

THE INSURANCE INDUSTRY IN OHIO



Representing Ohio's property/casualty insurance industry

2018 Edition

OHIO'S INSURANCE INDUSTRY

The size and importance of Ohio's insurance industry can be measured in several ways – but any way you look at it the Ohio insurance industry is a key economic driver of the state's economy. With more than 200 insurance companies based in Ohio, jobs and financial security are provided to a workforce of 108,000+ Ohioans and growing. The robust competition among the numerous insurance companies operating in the Buckeye state gives Ohio consumers many choices and some of the lowest rates in the nation. The competitive insurance marketplace in Ohio provides businesses, both large and small, with the right types of coverages that support economic growth, innovation and prosperity throughout the state.

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Property and Financial Security

Insurance enables Ohioans to make long-term commitments and secure a better future. In 2017, insurance played a role in the following:

- 23,917 new family dwellings broke ground.
- 117,429 new businesses were formed, creating new job opportunities.
- The sale of 622,924 cars and trucks.
- Protecting 8 million licensed drivers.
- More than \$8 billion paid to 108,707 people employed by the insurance industry.
- Protecting, building and maintaining 4,967 schools.



Employment

Insurance is a major player in Ohio when it comes to employment opportunities.

- Ohio is home to 245 insurance companies.
- The insurance industry is a large state employer with more than 108,000 employees and wages of more than \$8 billion.¹
- More than one third (35%) of the state's insurance industry

employment is in the property/casualty (P/C) insurance field.

- Ohio has 71,875 licensed resident insurance agents, with an additional 148,116 licensed non-resident agents.²
- Ohio ranks seventh in the U.S. in insurance industry employment.³
- Between now and 2024, Ohio's insurance industry will require approximately 29,000 new employees.⁴

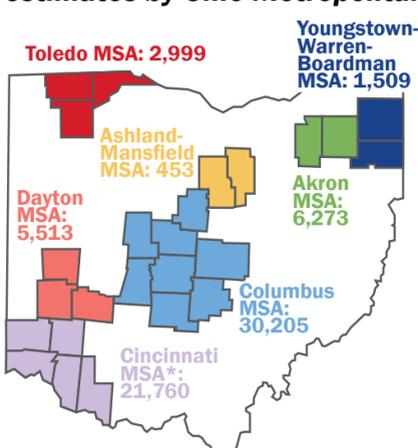
Ohio employment by insurance line—2016 and 2017¹

Insurance Line	2016 Employment	2016 Wage Estimates	2017 Employment	2017 Wage Estimates
Life	9,602	\$737,289,000	10,190	\$805,670,000
Health/Medical	16,231	\$1,121,767,000	16,558	\$1,151,922,000
P/C	37,692	\$3,181,753,000	37,531	\$3,323,199,000
Title	1,524	\$96,527,000	1,555	\$94,525,000
Agents/Brokers	27,685	\$1,739,747,000	28,109	\$1,822,321,000
Other	14,515*	\$853,670,000	14,764*	\$901,107,000
Total	107,249**	\$7,730,753,000	108,707**	\$8,098,744,000

*Includes surety companies, reinsurers, claims adjusters, third party administrators, and others employed in insurance-related fields.

**Totals reflect those who qualified for unemployment compensation and don't include agents or insurance industry consultants operating as single-person businesses.

2017 preliminary insurance industry employment estimates by Ohio Metropolitan Statistical Area (MSA)¹



The average annual salary for an Ohioan working in insurance in 2017 was \$74,500. That's 53% higher than Ohio's average private sector annual salary of \$48,572.

Ohio Annual Salaries 2017¹

Average private employment	\$48,572
Average insurance industry	\$74,500
Reinsurance carriers	\$93,812
P/C carriers	\$88,547
All insurance carriers	\$81,554
Life	\$79,067
Life and health	\$73,186
Insurance agents and brokers	\$64,831

Affordability

There are 989 licensed property and casualty insurance companies operating in Ohio. Consumers benefit from the hundreds of companies vying for their insurance business, keeping premiums competitive.⁵

- Ohioans pay nearly \$186 less than the U.S. average for auto insurance and \$354 less for homeowners insurance.⁶
- Ohio's average homeowners insurance premium was \$819 compared to the U.S. average of \$1,173, and ranks ninth lowest in the country.⁶
- Ohio's average auto insurance expenditure is 12th lowest in the U.S.—\$703 compared to the U.S. average of \$889.⁶

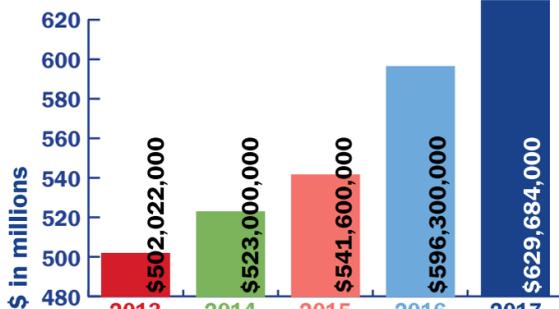
Ohio insurance industry employment average by year—2013-2017¹

Year	Total industry	Insurance Carriers	Agents, broker & related services
2013	97,403	61,933	35,470
2014	100,144	61,956	38,188
2015	104,120	63,615	40,505
2016	107,249	65,697	41,550
2017	108,649	66,533	42,116

Ohio ranks sixth in the U.S. for P/C insurance companies headquartered in the state, fifth in domestic life/annuity companies & ninth in health insurers (tied with IL).⁵

Economic Contributions⁷

Insurance companies continue to be a major contributor to Ohio's bottom line. In 2017 insurance companies paid more than \$600 million in taxes. 2017 premium taxes paid by Ohio's insurers ranked eighth highest in the country.



Consumer Protection

The insurance industry protects consumers when an insurer declares bankruptcy or becomes insolvent. The Ohio Insurance Guaranty Association provides consumers a safety net should their insurance company fail, allowing policyholders to recoup unearned premiums or compensation for claims in process. The association provides a mechanism to collect and pool funds from all state licensed insurance companies. Insurers are assessed based on their Ohio market share. Since 1970, the Ohio fund assessed insurers a net amount of \$80.8 million.

Sources:

¹Ohio Department of Job & Family Services, Bureau of Labor Market Information | ²Ohio Department of Insurance | ³Bureau of Economic Analysis | ⁴2016 Insurance Industry Resource Council Workforce Development Report | ⁵National Association of Insurance Commissioners (NAIC) 2017 Insurance Department Research Report | ⁶NAIC 2015 Homeowners Insurance Report and 2014—2015 Auto Insurance Report | ⁷Insurance Information Institute

RESOURCES

- **Ohio Insurance Institute**
ohioinsurance.org
- **Ohio Department of Insurance**
insurance.ohio.gov
- **Ohio FAIR Plan**
ohiofairplan.com
- **Ohio Automobile Insurance Plan**
assignedriskohio.com
- **Ohio Association of Health Plans**
oahp.org
- **Association of Ohio Life Insurance Companies**
aolic.com
- **Ohio Insurance Guaranty Association**
ohioga.org
- **Insurance Careers**
insurancecareers.org
- **Insuring Ohio Futures**
insuringohiofutures.com