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### 2007 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 2007 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 310 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	7.6%
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	57.4%
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	0.7%
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	0.393#

	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	163	50	28	22	7	3	7	2	0	0	2	2
Ratio 2	208	45	14	10	1	3	1	3	0	0	1	0
Ratio 3	34	17	23	14	15	9	8	13	4	5	12	132
Ratio 4	59	166	45	9	4	1	2	0	0	0	0	0
Ratio 5	226	39	14	2	2	2	1	0	0	0	0	0
Ratio 6	256	22	3	2	2	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 7	183	19	16	18	6	18	16	4	1	2	2	1

**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	12.3%
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	2.6%
Ratio 3. The number of claims denied, resisted or compromised compared to the number of claims closed	3.4%
Ratio 4. Number of complaints per 1,000 policies in force	0.349#

	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	149	40	34	16	8	3	0	1	0	0	1	2
Ratio 2	237	8	4	1	1	0	0	0	0	0	3	0
Ratio 3	232	12	2	2	1	1	1	2	0	0	1	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	201	16	9	8	1	8	5	0	1	2	0	3

**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	3.4%
Ratio 2. The number of claims denied, resisted or compromised compared to the number of claims closed	6.1%
Ratio 3. Number of complaints per 1,000 policies in force	0.641#

	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	148	24	4	5	2	0	0	0	0	0	2	1
Ratio 2	157	21	3	0	2	1	1	0	0	0	1	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	160	3	2	0	1	1	2	1	1	1	0	14

**Schedule 4: Individual Fixed Annuities**

	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	38.0%
Ratio 2. The number of 1035 exchanges to the number of policies issued	24.6%
Ratio 3. The number of surrenders compared to the number of policies issued	109.9%
Ratio 4. Number of complaints per 1,000 policies in force	1.528#

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	155	8	7	8	14	14	10	13	7	1	3	2
Ratio 2	154	17	12	22	8	10	3	5	3	0	2	6
Ratio 3	55	3	9	6	3	7	3	5	4	3	6	138

  

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	188	1	1	5	7	15	8	7	0	3	2	5

**Schedule 5: Individual Variable Annuities**

	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	35.3%
Ratio 2. The number of 1035 exchanges to the number of policies issued	23.2%
Ratio 3. The number of surrenders compared to the number of policies issued	79.6%
Ratio 4. Number of complaints per 1,000 policies in force	0.702#

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	51	5	8	9	12	8	4	5	2	1	3	0
Ratio 2	52	11	14	9	6	4	5	3	0	1	1	2
Ratio 3	14	1	2	5	3	2	9	2	3	3	3	61

  

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	71	3	8	7	6	6	5	0	1	1	0	0