

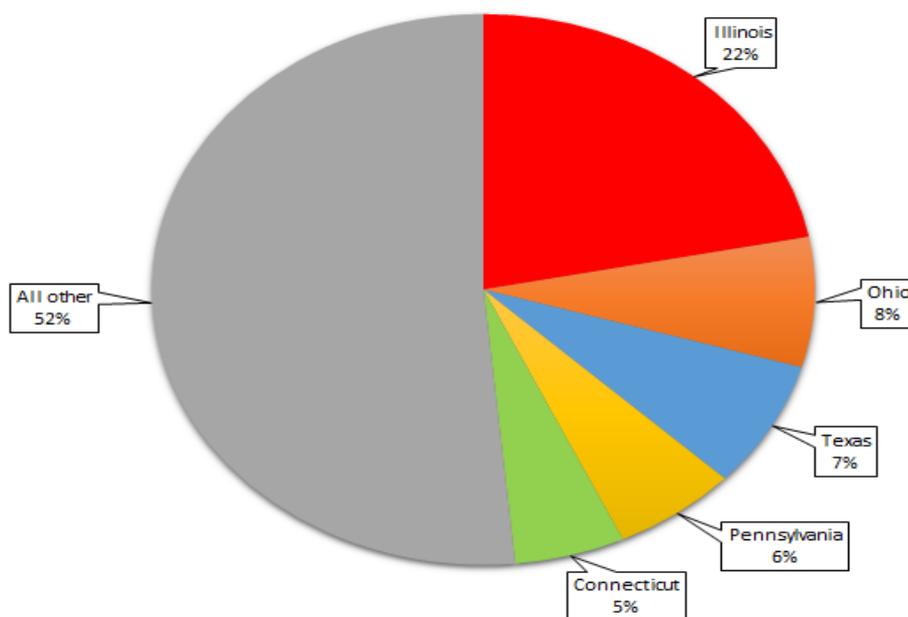
Economic Impact of Insurance Industry on State of Illinois: 2016 Study

The Illinois insurance industry is exceptionally robust and competitive. As of 2015, there were 192 property/ casualty insurers, 39 life insurers, and 40 health insurers domiciled in Illinois. The Illinois insurance industry is an exceptional contributor to employment, tax revenue, bonds, and loss protection.

Premiums Written By Illinois Insurers

Illinois Ranks Number 1 in the nation in terms of premiums written for property/casualty and health insurance lines of business. Illinois ranks number 2 overall in the nation behind New York with over **\$190 billion written** for all lines of business. (Illinois insurers ranked 14 in premiums).

Written Premium by State - P&C



22 percent of all P&C premiums and 9 percent of health insurance comes from insurers domiciled in Illinois.

Insurance Industry as Protector from Losses

Illinois insurers paid out over \$122 billion in claims in 2015, with **over one in five property/casualty claims nationwide** paid by Illinois insurers!

Table 1- Losses Paid By Illinois Insurers as Percentage of U.S. Payments By Insurance Sector

Area	P&C Ins	Life Ins	Health Ins
	Losses Paid Less Salvage 2015	Benefits & Losses 2015 Y	Medical Losses Incurred 2015 Y
ILLINOIS	\$61.1 Billion	\$19.9 Billion	\$41.1 Billion
U.S. Total	287,316,065.75	616,779,676.13	470,675,350.68
Percentage of U.S. Total	21.27%	3.22%	8.74%

Source: SNL Database- 2015

Insurance Industry as Employer

In 2014, **144,723 people were employed directly by the insurance industry in Illinois**. This is more than any of the surrounding states and in fact is more than twice the employment of Missouri, Indiana, or Iowa. Over 300,000 people work for organizations that serve the insurance industry. The median **compensation of workers in insurance was about 50 percent higher** than the average Illinois worker.

Contribution to State GDP by Illinois Insurers

The insurance industry is one the **top industries contributing to the Illinois GDP**, topping industries like construction and agriculture.

Gross Domestic Product by State (millions of current dollars) Illinois 2013	Millions of Dollars	% of State GDP
Insurance carriers and related activities	26,283	3.67%
Transportation and warehousing	25,897	3.62%
Information	24,702	3.45%
Construction	24,441	3.42%
Accommodation and food services	18,181	2.54%
Agriculture, forestry, fishing, and hunting	11,480	1.61%
Mining	3,797	0.53%

Source: 2013 Bureau of Economic Analysis, State GDP

Taxes Paid By Illinois Insurers

In 2015 insurers **paid over \$411 million** in taxes to the state of Illinois. In addition employees working in the insurance industry in Illinois paid and estimated **\$1.1 billion** in personal taxes.

Insurance Industry Investing in Our Nation and Local Communities

Illinois insurers held over \$305 billion in bonds as assets. On average, 44 percent of the property/casualty insurance industry's bond portfolio is invested in government bonds and municipal securities ("munis") issued by states and counties, and cities. These funds are used to finance a wide array of projects such as schools, roads, bridges, mass transit initiatives and health care facilities.

	NET ADM Investments Bonds 2015 Y
Health Insurers	\$8.3 Billion
Life Insurers	\$128.9 Billion
P&C Insurers	\$168 Billion
Total	\$305.2 Billion
	SNL Data 2015

The U.S. property/casualty insurers have increased their CHARITABLE GIVING by an average of 15 percent since 2011, to an industry total of \$575 million in 2014 benefiting communities in which they operate throughout the United States. Insurance organizations such as State Farm, Allstate, Zurich North America, CNA, and AON for example all have foundations that make charitable contributions to local causes.

About This Study

This study was conducted by the Katie School of Insurance at Illinois State University and was sponsored by the Independent Insurance Agents of IL, and the Illinois Insurance Association. Copies of this study along with all of the supporting documentation can be found at www.katieschoolstudies.org.