,740	4.01%	
19976	Amica Mut Ins Co	RI	\$64,627,298	3.46%	
26018	Vermont Mut Ins Co	VT	\$64,293,736	3.44%	
15067	Quincy Mut Fire Ins Co	MA	\$54,843,354	2.93%	
26298	Metropolitan Prop & Cas Ins Co	RI	\$52,395,914	2.80%	
20346	Pacific Ind Co	WI	\$49,333,937	2.64%	
25623	Phoenix Ins Co	CT	\$46,254,186	2.47%	
43001	Narragansett Bay Ins Co	RI	\$40,177,991	2.15%	
39454	Safety Ins Co	MA	\$37,602,732	2.01%	
10394	Bunker Hill Ins Co	MA	\$35,929,327	1.92%	
15024	Preferred Mut Ins Co	NY	\$34,357,599	1.84%	
25941	United Serv Automobile Assn	TX	\$34,086,182	1.82%	
19070	Standard Fire Ins Co	CT	\$33,736,810	1.81%	
20281	Federal Ins Co	IN	\$32,905,296	1.76%	
31534	Citizens Ins Co Of Amer	MI	\$31,631,140	1.69%	
<b>Top 20 Companies</b> <b>Direct Written Premium</b>					<b>\$1,250,837,036</b> <b>66.9%</b>
<b>Remaining Companies</b> <b>Direct Written Premium</b>					<b>\$618,115,365</b> <b>33.1%</b>
<b>Total</b> <b>Direct Written Premium</b>					<b>\$1,868,952,401</b>

## LIABILITY OTHER THAN AUTO

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA		
19445	National Union Fire Ins Co Of Pitts	PA	\$116,881,225	10.18%	<b>Total Companies</b> Writing in Massachusetts 322	
20281	Federal Ins Co	IN	\$95,704,015	8.34%		
20443	Continental Cas Co	IL	\$60,601,570	5.28%		
22667	Ace Amer Ins Co	PA	\$42,435,443	3.70%		
16535	Zurich Amer Ins Co	NY	\$35,488,037	3.09%		
37885	XL Specialty Ins Co	DE	\$27,423,295	2.39%		
41360	Arbella Protection Ins Co	MA	\$27,379,527	2.39%		
31194	Travelers Cas & Surety Co Of Amer	CT	\$25,986,333	2.26%		
18058	Philadelphia Ind Ins Co	PA	\$23,392,510	2.04%		
19720	American All Ins Corp	DE	\$22,047,046	1.92%		
25674	Travelers Prop Cas Co Of Amer	CT	\$21,873,050	1.91%		
37273	Axis Ins Co	IL	\$21,019,400	1.83%		
10120	Everest Natl Ins Co	DE	\$18,843,258	1.64%		
22292	Hanover Ins Co	NH	\$16,967,723	1.48%		
23043	Liberty Mut Ins Co	MA	\$16,452,971	1.43%		
29459	Twin City Fire Ins Co	IN	\$14,258,066	1.24%		
29599	US Specialty Ins Co	TX	\$13,703,251	1.19%		
38318	Starr Ind & Liab Co	TX	\$13,467,499	1.17%		
11150	Arch Ins Co	MO	\$13,246,619	1.15%		
26247	American Guar & Liab Ins	NY	\$13,130,472	1.14%		
					<b>Top 20 Companies</b> Direct Written Premium	\$640,301,310 55.8%
					Remaining Companies Direct Written Premium	\$507,372,085 44.2%
					<b>Total</b> Direct Written Premium	\$1,147,673,395

## LIFE

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA		
68241	Prudential Ins Co Of Amer	NJ	\$1,622,889,106	33.18%	<b>Total Companies</b> Writing in Massachusetts 289	
67091	Northwestern Mut Life Ins Co	WI	\$253,165,813	5.18%		
65978	Metropolitan Life Ins Co	NY	\$248,360,146	5.08%		
65838	John Hancock Life Ins Co (USA)	MI	\$198,431,665	4.06%		
70435	The Savings Bank Life Ins Co Of MA	MA	\$173,737,602	3.55%		
65935	Massachusetts Mut Life Ins Co	MA	\$160,723,721	3.29%		
64246	Guardian Life Ins Co Of Amer	NY	\$155,781,815	3.19%		
66915	New York Life Ins Co	NY	\$151,510,189	3.10%		
65676	Lincoln Natl Life Ins Co	IN	\$125,612,809	2.57%		
61050	MetLife Investors USA Ins Co	DE	\$88,879,661	1.82%		
79227	Pruco Life Ins Co	AZ	\$80,947,895	1.66%		
70815	Hartford Life & Accident Ins Co	CT	\$67,496,890	1.38%		
91596	New York Life Ins & Ann Corp	DE	\$62,987,326	1.29%		
86231	Transamerica Life Ins Co	IA	\$49,856,381	1.02%		
65536	Genworth Life & Ann Ins Co	VA	\$48,574,784	0.99%		
60488	American Gen Life Ins Co	TX	\$48,460,612	0.99%		
65005	RiverSource Life Ins Co	MN	\$48,417,091	0.99%		
66168	Minnesota Life Ins Co	MN	\$45,737,567	0.94%		
67466	Pacific Life Ins Co	NE	\$39,818,928	0.81%		
67105	Reliastar Life Ins Co	MN	\$39,464,153	0.81%		
					<b>Top 20 Companies</b> Direct Written Premium	\$3,710,854,154 75.9%
					Remaining Companies Direct Written Premium	\$1,179,646,073 24.1%
					<b>Total</b> Direct Written Premium	\$4,890,500,227

## LIFE ALL LINES

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
68241	Prudential Ins Co Of Amer	NJ	\$3,075,626,603	15.54%	
65935	Massachusetts Mut Life Ins Co	MA	\$1,998,663,372	10.10%	
65978	Metropolitan Life Ins Co	NY	\$1,791,027,717	9.05%	
65838	John Hancock Life Ins Co (USA)	MI	\$960,618,813	4.85%	
79413	UnitedHealthcare Ins Co	CT	\$816,614,739	4.13%	
65056	Jackson Natl Life Ins Co	MI	\$690,349,092	3.49%	
69345	Teachers Ins & Ann Assoc of Amer	NY	\$566,834,824	2.86%	
79227	Pruco Life Ins Co	AZ	\$555,509,913	2.81%	
66915	New York Life Ins Co	NY	\$512,956,619	2.59%	
65676	Lincoln Natl Life Ins Co	IN	\$496,146,282	2.51%	
86509	Ing Life Ins & Ann Co	CT	\$435,706,805	2.20%	
61050	MetLife Investors USA Ins Co	DE	\$406,885,619	2.06%	
91596	New York Life Ins & Ann Corp	DE	\$396,853,695	2.00%	
67091	Northwestern Mut Life Ins Co	WI	\$326,762,603	1.65%	
65005	RiverSource Life Ins Co	MN	\$285,120,615	1.44%	
66869	Nationwide Life Ins Co	OH	\$279,535,846	1.41%	
86231	Transamerica Life Ins Co	IA	\$278,236,880	1.41%	
64246	Guardian Life Ins Co of Amer	NY	\$249,050,848	1.26%	
62944	AXA Equitable Life Ins Co	NY	\$233,407,826	1.18%	
60054	Aetna Life Ins Co	CT	\$232,246,418	1.17%	
Total Companies Writing in Massachusetts					321
Top 20 Companies Direct Written Premium					\$14,588,155,129 73.7%
Remaining Companies Direct Written Premium					\$5,207,403,079 26.3%
Total Direct Written Premium					\$19,795,558,208

## LIFE \ OTHER FUNDS

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
65935	Massachusetts Mut Life Ins Co	MA	\$1,501,982,871	31.94%	
65978	Metropolitan Life Ins Co	NY	\$1,078,462,993	22.94%	
65838	John Hancock Life Ins Co (USA)	MI	\$672,852,897	14.31%	
68241	Prudential Ins Co Of Amer	NJ	\$364,514,931	7.75%	
66915	New York Life Ins Co	NY	\$349,104,642	7.42%	
66869	Nationwide Life Ins Co	OH	\$228,737,057	4.86%	
86509	Ing Life Ins & Ann Co	CT	\$95,488,663	2.03%	
70688	Transamerica Financial Life Ins Co	NY	\$92,770,013	1.97%	
86231	Transamerica Life Ins Co	IA	\$77,971,963	1.66%	
88072	Hartford Life Ins Co	CT	\$39,892,754	0.85%	
66281	Monumental Life Ins Co	IA	\$39,602,546	0.84%	
66168	Minnesota Life Ins Co	MN	\$32,612,759	0.69%	
67644	Penn Mut Life Ins Co	PA	\$32,337,465	0.69%	
88668	Mutual Of Amer Life Ins Co	NY	\$31,884,745	0.68%	
93629	Prudential Retirement Ins & Ann Co	CT	\$28,529,784	0.61%	
71153	Hartford Life & Ann Ins Co	CT	\$14,685,011	0.31%	
92657	Nationwide Life & Ann Ins Co	OH	\$10,726,690	0.23%	
93610	John Hancock Life & Health Ins Co	MA	\$3,500,000	0.07%	
69019	Standard Ins Co	OR	\$3,278,264	0.07%	
78778	Guardian Ins & Ann Co Inc	DE	\$1,598,498	0.03%	
Total Companies Writing in Massachusetts					26
Top 20 Companies Direct Written Premium					\$4,700,534,528 100.0%
Remaining Companies Direct Written Premium					\$1,587,322 0.0%
Total Direct Written Premium					\$4,702,121,850

## MEDICAL MALPRACTICE

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA		
10206	Medical Professional Mut Ins Co	MA	\$114,216,233	70.69%	<b>Total Companies Writing in Massachusetts</b>  <b>30</b>  <b>Top 20 Companies Direct Written Premium</b>  <b>\$161,496,842</b> <b>99.9%</b>  <b>Remaining Companies Direct Written Premium</b>  <b>\$72,011</b> <b>0.1%</b>  <b>Total Direct Written Premium</b>  <b>\$161,568,853</b>	
11843	Medical Protective Co	IN	\$17,165,416	10.62%		
15890	Connecticut Medical Ins Co	CT	\$11,459,273	7.09%		
20427	American Cas Co Of Reading PA	PA	\$6,723,110	4.16%		
14460	Podiatry Ins Co Of Amer	IL	\$2,244,330	1.39%		
10638	Proselect Ins Co	MA	\$2,170,194	1.34%		
19917	Liberty Ins Underwriters Inc	IL	\$1,471,085	0.91%		
22667	Ace Amer Ins Co	PA	\$1,460,949	0.90%		
15865	NCIMC Ins Co	IA	\$1,434,964	0.89%		
19445	National Union Fire Ins Co Of Pitts	PA	\$1,108,321	0.69%		
34495	Doctors Co An Interins Exch	CA	\$633,237	0.39%		
16624	Darwin Natl Assur Co	DE	\$391,554	0.24%		
22810	Chicago Ins Co	IL	\$264,606	0.16%		
10801	Fortress Ins Co	IL	\$213,120	0.13%		
20443	Continental Cas Co	IL	\$141,020	0.09%		
19720	American Alt Ins Corp	DE	\$130,834	0.08%		
23809	Granite State Ins Co	PA	\$118,278	0.07%		
21970	OneBeacon Ins Co	PA	\$59,170	0.04%		
13714	Pharmacists Mut Ins Co	IA	\$49,832	0.03%		
10222	PACO Assur Co Inc	IL	\$41,316	0.03%		

## MORTGAGE & FINANCIAL GUARANTY

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA		
29858	Mortgage Guar Ins Corp	WI	\$30,446,056	25.12%	<b>Total Companies Writing in Massachusetts</b>  <b>19</b>  <b>Top 20 Companies Direct Written Premium</b>  <b>\$121,199,427</b> <b>100.0%</b>  <b>Remaining Companies Direct Written Premium</b>  <b>\$0</b> <b>0.0%</b>  <b>Total Direct Written Premium</b>  <b>\$121,199,427</b>	
15873	United Guar Residential Ins Co	NC	\$22,509,482	18.57%		
33790	Radian Guar Inc	PA	\$21,415,153	17.67%		
38458	Genworth Mortgage Ins Corp	NC	\$15,662,702	12.92%		
27251	PMI Mortgage Ins Co	AZ	\$10,322,463	8.52%		
18708	Ambac Assur Corp	WI	\$7,421,341	6.12%		
28452	Republic Mortgage Ins Co	NC	\$5,223,114	4.31%		
40266	CMG Mortgage Ins Co	WI	\$3,654,649	3.02%		
13634	Essent Guar Inc	PA	\$2,569,813	2.12%		
18287	Assured Guar Municipal Corp	NY	\$583,411	0.48%		
30180	Assured Guar Corp	MD	\$440,635	0.36%		
36250	Radian Asset Assur Inc	NY	\$249,900	0.21%		
20311	Syncora Guar Inc	NY	\$192,731	0.16%		
29823	Genworth Residential Mortgage Ins Co	NC	\$179,560	0.15%		
12041	MBIA Ins Corp	NY	\$163,590	0.13%		
26999	United Guar Mortgage Ind Co	NC	\$106,964	0.09%		
29114	CMG Mortgage Assur Co	WI	\$34,339	0.03%		
18740	MGIC Ind Corp	WI	\$16,851	0.01%		
18759	Genworth Residential Mortgage Assur	NC	\$6,673	0.01%		

## OCEAN & INLAND MARINE

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
23043	Liberty Mut Ins Co	MA	\$63,126,186	14.56%	
20443	Continental Cas Co	IL	\$29,106,245	6.71%	
20281	Federal Ins Co	IN	\$26,163,839	6.04%	
10952	Stonebridge Cas Ins Co	OH	\$19,283,174	4.45%	
25674	Travelers Prop Cas Co Of Amer	CT	\$15,154,330	3.50%	
20346	Pacific Ind Co	WI	\$10,926,551	2.52%	
11991	National Cas Co	WI	\$10,480,496	2.42%	
19445	National Union Fire Ins Co Of Pitts	PA	\$10,351,983	2.39%	
27154	Atlantic Specialty Ins Co	NY	\$9,477,938	2.19%	
22292	Hanover Ins Co	NH	\$9,303,878	2.15%	
11630	Jefferson Ins Co	NY	\$9,001,189	2.08%	
21482	Factory Mut Ins Co	RI	\$8,553,462	1.97%	
10014	Affiliated Fm Ins Co	RI	\$8,414,987	1.94%	
21113	United States Fire Ins Co	DE	\$8,299,382	1.91%	
31325	Acadia Ins Co	NH	\$7,655,618	1.77%	
22667	Ace Amer Ins Co	PA	\$7,454,424	1.72%	
38318	Starr Ind & Liab Co	TX	\$7,025,097	1.62%	
22837	AGCS Marine Ins Co	IL	\$6,838,334	1.58%	
22136	Great Amer Ins Co of NY	NY	\$6,343,525	1.46%	
19070	Standard Fire Ins Co	CT	\$5,530,719	1.28%	
<b>Total Companies Writing in Massachusetts</b>					<b>280</b>
<b>Top 20 Companies Direct Written Premium</b>					<b>\$278,491,357 64.3%</b>
<b>Remaining Companies Direct Written Premium</b>					<b>\$154,979,226 35.7%</b>
<b>Total Direct Written Premium</b>					<b>\$433,470,583</b>

## PRIVATE PASSENGER AUTO

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA	
34754	Commerce Ins Co	MA	\$1,122,776,393	27.17%	
23043	Liberty Mut Ins Co	MA	\$498,034,083	12.05%	
39454	Safety Ins Co	MA	\$453,892,425	10.98%	
17000	Arbella Mut Ins Co	MA	\$362,895,827	8.78%	
14737	Plymouth Rock Assur Corp	MA	\$244,867,124	5.93%	
26298	Metropolitan Prop & Cas Ins Co	RI	\$189,939,851	4.60%	
12850	Premier Ins Co Of MA	MA	\$153,645,632	3.72%	
19976	Amica Mut Ins Co	RI	\$142,784,887	3.46%	
31534	Citizens Ins Co Of Amer	MI	\$126,013,889	3.05%	
16322	Progressive Direct Ins Co	OH	\$123,435,740	2.99%	
22063	Government Employees Ins Co	MD	\$121,409,719	2.94%	
15067	Quincy Mut Fire Ins Co	MA	\$74,020,973	1.79%	
25968	USAA Cas Ins Co	TX	\$58,727,205	1.42%	
14788	NGM Ins Co	FL	\$48,617,062	1.18%	
23965	Norfolk & Dedham Mut Fire Ins Co	MA	\$48,054,054	1.16%	
26018	Vermont Mut Ins Co	VT	\$42,206,219	1.02%	
25941	United Serv Automobile Assn	TX	\$38,892,163	0.94%	
40320	Massachusetts Homeland Ins Co	MA	\$38,141,829	0.92%	
12154	Encompass Ins Co of MA	MA	\$37,301,567	0.90%	
19232	Allstate Ins Co	IL	\$32,581,711	0.79%	
<b>Total Companies Writing in Massachusetts</b>					<b>47</b>
<b>Top 20 Companies Direct Written Premium</b>					<b>\$3,958,238,353 95.8%</b>
<b>Remaining Companies Direct Written Premium</b>					<b>\$173,925,176 4.2%</b>
<b>Total Direct Written Premium</b>					<b>\$4,132,163,529</b>

## PROPERTY & CASUALTY TOTAL

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA		
34754	Commerce Ins Co	MA	\$1,319,018,901	11.71%	<b>Total Companies</b> Writing in Massachusetts 514	
23043	Liberty Mut Ins Co	MA	\$630,782,120	5.60%		
39454	Safety Ins Co	MA	\$563,691,218	5.00%		
17000	Arbella Mut Ins Co	MA	\$519,505,728	4.61%		
26298	Metropolitan Prop & Cas Ins Co	RI	\$254,657,592	2.26%		
14737	Plymouth Rock Assur Corp	MA	\$247,473,558	2.20%		
20281	Federal Ins Co	IN	\$228,660,740	2.03%		
19976	Amica Mut Ins Co	RI	\$218,239,349	1.94%		
31534	Citizens Ins Co Of Amer	MI	\$196,507,491	1.74%		
19445	National Union Fire Ins Co Of Pitts	PA	\$183,344,261	1.63%		
23035	Liberty Mut Fire Ins Co	WI	\$179,297,225	1.59%		
40274	Citation Ins Co	MA	\$170,713,025	1.52%		
15067	Quincy Mut Fire Ins Co	MA	\$159,383,900	1.41%		
12850	Premier Ins Co Of MA	MA	\$153,645,632	1.36%		
26018	Vermont Mut Ins Co	VT	\$148,588,454	1.32%		
41360	Arbella Protection Ins Co	MA	\$132,373,643	1.17%		
19798	Merrimack Mut Fire Ins Co	MA	\$131,254,755	1.16%		
16322	Progressive Direct Ins Co	OH	\$124,453,662	1.10%		
20443	Continental Cas Co	IL	\$121,879,983	1.08%		
22063	Government Employees Ins Co	MD	\$121,409,859	1.08%		
					<b>Top 20 Companies</b> Direct Written Premium	\$5,804,881,096 51.5%
					Remaining Companies Direct Written Premium	\$5,461,917,417 48.5%
					<b>Total</b> Direct Written Premium	\$11,266,798,513

## SURPLUS LINES

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA		
19437	Lexington Ins Co	DE	\$97,670,737	18.35%	<b>Total Companies</b> Writing in Massachusetts 98	
17370	Nautilus Ins Co	AZ	\$28,843,867	5.42%		
31127	Columbia Cas Co	IL	\$26,641,289	5.01%		
41297	Scottsdale Ins Co	OH	\$26,502,036	4.98%		
26387	Steadfast Ins Co	DE	\$24,469,024	4.60%		
26883	Chartis Specialty Ins Co	IL	\$22,185,623	4.17%		
13196	Western World Ins Co	NH	\$14,443,024	2.71%		
25445	Ironshore Specialty Ins Co	AZ	\$14,263,919	2.68%		
36940	Indian Harbor Ins Co	ND	\$13,293,623	2.50%		
27960	Illinois Union Ins Co	IL	\$11,765,961	2.21%		
10657	First Mercury Ins Co	IL	\$11,645,522	2.19%		
38989	Chubb Custom Ins Co	DE	\$11,396,507	2.14%		
39020	Essex Ins Co	DE	\$11,109,976	2.09%		
10725	Liberty Surplus Ins Corp	NH	\$10,780,926	2.03%		
35378	Evanston Ins Co	IL	\$9,761,360	1.83%		
33138	Landmark Amer Ins Co	OK	\$9,584,290	1.80%		
42374	Houston Cas Co	TX	\$8,588,834	1.61%		
21199	Arch Specialty Ins Co	NE	\$7,050,828	1.33%		
24856	Admiral Ins Co	DE	\$6,990,169	1.31%		
10833	Gemini Ins Co	DE	\$6,626,097	1.25%		
					<b>Top 20 Companies</b> Direct Written Premium	\$373,613,612 70.2%
					Remaining Companies Direct Written Premium	\$158,524,085 29.8%
					<b>Total</b> Direct Written Premium	\$532,137,612



## TITLE INSURANCE

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA		
50814	First Amer Title Ins Co	CA	\$83,338,783	30.70%	<b>Total Companies</b> <b>Writing in Massachusetts</b> 14  <b>Top 14 Companies</b> \$271,422,753 <b>Direct Written Premium</b> 100.0%  <b>Remaining Companies</b> \$0 <b>Direct Written Premium</b> 0.0%  <b>Total</b> <b>Direct Written Premium</b> \$271,422,753	
50520	Old Republic Natl Title Ins Co	MN	\$41,753,495	15.38%		
50121	Stewart Title Guar Co	TX	\$33,588,753	12.38%		
50229	Chicago Title Ins Co	NE	\$29,247,058	10.78%		
50083	Commonwealth Land Title Ins Co	NE	\$25,314,256	9.33%		
51586	Fidelity Natl Title Ins Co	CA	\$24,306,672	8.96%		
51268	Connecticut Attorneys Title Ins Co	CT	\$20,238,843	7.46%		
51020	National Title Ins of NY Inc	NY	\$4,773,353	1.76%		
51152	WFG Natl Title Ins Co	SC	\$2,188,224	0.81%		
50050	Westcor Land Title Ins Co	CA	\$2,060,149	0.76%		
50130	North Amer Title Ins Co	CA	\$1,686,046	0.62%		
50016	Title Resources Guar Co	TX	\$1,530,060	0.56%		
51411	American Guar Title Ins Co	OK	\$1,089,268	0.40%		
51632	EnTitle Ins Co	OH	\$307,793	0.11%		

## WORKERS' COMPENSATION

NAIC#	Company Name	State	Premium Written in MA	Market Share in MA		
33758	Associated Industries Of MA Mut Ins	MA	\$79,178,414	8.19%	<b>Total Companies</b> <b>Writing in Massachusetts</b> 229  <b>Top 20 Companies</b> \$547,974,551 <b>Direct Written Premium</b> 56.6%  <b>Remaining Companies</b> \$419,136,183 <b>Direct Written Premium</b> 43.4%  <b>Total</b> <b>Direct Written Premium</b> \$967,110,734	
25658	Travelers Ind Co	CT	\$50,001,757	5.17%		
23841	New Hampshire Ins Co	PA	\$47,467,676	4.91%		
29459	Twin City Fire Ins Co	IN	\$31,280,745	3.23%		
23035	Liberty Mut Fire Ins Co	WI	\$29,943,304	3.10%		
44326	Atlantic Charter Ins Co	MA	\$28,372,906	2.93%		
22667	Ace Amer Ins Co	PA	\$28,053,200	2.90%		
33600	LM Ins Corp	IL	\$27,451,544	2.84%		
19429	Insurance Co of The State of PA	PA	\$22,093,296	2.28%		
25682	Travelers Ind Co of CT	CT	\$22,082,875	2.28%		
42376	Technology Ins Co Inc	NH	\$19,612,136	2.03%		
25674	Travelers Property Cas Co of Amer	CT	\$20,487,745	2.12%		
11104	Associated Employers Ins Co	MA	\$19,219,295	1.99%		
19410	Commerce & Industry Ins Co	NY	\$18,488,636	1.91%		
42404	Liberty Ins Corp	IL	\$18,217,996	1.88%		
40142	American Zurich Ins Co	IL	\$18,070,947	1.87%		
30104	Hartford Underwriters Ins Co	CT	\$17,497,709	1.81%		
11984	Independence Cas Ins Co	MA	\$17,483,691	1.81%		
31325	Acadia Ins Co	NH	\$17,305,472	1.79%		
12886	Massachusetts Employers Ins Co	MA	\$15,665,207	1.62%		