

# TEXAS DEPARTMENT OF INSURANCE 2015 ANNUAL REPORT



TEXAS DEPARTMENT OF INSURANCE

NOVEMBER 2015

Texas Department of Insurance  
333 Guadalupe | Austin, Texas 78701  
(800) 578-4677  
[www.TDI.texas.gov](http://www.TDI.texas.gov)

First printing, November 2015

Publication ID: TDIAR | 1115

This document is available online at [www.tdi.texas.gov/reports](http://www.tdi.texas.gov/reports)



## TEXAS DEPARTMENT OF INSURANCE

---

### Commissioner of Insurance (113-1C)

333 Guadalupe, Austin, Texas 78701 ★ PO Box 149104, Austin, Texas 78714-9104  
(512) 676-6020 | F: (512) 490-1045 | (800) 578-4677 | [TDI.texas.gov](http://TDI.texas.gov) | @TexasTDI

November 20, 2015

The Honorable Greg Abbott, Governor  
The Honorable Dan Patrick, Lieutenant Governor  
The Honorable Joe Straus, Speaker of the House

Dear Governors and Speaker:

I am pleased to submit the Texas Department of Insurance 2015 Annual Report, in compliance with Texas Insurance Code Chapter 32, Section 32.021.

Copies of this report will be filed simultaneously with the State Auditor, Legislative Budget Board, Comptroller of Public Accounts, Legislative Reference Library, and State Library. Digital copies of this report will be provided to insurance commissioners in other states, as well as to members of the Texas Legislature upon request. This report is also available online at [www.tdi.texas.gov/reports/annual.html](http://www.tdi.texas.gov/reports/annual.html).

As in 2014, the agency's 2015 Annual Financial Report—formerly published as Part V of the agency's Annual Report—is published as a separate document and is also available online at the address above. If you have questions about the contents of this report or affairs of the Texas Department of Insurance, I will be happy to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "DK Mattax".

David C. Mattax  
Commissioner of Insurance



# TABLE OF CONTENTS

---

<b>Section I: Agency Overview</b>	<b>3</b>
<b>Section II: TDI Program Areas</b>	<b>7</b>
Commissioner of Insurance	9
Compliance Division	10
Financial Regulation Division	13
Regulatory Policy Division	19
State Fire Marshal's Office	26
Administrative Operations	27
General Counsel Division	28
Internal Audit	29
Public and Agency Affairs	30
<b>Section III: Division of Workers' Compensation</b>	<b>31</b>
Commissioner of Workers' Compensation	33
Division of Workers' Compensation	34
<b>Section IV: Summary of Company Data</b>	<b>39</b>

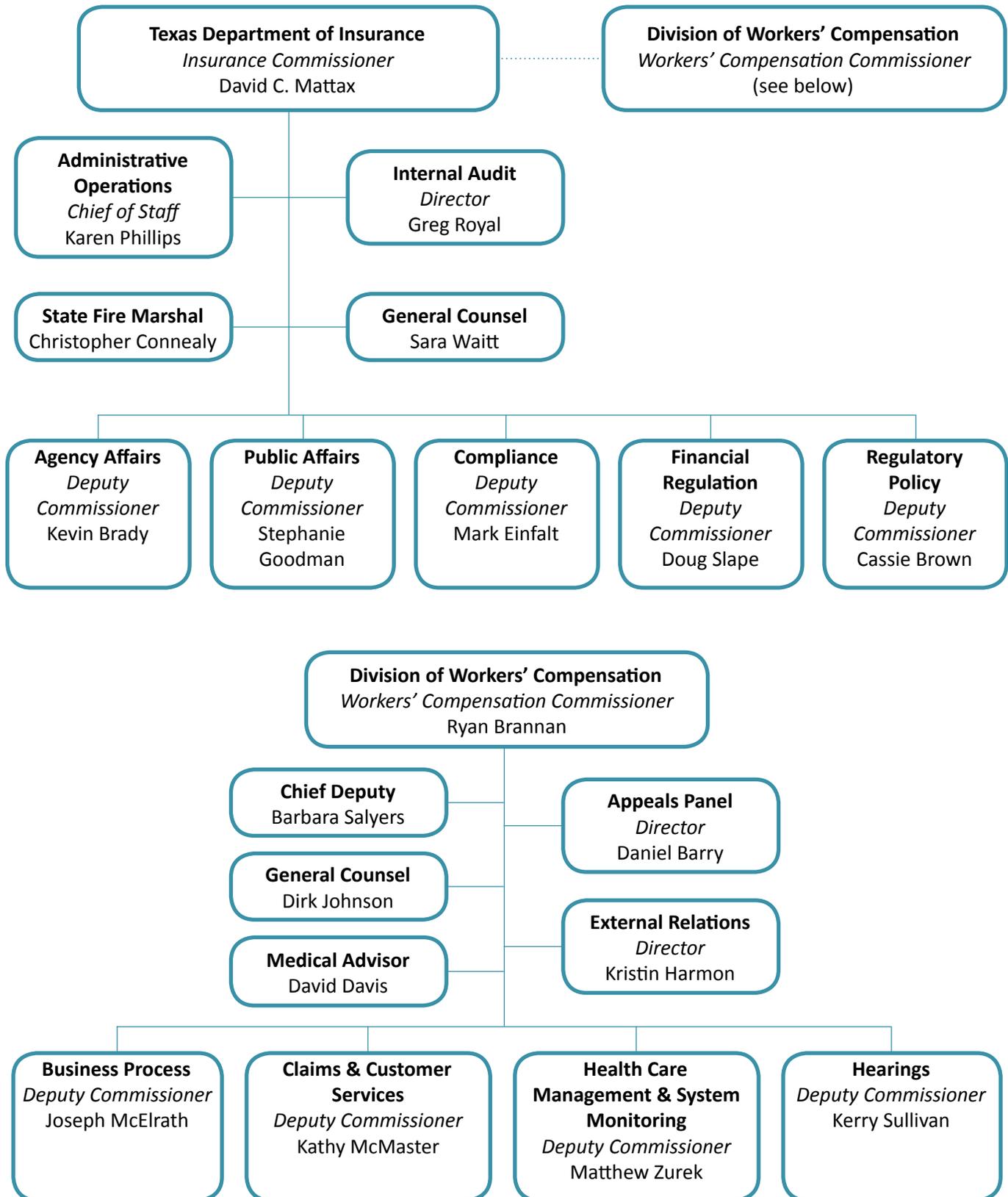


# SECTION I: AGENCY OVERVIEW



TDI 2015 Annual Report  
Texas Department of Insurance

### TDI Agency Organizational Chart



The Texas Department of Insurance (TDI) regulates the state's insurance industry, oversees the administration of the Texas workers' compensation system, performs the duties of the State Fire Marshal's Office, and provides administrative support to the Office of Injured Employee Counsel, a separate agency.

Texas Insurance Code, Chapter 31, Section 31.002 requires TDI to:

- (1) regulate the business of insurance in Texas;
- (2) administer Texas' workers' compensation system as provided by 5 Texas Labor Code;
- (3) ensure that the insurance code and other laws regarding insurance and insurance companies are executed;
- (4) protect and ensure the fair treatment of consumers; and
- (5) ensure fair competition in the insurance industry in order to foster a competitive market.

The insurance commissioner is the agency's chief executive and administrative officer. The commissioner administers and enforces state insurance laws and applicable laws that grant jurisdiction to TDI or the commissioner.

TDI is charged with overseeing the workers' compensation system of this state, and the Division of Workers' Compensation is established within TDI to administer and operate the workers' compensation system of this state.

The workers' compensation commissioner is the division's chief executive and administrative officer and exercises all executive authority, including rulemaking. In addition, the workers' compensation commissioner enforces the Texas Workers' Compensation Act and other applicable workers' compensation system laws.

The governor, with advice and consent of the Texas Senate, appoints both commissioners for two-year terms.

### **Agency Vision**

TDI is a dynamic leader in responsible state, national, and global regulation, consumer protection, and market viability.

### **Agency Mission**

TDI's mission is to protect insurance consumers by regulating the industry fairly and diligently, promoting a stable and competitive market, and providing information that makes a difference.

### **Agency Regulatory Approach**

TDI will exemplify friendly, courteous, ethical, and professional behavior in all areas of performance by:

- ★ providing the best value in services to the people of Texas;
- ★ applying the law and agency policy fairly and consistently throughout the state;
- ★ communicating openly and providing timely and accurate information to the public we serve, and to all our fellow employees; and
- ★ communicating internally and externally, evaluating and adjusting the course of the agency in response to changes in conditions.

## Service Locations

The agency’s insurance and workers’ compensation headquarters are in Austin. While TDI serves the entire state, regional service requirements vary. For example, residents on the Texas Gulf Coast may require additional windstorm insurance coverage services, while consumers in North Texas might require additional tornado, hailstorm, and wildfire services.

To carry out insurance regulation responsibilities, TDI has field offices across the state and recruits bilingual staff in areas with sizable Spanish-speaking populations. Field employees include financial and title examiners; fraud investigators; fire inspectors and investigators; windstorm inspectors; and workers’ compensation claims specialists, benefits review officers, and hearing officers. Most field offices also provide health and safety assistance and the Office of Injured Employee Counsel provides ombudsman services.

The agency determines field office locations according to claim activity and service demands. For example, financial examiner field staff are located in areas with major corporation headquarters, windstorm inspection staff are located along the coast to inspect and certify construction complies with windstorm building codes, while title examiners live and work throughout the state. Workers' compensation field offices are located in areas with high demand for claims services, customer service, and dispute resolution.

Additionally, in its efforts to protect against criminal insurance fraud, TDI started regionalizing its investigative staff. Instead of using field offices, some staff share office space with district attorneys in Dallas, Houston, and San Antonio. TDI also has investigators working out of workers’ compensation field offices.

### Windstorm Field Offices

- ★ Angleton
- ★ Beaumont
- ★ Corpus Christi
- ★ La Marque

### Financial Field Offices

- ★ Dallas
- ★ Houston
- ★ San Antonio

### Division of Workers' Compensation Field Offices

- ★ Abilene
- ★ Amarillo
- ★ Austin
- ★ Beaumont
- ★ Corpus Christi
- ★ Dallas
- ★ Denton
- ★ El Paso
- ★ Fort Worth
- ★ Houston East
- ★ Houston West
- ★ Laredo
- ★ Lubbock
- ★ Lufkin
- ★ Midland
- ★ San Angelo
- ★ San Antonio
- ★ Tyler
- ★ Waco
- ★ Weslaco

### State Fire Marshal Field Offices

- ★ Abilene
- ★ Bryan
- ★ Cedar Park
- ★ Cleburne
- ★ College Station
- ★ Corpus Christi
- ★ Fort Worth
- ★ Fredericksburg
- ★ Gilmer
- ★ Granbury
- ★ Hidalgo
- ★ Houston
- ★ Ingleside
- ★ Livingston
- ★ Lubbock
- ★ Lufkin
- ★ Mexia
- ★ Midland
- ★ New Braunfels
- ★ Pflugerville
- ★ Portland
- ★ San Angelo
- ★ San Antonio
- ★ Seguin
- ★ Springtown
- ★ Troup
- ★ Tyler

# SECTION II: TDI PROGRAM AREAS



TDI 2015 Annual Report  
Texas Department of Insurance



## COMMISSIONER OF INSURANCE

---

The insurance commissioner, appointed by the governor with the consent of the Texas Senate, is the agency's chief executive and administrative officer.

As the agency's chief administrator, the commissioner oversees agency regulatory functions, establishes agency operating procedures, and enforces state insurance laws through disciplinary and legal actions against violators.

The commissioner reviews and regulates rates for various lines of insurance including those submitted under "file-and-use" provisions. The commissioner also sets rates for certain lines such as title insurance.

The commissioner adopts rules, implements new laws, and addresses regulatory problems in companies and agents. In addition, the commissioner appoints individuals to advisory boards and committees and oversees their operations.

## COMPLIANCE DIVISION

---

The Compliance Division protects consumers by overseeing insurance companies and agents and their interactions with consumers. The division is made up of the Consumer Protection Section, Enforcement Section, and the Fraud Unit. A General Management Office directs the division's key activities and provides project management support. The three sections work together to form a compliance continuum that allows consumers, companies, and others to access the department's resources.

### Consumer Protection Section

---

The Consumer Protection Section includes the Complaints Resolution, Information Assistance, Public Education, and Special Assignments offices. Consumer Protection helps Texans resolve insurance complaints and provides insurance information to the public through a toll-free Consumer Help Line (800) 252-3439, publications, and the Internet.

#### FY 2015 Highlights

- ★ Answered 848,899 inquiries.
- ★ Resolved 17,993 complaints.
- ★ Returned \$38 million to consumers.
- ★ Resolved 1,432 HMO complaints.
- ★ Implemented an online complaint portal to enable consumers to submit insurance-related complaints easier and more efficiently.
- ★ Assisted consumers at Disaster Recovery Centers and in the field following the widespread flooding in Central and Southeast Texas in May.
- ★ Continued the Life Policy Locator Program. The program helps consumers find lost life insurance policies and annuities. More than 25 percent of the 2,660 consumers who requested assistance from TDI were able to locate a lost policy or annuity.
- ★ Promoted TDI services and enhanced outreach through partnerships with:
  - ★ The Children's Hospital of Austin, the Seton Healthcare Network, the City of Austin, and the Travis County Health and Human Services Department to provide information to parents of uninsured children and to people visiting mobile health clinics.
  - ★ County tax assessor-collector offices to distribute rate guides and other insurance information.
  - ★ The Texas Department of Aging and Disability Services, the Texas Legal Services Center, and local Area Agencies on Aging offices statewide to help older Texans and to train benefits counselors in local communities.
  - ★ The Texas Division of Emergency Management and representatives of the insurance industry in the Texas State Disaster Coalition, which facilitates coordinated responses to disasters.
  - ★ Texas Windstorm Insurance Association to educate coastal consumers about windstorm policies and claims process.

## Enforcement Section

The Enforcement Section investigates allegations of law and rule violations by insurance agents, companies, HMOs, other licensed and unlicensed entities, and workers' compensation system participants. The section receives referrals from multiple agency areas, including the Consumer Protection Section and Fraud Unit. The Enforcement Section reviews issues related to unauthorized insurance; unfair methods of competition; unfair or deceptive acts or practices in the insurance business; unfair claims settlement practices; acts prohibited by the Texas Labor Code regarding workers' compensation; and disaster-related claims handling.

Following an investigation, the Enforcement Section may bring disciplinary actions that result in cease and desist orders; license application denials; license revocations and suspensions; monitored agent probations; administrative penalties; sanctions of doctors participating in the workers' compensation system; and restitution to harmed consumers.

The Enforcement Section also brings actions against companies for excessive rates and participates in hearings to set title insurance rates. The relief sought in these cases may include rate reductions and refunds of excessive premiums paid.

The Enforcement Section refers cases to the Fraud Unit for criminal prosecution. The section works with the Office of the Attorney General on appeals of disciplinary actions and on enforcement actions conducted by the Attorney General's Consumer Protection Division. Enforcement pursues labor code violations on behalf of the agency's Division of Workers' Compensation.

### FY 2015 Highlights

- ★ Concluded 668 cases.
- ★ Assessed \$5.2 million in penalties.
- ★ Assessed \$2.1 million in restitution.
- ★ The Property and Casualty Litigation Office in the Enforcement Section helped conclude a decade-long dispute with the state's largest homeowners insurer, State Farm Lloyds. The agreement refunds premium overcharges to certain homeowners insurance customers totaling approximately \$352.5 million.
- ★ The Life and Health Litigation Office investigated complaints against pharmacy benefit managers alleging that they were requiring pharmacies to pay a fee for each health care claim submitted electronically. The investigation resulted in voluntary compliance by four major pharmacy benefit managers and led to legislation passed by the 84th Texas Legislature that prohibits pharmacy benefit managers from charging a fee to a pharmacist for any part of the claim adjudication process.
- ★ The Workers' Compensation Litigation Office has pursued an aggressive trial strategy in working with the Office of the Medical Advisor and other program areas, resulting in a dozen pending actions at the State Office of Administrative Hearings, with the goal of compliance by health care providers and other system participants.
- ★ The Regulatory Analysis Office continues its innovation and use of data tools to analyze market trends in the proactive regulation of the insurance industry.
- ★ The Licensing Litigation Office has more than 200 pending cases involving agents and adjusters licensing that fulfills the agency mission to protect insurance consumers by vigorously enforcing the Texas Insurance Code.

## **Fraud Unit**

---

The Fraud Unit protects the public from economic harm by investigating allegations of insurance crimes. Its responsibilities include reviewing fraud reports, conducting criminal investigations, and working with state and federal prosecuting agencies. In addition, the unit makes arrests, assists in prosecutions, and educates the industry and consumers on ways to deter insurance fraud in Texas.

The Fraud Unit maintains the toll-free Fraud Hot Line and an online fraud reporting system on the TDI website. Investigations may occur inside or outside of Texas and typically involve one of the following types of fraud:

- ★ claim fraud committed by consumers or providers against insurance companies, including staged accidents/paper accidents, fake burglary and auto theft claims, arson for profit, medical services claims not provided or inflated, personal injury schemes, exaggerated/padded claims, organized fraud schemes, and workers' compensation claimant and provider fraud;
- ★ agent crimes, including issuing fictitious policies, premium payment conversions, and application fraud;
- ★ insurance company officers and directors fraudulent activities, including false financial statements to TDI and misuse of company funds;
- ★ unauthorized insurance schemes including insurance products not authorized by TDI, individuals not licensed to do the business of insurance in Texas, and fraudulent group/individual health plans;
- ★ workers' compensation premium fraud; and
- ★ mortgage fraud, including fraud by escrow officers, title insurance agents, and title insurance companies.

The Fraud Unit includes commissioned peace officers and civilian investigators; an in-house attorney; a prosecutor in the Tarrant County, Dallas County, and Bexar County district attorney offices; two prosecutors in the Harris County district attorney's office; criminal analysts; administrative staff; and an intake section.

### **FY 2015 Highlights**

- ★ Opened 380 insurance fraud reports for criminal investigation.
- ★ Referred 169 reports to state or federal prosecutors.
- ★ Assessed \$14 million in court-ordered restitution.
- ★ Three additional positions for the TDI Fraud Unit were funded for FY 2016.
- ★ The TDI Fraud Unit filled a new prosecutor position in Tarrant County.
- ★ An additional fraud prosecutor was placed in Harris County.
- ★ The murder of an insured individual in Colleyville for a \$1 million life insurance policy resulted in the Fraud Unit submitting 10 criminal cases to a federal prosecutor.
- ★ The investigation of a staged car accident ring in Houston resulted in the Fraud Unit referring seven members of the ring to the Harris County district attorney's office for participating in organized crime, a first-degree felony.

## FINANCIAL REGULATION DIVISION

---

The Financial Regulation Division is made up of Licensing Services, Financial Analysis, and Examinations sections. The division enforces insurance company and related entity solvency standards through their entire life cycle, including initial formation and licensure, subsequent surveillance activities, and if needed, implementing regulatory interventions. The division's goal is to protect consumers by detecting financial and other concerns promptly and taking action to mitigate problems caused by troubled insurers. The division seeks to rehabilitate companies that fall short of solvency standards and, through a court-sanctioned receivership process, liquidate the few companies that cannot be rehabilitated.

The division monitors the solvency and market conduct of over 1,900 licensed risk-bearing insurance companies and related entities. That number exceeds 2,200 when carriers with other forms of registration or eligibility are included. Annual statements filed by authorized insurers and HMOs for calendar year 2014 reflected \$134 billion in Texas premiums and \$98 billion in claim payments. These companies reported \$8 trillion in aggregate assets, \$7 trillion in liabilities, and \$1 trillion in capital and surplus. Premiums reported by all other insurance companies for calendar year 2014 reflected \$5.4 billion in Texas premiums.

The Licensing Services Section includes Company Licensing and Registration, Agent and Adjuster Licensing, and Managed Care and Quality Assurance. Agent and Adjuster Licensing manages 529,950 active licenses/registrations; licenses insurance agents, adjusters, and provider representatives and brokers; and registers discount health care operators, as well as navigator entities, individual navigators, and captive managers. Managed Care and Quality Assurance manages 271 active licenses; licenses certified workers' compensation networks, utilization review agents (URA), and independent review organizations (IRO); and assigns approximately 2,246 cases for independent review annually.

### Licensing Services Section

---

#### FY 2015 Highlights

- ★ Processed more than 1.2 million filings.
- ★ Incorporation, expansion, and registration applications increased by 40 percent in FY 2015. Additionally, in February 2015, TDI launched an online portal, which allows companies to complete address changes and submit certain documents electronically. The portal is a significant step toward increasing efficiency for Company Licensing and Registration, which processed 4,365 filings in FY 2015.
- ★ Agent and Adjuster Licensing initiated several major staffing, process, and system improvements that resulted in significantly reduced applicant wait times. At the end of FY 2015, the average wait time was only 15 days. Recent legislative changes will improve TDI's ability to continue to serve consumers and licensing customers as the number of new applications continues to grow at an accelerated rate. Agent and Adjuster Licensing processed 130,291 more licensing transactions in 2015 than 2014, which represents a 20 percent increase.
- ★ Managed Care and Quality Assurance completed 2,221 independent review cases in FY 2015. Additionally, Managed Care and Quality Assurance received five times more IRO application updates in FY 2015 than FY 2014 due to the adoption of the new IRO rule in February 2015. Each certified IRO had to file updates to their application to demonstrate compliance with the new rules including medical director duties, contract obligations for delegation of IRO functions, compliance with HIPPA privacy requirements and organizational structure changes. The agency continues to receive new IRO and URA original applications as Texas attracts new businesses.

### Number of Company Licenses

License Type	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Risk Bearing</b>					
Insurance Companies	1,843	1,836	1,830	1,819	1,815
HMOs	51	51	53	57	56
Captive Insurance Companies	-	-	-	7	17
<b>Non-Risk Bearing</b>					
Premium Finance Companies	194	193	184	184	184
Continuing Care Retirement Communities	31	31	33	33	33
Third-Party Administrator	760	734	683	684	672
<b>Total</b>	<b>2,879</b>	<b>2,845</b>	<b>2,783</b>	<b>2,784</b>	<b>2,777</b>

*Note: Does not include 107 foreign risk-retention groups or 210 foreign surplus lines carriers.*

### Agent and Adjuster Licensing Summary

Activity	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Total Filings Processed (Including Title Filings)	880,474	942,852	1,076,325	1,136,438	1,270,211
Total Telephone Inquiries Received*	143,259	145,433	147,965	242,308	192,739

\* Licensing uses an interactive voice response phone system, which is a 24-hour, non-stop source of licensing information to improve its ability to respond to calls from companies, agents, and the public.

### Agents License Statistics

Activity	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Issued	69,416	73,488	71,895	81,814	99,156
Renewed	126,439	138,176	136,828	147,692	146,578
Total Appointment Transactions	595,154	654,931	767,953	794,681	906,139
Total Current Agent and Adjuster Licenses	430,748	447,821	459,426	479,410	514,237
Other Licenses	7,837	7,965	16,318	15,766	15,713
<b>Total</b>	<b>438,585</b>	<b>455,786</b>	<b>475,744</b>	<b>495,176</b>	<b>529,950</b>

### Number of Agent and Adjuster Licenses, Certificates, and Registrations

License Type	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
County Mutual	4,039	4,009	4,037	4,024	4,072
General Lines: Life, Accident, Health, and HMO	179,160	182,609	185,697	193,485	206,868
General Lines: Property and Casualty	109,033	111,986	113,624	116,917	123,103
Life Only Agent	21,410	24,328	26,879	28,648	31,427
Personal Lines Agent	10,142	11,613	13,938	17,292	19,718
Insurance Service Representative	1,234	1,170	1,099	1,021	981
Life not to Exceed	705	662	712	847	865
Limited Lines	5,584	5,952	5,382	5,370	5,670
Managing General Agent	1,596	1,579	1,592	1,674	1,742
Pre-Need	2,626	2,724	2,726	3,233	3,543
Surplus Lines	5,492	5,649	5,895	6,067	6,403
Adjusters	88,985	94,754	97,081	100,051	109,067
Public Insurance Adjusters	742	786	764	781	778
Full-Time Home Office Salaried Employees	640	645	655	727	519
Discount Health Care Program Operator	-	54	61	51	51
Specialty: Credit	2,865	2,748	2,678	2,572	2,499
Specialty: Travel	1,160	1,328	1,662	1,856	1,935
Specialty: Rental Car Company	55	50	53	57	57
Specialty: Self-Service Storage Facility	153	164	211	248	256
Specialty: Telecommunication Equipment Vendor	15	21	27	24	30
Life and Health Insurance Counselors	542	589	623	639	626
Risk Managers	1,133	1,155	1,154	1,122	1,124
Re-insurance Intermediary	1,265	1,211	1,307	1,235	1,098
Title Agent Licenses	-	-	1,577	561	559
Direct Operations Licenses	-	-	6	6	6
Escrow Officer Licenses	-	-	6,304	6,219	6,494
Captive Management Companies	-	-	-	11	18
Navigators	-	-	-	438	441
<b>Total</b>	<b>438,585</b>	<b>455,786</b>	<b>475,744</b>	<b>495,176</b>	<b>529,950</b>

### Title Insurance Licensing Activity

Activity	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Licenses Issued (includes renewals)	4,713	6,337	4,933	5,081	4,529
Licenses Canceled	1,958	1,721	1,328	1,656	1,243

### Managed Care Quality Assurance Inquiries

Inquiry Type	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Inquiries Received	685	374	903	667	400
Inquiries Completed	685	374	903	667	400

## Managed Care Quality Assurance Licensing

License Type	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Utilization Review Agents</b>					
Applications Received*	11	30	323	106	168
Certified URA Original Applications Approved	11	15	19	12	15
Certified URA Renewal Applications Approved	71	87	73	100	78
Update Applications Approved	40	68	103	215	94
<b>Independent Review Organizations</b>					
Applications Received*	2	4	82	29	69
Original Applications Approved	0	4	2	1	2
Renewal Applications Approved	33	38	40	36	17
Update Applications Approved	18	34	44	27	21
<b>Certified Workers' Compensation Health Care Networks</b>					
Total Certified WC Networks	32	30	28	29	27
Service Area Expansions Approved	10	7	7	6	-
Original WC Networks Approved	5	3	1	1	3
Counties Served	250	250	254	254	254
<b>EPO/PPO Network Adequacy</b>					
Network Adequacy Reports	-	-	-	43	47
Access Plans/Waivers	-	-	-	9	17
<b>Provider Network Contracting Entities</b>					
Registrations	-	-	-	-	61
Exemptions	-	-	-	-	5

\* Includes original, renewal, and update applications

## Financial Analysis Section

### FY 2015 Highlights

- ★ Participated in 15 supervisory colleges, including one designated as both a domestic and internationally systemically important insurance group. A supervisory college is a forum for cooperation and communication between domestic and international insurance regulators. Joint meetings with regulators and company officials include detailed discussions about financial data, corporate governance, and enterprise risk management functions. Supervisory colleges are intended to facilitate oversight and more effective regulation of a group as a whole on a group-wide basis and improve the legal entity supervision of the entities within the insurance group.
- ★ Participated as a member of the Crisis Management Group related to AIG that is considered a domestic systemically important insurance group. The group is hosted by the Federal Reserve Bank of New York and the Federal Reserve Board of Governors. The group is charged with assessing the resolvability of the systemically important insurance group, including identifying key barriers and alternatives to resolution as part of a cross border dialogue.
- ★ The Special Deputy Receiver for Lincoln Memorial Life, in receivership under the oversight of the Rehabilitation and Liquidation Office, and the National Organization of Life and Health Insurance Guaranty Associations were awarded \$391 million following a five-week trial. The damage award against PNC Bank included \$36 million in punitive damages. The case is not yet final and it is anticipated that PNC Bank will appeal.

- ★ Conducted a financial analysis “Process Improvement” review. This review allowed financial analysts to review current processes and procedures and make recommendations to improve these processes and procedures. Out of 23 recommendations made, 15 were accepted.

### Number of Financial Analysis Reviews

Type	FY 2011	FY 2012*	FY 2013	FY 2014	FY 2015
Reviews	1,790	847	768	663	619

\* In FY 2012, a risk focused process was implemented which reduced the number of financial analyses completed by using an automated review of financial filings to identify entities with a greater risk of solvency issues resulting in less frequent reviews of financially sound entities. The reduction in the number of analyses completed provided the resources to implement the group analysis process.

### Texas Policyholder Premiums, Claim Payments Calendar Years 2010–14

Type	2010	2011	2012	2013	2014
Claim Premiums (in billions)	\$ 102.9	\$ 108.7	\$ 120.7	\$ 128.8	\$ 139.2
Payments (in billions)	\$ 70.8	\$ 77.3	\$ 86.7	\$ 91.7	\$ 97.9
Payments as a Percent of Premium	68.8%	71.1%	71.8%	71.2%	70.3%

### Total Capital/Surplus of Insurance Companies Operating in Texas Calendar Years 2010–14

Type	2010	2011	2012	2013	2014
Total Capital/Surplus	\$ 933.8 B	\$ 931.0 B	\$ 1.0 T	\$ 1.1 T	\$ 1.1 T

### Texas Guaranty Association Assessments Calendar Years 2010–14

Type	2010	2011	2012	2013	2014
Life and Health	\$ -	\$ 62,949,976	\$ 6,855,000*	\$ 11,616,792	\$ 3,899,715
Property and Casualty	(47,662,585)	-	-	-	-
Title	-	-	-	2,500,000	-
TSIG	100,000	100,000	107,788	122,247	126,421
<b>Total</b>	<b>\$ (47,562,585)</b>	<b>\$ 63,049,976</b>	<b>\$ 6,962,788</b>	<b>\$ 14,239,039</b>	<b>\$ 4,026,136</b>

\* Includes allocated assessment, \$14,825,000, less a credit refund of prior assessments (\$7,970,000), which was redistributed to member insurance companies.

## Examinations Section

### FY 2015 Highlights

- ★ Coordinated 63 percent of financial examinations with other state and federal regulatory agencies, including the Texas Department of Banking and the Federal Reserve Bank, which improved efficiency and effectiveness during the examination process.
- ★ Assisted in the development and served as a resource to the legislature in the passage into state law of Own Risk Solvency Assessment. The assessment is a solvency modernization initiative designed for insurance companies to perform an internal self-risk assessment of the adequacy of their risk management process under normal and severe scenarios for current and future risks. It will allow regulators to form an enhanced view of an insurer's ability to withstand financial stress.
- ★ Hosted a supervisory college, in conjunction with the Financial Analysis Section, of an internationally active insurance group.
- ★ Held a leadership role on actuarial initiatives, which led to legislative passage of principle based reserves and valuation manual.
- ★ Utilized Sircon for States, TDI's multi-state information database, to increase efficiency in the examination invoicing and budgeting process. Texas is the first state to use Sircon's invoicing function.

### Number of Examinations

Examination Type	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Financial and Market Conduct Examinations	139	117	125	116	116
HMO Quality Assurance Examinations	38	53	46	49	31

### Title Examination Activity

Activity	FY 2014	FY 2015
Annual Escrow Audits Reviewed	540	553
Title Examinations Conducted	286	308
Total Amount in Escrow Accounts (in billions)	\$ 242	\$ 239

## REGULATORY POLICY DIVISION

---

The Regulatory Policy Division regulates a wide range of insurance products and related coverages offered by insurance companies. Specifically, the division oversees and manages regulatory matters, reviews form and rate filings, researches and collects data, publishes reports to assist policymakers and consumers with insurance-related decisions, and handles TexasSure and other special policy initiatives. The division consists of the Property and Casualty and the Life, Accident, and Health sections. The Property and Casualty Section includes the Personal and Commercial Lines Office, Property and Casualty Actuarial Office, and the Inspections Office. The Life, Accident, and Health Section is comprised of the Regulatory Initiatives Office and the Rate and Form Review Office.

### Property and Casualty Section

---

#### Personal and Commercial Lines Office FY 2015 Highlights

- ★ Finalized updates to TDI's Windpool Survey Report based on survey responses from six states.
- ★ Finalized updates to information about market conditions and the availability of residential and commercial property insurance along the Texas Gulf Coast using survey responses.
- ★ In collaboration with Property and Casualty Actuarial, completed a report about named driver automobile insurance policies and excluded driver endorsements. The section conducted a special data call and analyzed industry responses to determine the claim frequency and average loss per claim for named driver policies.
- ★ Completed the transition to become a National Council on Compensation Insurance state for workers' compensation.
- ★ Adopted 28 Texas Administrative Code Section 5.208, concerning disclosure requirements for named driver automobile insurance policies.
- ★ Adopted 28 Texas Administrative Code Sections 5.4200 and 5.4202, defining "good cause" for purposes of a consumer asking the commissioner to extend the one-year claim-filing deadline for Texas Windstorm Insurance Association policyholders.
- ★ Adopted 28 Texas Administrative Code Section 9.2, a title insurance rule and disclosure form to supplement the new federal Closing Disclosure.

## Property and Casualty Filings Received

Filing Type	FY 2011	FY 2012	FY 2013	FY 2014*	FY 2015
<b>Rate Filings</b>					
Personal Liability/Umbrella	51	57	28	24	23
Bond and Miscellaneous Lines	315	331	294	143	161
Commercial Automobile	703	687	850	263	274
Commercial Property	343	562	505	140	289
General Liability	1,037	941	1,278	250	517
Homeowners	282	274	233	163	233
Inland Marine	154	239	252	70	92
Interline Filing	53	76	35	5	22
Identity Theft	1	-	-	-	2
Commercial Multi-Peril	998	1,067	815	276	487
Other Personal and Commercial Lines	5	6	4	1	3
Personal Automobile	985	744	631	420	434
Professional Liability	206	203	193	76	151
Workers' Compensation	486	607	575	331	184
<b>Subtotal</b>	<b>5,619</b>	<b>5,794</b>	<b>5,693</b>	<b>2,162</b>	<b>2,872</b>
<b>Policy Form, Endorsement, and Rule Filings</b>					
Personal Liability/Umbrella	90	126	47	62	57
Bond and Miscellaneous Lines	538	466	567	245	394
Commercial Automobile	1,417	1,306	1,377	659	488
Commercial Property	765	825	1,152	334	487
General Liability	2,294	2,674	3,495	1,221	1,723
Homeowners	353	405	265	250	415
Inland Marine	446	591	772	749	416
Interline Filing	375	280	327	100	224
Identity Theft	4	-	2	-	3
Intake Unit	-	-	-	-	-
Commercial Multi-Peril	3,578	3,605	2,737	887	1,316
Other Personal and Commercial Lines	10	19	6	3	5
Personal Automobile	821	634	536	446	403
Professional Liability	642	641	657	387	615
Workers' Compensation	437	232	290	162	111
<b>Subtotal</b>	<b>11,770</b>	<b>11,804</b>	<b>12,230</b>	<b>5,505</b>	<b>6,657</b>
<b>Total Property and Casualty Filings Received</b>	<b>17,389</b>	<b>17,598</b>	<b>17,923</b>	<b>7,667</b>	<b>9,529</b>
Intake Unit Filings Processed	140	336	794	-	-

\* In April 2014, Property and Casualty retired the legacy database systems and the System for Electronic Rate and Form Filing became the system of record. At that time, Property and Casualty began counting filings differently as a result of the transition.

### Property and Casualty Form Filings Completed

Filing Type	FY 2011	FY 2012	FY 2013	FY 2014*	FY 2015
Personal Liability/Umbrella	93	136	48	58	57
Bond and Miscellaneous Lines	542	466	591	237	327
Commercial Automobile	1,335	1,464	1,354	778	498
Commercial Property	749	867	1,100	442	450
General Liability	2,299	2,670	3,644	1,395	1,711
Homeowners	321	404	296	287	409
Inland Marine	426	607	787	293	415
Interline Filing	332	323	334	98	201
Identity Theft	5	1	2	1	1
Intake Unit	-	2	-	-	-
Commercial Multi-Peril	3,521	3,746	2,726	1,055	1,279
Other Personal and Commercial Lines	9	16	10	8	4
Personal Automobile	725	768	528	521	373
Professional Liability	645	636	726	399	546
Workers' Compensation	438	242	248	166	115
<b>Total</b>	<b>11,440</b>	<b>12,348</b>	<b>12,394</b>	<b>5,738</b>	<b>6,386</b>

\* In April 2014, Property and Casualty retired the legacy database systems and the System for Electronic Rate and Form Filing became the system of record. At that time, Property and Casualty began counting filings differently as a result of the transition. This also accounts for differences in the completed counts for FY 2014 from TDI's 2014 Annual Report.

#### Property and Casualty Actuarial Office FY 2015 Highlights

- ★ Assisted with the settlement of a decade-long dispute with State Farm Lloyds regarding overcharges for homeowners' insurance. As part of the settlement, State Farm Lloyds agreed to refund \$353 million in overcharges and interest to its policyholders.
- ★ Assisted with the amended settlement with Farmers Insurance Group that will return \$84 million to policyholders stemming from a 2002 rate case. The amended settlement adds an additional \$10 million for consumers to account for the delays while interveners challenged the settlement in court.
- ★ Adopted amendments and replacements to the Filings Made Easy rules for property and casualty insurance products in Texas. The adoption had three purposes: conform the rules to statute established by House Bill 1951, 82nd Legislature, Regular Session, 2011; improve the rules' clarity and transparency; and adjust the rules for compatibility with TDI's use of the System for Electronic Rate and Form Filing.
- ★ Participated in the public rate hearing on workers' compensation insurance as required by House Bill 7, 79th Legislature, Regular Session, 2005. Staff provided information about profitability, rates, premiums, and certified health care networks. Insurers' rate filings received in advance of the December 2014 hearing suggest that premium levels could decrease and still cover losses, expenses, and targeted profit levels.
- ★ Calculated classification relativities for workers' compensation insurance. The commissioner adopted staff's proposal to revise the classification relativities, which resulted in an average decrease of 5 percent. The new classification relativities were effective July 1, 2015.

- ★ Completed a review of the top two insurers’ rate filings for lender-placed property insurance. The largest insurer of this coverage, which writes the majority of the market, reduced its rates by 28 percent. The other insurer reduced its proposed rate levels by 8 percent.
- ★ The TexasSure program sent more than 1 million notices in FY 2015 to registered vehicle owners that appeared to be uninsured. As of September 2015, TexasSure has sent more than 6 million such notices. The auto insurance verification system is available to county tax assessor-collector offices in Texas and to law enforcement agencies statewide. The system received an average of 5 million insurance verification queries per month during FY 2015.
- ★ The Data Services and Special Projects Team coordinated events and meetings for the appointed expert panel charged with developing a method or model to advise the Texas Windstorm Insurance Association on the extent to which insured losses are the result of wind, waves, tidal surges, or other rising waters. The panel held two public meetings in Austin during FY 2015.

### Property and Casualty Rate Filings Completed

Filing Type	FY 2011	FY 2012	FY 2013	FY 2014*	FY 2015
Personal Liability/Umbrella	45	56	36	21	24
Bond and Miscellaneous Lines	334	315	287	138	133
Commercial Automobile	564	758	814	319	368
Commercial Property	345	573	511	194	275
General Liability	999	918	1,443	310	499
Homeowners	288	266	232	149	242
Inland Marine	158	197	283	87	110
Interline Filing	62	63	47	5	12
Identity Theft	1	1	-	-	14
Commercial Multi-Peril	992	1,094	825	328	531
Other Personal and Commercial Lines	4	4	5	1	1
Personal Automobile	879	706	688	326	465
Professional Liability	185	124	313	75	119
Workers’ Compensation	554	417	673	324	213
<b>Total</b>	<b>5,410</b>	<b>5,492</b>	<b>6,157</b>	<b>2,277</b>	<b>3,006</b>

\* Effective April 2014, TDI transitioned to a new system of record for rate and form filings. This transition involves a change in the way form and rate filings are counted. For property and casualty form filings, the number of forms reviewed is counted versus the prior count of the number of filings reviewed by company. For property and casualty rate filings, the number of filings reviewed is counted versus the prior count of the number of filings by company reviewed.

### Inspections Office FY 2015 Highlights

- ★ Referred 169 non-compliant amusement ride operators to the Enforcement Section.
- ★ The Loss Control Program launched texas.gov's "Fee-Pay Lite" application, allowing amusement ride owners and operators to make their annual filing fee payments online.
- ★ The Windstorm Inspections Program launched a new web-based system to improve the storage and management of data. The new system allows appointed engineers to enter and oversee their inspections online, helping to reduce documentation errors and improve the processing time for Certificates of Compliance (Form WPI-8). This system will allow Inspections Office staff to focus more on quality control rather than data entry.

### VIP Licenses/Certificates Issued

Activity	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
VIP Licenses/Certificates Issued	146	114	103	94	85

### Windstorm Operations Activities

Activity	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Applications Processed	35,801	31,717	37,228	31,531	24,773
Inspections Completed	9,343	7,308	9,401	7,600	8,804
Certificates of Compliance Issued	36,481	32,177	36,990	29,724	31,734

### Engineering Services Activities

Activity	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Building Code Interpretations Provided	3,056	3,843	4,868	3,892	4,060
Product Evaluations	2,003	1,867	2,229	2,187	2,154

### Amusement Ride Safety and Insurance Act Activities

Activity	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Inspection Certificates Approved	5,242	6,618	7,558	9,278	9,558
Injuries Reported	64	87	53	69	121

### Loss Control Evaluation Activities

Activity	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Evaluations Completed	202	201	205	204	214
Companies Rated Adequate	193	199	198	203	213
Companies Rated Less than Adequate	9	2	7	1	1
Companies Evaluated for Licensure	8	7	2	3	1
Loss Control Representative Applications Reviewed	231	218	204	257	304

## Life, Accident, and Health Section

---

### Regulatory Initiative Office FY 2015 Highlights

- ★ Monitored the impact of the federal health reform law on the Texas market, prepared for litigation contingencies, and created consumer and carrier resources on TDI's website.
- ★ Conducted advisory committee meetings to create separate standardized request forms for prior authorization of prescription drugs and health care services, leading to the adoption of the two forms by rule.
- ★ Adopted updated wellness programs rules to standardize regulation and make it easier for consumers to receive the benefits of wellness program opportunities.
- ★ Collaborated with the General Counsel Division on the adoption of the Insurance Consumer Financial Information Privacy rules and the TDI Contact Information and Important Notice rules.
- ★ Continued work on the Health Plan Compare online tool and the data collection infrastructure to support it, including a stakeholder meeting. The online application will enable consumers to compare health plans based on key factors and make informed choices about their health insurance needs.
- ★ Partnered with the University of Texas School of Public Health to enhance data TDI collects and publishes about the price of medical services.
- ★ Engaged stakeholders on a new proposed data collection methodology and published an informal rule for comment. That rule proposes to organize data collection around treatment events, to more closely represent the full costs a consumer is likely to experience.
- ★ Oversaw the Three-Share Premium Assistance Program and awarded 2016-2017 Biennial Three-Share Grants to three programs in the state that will contribute funding to offset the cost of health insurance premiums for eligible enrollees.
- ★ Oversaw the close out of the Healthy Texas program, which the 81st Legislature created to provide an affordable health insurance alternative to Texas small employers. Since enrollment began in November 2010, more than 2,500 employers across the state with more than 22,000 employees and dependents received coverage through Healthy Texas. Healthy Texas, and enrollment ended November 30, 2014.

### Rate and Form Review Office FY 2015 Highlights

- ★ Reviewed rates and forms for life, accident, and health products, ensuring compliant products are available for Texas residents. The Rate and Form Review Office worked closely with the Regulatory Initiatives Office in the review of a key rule change and the implementation of this change into forms filed by companies.
- ★ Participated on the Product Standards Committee for the Interstate Insurance Product Regulation Commission in the development of standards for forms.
- ★ Participated on working groups with the National Association of Insurance Commissioners on various products, including chairing the Long-Term Care Pricing Subgroup and the Joint Long-Term Care Guidance Manual Subgroup.
- ★ Participated in quarterly meetings for the Early Childhood Intervention Advisory Committee.
- ★ Monitored market trends relating to premium rate increases on health products subject to the Affordable Care Act and the discontinuance of various product types in the individual and small employer markets.

### Life and Health Filings Received

Filing Type	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Rate Filings</b>					
Annuity	177	134	82	27	0
Credit	6	7	11	7	3
Health	247	264	296	308	341
Life	1	3	7	10	27
Life Settlement	0	0	0	0	0
Long-Term Care	76	101	118	112	105
Medicare	338	329	411	427	372
Multi Line	0	0	0	0	0
<b>Subtotal</b>	<b>845</b>	<b>838</b>	<b>925</b>	<b>891</b>	<b>848</b>
<b>Form Filings</b>					
Annuity	853	1,014	584	662	679
Credit	17	25	13	12	19
Health	1,730	1,982	2,577	3,137	3,624
Life	1,105	1,095	1,579	1,271	799
Life Settlement	334	124	34	75	116
Long-Term Care	90	78	144	143	114
Medicare	290	268	511	614	709
Multi Line	30	4	14	4	0
<b>Subtotal</b>	<b>4,449</b>	<b>4,590</b>	<b>5,456</b>	<b>5,918</b>	<b>6,060</b>
<b>Total Life and Health Filings Received</b>	<b>5,294</b>	<b>5,428</b>	<b>6,381</b>	<b>6,809</b>	<b>6,908</b>

\* Each filing can consist of one or more form or rate. Beginning with the FY 2015 Annual Report, the number of filings received reflects the number of company submissions, regardless of the number of form or rates included in the submission; this counting method is consistent with TDI's performance measure reporting.

### Life and Health Filings Completed, Final Disposition

Disposition Status	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Non-Compliant	0	3	103	99	77
Rejected	461	589	831	1,021	1,147
Informational	236	211	180	273	363
Reviewed	1,267	1,283	1,314	1,692	1,891
Withdrawn	142	201	314	264	214
Exempt	947	966	957	954	840
Approved	1,990	2,014	2,156	2,211	2,069
Disapproved	274	176	181	220	209
Substitution		66	111	138	172
<b>Total</b>	<b>5,398</b>	<b>5,509</b>	<b>6,147</b>	<b>6,872</b>	<b>6,982</b>

## STATE FIRE MARSHAL'S OFFICE

The State Fire Marshal's Office (SFMO) develops and promotes methods of preventing and reducing fire losses. This responsibility is carried out through fire cause and origin investigations, building inspections, code enforcement, the regulation of fire service industries, and the development and promotion of fire prevention programs. Through a strategy incorporating the principles of prevention, education, and protection, the SFMO seeks to create communities well prepared to protect themselves against fire.

The SFMO consists of Texas Fire Incident Reporting System (TEXFIRS); Outreach, Policy, and Research; Licensing Administration and Licensing Investigations; Fire Investigations; Public Protection Classification Oversight; and Fire Safety Inspections.

### FY 2015 Highlights

- ★ Partnered with the Insurance Council of Texas to distribute smoke alarms to elderly and low-income residents.
- ★ Processed more than 5 million fire and non-fire incident reports.
- ★ Provided fire department support addressing 12,604 incident report errors.
- ★ Produced and published the annual "Fires in Texas" statewide incident analysis report.
- ★ Generated and distributed individual 2014 incident analysis reports to 957 TEXFIRS participating fire departments.
- ★ Held the 16th Annual Texas Fire Marshals' Conference in conjunction with the Texas Fire Marshals' Association, attended by approximately 280 fire marshals and fire prevention educators.
- ★ Conducted 39 presentations on the safe storage of ammonium nitrate.
- ★ Generated \$3 million in licensing fees.
- ★ Conducted 187 licensing investigations, of which 25 percent were referred to enforcement.
- ★ Issued 20 fire marshal consent orders relating to enforcement of fire extinguisher, alarm, sprinkler, and fireworks statute and rules, generating more than \$40,375 in administrative penalties.
- ★ Realized an increase of 4.5 percent in fire investigations over FY 2014.
- ★ Hosted an annual canine certification class in conjunction with the North American Police Work Dog Association and the Dallas Fire Department; more than 50 teams from across the country attended.
- ★ Implemented a new Fire Suppression Rating for use in Texas to evaluate a community's Public Protection Classification; 340 communities improved their ISO rating in FY 2015, 12 of which were presented with an award for achieving a Class 1 or Class 2 ISO rating.
- ★ Collected \$51,500 in inspection fees.

### State Fire Marshal's Office Summary of Activity

Activity	FY 2014	FY 2015	Annual Target
Fire investigations completed	692	643	507
Samples analyzed in arson laboratory	2,867	2,423	2,300
Investigations/inspections of complaints against fire protection equipment/fireworks industries	656	592	550
Buildings inspected/re-inspected for fire safety hazards	7,362	8,210	4,650
Number of communities or community partners accepting an SFMO fire prevention program or initiative	103	74	40

## ADMINISTRATIVE OPERATIONS

The Administrative Operations Division is headed by the agency's chief of staff. The division is responsible for internal financial functions and provides operational support ranging from computer and database services to professional development and training. It also provides administrative support to Office of Injured Employee Counsel. The division includes the Financial Services Office, the Office of Strategy Management, Procurement and General Services Office, Information Technology Services, and Human Resources Office, as well as the employee ombudsman and ethics advisor.

### FY 2015 Highlights

- ★ Coordinated more than 350 fiscal notes to the Legislative Budget Board during the 84th Legislative Session.
- ★ Streamlined the revenue process in amusement rides and company licensing.
- ★ Established an enterprise risk management program.
- ★ Saved \$46,026 in postage using a mail presort services contract.
- ★ Hosted purchasing and contract administration training for staff and managers.
- ★ Reduced agency workers' compensation claims by 37 percent.
- ★ Replaced 28-year-old phone system with modern system in all agency offices.
- ★ Established information technology governance.
- ★ Installed LAN equipment for Windstorm field offices to improve connectivity and services.
- ★ Rolled out additional T1 data lines to every field office to increase bandwidth.
- ★ Completed new Windstorm application, which provides an easy and convenient option to find a windstorm inspector or apply for a certificate of compliance.
- ★ Taught 250 hours of classroom training and provided 636 hours of online training, which included new employee orientation, communication, customer service, insurance, performance evaluation, and management classes.
- ★ Processed and tracked 1,647 personnel actions, posted 318 jobs, and processed 5,364 applications.
- ★ Developed rates for maintenance taxes, examination/overhead assessment, and premium finance assessment.

### Comparison of Maintenance Tax Rates Calendar Years 2010–2014

Type	Max Legal Rate	2010	2011	2012	2013	2014
Motor Vehicle	0.200	0.060	0.077	0.072	0.061	0.060
Fire	1.250	0.310	0.331	0.305	0.365	0.340
Workers' Compensation	0.600	0.115	0.151	0.108	0.065	0.066
Casualty	0.400	0.135	0.152	0.151	0.112	0.080
Title	1.000	0.281	0.401	0.151	0.072	0.076
Life, Accident, and Health	0.040	0.040	0.040	0.040	0.040	0.040
Third-Party Administrators	0.265	0.045	0.047	0.035	0.027	0.010
Prepaid Legal	0.022	0.036	0.030	0.029	0.020	0.020
Workers' Compensation Evaluation	0.000	0.009	0.016	0.017	0.014	0.016
Division of Workers' Compensation	2.000	1.584	1.669	1.669	1.543	1.533
*HMO Multi-Service	\$ 2.00	\$ 1.26	\$ 1.50	\$ 1.23	\$ 0.78	\$ 0.84
*HMO Single-Service	\$ 2.00	\$ 0.42	\$ 0.50	\$ 0.41	\$ 0.26	\$ 0.28
*HMO Limited Service	\$ 2.00	\$ 0.42	\$ 0.50	\$ 0.41	\$ 0.26	\$ 0.28

\* HMO rates reflect a dollar amount per enrollee; other rates are given as a percentage

## GENERAL COUNSEL DIVISION

---

The General Counsel Division provides legal services and advice to the insurance and workers' compensation commissioners and agency divisions. The division is headed by the general counsel and includes the general counsel's immediate staff, the Chief Clerk's Office, and the Legal Services Section.

The general counsel advises the commissioners on a wide variety of legal matters and topics. The Chief Clerk's Office maintains commissioner orders, dockets, and bulletins; sets cases with the State Office of Administrative Hearings; certifies records; sends rule filings and notices to the Texas Register; and provides agency court reporting services. The Legal Services Section includes the Office of Agency Counsel, Office of Policy Development Counsel, Office of Financial Counsel, and Office of Workers' Compensation Counsel.

### FY 2015 Rulemaking Highlights

---

- ★ **Independent Review Organization:** These rules conform with House Bill 2645 from the 2013 Texas Legislature, which amended Insurance Code Chapter 4202.
- ★ **Named Driver Automobile Insurance Policies:** Addresses disclosure requirements for named driver automobile insurance policies to implement SB 1567 from the 2013 Texas Legislature.
- ★ **Texas Windstorm Insurance Association Good Cause Extensions:** Defines "good cause" and explains how an insured asks the commissioner to extend the one-year claim-filing deadline for windstorm policyholders to further implement House Bill 3 from the 2011 Texas Legislature.
- ★ **Wellness Program:** Updates requirements about options and incentives carriers and employers may provide in wellness programs.

### FY 2015 Highlights

---

- ★ Processed 10,514 public information requests.
- ★ Adopted the National Council on Compensation Insurance's Experience Rating Plan Manual for Workers Compensation and Employers Liability Insurance as the last major step in Texas' transition to state status for workers' compensation purposes.
- ★ Strengthened TDI cybersecurity processes and established a legal task force to better identify threats, protect against incidents, and more quickly respond to and report data breaches.
- ★ Conducted continuing legal education:
  - ★ Ad-Hoc Rulemaking stressed the importance that agencies not exceed their legal authority and the need to follow formal rulemaking procedures set forth in law to avoid ad-hoc rulemaking.
  - ★ Confidentiality and Security Overview familiarized TDI attorneys with statutes on confidentiality and security, technology and security issues, and usage of technology to fulfill duties to clients and other attorneys.
  - ★ The 2015 Hearings Conference is a yearly conference to train and educate workers' compensation hearings officers on new laws, requirements, and rules.

## INTERNAL AUDIT

---

The Internal Audit Division provides independent, objective assurance and consulting activities designed to improve the agency's operations. The division helps the agency accomplish its goals and objectives by evaluating the effectiveness of risk management, controls, and governance throughout TDI. The Internal Audit Division provides analyses, appraisals, recommendations, counsel, and information and promotes effective control at reasonable cost.

### **FY 2015 Highlights**

---

- ★ Completed six financial/performance-related audits.
- ★ Completed six advisory projects resulting in final reports to management and the commissioners.
- ★ Managed students from the McCombs School of Business at the University of Texas who completed the 2015 TDI Ethics Review.
- ★ Updated management responses on outstanding recommendations from prior audits, which were provided to the commissioners in the mid-year report, and the Annual Internal Audit Report.
- ★ Completed an internal assessment of the Internal Audit Division, against the Texas Internal Audit Act.
- ★ Served as liaison for two State Auditor Office audits.
- ★ Completed two fraud investigations.
- ★ Completed an agency-wide risk assessment, which lead to the 2016 Annual Audit Plan.
- ★ Two of eight auditors obtained either their certified internal auditor or their certified public accountant designation. Six of eight auditors now have at least one of these designations.

## PUBLIC AND AGENCY AFFAIRS

---

The Public Affairs Division oversees agency communications, and the Agency Affairs Division serves as TDI's liaison with the legislature and other governmental entities.

Public Affairs includes media relations, web and design staff, and conference and event planning. Along with serving as the agency's primary media contact, it conducts outreach through traditional and social media outlets, supports and maintains TDI's websites, provides graphics and production support for the agency, and coordinates agency conferences and events.

Agency Affairs helps the commissioners develop legislative recommendations to improve insurance regulation in Texas; coordinates and tracks responses to legislative and constituent inquiries; monitors, tracks, and analyzes legislation affecting the agency; and researches and reviews possible appointments to agency boards and committees.

### **FY 2015 Highlights**

---

- ★ Developed a report with 22 biennial recommendations for the legislature, 19 of which passed.
- ★ Tracked more than 700 bills during the 84th legislative session.
- ★ Provided consumer liaison services for more than 1,000 insurance and workers' compensation constituent inquiries.
- ★ Responded to 588 media calls and information requests
- ★ Created a monthly employee newsletter to help keep staff informed about agency news and policies.
- ★ Wrote and distributed 98 press releases and media advisories.
- ★ Continued to develop TDI's social media outreach, increasing the number of Twitter followers to 1,083 for @TexasTDI and 1,549 for the State Fire Marshal's @TXSFMO account.

SECTION III:  
DIVISION OF WORKERS' COMPENSATION



TDI 2015 Annual Report  
Texas Department of Insurance



## COMMISSIONER OF WORKERS' COMPENSATION

---

The workers' compensation commissioner, appointed by the governor with the consent of the Texas Senate, is the chief executive and administrative officer of the Division of Workers' Compensation.

As the division's chief administrator, the commissioner oversees division regulatory functions, conducts the daily operations of the division, implements division policy, and enforces state workers' compensation laws through disciplinary and legal actions against violators.

The commissioner adopts rules, implements new laws, and addresses regulatory problems in the workers' compensation system. In addition, the commissioner makes recommendations to the Texas Legislature regarding changes to state workers' compensation laws.

The commissioner serves as a member of the Texas Certified Self-Insurer Guaranty Association. The commissioner has the authority to approve certificates of authority to self-insure for workers' compensation claims for eligible employers in Texas.

## DIVISION OF WORKERS' COMPENSATION

---

The primary duties of the Division of Workers' Compensation (DWC) are to regulate and administer the workers' compensation system in Texas and ensure that the Texas Workers' Compensation Act, Texas Labor Code, and other laws regarding workers' compensation are implemented and enforced. The basic goals of the Texas workers' compensation system are that:

- ★ each employee be treated with dignity and respect when injured on the job;
- ★ each injured employee have access to a fair and accessible dispute resolution process;
- ★ each injured employee have access to prompt, high-quality medical care; and
- ★ each injured employee receive services to facilitate their return to work as soon as it is considered safe and appropriate by their health care provider.

DWC consists of the Commissioner's Administration and four major programs: Health Care Management and System Monitoring, Hearings, Claims and Customer Services, and Business Process.

### Commissioner's Administration

---

Commissioner's Administration includes the Office of the Chief Deputy, the Office of External Relations, the Office of the General Counsel, the Office of the Medical Advisor, and the Appeals Panel.

#### Office of the Chief Deputy

The chief deputy assists the commissioner with strategic planning and identification of division goals, and serving as the primary liaison with TDI administration and operations. The chief deputy also oversees the activities of the Workers' Compensation Research and Evaluation Group.

The Workers' Compensation Research and Evaluation Group conducts research projects on system-wide issues such as medical costs and utilization of care trends, return-to-work outcomes for injured employees, and employer participation in the workers' compensation system. The group also presents findings and provides testimony to various legislative committees and produces an annual "report card" for certified workers' compensation health care networks and political subdivisions. The insurance commissioner reviews and adopts the group's annual research agenda.

#### FY 2015 Highlights

- ★ Completed research projects to examine the operational effectiveness of the Texas workers' compensation system.
- ★ Monitored the initial impact of federal reclassification of hydrocodone combination drug products from Schedule III to Schedule II of the Controlled Substance Act.
- ★ Examined the potential impact of the Federal conversion from ICD-9 to ICD-10 diagnosis codes on the group's efforts to analyze medical costs and utilization of medical care.
- ★ Assisted legislative offices and the Office of Injured Employee Counsel with estimates of the impact of particular legislative changes during the 84th legislative session.

#### Office of External Relations

The director of external relations handles all DWC government relations activities and stakeholder outreach. The director of external relations coordinates division external communications to ensure consistency and cultivates positive relationships with the Texas Legislature and other stakeholders.

### **Office of the General Counsel**

The general counsel advises the workers' compensation commissioner on legal matters affecting DWC, reviews litigation, and coordinates legal analysis of policy issues. The Office of the General Counsel also includes the Subsequent Injury Fund and Self-Insurance Regulation. The Subsequent Injury Fund pays authorized income benefits to injured employees who qualify for Lifetime Income Benefits as a result of a subsequent work-related injury and distributes reimbursements to eligible insurance carriers for overpayment of benefits. Self-Insurance Regulation issues certificates of authority to self-insure to qualified private employer applicants.

### **Office of the Medical Advisor**

The Office of the Medical Advisor monitors the quality of health care in the workers' compensation system by conducting reviews of health care providers and other system participants. The medical advisor also recommends to the workers' compensation commissioner rules and policies regarding medical care and medical delivery systems and determines which doctors meet the qualifications to serve as designated doctors.

### **Appeals Panel**

The Appeals Panel reviews decisions on indemnity disputes appealed from contested case hearings and is required by law to issue a written decision on each reversed or remanded case. The Appeals Panel may only issue a written decision on an affirmed case to discuss a case of first impression, address recent changes in law, or correct errors made at the contested case level.

## **Health Care Management and System Monitoring**

Led by a deputy commissioner, Health Care Management and System Monitoring provides guidance and support to the Health Care Business Management, System Monitoring and Oversight, Workplace Safety, and Return-to-Work sections.

### **Health Care Business Management**

Health Care Business Management provides support, regulates, and facilitates activities in the areas of Health Care Quality Review, Medical Fee Dispute Resolution, Provider Support, and Health Care Policy and Implementation.

- ★ **Health Care Quality Review:** Supports the operations of the Medical Advisor and the Medical Quality Review Panel. The panel reviews the actions of doctors, other health care providers, insurance carriers, utilization review agents, and independent review organizations (IRO) in the workers' compensation system and makes recommendations to the Medical Advisor.
- ★ **Medical Fee Dispute Resolution:** Resolves disputes over the amount of payment for services determined to be medically necessary and appropriate for the treatment of a compensable injury.
- ★ **Provider Support:** Provides internal and external training on medical benefits as well as outreach efforts to encourage health care providers to participate in the Texas workers' compensation system.
- ★ **Health Care Policy and Implementation:** Researches and analyzes economic factors and treatment protocols to assist the workers' compensation commissioner in developing rules and guidelines for medical treatments and return to work.

### **FY 2015 Highlights**

- ★ Investigated 295 quality of care complaints against health care providers, designated doctors, peer review doctors, IRO doctors, utilization review agents, and insurance carriers.
- ★ Reduced backlog and pending medical fee disputes from 17,054 in August 2009 to approximately 1,200 in August 2015.

### **System Monitoring and Oversight**

System Monitoring and Oversight is responsible for monitoring compliance by system participants. It does so by analyzing system data, identifying noncompliance, making referrals for enforcement proceedings, performing audits, and administering the Performance-Based Oversight program.

### **FY 2015 Highlights**

- ★ Handled 4,600 complaints.
- ★ Returned \$1.1 million to participants.
- ★ Sent 761 warning letters.
- ★ Referred 447 violations to enforcement.

### **Return to Work**

Return to Work provides internal and external training on return-to-work measures and administers the Return-to-Work Program for Small Employers. This includes the processing of applications requesting reimbursement for workplace modifications that facilitate an employee's return to work.

### **FY 2015 Highlights**

- ★ Trained 5,139 attendees through 39 return-to-work presentations at seminars across the state.
- ★ Provided return-to-work publications on the division's website that were accessed 41,914 times.

### **Workplace Safety**

Workplace Safety provides Texas employers and employees with health and safety resources and services to help prevent occupational injuries and illnesses. This includes Federal Data Collection, Occupational Safety and Health Consultations, Safety Training and Inspections, and the Safety Violations Hotline. Workplace Safety also coordinates annual safety conferences.

### **FY 2015 Highlights**

- ★ Performed 2,975 safety inspections and consultations.
- ★ Identified 6,055 safety hazards.
- ★ Provided safety publications on the division's website that were accessed more than 3.5 million times.
- ★ Provided safety products and services to 77,243 employees.
- ★ Trained 618 employees in 46 OSHA construction classes.

## Hearings

The Hearings deputy commissioner oversees a multi-tiered administrative dispute resolution system for indemnity disputes and certain medical disputes. This system consists of benefit review conferences and contested case hearings. These proceedings are held at DWC field offices and other sites across the state.

Issues not resolved at benefit review conferences and contested case hearings may be appealed to the Appeals Panel or to the State Office of Administrative Hearings, depending on the type of dispute. Resolving disputed issues at the earliest possible point ensures prompt medical care and payment of income benefits to injured employees and prompt payment of medical fees to health care providers. In FY 2015, there were 13,764 benefit review conferences, 5,928 contested case hearings, 2,551 Appeals Panel decisions, and 222 cases docketed with the State Office of Administrative Hearings.

## Claims and Customer Services

The Claims and Customer Services deputy commissioner oversees the operation of 20 field offices located across the state as well as related functions in the Austin headquarters. Injured employees and other system participants who need information and assistance may visit a local field office or call the toll-free number. Field office staff may also provide injured employees with a single point of contact at DWC for claims assistance and return-to-work information.

### FY 2015 Highlights

- ★ Initiated a series of free education sessions called Workers' Compensation Fundamentals – Navigating Your Claim. Conducted 369 sessions for injured employees across the state.
- ★ Provided customer assistance to approximately 204,000 system participants through the virtual call center and made 19,200 outreach calls to injured employees.
- ★ Provided face-to-face service to approximately 5,200 injured employees at field offices.

## Business Process

The Business Process deputy commissioner is responsible for activities that support DWC's administration of the workers' compensation system. The deputy commissioner oversees Designated Doctor Outreach and Oversight, Outreach Planning and Communications, Information Management, and Records Management and Support.

### Designated Doctor Outreach and Oversight

Designated Doctor Outreach and Oversight provides education, training, resources, and direction to designated doctors and other system participants to ensure qualified doctors evaluate injured employees. This section also oversees designated doctor testing, including test development and administration.

### Outreach Planning and Communications

Outreach Planning and Communications oversees delivery of educational opportunities to system participants through education and compliance conferences, coordination of speaking engagements, facilitating rule implementation efforts, and managing agency calendars. This section also provides support for DWC internal and external training, special projects, written communications, online information, graphic design, forms management, and translation services.

## Information Management

Information Management works to streamline and increase the effectiveness of service delivery, and provides automated solutions to the business process needs of DWC and system participants. This section also maintains processes for retrieval of system billing and claim data requested by customers.

## Records Management and Support

Records Management and Support maintains records associated with injured employee claim files, insurance coverage information, and scheduling of designated doctor examinations.

## Business Process FY 2015 Highlights

- ★ Analyzed the designated doctor program and developed a project plan to address issues related to quality, exam scheduling and travel, and certification and training.
- ★ Sponsored designated doctor certification courses attended by 662 doctors and other training events attended by 146 doctors.
- ★ Sponsored designated doctor testing completed by 615 doctors.
- ★ Coordinated 473 presentations made by DWC staff to external consumer groups.
- ★ Organized the biennial DWC Compliance Conference, providing workers' compensation educational outreach to 544 attendees.
- ★ Completed analysis of the DWC Records Center and developed proposals for scanning paper records and reducing claim file retention period.
- ★ Increased participation in electronic document submission through outreach to system participants.
- ★ Streamlined and automated business processes resulting in reduced records processing timeframes.

## Workers' Compensation Litigation Office

The Workers' Compensation Litigation Office investigates alleged violations of the labor code and agency rules, issues notices of violation, and pursues enforcement actions according to priorities set by the workers' compensation commissioner. The Workers' Compensation Litigation Office operates under the workers' compensation commissioner's direction through TDI's Enforcement Section within the Compliance Division.

## Workers' Compensation Counsel

Workers' Compensation Counsel advises DWC on legal matters affecting rulemaking, open records, legislation, policy, and specific legal issues to support program areas. Workers' Compensation Counsel operates under the direction of the workers' compensation commissioner through TDI's Legal Section within the General Counsel Division.

## FY 2015 Rulemaking Highlights

- ★ **Lifetime Income Benefits:** Clarifies that insurance carriers must process injured employee requests for lifetime income benefits timely and appropriately.
- ★ **Debit Cards:** Clarifies that the use of debit cards for income or death benefits is voluntary for the carrier and the injured worker. The rules ensure that claimants who receive benefits through access cards are not charged excessive fees and carriers that issue payments through access cards are providing benefits in an appropriate, timely, and cost-effective manner.
- ★ **Medical State Reporting Electronic Data Interchange:** Clarifies that insurance carriers must accurately report data necessary to maintain a statewide database of medical charges, actual payments, and treatment protocols to TDI-DWC as required by Labor Code Sections 413.007 and 413.008.

# SECTION IV: SUMMARY OF COMPANY DATA



TDI 2015 Annual Report  
Texas Department of Insurance



### 10-Year History Certificate of Authority

Domicile Type	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Life and Health Insurers<sup>†</sup></b>										
Texas	186	175	170	161	161	157	153	149	146	145
Non-Texas	546	529	520	514	504	499	485	483	479	477
Non-US	-	-	-	-	-	-	7	6	6	6
<b>Subtotal</b>	<b>732</b>	<b>704</b>	<b>690</b>	<b>675</b>	<b>665</b>	<b>656</b>	<b>645</b>	<b>638</b>	<b>631</b>	<b>628</b>
<b>Property and Casualty Insurers<sup>††</sup></b>										
Texas	248	252	250	250	243	238	236	231	224	235
Non-Texas	926	932	942	948	948	947	935	948	946	952
Non-US	-	-	-	-	-	-	18	17	16	15
<b>Subtotal</b>	<b>1,174</b>	<b>1,184</b>	<b>1,192</b>	<b>1,198</b>	<b>1,191</b>	<b>1,185</b>	<b>1,189</b>	<b>1,19</b>	<b>1,186</b>	<b>1,202</b>
<b>Other Entities<sup>‡</sup></b>										
Texas	341	341	348	353	350	332	324	301	303	295
Non-Texas	485	471	486	504	515	512	487	464	467	462
Non-US	-	-	-	-	-	-	7	6	6	6
<b>Subtotal</b>	<b>826</b>	<b>812</b>	<b>834</b>	<b>857</b>	<b>865</b>	<b>844</b>	<b>818</b>	<b>771</b>	<b>776</b>	<b>763</b>
<b>Grand Total</b>	<b>2,732</b>	<b>2,700</b>	<b>2,716</b>	<b>2,730</b>	<b>2,721</b>	<b>2,685</b>	<b>2,652</b>	<b>2,599</b>	<b>2,600</b>	<b>*2,593</b>

<sup>†</sup> Includes stock life; mutual life; life port-of-entry; government-created life and health; stipulated premium; retirement system and pension (formerly, nonprofit life insurance); fraternal; multiple employer welfare arrangements; local mutual aid; local mutual burial; exempt associations; and nonprofit hospital service corporations. Due to a FY 2012 database conversion, non-U.S. insurers can be reported.

<sup>††</sup> Includes stock fire; mutual fire; stock fire and casualty; mutual fire and casualty; stock casualty; mutual casualty; government-created fire and casualty; mortgage guaranty; Mexican casualty; Lloyds; reciprocals; title; domestic risk-retention groups; joint underwriting associations; workers' compensation self-insurance groups; county mutuals; farm mutual; and captives. Due to a FY 2012 database conversion, non-U.S. insurers can be reported.

<sup>‡</sup> Includes nonprofit legal services corporations; third-party administrators; continuing care retirement communities; and HMOs. Continuing care retirement communities were added in FY 1988 and third-party administrators FY 1989. Due to a FY 2012 database conversion, non-U.S. other entities can be reported.

\* Includes 1,832 licensed insurance companies, 56 HMOs, 33 continuing care retirement communities, and 672 third-party administrators, but does not include 184 premium finance companies and their 13 branch offices.

### Company Licensing Reconciliation

Companies Licensed as of August 31, 2015	2,600
Companies Organized or Licensed During Year	60
Less Companies Reinsured/Merged; Withdrawn, Canceled, Dissolved; Redomesticated/ Domesticated; or Placed In Permanent Receivership During Year	- 67
Companies Licensed as of August 31, 2014	2,593

### Entities Licensed in Texas FY 2015

Type	Texas	Non-Texas	Non-US	Total
Property and Casualty	235	952	15	1,202
Life	145	477	6	628
Other*	295	462	6	763
<b>Total</b>	<b>675</b>	<b>1,891</b>	<b>27</b>	<b>*2,593</b>

\* Includes nonprofit legal services corporations, HMOs, third-party administrators; and continuing care retirement communities.

### Entities Authorized to Write Business in Texas FY 2015

Entity	Texas	Non-Texas	Non-US	Total
<b>Traditional</b>				
Mutual Life Insurance Companies	1	27	-	28
Life Port-of-Entry	-	-	1	1
Government Created Life Insurance Companies	1	-	-	1
Retirement System and Pension	-	1	-	1
Stock Life Insurance Companies	96	421	4	521
Stipulated Premium Life Insurance Companies	26	-	-	26
Nonprofit Hospital Service Corporations	1	-	-	1
Mutual Fire Insurance Companies	1	-	-	1
Stock Fire Insurance Companies	1	3	-	4
Mutual Casualty Insurance Companies	1	11	-	12
Stock Casualty Insurance Companies	12	149	-	161
Mutual Fire and Casualty Insurance Companies	2	46	1	49
Stock Fire & Casualty Insurance Companies	90	683	1	774
Government Created Fire and Casualty Companies	3	-	-	3
Mortgage Guaranty Insurance Companies	1	23	-	24
Mexican Casualty Insurance Companies	-	-	13	13
Lloyds	45	-	-	45
Reciprocal Exchanges	7	16	-	23
Joint Underwriting Associations	-	3	-	3
Risk Retention Groups	1	-	-	1
County Mutual Fire Insurance Companies	23	-	-	23
Fraternal Benefit Societies	6	27	1	34
Title Insurance Companies	8	18	-	26
Nonprofit Legal Services Corporation	2	-	-	2
Basic HMOs	37	4	-	41
Single-Service HMOs	13	-	-	13
Limited HMOs	2	-	-	2
Local Mutual Aid Associations	2	-	-	2
Local Mutual Burial Associations	2	-	-	2
Exempt Associations	6	-	-	6
Farm Mutual Fire Insurance Companies	17	-	-	17
<b>Subtotal</b>	<b>407</b>	<b>1,432</b>	<b>21</b>	<b>1,860</b>
<b>Non-Traditional</b>				
Continuing Care Retirement Communities	29	4	-	33
Multiple Employer Welfare Arrangements	4	1	-	5
Workers' Compensation Self Insurance Groups	6	-	-	6
Third-Party Administrators	212	454	6	672
Captive Insurance Companies	17	-	-	17
<b>Subtotal</b>	<b>268</b>	<b>459</b>	<b>6</b>	<b>733</b>
<b>Grand Total</b>	<b>675</b>	<b>1,891</b>	<b>27</b>	<b>2,593</b>

### New Companies Organized or Admitted to Texas FY 2015

Company Type	Texas	Non-Texas	Non-US	Total
Stock Life Insurance Companies	2	4	-	6
Fraternal	-	1	-	1
Stock Fire and Casualty Insurance Companies	1	10	-	11
Mutual Casualty Insurance Companies	-	2	-	2
Stock Casualty Insurance Companies	-	4	-	4
Mortgage Guaranty Insurance Companies	-	-	-	-
Continuing Care Retirement Communities	-	-	-	-
HMOs	2	-	-	2
Third-Party Administrators	1	21	-	22
<b>Total*</b>	<b>6</b>	<b>42</b>	<b>-</b>	<b>48</b>

\* Excludes captive insurance companies.

### Canceled Certificate of Authority Report FY 2015

Company Type	Reinsured/ Merged	Dissolved, Withdrawn, or Canceled	Redomesticated/ Domesticated	*Permanent Receivership	Total
<b>Texas Companies</b>					
Stock Life	2	1	-	-	3
Mutual Life	-	-	-	-	-
Stipulated Premium	-	-	-	-	-
Stock Fire and Casualty	1	-	-	3	4
Lloyds	-	-	-	2	2
Third-Party Administrators	-	8	-	-	8
<b>Subtotal</b>	<b>3</b>	<b>9</b>	<b>-</b>	<b>5</b>	<b>17</b>
<b>Non-Texas Companies</b>					
Life Port-of-Entry	-	-	-	-	-
Stock Life	5	2	-	-	7
Stock Fire & Casualty	5	3	-	-	8
Stock Casualty	2	1	-	-	3
Multiple Employer Welfare Arrangement	-	1	-	-	1
Third-Party Administrators	-	26	-	-	26
<b>Subtotal</b>	<b>12</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>45</b>
<b>Grand Total</b>	<b>15</b>	<b>42</b>	<b>-</b>	<b>5</b>	<b>62</b>

\* The numbers in this column represent Certificates of Authority that have been canceled because an entity was placed into receivership. The Certificate of Authority of a company that is placed in permanent receivership is not automatically canceled. Therefore, these numbers do not reconcile to the number of receiverships for FY 2015. Only the companies that had their Certificates of Authority canceled are included in this section.

## Rehabilitations and Liquidation Oversight Report

There were two companies under supervision, conservation, 404 orders, or administrative oversight at the beginning of FY 2015. During the year there were two new actions and one company released, leaving the following three companies:

- ★ North America Life Insurance Company (404 - May 17, 2010)
- ★ Texas Windstorm Association (Oversight - February 28, 2011)
- ★ RVOS Farm Mutual Insurance Company (Oversight - April 21, 2015)

### Receiverships by Fiscal Year

Status	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Beginning Balance	41	38	34	30	28
New Receiverships	-	-	3	1	-
Receiverships Closed	3	4	7	3	2

### Open Receiverships at End of FY 2015

#### Companies in Receivership for Rehabilitation

- ★ Highlands Insurance Company
- ★ Vesta Insurance Corporation

#### Companies in Receivership for Liquidation

- ★ AmCare Health Plans of Texas and AmCare Management, Inc.
- ★ American Founders Financial Corporation
- ★ Austin Indemnity Lloyds Insurance Company and Austin indemnity Management Company, LLC
- ★ Family Life Insurance Company of America
- ★ Good Samaritan Life Insurance Company
- ★ Gramercy Insurance Company
- ★ Lincoln Memorial Life Insurance Company
- ★ Lone Star Life Insurance Company
- ★ Memorial Service Life Insurance Company
- ★ MiTierra Title, LLC
- ★ National Charity Title, Inc.
- ★ National Pre-arranged Services, Inc.
- ★ Peters Burial Association
- ★ San Antonio Indemnity Company
- ★ Santa Fe Auto Insurance Company
- ★ Select Insurance Services, Inc.
- ★ Shelby Casualty Insurance Company
- ★ Texas Select Lloyds Insurance Company
- ★ The Shelby Insurance Company
- ★ Universal HMO of Texas, Inc.
- ★ Universal Insurance Exchange and Universal Paratransit Insurance Services Corporation
- ★ Vesta Fire Insurance Corporation
- ★ Western Indemnity Insurance Company
- ★ WIN Assoc., et al

## Overview: Texas Insurance Market

### All Admitted and Alternative Carriers subject to TDI Requirements - 2014

Type Of Business	Texas Premiums
Life	\$ 10,900,743,706
Annuity	21,559,764,370
Accident and Health	34,320,425,128
Property and Casualty	48,725,162,207
HMO	21,959,002,569
Title	1,718,317,567
Other*	4,578,221
<b>Grand Total</b>	<b>\$ 139,187,993,768</b>

Recap	Texas Premiums
Total Admitted Market	\$ 133,783,336,266
Total Alternative Market*	5,404,657,502
<b>Grand Total</b>	<b>\$ 139,187,993,768</b>

\* Includes local mutual aid associations, local mutual burial associations, exempt associations, and nonprofit legal service companies.

### Total Admitted Market– Carriers holding a Certificate of Authority (License) issued by TDI - 2014

Type of Business	Texas Companies	Non-Texas Companies	Total Admitted Market
Life	\$ 927,996,423	\$ 9,972,747,283	\$ 10,900,743,706
Annuity	3,013,978,439	18,545,785,931	21,559,764,370
Accident and Health	3,489,174,715	30,831,250,413	34,320,425,128
Property and Casualty	20,751,672,257	22,568,832,448	43,320,504,705
HMO	20,886,009,234	1,072,993,335	21,959,002,569
Title	541,890,911	1,176,426,656	1,718,317,567
Other	4,578,221	-	4,578,221
<b>Total</b>	<b>\$ 49,615,300,200</b>	<b>\$ 84,168,036,066</b>	<b>\$ 133,783,336,266</b>

\* Includes local mutual aid associations, local mutual burial associations, exempt associations, and nonprofit legal service companies.

### Alternative Market– Carriers Eligible/Registered or Hold Other Form of Approval from TDI - 2014

Type Of Business	Texas Premiums
Surplus Lines Insurers‡	\$ 5,042,853,414
Foreign Risk Retention Groups	110,586,579
Certified Self Insurers	240,100,660
Self-Insurance Group	11,116,849
<b>Total†</b>	<b>\$ 5,404,657,502</b>

\* Includes local mutual aid associations, local mutual burial associations, exempt associations, and nonprofit legal service companies.

† Included with property and casualty.

‡ The vast majority of this business is property and casualty insurance. However, the surplus lines market includes some accident and health business.

## Financial Statement System

### Annual Statements Texas Premium Summary – Property and Casualty 2013-2014

Insurance Type	as of December 31, 2013	as of December 31, 2014
<b>Primary Lines</b>		
Automobile	\$ 17,530,242,777	\$ 18,955,731,274
Workers' Compensation	2,672,988,308	2,843,769,336
Homeowners	7,177,732,856	7,780,792,885
Fire and Allied Lines	6,274,608,484	6,480,591,458
Liability	5,059,594,529	5,329,191,562
Medical Professional Liability	200,678,441	194,404,692
<b>All Other Lines*</b>	<b>1,640,952,427</b>	<b>1,736,023,528</b>
<b>Total</b>	<b>\$ 40,556,797,822</b>	<b>\$ 43,320,504,735</b>

\* Does not include \$649,469,336 in accident and health premiums for 2013 and \$624,599,335 for 2014 written by property and casualty companies that are included in total accident and health premiums reflected below.

### Annual Statements Texas Premium Summary – Life, Annuity, and Accident and Health 2013-2014

Insurance Type	As Of December 31, 2013	As Of December 31, 2014
<b>Life</b>		
Ordinary	\$ 7,946,146,576	\$ 8,218,602,353
Group	2,439,261,309	2,575,266,325
Industrial	1,271,485	1,135,630
Credit	102,792,612	105,739,398
<b>Subtotal</b>	<b>\$ 10,489,471,982</b>	<b>\$ 10,900,743,706</b>
<b>Annuity</b>		
Annuities	\$ 15,550,528,913	\$ 16,195,262,605
Other Considerations	2,865,867,691	2,570,232,623
Deposit Type Contracts	1,959,353,325	2,794,269,142
<b>Subtotal</b>	<b>\$ 20,375,749,929</b>	<b>\$ 21,559,764,370</b>
Accident & Health*	31,211,085,779	34,320,425,128
<b>Total</b>	<b>\$ 62,076,307,690</b>	<b>\$ 66,780,933,204</b>

\* Includes \$649,469,336 in accident and health premiums for 2013 and \$624,599,335 for 2014 written by property and casualty companies that are included in all other lines reflected above.

## Top 10 Group Highlights

### Health Insurance

Overview	Totals	Top Groups	Premium	MS %
Companies*	468	Health Care Service Corp. (BCBSTX)	\$ 11,599,299,561	18.66
Groups	173	Unitedhealth	9,591,595,602	17.08
New Companies Licensed	5	Humana Inc.	4,750,945,816	8.46
Insured Texans	22,187,894	Centene Corporation	4,236,671,990	7.54
Uninsured Texans	4,499,487	Aetna	3,991,543,253	7.11
2014 Premiums	\$ 56,164,042,567	Cigna Health	3,233,690,720	5.76
		Anthem Inc	3,144,821,399	5.60
		Molina Health Care Inc.	1,358,442,238	2.42
		Universal American Financial Corp.	816,048,080	1.45
		Dentaquest	686,212,384	1.22

### Annuities

Overview	Totals	Top Groups	Premium	MS %
Companies*	299	American International	\$ 1,872,134,563	8.68
Groups	122	Jackson National	1,524,571,559	7.07
New Companies Licensed	2	Allianz	1,293,996,151	6.00
2014 Premiums	\$ 21,559,764,370	Prudential of America	1,238,243,908	5.74
		Lincoln National	1,011,286,942	4.69
		John Hancock	932,029,200	4.32
		Sammons Enterprise	905,635,799	4.20
		Aegon US	901,580,975	4.18
		ING American Insurance Holding	873,733,350	4.05
		New York Life	723,990,083	3.36

### Life Insurance

Overview	Totals	Top Groups	Premium	MS %
Companies*	425	Metropolitan	\$ 821,572,134	7.75
Groups	170	New York Life	591,037,333	5.42
New Companies Licensed	1	Northwestern Mutual	549,157,404	5.04
2014 Premiums	\$ 10,900,743,706	Lincoln National	468,236,956	4.30
		Prudential of America	462,928,450	4.25
		State Farm	363,327,023	3.33
		Mass Mutual Life Insurance	347,718,974	3.19
		Minnesota Mutual	337,467,317	3.10
		Aegon US Holding	308,171,443	2.83
		Pacific Life	295,843,621	2.71

### Personal Auto Insurance

Overview	Totals	Top Groups	Premium	MS %
Companies*	186	State Farm IL	\$ 3,043,741,224	18.66
Groups	69	Allstate Insurance	1,875,832,376	11.50
New Companies Licensed	2	Farmers Insurance	1,646,063,145	10.09
Policies (Liability)	17,141,155	Berkshire Hathaway	1,493,926,165	9.16
2014 Premiums	\$ 16,314,508,708	Progressive	1,427,037,664	8.75
		United Services Automobile Assoc.	1,243,537,886	7.62
		Home State Insurance	612,610,051	3.75
		Texas Farm Bureau Mutual	606,958,888	3.72
		Nationwide Corporation	530,879,025	3.25
		Liberty Mutual	473,741,370	2.9

### Homeowners Insurance

Overview	Totals	Top Groups	Premium	MS %
Companies*	121	State Farm	\$ 1,990,390,755	25.58
Groups	59	Allstate	935,306,860	12.02
New Companies Licensed	3	Farmers Insurance	884,309,223	11.37
Policies (2014)		United Services Automobile Assoc.	699,071,419	8.98
Homeowners	4,403,324	Liberty Mutual Insurance Company	649,588,029	8.35
Dwelling	709,810	Travelers	275,846,049	3.55
Tenants	1,456,808	Nationwide Corporation	239,596,787	3.08
2014 Premiums	\$ 7,780,792,855	Texas Farm Bureau Mutual	230,329,376	2.96
		ARX Holding Corporation	204,412,619	2.63
		Chubb & Son Inc.	143,447,785	1.84

\* Number of companies with positive premiums for indicated line of insurance.

## 2014 Top Companies Based on Written Premium and Market Share

\*Numbers may be rounded

### Top Companies | Accident and Health

Rank	NAIC #	Company	Premium	MS %
1	70670	BCBSTX, A Division of Health Care Service Corporation	\$ 10,384,309,137	30.26
2	79413	Unitedhealthcare Insurance Company	3,974,377,295	11.58
3	60054	Aetna Life Insurance Company	3,082,658,518	8.98
4	73288	Humana Insurance Company	2,746,961,080	8.00
5	71013	Superior Healthplan Network	2,351,846,103	6.85
6	12558	Care Improvement Plus of Texas Insurance Company	989,496,562	2.88
7	67369	Cigna Health and Life Insurance Company	969,085,915	2.82
8	12307	Dentaquest USA Insurance Company, Inc.	686,411,828	2.00
9	14063	MCNA Insurance Company	566,220,295	1.65
10	65978	Metropolitan Life Insurance Company	527,293,010	1.54
11	14078	Amerigroup Insurance Company	383,356,003	1.12
12	60380	American Family Life Assurance Company of Columbus	338,950,634	0.99
13	62235	Unum Life Insurance Company of America	264,394,042	0.77
14	64246	Guardian Life Insurance Company of America, The	228,860,201	0.67
15	65498	Life Insurance Company of North America	199,688,896	0.58
16	69477	Time Insurance Company	199,202,942	0.58
17	69868	United of Omaha Life Insurance Company	195,331,820	0.57
18	12575	Silverscript Insurance Company	172,852,479	0.50
19	39616	Vision Service Plan Insurance Company	155,107,115	0.45
20	80802	Sun Life Assurance Company of Canada	153,562,784	0.45
21	70025	Genworth Life Insurance Company	138,139,498	0.40
22	62286	Golden Rule Insurance Company	137,387,380	0.40
23	65676	Lincoln National Life Insurance Company, The	131,122,097	0.38
24	78611	HCSC Insurance Services Company	123,517,186	0.36
25	61301	Ameritas Life Insurance Corp.	113,754,489	0.33
26	70815	Hartford Life and Accident Insurance Company	109,453,234	0.32
27	61271	Principal Life Insurance Company	106,255,910	0.31
28	70580	Humanadental Insurance Company	104,000,796	0.30
29	81396	Delta Dental Insurance Company	101,495,410	0.30
30	67105	Reliastar Life Insurance Company	99,415,665	0.29
31	90328	First Health Life & Health Insurance Company	96,898,251	0.28
32	65838	John Hancock Life Insurance Company (U.S.A.)	96,687,267	0.28
33	68241	Prudential Insurance Company of America, The	96,660,017	0.28
34	69019	Standard Insurance Company	96,235,751	0.28
35	62308	Connecticut General Life Insurance Company	94,371,697	0.27
36	92711	HCC Life Insurance Company	93,135,433	0.27
37	10155	Wellcare Prescription Insurance, Inc.	92,189,833	0.27
38	25178	State Farm Mutual Automobile Insurance Company	92,053,642	0.27
39	13151	Care N' Care Insurance Company, Inc.	90,626,035	0.26
40	62049	Colonial Life and Accident Insurance Company	88,423,764	0.26
<b>Top 40 Accident &amp; Health Companies Subtotal</b>			<b>\$ 30,671,790,014</b>	<b>89.38</b>
All Other Accident & Health Companies			3,645,296,936	10.62
<b>Total Accident &amp; Health Companies</b>			<b>\$ 34,317,086,950</b>	<b>100.00</b>

## Top Companies | HMOs

Rank	NAIC #	Company	Premium	MS %
1	95314	Amerigroup Texas, Inc.	\$ 2,747,697,944	12.51
2	95174	Unitedhealthcare Benefits of Texas, Inc.	2,493,580,902	11.36
3	95647	Superior Healthplan, Inc.	1,881,948,982	8.57
4	95024	Humana Health Plan of Texas, Inc.	1,843,183,670	8.39
5	12902	Healthspring Life & Health Insurance Company, Inc.	1,707,118,005	7.77
6	11141	Unitedhealthcare Community Plan of Texas, L.L.C.	1,583,780,327	7.21
7	10757	Molina Healthcare of Texas, Inc.	1,292,783,303	5.89
8	70670	BCBSTX, A Division of Health Care Service Corporation	1,050,917,887	4.79
9	95329	Texas Children's Health Plan, Inc.	878,934,605	4.00
10	10096	Selectcare of Texas, Inc.	729,430,539	3.32
11	95615	Community Health Choice, Inc.	721,999,497	3.29
12	95490	Aetna Health Inc.	673,177,722	3.07
13	95099	Scott and White Health Plan	658,945,404	3.00
14	95414	Parkland Community Health Plan, Inc.	520,159,190	2.37
15	95138	SHA, L.L.C.	493,640,144	2.25
16	95809	Driscoll Children's Health Plan	385,478,804	1.76
17	11494	Physicians Health Choice of Texas, LLC	342,254,967	1.56
18	95248	Community First Health Plans, Inc.	323,713,173	1.47
19	12964	Wellcare of Texas, Inc.	306,774,506	1.40
20	95822	Cook Children's Health Plan	298,066,796	1.36
21	12827	KS Plan Administrators, LLC	295,511,411	1.35
22	52635	El Paso First Health Plans, Inc.	149,945,484	0.68
23	95383	Cigna Healthcare of Texas, Inc.	91,539,858	0.42
24	95799	Valueoptions of Texas, Inc.	70,209,259	0.32
25	95240	Seton Health Plan, Inc.	52,082,221	0.24
26	10768	Selectcare Health Plans, Inc.	51,472,558	0.23
27	14151	Sendero Health Plans, Inc.	49,590,639	0.23
28	12346	Allegian Insurance Company	36,876,229	0.17
29	95037	Cigna Dental Health of Texas, Inc.	33,656,804	0.15
30	95910	Aetna Dental Inc.	32,855,356	0.15
31	95161	Denticare, Inc.	29,165,221	0.13
32	15143	Advantageoptimum, Inc.	21,896,119	0.10
33	14154	Christus Health Plan	20,763,824	0.09
34	95163	Alpha Dental Programs, Inc.	17,470,849	0.08
35	95251	National Pacific Dental, Inc.	15,319,312	0.07
36	95387	Block Vision of Texas, Inc.	14,032,508	0.06
37	14348	Coventry Health Care of Texas, Inc.	13,468,985	0.06
38	95051	Safeguard Health Plans, Inc.	11,001,705	0.05
39	52556	Managed Dentalguard, Inc.	7,225,569	0.03
40	95142	United Dental Care Of Texas, Inc.	5,684,848	0.03
<b>Top 40 HMOs Subtotal</b>			<b>\$ 21,953,355,126</b>	<b>99.97</b>
All Other HMOs			5,647,443	0.07
<b>Total HMOs</b>			<b>\$ 21,959,002,569</b>	<b>100.00</b>

## Top Companies | Annuities

Rank	NAIC #	Company	Premium	MS %
1	60488	American General Life Insurance Company	\$ 1,580,432,044	7.33
2	65056	Jackson National Life Insurance Company	1,524,571,559	7.07
3	90611	Allianz Life Insurance Company of North America	1,293,996,151	6.00
4	65676	Lincoln National Life Insurance Company, The	1,010,642,757	4.69
5	65838	John Hancock Life Insurance Company (U.S.A.)	932,029,200	4.32
6	86509	Voya Retirement Insurance and Annuity Company	724,265,881	3.36
7	61271	Principal Life Insurance Company	717,428,544	3.33
8	62944	AXA Equitable Life Insurance Company	688,319,222	3.19
9	86231	Transamerica Life Insurance Company	634,841,425	2.94
10	91596	New York Life Insurance and Annuity Corporation	634,640,551	2.94
11	68241	Prudential Insurance Company of America, The	560,734,688	2.60
12	66869	Nationwide Life Insurance Company	527,499,040	2.45
13	68675	Security Benefit Life Insurance Company	482,291,635	2.24
14	79227	Pruco Life Insurance Company	467,889,107	2.17
15	67466	Pacific Life Insurance Company	441,007,485	2.05
16	88072	Hartford Life Insurance Company	386,179,183	1.79
17	65935	Massachusetts Mutual Life Insurance Company	364,750,478	1.69
18		College Retirement Equities Fund	362,757,432	1.68
19	87726	Metlife Insurance Company USA	341,587,819	1.58
20	65978	Metropolitan Life Insurance Company	339,292,331	1.57
21	60895	American United Life Insurance Company	330,305,722	1.53
22	69345	Teachers Insurance and Annuity Association Of America	324,743,226	1.51
23	66575	Reliance Standard Life Insurance Company of Texas	300,000,000	1.39
24	70238	Variable Annuity Life Insurance Company, The	290,352,023	1.35
25	92738	American Equity Investment Life Insurance Company	280,575,241	1.30
26	65005	Riversource Life Insurance Company	260,433,106	1.21
27	68322	Great-West Life & Annuity Insurance Company	246,416,994	1.14
28	63274	Fidelity & Guaranty Life Insurance Company	228,033,507	1.06
29	66044	Midland National Life Insurance Company	223,731,357	1.04
30	93696	Fidelity Investments Life Insurance Company	213,914,002	0.99
31	65528	Life Insurance Company of The Southwest	209,660,277	0.97
32	93629	Prudential Retirement Insurance and Annuity Company	200,159,444	0.93
33	70688	Transamerica Financial Life Insurance Company	193,998,870	0.90
34	91642	Forethought Life Insurance Company	186,862,838	0.87
35	69663	USAA Life Insurance Company	183,659,241	0.85
36	61689	Athene Annuity and Life Company	164,906,274	0.76
37	56014	Thrivent Financial for Lutherans	162,858,179	0.76
38	68608	Symetra Life Insurance Company	155,191,116	0.72
39	69019	Standard Insurance Company	153,428,574	0.71
40	80942	Voya Insurance and Annuity Company	129,519,364	0.60
<b>Top 40 Annuities Subtotal</b>			<b>\$ 18,453,905,887</b>	<b>85.59</b>
All Other Annuities			3,105,804,287	14.41
<b>Total Annuities</b>			<b>\$ 21,559,710,174</b>	<b>100.00</b>

## Top Companies | Life Insurance

Rank	NAIC #	Company	Premium	MS %
1	65978	Metropolitan Life Insurance Company	\$ 639,333,152	5.87
2	67091	Northwestern Mutual Life Insurance Company, The	549,157,404	5.04
3	66915	New York Life Insurance Company	459,602,729	4.22
4	65676	Lincoln National Life Insurance Company, The	454,463,345	4.17
5	69108	State Farm Life Insurance Company	363,327,023	3.33
6	66168	Minnesota Life Insurance Company	334,359,926	3.07
7	65935	Massachusetts Mutual Life Insurance Company	331,100,605	3.04
8	68241	Prudential Insurance Company of America, The	299,320,691	2.75
9	67466	Pacific Life Insurance Company	295,814,824	2.71
10	60488	American General Life Insurance Company	278,994,543	2.56
11	65838	John Hancock Life Insurance Company (U.S.A.)	241,225,374	2.21
12	86231	Transamerica Life Insurance Company	194,500,531	1.78
13	79227	Pruco Life Insurance Company	163,454,337	1.50
14	63177	Farmers New World Life Insurance Company	161,902,146	1.49
15	62235	UNUM Life Insurance Company of America	161,152,783	1.48
16	65919	Primerica Life Insurance Company	158,693,238	1.46
17	60739	American National Insurance Company	152,700,380	1.40
18	64246	Guardian Life Insurance Company of America, The	152,003,246	1.39
19	68896	Southern Farm Bureau Life Insurance Company	140,288,246	1.29
20	87726	Metlife Insurance Company USA	140,270,235	1.29
21	69868	United of Omaha Life Insurance Company	132,226,998	1.21
22	65498	Life Insurance Company of North America	131,186,668	1.20
23	65595	Lincoln Benefit Life Company	126,989,750	1.16
24	69663	USAA Life Insurance Company	126,833,472	1.16
25	91596	New York Life Insurance and Annuity Corporation	126,619,317	1.16
26	62944	AXA Equitable Life Insurance Company	119,963,014	1.10
27	68136	Protective Life Insurance Company	117,752,254	1.08
28	67105	Reliastar Life Insurance Company	115,553,451	1.06
29	65005	Riversource Life Insurance Company	96,844,239	0.89
30	71153	Hartford Life and Annuity Insurance Company	92,516,612	0.85
31	66281	Transamerica Premier Life Insurance Company	92,250,464	0.85
32	67989	American Memorial Life Insurance Company	88,690,606	0.81
33	62308	Connecticut General Life Insurance Company	87,775,268	0.81
34	66044	Midland National Life Insurance Company	84,625,872	0.78
35	60054	Aetna Life Insurance Company	84,503,975	0.78
36	80802	Sun Life Assurance Company of Canada	84,023,518	0.77
37	65536	Genworth Life and Annuity Insurance Company	82,421,844	0.76
38	68357	Reliable Life Insurance Company, The	78,585,393	0.72
39	71129	Dearborn National Life Insurance Company	77,375,258	0.71
40	61271	Principal Life Insurance Company	75,259,905	0.69
<b>Top 40 Life Insurance Companies Subtotal</b>			<b>\$ 7,693,662,636</b>	<b>70.58</b>
All Other Life Insurance Companies			3,207,081,070	29.42
<b>Total Life Insurance Companies</b>			<b>\$ 10,900,743,706</b>	<b>100.00</b>

### Top Companies | Private Passenger Auto Insurance

Rank	NAIC #	Company	Premium	MS %
1	25178	State Farm Mutual Automobile Insurance Company	\$ 2,733,869,622	16.76
2	29203	Progressive County Mutual Insurance Company	1,426,053,593	8.74
3	24392	Farmers Texas County Mutual Insurance Company	1,295,478,028	7.94
4	29688	Allstate Fire and Casualty Insurance Company	1,073,671,495	6.58
5	29297	Home State County Mutual Insurance Company	612,610,051	3.76
6	22063	Government Employees Insurance Company	598,005,355	3.67
7	25941	United Services Automobile Association	449,826,693	2.76
8	29262	Colonial County Mutual Insurance Company	416,847,118	2.56
9	19544	Liberty County Mutual Insurance Company	415,814,154	2.55
10	25968	USAA Casualty Insurance Company	380,186,900	2.33
11	29378	Old American County Mutual Fire Insurance Company	370,128,456	2.27
12	19240	Allstate Indemnity Company	359,796,955	2.21
13	29181	Geico County Mutual Insurance Company	312,629,995	1.92
14	26816	State Farm County Mutual Insurance Company of Texas	309,870,146	1.90
15	25380	Texas Farm Bureau Mutual Insurance Company	306,403,643	1.88
16	29246	Consumers County Mutual Insurance Company	261,562,066	1.60
17	27863	Southern County Mutual Insurance Company	250,109,683	1.53
18	29254	Foremost County Mutual Insurance Company	249,981,503	1.53
19	13004	Texas Farm Bureau Casualty Insurance Company	232,409,614	1.42
20	10807	ACCC Insurance Company	227,968,779	1.40
21	18600	USAA General Indemnity Company	221,865,324	1.36
22	14138	Geico Advantage Insurance Company	220,504,428	1.35
23	29335	Allstate County Mutual Insurance Company	218,448,768	1.34
24	11198	Loya Insurance Company	214,833,131	1.32
25	29327	Auto Club County Mutual Insurance Company	198,633,197	1.22
26	21253	Garrison Property and Casualty Insurance Company	191,658,949	1.17
27	13938	Metropolitan Lloyds Insurance Company of Texas	149,569,178	0.92
28	22055	Geico Indemnity Company	145,469,791	0.89
29	14139	Geico Choice Insurance Company	131,839,343	0.81
30	11521	Germania Select Insurance Company	126,372,733	0.77
31	19976	Amica Mutual Insurance Company	112,987,543	0.69
32	40150	MGA Insurance Company, Inc.	85,898,419	0.53
33	23787	Nationwide Mutual Insurance Company	83,908,711	0.51
34	17230	Allstate Property and Casualty Insurance Company	81,350,544	0.50
35	26441	Dairyland County Mutual Insurance Company of Texas	77,708,981	0.48
36	42609	Affirmative Insurance Company	75,687,880	0.46
37	29351	Unitrin County Mutual Insurance Company	72,363,323	0.44
38	10891	CEM Insurance Company	71,302,581	0.44
39	27820	Farm Bureau County Mutual Insurance Company of Texas	68,145,631	0.42
40	25712	Esurance Insurance Company	66,561,229	0.41
<b>Top 40 Private Passenger Auto Insurance Companies Subtotal</b>			<b>\$ 14,898,333,533</b>	<b>91.32</b>
All Other Private Passenger Auto Insurance Companies			1,416,175,175	8.68
<b>Total Private Passenger Auto Insurance Companies</b>			<b>\$ 16,314,508,708</b>	<b>100.00</b>

### Top Companies | Homeowners Insurance

Rank	NAIC #	Company	Premium	MS %
1	43419	State Farm Lloyds	\$ 1,990,390,755	25.58
2	21695	Texas Farmers Insurance Company	662,217,112	8.51
3	26530	Allstate Texas Lloyd's	418,132,112	5.37
4	11120	USAA Texas Lloyd's Company	388,546,740	4.99
5	25941	United Services Automobile Association	310,524,679	3.99
6	11215	Safeco Insurance Company of Indiana	301,554,400	3.88
7	42404	Liberty Insurance Corporation	251,881,015	3.24
8	37907	Allstate Vehicle and Property Insurance Company	231,996,657	2.98
9	11059	ASI Lloyds	204,412,619	2.63
10	29688	Allstate Fire and Casualty Insurance Company	199,648,654	2.57
11	25380	Texas Farm Bureau Mutual Insurance Company	158,502,645	2.04
12	27774	Chubb Lloyds Insurance Company of Texas	143,446,316	1.84
13	41564	Travelers Lloyds Of Texas Insurance Company	138,688,146	1.78
14	27998	Travelers Home and Marine Insurance Company, The	128,576,404	1.65
15	41688	Foremost Lloyds of Texas	124,628,297	1.60
16	19976	Amica Mutual Insurance Company	109,076,284	1.40
17	13938	Metropolitan Lloyds Insurance Company of Texas	100,967,350	1.30
18	11008	Auto Club Indemnity Company	93,784,033	1.21
19	11543	Texas Fair Plan Association	92,932,744	1.19
20	23760	Nationwide General Insurance Company	88,610,380	1.14
21	37877	Nationwide Property and Casualty Insurance Company	82,133,187	1.06
22	25399	Texas Farm Bureau Underwriters	71,826,731	0.92
23	21652	Farmers Insurance Exchange	64,394,727	0.83
24	15474	National Lloyds Insurance Company	62,265,035	0.80
25	12536	Homeowners of America Insurance Company	59,734,089	0.77
26	42110	Nationwide Lloyds	52,478,449	0.67
27	11041	Liberty Lloyds of Texas Insurance Company	45,666,415	0.59
28	25127	State Auto Property & Casualty Insurance Company	43,833,139	0.56
29	23469	American Modern Home Insurance Company	40,956,823	0.53
30	19240	Allstate Indemnity Company	40,484,299	0.52
31	34690	Property and Casualty Insurance Company of Hartford	37,212,713	0.48
32	22608	National Specialty Insurance Company	35,928,012	0.46
33	11578	Cypress Texas Lloyds	35,272,180	0.45
34	11986	Universal Insurance Company of North America	33,524,675	0.43
35	37257	Praetorian Insurance Company	33,502,741	0.43
36	21660	Fire Insurance Exchange	33,069,087	0.43
37	23035	Liberty Mutual Fire Insurance Company	32,229,584	0.41
38	29068	IDS Property Casualty Insurance Company	31,790,179	0.41
39	20230	Central Mutual Insurance Company	31,008,592	0.40
40	19208	Republic Lloyds	29,999,733	0.39
<b>Top 40 Homeowners Insurance Companies Subtotal</b>			<b>\$ 7,035,827,732</b>	<b>90.43</b>
All Other Homeowners Insurance Companies			744,965,123	9.57
<b>Total Homeowners Insurance Companies</b>			<b>\$ 7,780,792,855</b>	<b>100.00</b>

### Top Companies | Workers' Compensation Insurance

Rank	NAIC #	Company	Premium	MS %
1	22945	Texas Mutual Insurance Company	\$ 1,140,961,778	40.12
2	16535	Zurich American Insurance Company	98,253,976	3.46
3	43389	Service Lloyds Insurance Company	66,187,639	2.33
4	23841	New Hampshire Insurance Company	62,061,604	2.18
5	40142	American Zurich Insurance Company	61,404,105	2.16
6	42404	Liberty Insurance Corporation	55,501,325	1.95
7	25658	Travelers Indemnity Company, The	46,450,101	1.63
8	30104	Hartford Underwriters Insurance Company	42,290,515	1.49
9	23035	Liberty Mutual Fire Insurance Company	42,228,261	1.48
10	19038	Travelers Casualty and Surety Company	38,062,241	1.34
11	20281	Federal Insurance Company	36,529,121	1.28
12	19410	Commerce and Industry Insurance Company	35,838,161	1.26
13	19429	Insurance Company of the State of Pennsylvania, The	33,872,847	1.19
14	43575	Indemnity Insurance Company of North America	31,139,426	1.1
15	22667	Ace American Insurance Company	26,499,322	0.93
16	25682	Travelers Indemnity Company of Connecticut, The	23,268,291	0.82
17	18694	Great Midwest Insurance Company	22,782,821	0.8
18	27120	Trumbull Insurance Company	22,639,555	0.8
19	11150	Arch Insurance Company	18,733,634	0.66
20	10166	Accident Fund Insurance Company of America	17,869,708	0.63
21	29424	Hartford Casualty Insurance Company	17,643,210	0.62
22	23809	Granite State Insurance Company	17,309,703	0.61
23	23396	Amerisure Mutual Insurance Company	17,034,666	0.6
24	38318	Starr Indemnity & Liability Company	15,750,231	0.55
25	37478	Hartford Insurance Company of the Midwest	15,630,494	0.55
26	25615	Charter Oak Fire Insurance Company, The	15,383,393	0.54
27	24147	Old Republic Insurance Company	15,329,353	0.54
28	19445	National Union Fire Insurance Company of Pittsburgh, Pa.	15,198,835	0.53
29	19488	Amerisure Insurance Company	14,983,788	0.53
30	11000	Sentinel Insurance Company, Ltd.	14,966,223	0.53
31	31895	American Interstate Insurance Company	14,954,166	0.53
32	25674	Travelers Property Casualty Company of America	14,884,871	0.52
33	19046	Travelers Casualty Insurance Company of America	14,852,079	0.52
34	20508	Valley Forge Insurance Company	14,517,032	0.51
35	25623	Phoenix Insurance Company, The	14,484,483	0.51
36	20095	Bitco General Insurance Corporation	14,424,740	0.51
37	13269	Zenith Insurance Company	14,198,548	0.5
38	38970	Markel Insurance Company	14,150,085	0.5
39	25666	Travelers Indemnity Company of America, The	13,774,673	0.48
40	42376	Technology Insurance Company, Inc.	13,485,459	0.47
<b>Top 40 Workers' Compensation Insurance Companies Subtotal</b>			<b>\$ 2,225,530,463</b>	<b>78.26</b>
All Other Workers' Compensation Companies			618,238,873	21.74
<b>Total Workers' Compensation Companies</b>			<b>\$ 2,843,769,336</b>	<b>100.00</b>

## Top Companies | Title

Rank	NAIC #	Company	Premium	MS %
1	50814	First American Title Insurance Company	\$ 385,592,025	22.44
2	50121	Stewart Title Guaranty Company	308,839,075	17.97
3	51586	Fidelity National Title Insurance Company	236,435,235	13.76
4	50229	Chicago Title Insurance Company	219,294,522	12.76
5	50520	Old Republic National Title Insurance Company	127,792,819	7.44
6	50016	Title Resources Guaranty Company	87,525,798	5.09
7	50598	Alamo Title Insurance	62,946,226	3.66
8	51152	WFG National Title Insurance Company	52,211,553	3.04
9	50083	Commonwealth Land Title Insurance Company	47,380,401	2.76
10	50377	National Investors Title Insurance Company	40,139,496	2.34
11	12309	Alliant National Title Insurance Company, Inc.	39,561,236	2.30
12	14240	First National Title Insurance Company	34,412,750	2.00
13	50130	North American Title Insurance Company	26,871,020	1.56
14	50050	Westcor Land Title Insurance Company	26,147,057	1.52
15	50026	Premier Land Title Insurance Company	7,177,898	0.42
16	51020	National Title Insurance of New York, Inc.	6,497,617	0.38
17	12591	Sierra Title Insurance Guaranty Company	3,722,384	0.22
18	51624	First American Title Guaranty Company	3,047,791	0.18
19	15305	Southwest Land Title Insurance Company	1,257,391	0.07
20	50440	Real Advantage Title Insurance Company	855,223	0.05
21	51632	Entitle Insurance Company	577,907	0.03
22	50792	Southern Title Insurance Corporation	32,143	0.00
<b>Total Title Companies</b>			<b>\$ 1,718,317,567</b>	<b>100.00</b>

## Top Companies | Premium Finance

Rank	Company	Premium	MS %
1	IPFS DBA Imperial Credit Corporation	\$ 603,471,871	17.96
2	First Insurance Funding Corp.	415,568,857	12.37
3	AON Premium Finance LLC	271,963,393	8.09
4	Premium Assignment Corporation	255,601,678	7.61
5	AFCO Premium Credit LLC	150,747,201	4.49
6	AFCO Credit Corporation (Dallas TX)	140,796,889	4.19
7	Talbot Premium Financing, LLC	122,030,053	3.63
8	Prime Rate Premium Finance Corporation, Inc.	121,947,529	3.63
9	Capital Premium Financing, Inc.	118,137,843	3.52
10	Meridian Finance, LLC	108,408,705	3.23
11	AFCO Credit Corporation (Rosemont IL)	77,163,493	2.30
12	AFS/IBEX Financial Services, Inc.	73,480,119	2.19
13	Camden Premium Finance, Llc	67,241,278	2.00
14	CAA Premium Finance Company, L.L.C.	61,548,560	1.83
15	Premium Funding Associates, Inc.	55,140,654	1.64
16	Insurors Group, L.L.C.	48,098,107	1.43
17	Banner Premium Finance, Inc.	40,523,675	1.21
18	Goto Premium Finance.Com, LLC	39,142,138	1.16
19	Impact Finance Corporation	35,268,047	1.05
20	NAAC, Inc.	34,761,864	1.03
21	Meridian Credit Services, Inc.	29,290,362	0.87
22	Ideal Premium Finance, Inc.	22,554,735	0.67
23	The Brand Baking Company	19,927,232	0.59
24	Wellington Premium Finance, Inc.	17,823,694	0.53
25	General Agents Acceptance Corporation	14,012,243	0.42
26	Associated Acceptance, Inc.	13,643,316	0.41
27	Bulldog Premium Finance LLC	13,326,830	0.40
28	Western Commerce Bank	12,514,266	0.37
29	Select Premium Services, Inc.	12,045,643	0.36
30	Premco Financial, Llc	12,024,373	0.36
31	Pronote, Inc.	11,547,844	0.34
32	Insurance Credit Corp.	11,274,480	0.34
33	CAC Acceptance Corporation	10,608,347	0.32
34	Combined Group Insurance Services, Inc.	10,268,924	0.31
35	Premium Convenience Services, Inc.	9,838,537	0.29
36	Texas Farm Bureau Premium Finance Company	9,415,400	0.28
37	Heritage Premium Assignment Company	9,156,016	0.27
38	Rust-Ewing Financial Services, Inc.	9,038,326	0.27
39	Inserve, Inc.	8,970,828	0.27
40	Express Premium Finance Company, L.L.C.	8,774,181	0.26
<b>Top 40 Premium Finance Companies Subtotal</b>		<b>\$ 3,107,097,532</b>	<b>92.46</b>
All Other Premium Finance Companies		253,278,610	7.54
<b>Total Premium Finance Companies</b>		<b>\$ 3,360,376,142</b>	<b>100.00</b>







TDI 2015 Annual Report  
Texas Department of Insurance  
TDIAR | 1115