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2008 Life & Annuity Market Conduct Annual Statement

Statewide averages are calculated for up to seven categories depending on the type of insurance reported in the Life & Annuity Market Conduct Annual Statement. In Arizona, for the 2008 L&A MCAS, licensed companies with at least \$50,000 in life insurance premium and/or annuity considerations were required to participate. A total of 304 companies participated.

The following charts reflect the number of reporting insurance companies whose ratios fall within various ranges. These charts are for informational purposes only, and the ratios do not necessarily represent standards for market behavior. This information does not establish insurer compliance or non-compliance. **This data cannot be used in any form of company advertising or marketing.**

Schedule 1: Individual Life Cash Value Products

	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	9.0%
Ratio 2. The number of 1035 exchanges to the number of policies issued	2.8%
Ratio 3. The number of surrenders compared to the number of policies issued	59.7%
Ratio 4. The number of policies with loan balances exceeding 25% compared to the number of policies in force	7.0%
Ratio 5. The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	1.1%
Ratio 6. The number of claims denied, resisted or compromised compared to the number of claims closed	0.2%
Ratio 7. Number of complaints per 1,000 policies in force	0.390#

	Number of companies with ratios falling in the range:											
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	161	49	26	17	9	8	2	3	3	0	1	1
Ratio 2	197	46	20	4	6	1	0	3	0	0	1	2
Ratio 3	29	14	23	12	14	9	8	6	4	6	4	151
Ratio 4	63	161	46	5	2	1	1	1	0	0	0	0
Ratio 5	212	47	8	4	3	3	0	1	0	0	2	0
Ratio 6	252	21	2	1	2	0	0	0	0	0	2	0

	Number of complaints per 1,000 policies in force											
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 7	184	19	17	12	17	16	6	3	0	1	1	4

Schedule 2: Individual Life Non-Cash Value Products

	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	14.8%
Ratio 2. The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	1.8%
Ratio 3. The number of claims denied, resisted or compromised compared to the number of claims closed	3.3%
Ratio 4. Number of complaints per 1,000 policies in force	0.340#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	150	27	26	24	12	3	2	0	0	0	1	2
Ratio 2	227	8	4	1	1	0	0	1	1	0	4	0
Ratio 3	234	7	4	0	1	1	0	0	0	0	0	0

Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 4	192	16	8	7	5	12	2	2	1	0	0	2

Schedule 3: Group Life Products

	Statewide Average Ratio
Ratio 1. The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	1.2%
Ratio 2. The number of claims denied, resisted or compromised compared to the number of claims closed	1.5%
Ratio 3. Number of complaints per 1,000 policies in force	0.551#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	142	20	8	2	1	2	0	1	0	0	2	0
Ratio 2	145	23	6	3	1	0	0	0	0	0	0	0

Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 3	150	3	1	0	0	1	3	1	1	0	0	18

Schedule 4: Individual Fixed Annuities

	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	35.8%
Ratio 2. The number of 1035 exchanges to the number of policies issued	25.3%
Ratio 3. The number of surrenders compared to the number of policies issued	66.4%
Ratio 4. Number of complaints per 1,000 policies in force	0.866#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	113	13	15	14	23	15	5	5	5	1	5	0
Ratio 2	124	18	34	12	7	6	5	3	0	0	2	3
Ratio 3	47	13	6	11	7	6	4	2	3	4	7	104

Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 4	174	0	3	4	4	16	6	3	0	1	0	3

Schedule 5: Individual Variable Annuities

	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	29.6%
Ratio 2. The number of 1035 exchanges to the number of policies issued	14.7%
Ratio 3. The number of surrenders compared to the number of policies issued	92.6%
Ratio 4. Number of complaints per 1,000 policies in force	0.885#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	43	6	10	10	9	8	5	2	3	2	2	0
Ratio 2	46	17	13	6	4	3	3	0	2	2	2	2
Ratio 3	8	0	0	3	3	6	2	2	3	4	4	65

Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 4	64	2	5	6	4	12	4	1	0	1	1	0