West Virginia Offices of the Insurance Commissioner

2017 Annual Report

Allan L. McVey
Insurance Commissioner

The information in this report reflects the current financial condition and economic importance of the overall insurance industry in West Virginia.

STATE OF WEST VIRGINIA
Offices of the Insurance Commissioner

Allan L. McVey
Insurance Commissioner

September 4, 2018

The Honorable Jim Justice
Governor of the State of West Virginia
State Capitol
Charleston, WV 25305

Dear Governor Justice:

The Annual Report of the Insurance Commissioner of the state of West Virginia for the calendar year 2017 is hereby submitted in accordance with Chapter 33, Article 2, Section 15, of the Code of West Virginia. An Executive Summary immediately follows this memorandum.

The information contained in this report reflects the economic importance and current financial condition of the insurance industry in our state. The included insurance entity statistics are compiled from the December 31, 2017 annual statements filed with this agency by the insurance companies licensed in this state.

Respectfully submitted,

Allan L. McVey
CPCU, ARM, AAI, AAM, AIS
Insurance Commissioner

Executive Office
Post Office Box 50540
Charleston, West Virginia 25305-0540

We are an Equal Opportunity Employer

Telephone (304) 558-3354
Facsimile (304) 558-0412
www.wvinsurance.gov

EXECUTIVE SUMMARY

This report to the Governor of West Virginia provides detail about the structure and activities of the West Virginia Offices of the Insurance Commissioner for the preceding year. The report is divided into three major sections. Each section is detailed below.

Section 1 of this report highlights the organization of our office and provides detail for its $207.8M in total revenue collected from the previous year. It includes an interdepartmental organizational chart, historical list of insurance commissioners, and then proceeds to identify the individual revenue streams managed by this agency.

Section 2 of this report further identifies the functional divisions of this office and enumerates each division's individual activities during the past year. A summarization of those activities follows:

- The **Agents Licensing and Education Division** presides over licensing, processing and maintaining records for over 129,000 licensees transacting insurance business in WV. In 2017, over 259,000 company appointments and appointment cancellations were processed and monitored by this unit. The Division successfully passed a Federal Bureau of Investigation (FBI) fingerprinting audit due to effective procedures and surpassing minimum standards.

- The **Board of Review** (Workers' Compensation) exercises exclusive jurisdiction over all appeals from decisions issued by the Workers' Compensation Office of Judges pursuant to West Virginia Code §23-5-11. During 2017, the Board held monthly hearings and issued written rulings on Petitions to Stay, motions, appeals, and Petitions for Award of Claimant's Attorney Fees and Costs.

- The **Claims Services Division** (Workers' Compensation) oversees management of the workers' compensation Old Fund. As of June 30, 2018, there were 11,758 open claims. There have been over 75.4% old fund claims closed since January 31, 2008.

- The **Office of Consumer Advocacy** assisted consumers with complaints which yielded financial awards totaling $73,109.98 in 2017. The Office of Consumer Advocacy also participated in the review of 155 Certificate of Need applications.

- The **Consumer Service Division** assists our insurance consumers with questions and complaints. The Division received a total of 1,989 written complaints from insurance consumers in 2017. Over the course of the year, the Division responded to an average of 84 consumer inquiries per day.

- The **Employer Coverage Unit** (Workers' Compensation) reviews and grants requests for exemptions from statutory workers' compensation coverage as well as serving as the contact point for injured workers of uninsured employers. In 2017, the Unit reviewed 2,153 applications for exemption and granted 1,781 of the same.

- The **Financial Accounting Unit** is responsible for the preparation of audited financial statements, monthly financial reports, the budget, management and administration of federal grant funds, daily cash management and investment processing which includes accounts payable and all agency cash receipts processing through the state's accounting system. The unit also calculates the workers' compensation claim liability associated with employers who self-insure their workers' compensation risk exposure. In 2017, the Unit received its twelfth consecutive unmodified or "clean" opinion on the Audited Financial Statements. In 2017, the Tax division was relocated from Financial Conditions to the FA Unit. This division collects premium taxes and surcharges for approximately 2,910 insurance companies and surplus lines licensees licensed in West Virginia.

- The **Financial Conditions Division** is responsible for the licensing, the financial monitoring, and the financial examinations of the insurance companies/entities admitted to do business in West Virginia ensuring that policyholders are secure in purchasing insurance products from financially solvent and compliant insurance companies. They oversaw a total of 2,764 separate insurance entities transacting business in West Virginia during 2017. The Division successfully retained its Accreditation from the NAIC and was awarded another 5-year term of accreditation for outstanding financial regulation.

- The **Self-Insurance Unit** (Workers' Compensation) is responsible for regulating 63 employers that currently self-insure their workers' compensation coverage in West Virginia and approximately 110 employers who no longer self-insure but continue to administer claims incurred during their period of self-insurance. No companies were approved for self-insured status in calendar year 2017.

- The **Fraud Unit (Office of the Inspector General)** is responsible for facilitating a cooperative approach in the detection, investigation, and prosecution of insurance fraud. In 2017, they received a total of 758 referrals of insurance fraud from the industry and public. The Fraud Unit completed 143 field investigations turning investigative reports over to State and Federal Prosecutors with over $2,000,000 of identified fraudulent dollars and resulting in 149 felony indictments.

- The **Health Policy Division** works toward the implementation of a Health Insurance Marketplace in West Virginia in conjunction with the Patient Protection and Affordable Care Act (ACA). In February 2013, WV announced it would become a Partnership state, meaning that West Virginia consumers could utilize 'The Marketplace' as an online portal at www.Healthcare.gov to compare information on available health plan options, enroll in health plans, and receive subsidies, if financially eligible.

- The **Legal Division** provides legal counsel to the Insurance Commissioner and staff, drafts and promulgates statutes, investigates code/rule violations, responds to litigation, hearings and coordinates receivership activities. During 2017, the Division was involved with 21 new statutes or regulations directly impacting insurance; 305 matters of litigation, Administrative, or Circuit Court Hearings; and 822 investigations by the regulatory compliance unit including 123 orders.

- The **Market Conduct Unit** undertakes examinations and analyses of insurance companies and other regulated entities doing business in West Virginia for the purpose of determining consumer- oriented compliance. In 2017, seven (7) Agreed Orders were entered by the Insurance Commissioner with penalties totaling $30,375.00 being assessed as a result of violations discovered during examinations. The unit also participated in sixteen (16) multi-state collaborative actions which resulted in $223,517.00 in penalties and other assessments. The Market Conduct Unit completed ten (10) comprehensive compliance examinations on employers which are self-insured for workers' compensation, resulting in penalties totaling $4,000.00.

- The **Revenue Recovery Unit** (Workers' Compensation) is responsible for the collection of all monies due to the Uninsured Employers' Fund and to the Old Fund, as well as the collection of fines imposed upon employers where workers' compensation coverage has been cancelled.

- The **Office of Judges** (Workers' Compensation) provides the first level of judicial review in workers' compensation litigation by processing appeals from initial workers' compensation claim management decisions. During 2017, this unit ruled upon 7,600 written motions and rendered 3,338 decisions.

- The **Rates and Forms Division** reviews and approves or disapproves proposed insurance rates and forms for all regulated lines of insurance in West Virginia. During 2017, the Division received a total of 6,327 filings for all lines of insurance. Of the 6,327 new filings received, 46% (2,907) were property and casualty filings and 54% (3,426) were life and health filings.

- The **State Agency Workers' Compensation (SAWC) Program** is a combined insurance policy providing workers' compensation coverage for 102 state agencies and boards. The program includes over 900 locations throughout the state and provides coverage for approximately 25,000 state employees.

Section 3 of this report provides enhanced detail from each regulated line of insurance. This section separates the state's insurance market into Property and Casualty insurance companies and Life and Health insurance companies and proceeds to identify the top 10 licensed carriers by earned premium market share percentage.

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SECTION 1: GENERAL
ORGANIZATIONAL CHART

WEST VIRGINIA INSURANCE COMMISSIONERS

D. S. Butler	July 1, 1947 to April 30, 1948
Robert A. Crichton	May 1, 1949 to June 30, 1952
Hugh N. Mills	July 1, 1952 to June 30, 1953
Thomas J. Gillooly	July 1, 1953 to September 30, 1956
Louis Miller, Jr.	October 1, 1956 to June 30, 1957
Harold E. Neely	July 1, 1957 to February 5, 1958
C. Judson Pearson	February 7, 1958 to January 15, 1961
Hugh N. Mills	January 16, 1961 to May 16, 1961
Virginia Mae Brown	May 17, 1961 to September 3, 1962
Harlan Justice	September 4, 1962 to January 15, 1966
Frank Montgomery	January 16, 1966 to September 30, 1968
Robert J. Shipman	October 1, 1968 to January 30, 1969
Samuel H. Weese	January 31, 1969 to January 16, 1975
Donald W. Brown	January 16, 1975 to January 14, 1977
Richard G. Shaw	January 17, 1977 to January 11, 1985
Fred L. Wright	February 21, 1985 to June 30, 1988
Hanley C. Clark	July 1, 1988 to January 17, 1989*
Hanley C. Clark	January 18, 1989 to January 15, 2001
Jane L. Cline	January 15, 2001 to June 30, 2011
Michael D. Riley	July 1, 2011 to January 8, 2012*
Michael D. Riley	January 9, 2012 to January 31, 2017
Andrew R. Pauley	February 1, 2017 to March 31, 2017*
Allan L. McVey	April 1, 2017 to Present

**Acting Insurance Commissioner during interim period*

FINANCIAL STATEMENTS

FEES AND TAXES COLLECTED DURING THE LAST 5 FISCAL YEARS

	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018
GENERAL REVENUE					
INSURER EXAMINATION ASSESSMENT FEE	$491,369	$552,850	$562,525	$571,125	$542,525
PENALTY FEE	$536,344	$545,762	$288,810	$538,560	$594,853
TOTAL FOR GENERAL REVENUE	**$1,027,713**	**$1,098,612**	**$851,335**	**$1,109,685**	**$1,137,378**
SPECIAL REVENUE	**FY 2013-2014**	**FY 2014-2015**	**FY 2015-2016**	**FY 2016-2017**	**FY 2017-2018**
*INSURANCE TAX FUND	$115,168,647	$115,208,951	$116,588,197	$119,635,733	$123,661,383
INSURER EXAMINATION ASSESSMENT FEES	$848,900	$927,200	$993,300	$1,001,050	$956,900
FEES & CHARGES	$38,141,383	$37,443,566	$36,138,127	$33,541,878	$35,557,222
FIRE MARSHAL	$1,884,594	$1,648,009	$1,298,879	$609,178	$2,075,092
MUN. PENSION & PROTECTION FUND	$26,475,290	$27,340,083	$27,724,028	$28,190,439	$29,907,039
VOL. FIREMEN & TEACHERS RETIREMENT	$12,452,996	$13,216,445	$13,328,521	$13,539,015	$14,536,542
TOTAL FOR SPECIAL REVENUE	**$194,971,810**	**$195,784,254**	**$196,071,053**	**$196,517,293**	**$206,694,178**
GRAND TOTAL COLLECTED	**$195,999,523**	**$196,882,866**	**$196,922,388**	**$197,626,978**	**$207,831,556**

* Revenue is net of Tobacco Settlement loan repayment, medical malpractice and Federal Flood transfer

APPROPRIATED EXPENDITURE SCHEDULE
INSURANCE COMMISSION FUND 7152
FISCAL YEAR 2017
JULY 1, 2016 - JUNE 30, 2017

APPROPRIATED

Personal Services	$16,497,396		
Increment	$512,102		
Employee Benefits	$8,030,229		
Other Expenses	$10,960,273		
			$ 36,000,000

ACTUAL EXPENDITURES

Personal Services	$11,635,610		
Increment	$269,992		
Employee Benefits	$4,279,188		
Other Expenses	$6,023,274		
TOTAL EXPENDITURES		$22,208,064	

APPROPRIATION BALANCE

Personal Services	$4,861,786		
Increment	$242,110		
Employee Benefits	$3,751,041		
Other Expenses	$4,936,999		
TOTAL FUNDS REMAINING		$13,791,936	
			$ 36,000,000

ASSESSMENT FEES COLLECTED

JULY 1, 2016 THROUGH JUNE 30, 2017	**$33,541,878**

Statement of Revenues, Expenses, and Changes in Fund Net Position (Deficit)
Proprietary Funds
For the Year Ended June 30, 2017
(In Thousands)

	Workers' Compensation	State Entities Workers' Compensation	Total
Operating Revenues:			
Assessments	$569	$-	$569
Employer Surcharge	34,702	-	34,702
Premium Revenue, Net	464	12,901	13,365
Other Operating Revenue	23	-	23
Total Operating Revenue	35,758	12,901	48,659
Operating Expenses and Claims Provisions:			
Claims and Claim Adjustment Provisions	124,169	9,769	133,938
General and Administration	10,274	1,535	11,809
Total Operating Expenses and Claims Provisions	134,443	11,304	145,747
Operating Income (Loss)	(98,685)	1,597	(97,088)
Nonoperating Revenues:			
Investment Earnings	135,019	95	135,114
Lottery Revenue	5,500	-	5,500
Severance Tax	2,731	-	2,731
Total Nonoperating Revenues	143,250	95	143,345
Change in Net Position before transfers	44,565	1,692	46,257
Re-appropriation to State of WV General Revenue	(22,692)	-	(22,692)
Interfund Transfers	-	(9,000)	(9,000)
Total Net Position (Deficit) - Beginning of Year	81,426	23,067	104,493
Total Net Position (Deficit) - End of Year	$ 103,299	$ 15,759	$119,058

Schedule of Net Position (Deficit)
Workers' Compensation Information
June 30, 2017
(In Thousands)

	WC Old Fund Debt Reduction	Coal Workers' Pneumoconiosis	Uninsured Fund	Self-Insured Funds	Total
Assets:					
Current Assets:					
Cash and Cash Equivalents	$1,266,457	$ 251,789	$12,786	$88,455	$1,619,487
Receivables, Net:					
Statutory Allocations	99	-	-	-	99
Assessments	-	-	44	-	44
Employer Surcharge	7,452	-	-	-	7,452
Premiums	84	-	-	-	84
Total Assets	1,274,092	251,789	12,830	88,455	1,627,166
Liabilities:					
Current Liabilities:					
Estimated Liability for Unpaid Claims and Claim Adjustment Expense	145,900	16,000	400	7,800	170,100
Accrued Expenses and Other Liabilities	5,798	69	-	-	5,867
Total Current Liabilities	151,698	16,069	400	7,800	175,967
Noncurrent Liabilities:					
Estimated Liability for Unpaid Claims and Claim Adjustment Expense	1,151,400	144,600	1,200	50,700	1,347,900
Total Noncurrent Liabilities	1,151,400	144,600	1,200	50,700	1,347,900
Total Liabilities	1,303,098	160,669	1,600	58,500	1,523,867
Net Position:					
Restricted for:					
Coal Workers' Pneumoconiosis	-	91,120	-	-	91,120
Uninsured Fund	-	-	11,230	-	11,230
Self-Insured Fund	-	-	-	29,955	29,955
Unrestricted (Deficit)	(29,006)	-	-	-	(29,006)
Total Net Position (Deficit)	$(29,006)	$91,120	$11,230	$29,955	$103,299

Statement of Net Position (Deficit)
Proprietary Funds
June 30, 2017
(In Thousands)

	Workers' Compensation	State Entities Workers' Compensation	Total
Assets:			
Current Assets-			
Cash and Cash Equivalents	$1,619,487	$11,085	$1,630,572
Receivables, Net-			
Statutory Allocations	99	-	99
Assessments	44	-	44
Employer Surcharge	7,452	-	7,452
Premiums	84	-	84
Prepaid Assets	-	1,351	1,351
Loss Reserve Fund	-	18,023	18,023
Total Current Assets	1,627,166	30,459	1,657,625
Total Assets	1,627,166	30,459	1,657,625
Liabilities:			
Current Liabilities-			
Estimated Liability for Unpaid Claims and Claim Adjustment Expense	170,100	5,600	175,700
Accrued Expenses and Other	5,867	-	5,867
Total Current Liabilities	175,967	5,600	181,567
Non-Current Liabilities-			
Estimated Liability for Unpaid Claims and Claim Adjustment Expense	1,347,900	9,100	1,357,000
Total Non-Current Liabilities	1,347,900	9,100	1,357,000
Total Liabilities	1,523,867	14,700	1,538,567
Net Position:			
Restricted for-			
Coal Workers' Pneumoconiosis	91,120	-	91,120
Uninsured Fund	11,230	-	11,230
Self-Insured Funds	29,955	-	29,955
State Entities Workers' Compensation Program Fund	-	15,759	15,759
Unrestricted (Deficit)	(29,006)	-	(29,006)
Total Net Position (Deficit)	$103,299	$15,759	$119,058

APPROPRIATED EXPENDITURE SCHEDULE
CONSUMER ADVOCATE FUND 7151
FISCAL YEAR 2017
JULY 1, 2016 - JUNE 30, 2017

APPROPRIATED

Personal Services	383,395		
Increment	8,160		
Employee Benefits	160,673		
Other Expenses	265,702		
			$817,930

ACTUAL EXPENDITURES

Personal Services	208,380	
Increment	3,060	
Employee Benefits	66,592	
Other Expenses	31,258	
TOTAL EXPENDITURES		309,290

APPROPRIATION BALANCE

Personal Services	175,015	
Increment	5,100	
Employee Benefits	94,081	
Other Expenses	234,444	
TOTAL FUNDS REMAINING		508,640
		$817,930

APPROPRIATED EXPENDITURE SCHEDULE
EXAMINATION FUND 7150
FISCAL YEAR 2017
JULY 1, 2016 - JUNE 30, 2017

APPROPRIATED

Personal Services	518,696		
Increment	9,292		
Employee Benefits	193,129		
Other Expenses	1,461,290		
			$2,182,407

ACTUAL EXPENDITURES

Personal Services	375,185		
Increment	5,760		
Employee Benefits	122,885		
Other Expenses	177,431		
TOTAL EXPENDITURES		681,261	

APPROPRIATION BALANCE

Personal Services	143,511		
Increment	3,532		
Employee Benefits	70,244		
Other Expenses	1,283,859		
TOTAL FUNDS REMAINING		1,501,146	
			$2,182,407

ASSESSMENT FEES COLLECTED
JULY 1, 2016 THROUGH JUNE 30, 2017 **$1,001,050**

SECTION 2: DIVISION REPORTS

AGENTS LICENSING AND EDUCATION DIVISION

The Agents Licensing and Education Division is responsible for processing and maintaining records on individual producers licensed to transact business in West Virginia. Licensees include residents who must complete educational and testing requirements to obtain a license. Residents of other states who have completed similar requirements in their states of domicile may apply for a West Virginia non-resident license by submitting the appropriate application and documentation for review. In addition to licensing of individual producers, the division oversees the licensing of Adjusters, Surplus Lines Licensees, Business Entities, Viatical Settlement Brokers, Viatical Settlement Business Entities and Travel Insurance Business Entities.

Producers must be appointed to represent each insurance company the producers are transacting business for in West Virginia. Insurance companies are responsible for submitting appointment information and fees to Agents Licensing and Education for processing.

Monies generated through licensing and appointment fees, letters of certification and letters of clearance are deposited into the Offices of the Insurance Commissioner's Special Revenue account.

Resident producers must periodically complete continuing education to maintain their licenses. The continuing education program is governed by a six-member board appointed by the Insurance Commissioner. The representatives (all of whom are West Virginia resident insurance producers) of this Board represent various areas of the insurance industry as prescribed by law.

Administrative functions for the continuing education program are handled by Prometric. Prometric reviews provider and course applications under guidelines established by the Board of Insurance Agent Education. Additionally, Prometric banks the continuing education credits to the producers' records and, at compliance time, provides the Insurance Commissioner with data on compliant and noncompliant producers.

The Division successfully completed and passed a Federal Bureau of Investigation (FBI) fingerprinting audit due to effective procedures and surpassing minimum standards. This accomplishment demonstrates the dedication of the OIC staff in ensuring regulatory licensing procedures are compliant.

The following are current statistics on the various aspects of Agents Licensing and Education Division.

LICENSING ACTIVITY

NEW LICENSES ISSUED	2017
Resident Agent	1,044
Non-Resident Agent	25,362
Surplus Lines	164
Adjuster	6,498
Viatical Settlement Broker	1
Business Entities (Includes all Types)	726
TOTAL	**33,795**

LICENSING TRANSACTIONS	2017
Renewed Licenses	46,904
Companies' Appointments of Agent	140,251
Cancellation of Agents' Appointments	119,343
Licenses Denied	304
Revocations	18
TOTAL	**306,820**

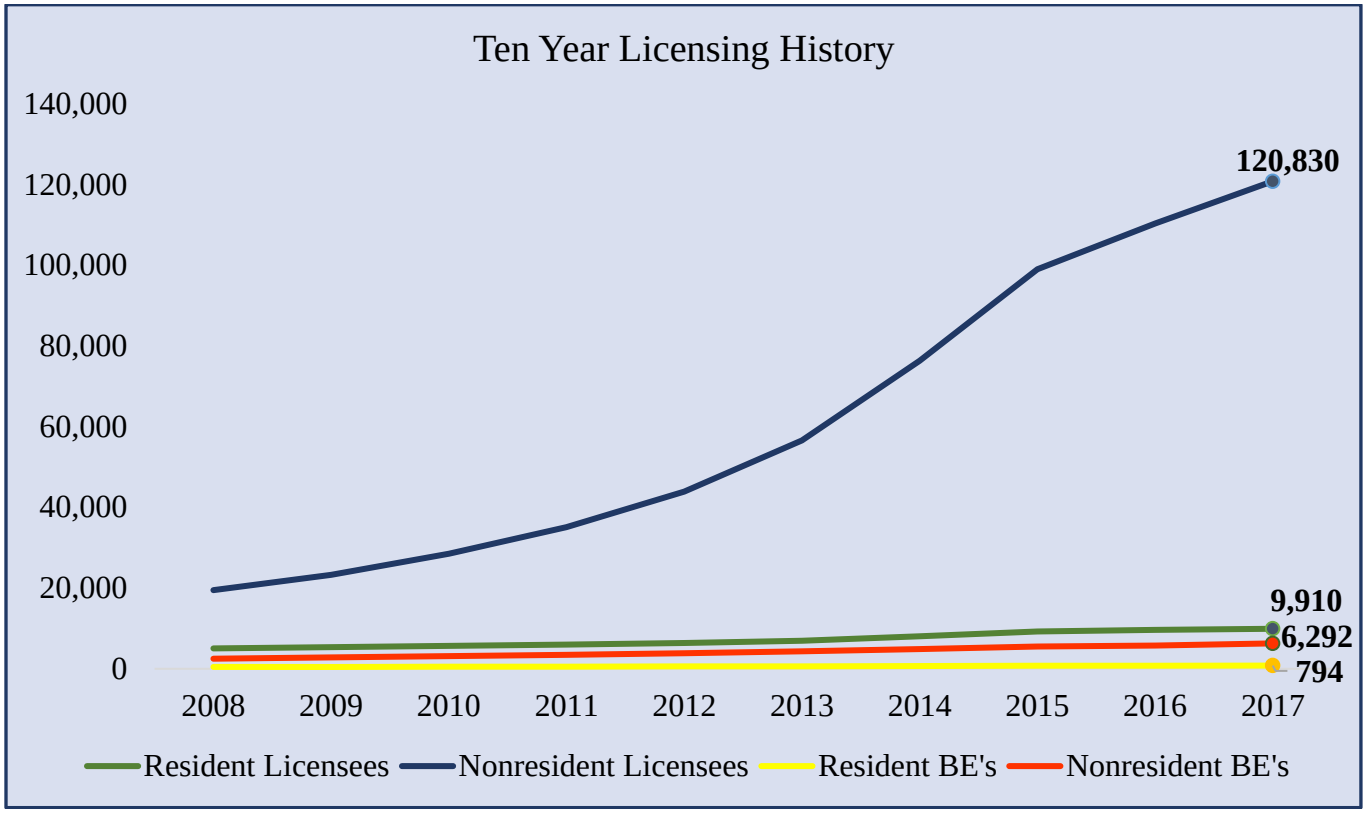
LICENSING CONTACT	2017
Telephone Activity	8,298
Office Visits	109
TOTAL	**8,407**

CONTINUING EDUCATION	2017
Total Required to be Compliant	4,276
Total Suspended	1,130
Total Compliant	3,146

LICENSING EXAMINATION SUMMARY

TYPE OF EXAM	2017 Tested	2017 Passed
Life	1,092	624
Accident and Sickness	632	469
Property and Casualty	582	277
Property	9	2
Casualty	3	1
Company Adjuster	323	137
Surplus Lines	3	3
Public Adjuster	1	1
Personal Lines	5	3
TOTAL	**2,650**	**1,517**

TEN YEAR LICENSING HISTORY



BOARD OF REVIEW (WORKERS' COMPENSATION)

The statutory role of the Workers' Compensation Board of Review is set forth in West Virginia Code § 23-5-12, which provides as follows: "Any employer, employee, claimant or dependent who shall feel aggrieved at any final action of the administrative law judge taken after a hearing held in accordance with the provisions of section nine of this article shall have the right to appeal to the board created in section eleven of this article for a review of such action. The Workers' Compensation Commission, the successor to the commission, other private insurance carriers and self-insured employers, whichever is applicable, shall likewise have the right to appeal to the board any final action taken by the administrative law judge." Our goal is to resolve these appeals in a fair, efficient, and timely manner. The Board of Review is governed by procedural rules found in 102 CSR 1, Rules of Practice and Procedure.

During the course of the appeal, motions are submitted by the parties, and the Board issues timely rulings in response to the motions. In addition to motions, the parties submit briefs and may present oral argument to the Board in accordance with West Virginia Code § 23-5-12(b). At the conclusion of the appeal process, the Board issues a written decision, which may be appealed to the Supreme Court of Appeals as set forth in West Virginia Code § 23-5-15.

When the claimant is successful in an appeal involving denied medical benefits, the claimant's attorney may file a Petition for Award of Claimant's Attorney Fees and Costs if the claimant meets the criteria in West Virginia Code § 23-5-16(c). The Petition is submitted to the Board of Review if the final decision on the issue is entered by the Board. At the appropriate time, the Board issues a ruling on the Petition.

A statistical report is provided to the Workers' Compensation Industrial Council every month. This report includes information regarding incoming appeals, such as the issues being appealed and the parties filing the appeals. Additionally, the report provides data regarding the Board's decisions.

The Board and staff are committed to adapting the appeal process to provide a fair and efficient system to resolve appeals. In order to promote quicker resolution of claims for the parties and to provide consistent decisions, the Board at times consolidates the appeals in a claim for decision purposes. When this happens, the Board issues one order addressing multiple issues involved in a single injury.

Board member W. Jack Stevens retired in 2017. Governor Jim Justice appointed Nick Casey to fill the vacancy on the Workers' Compensation Board of Review.

CLAIMS SERVICES DIVISION (WORKERS' COMPENSATION)

The Claims Services Division is comprised of 15 employees that provide oversight of the Old Fund Program; the legacy claims liability that existed upon the privatization of workers' compensation. In addition, this Division provides claims oversight of the Uninsured Employer Fund (UEF), the Federal Black Lung Program with dates of last exposure prior to January 1, 2006, Guarantee and Security Funds, and the State Agency Workers' Compensation (SAWC) Program. Primary objectives ensure the claims are properly reserved and administered to the Best Claims Practice standards and are in compliance with statutory and regulatory provisions. The Claims Services Division is responsible for additional internal controls assuring proper management of these claims which include the Best Claims Practice Reviews conducted on-site, on-going quality assurance reviews, large loss review staffing with each third-party administrator (TPA), indemnity payment approval threshold of $25,000.00 or greater, and the settlement initiative. Regulatory duties of this Division include maintaining the Occupational Pneumoconiosis (OP) Board and the Permanent Total Disability Review Board (PTDRB) dockets, the Claims Index, and the Electronic Data Interchange (EDI) program. The Claims Services Division also coordinates with the West Virginia State Auditor's Office and the TPAs to establish Electronic Fund Transfers (EFTs) for injured workers or their dependents who receive benefits.

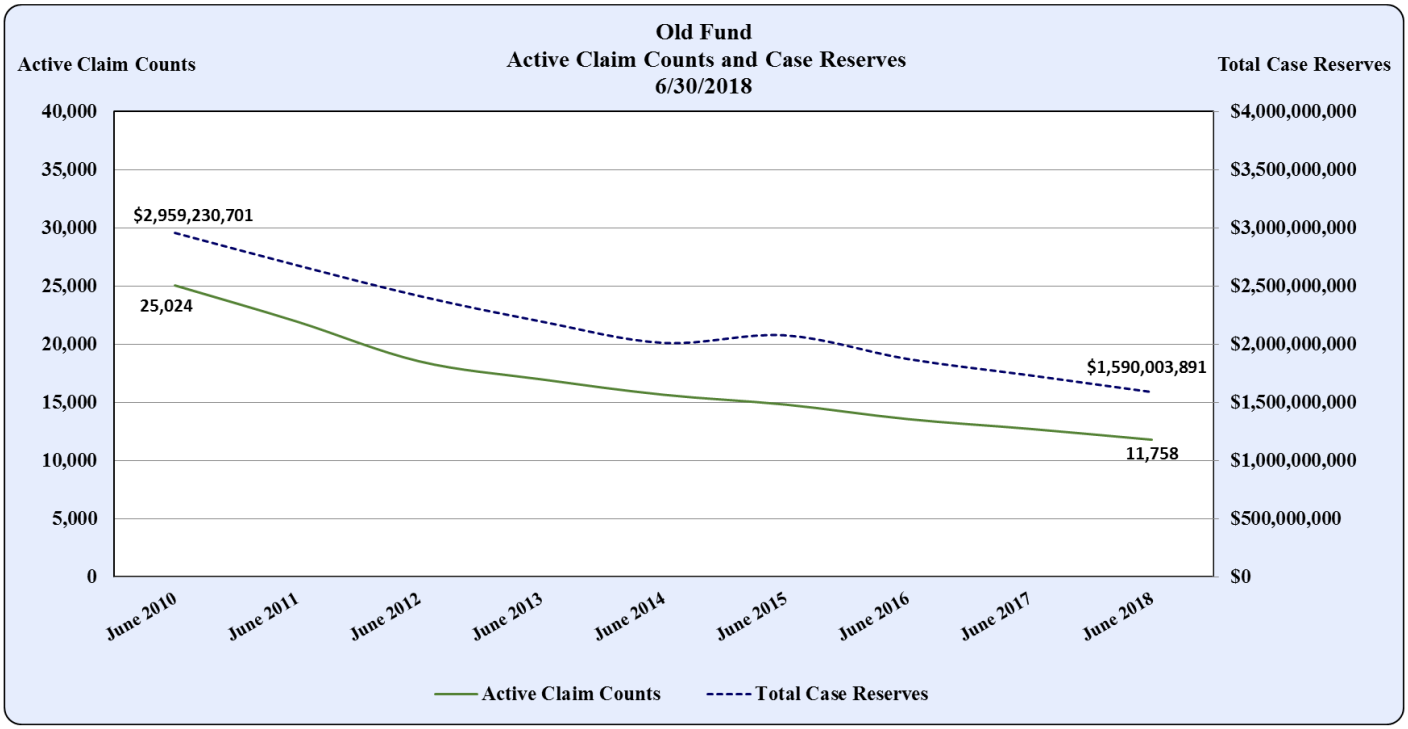
CLAIMS STATISTICS

On December 1, 2007, the OIC officially began managing 47,961 active old fund claims. Since that time, through proper claims handling utilizing industry accepted standards and a focused settlement initiative, approximately 75.48% of the active caseload has been closed.

Active old fund claim counts for the TPAs as of June 30, 2018, are as follows:

Counts as of	Sedgwick	HealthSmart	American Mining	Totals	Closed
1/31/2008	39,227	4,750	3,984	47,961	-
6/30/2008	25,484	3,455	3,792	32,731	31.75%
6/30/2009	22,425	2,894	3,237	28,556	40.46%
6/30/2010	19,837	2,373	2,814	25,024	47.82%
6/30/2011	17,346	2,188	2,381	21,915	54.31%
6/30/2012	15,451	1,871	1,179	18,501	61.42%
6/30/2013	14,075	1,775	1,101	16,951	64.66%
6/30/2014	13,114	2,512	-0-	15,626	67.42%
6/30/2015	12,376	2,406	-0-	14,782	69.18%
6/30/2016	11,236	2,298	-0-	13,534	71.78%
6/30/2017	10,485	2,209	-0-	12,694	73.53%
6/30/2018	9,687	2,071	-0-	11,758	75.48%

A graphical representation of the Old Fund claim changes and total reserves is shown below.



OCCUPATIONAL DISEASE CLAIMS

Please note that there are new occupational disease claims, such as Occupational Pneumoconiosis (OP) and Hearing Loss (HL) that are submitted to Claims Services for entry and establishment of a new claim. The claim(s) is then assigned to a TPA for administration. These applications have a date of last exposure prior to July 1, 2005. The State OP claims are part of the Old Fund liability. We have two other separate and distinct funds in which we receive new claim filings. The Uninsured Employer Fund (UEF), as previously indicated, commenced as of January 1, 2006. We enter and establish these claims and assign to a TPA for administration. In addition, new claims are filed for Federal Black Lung (FBL), and the date of last exposure must be prior to January 1, 2006. The FBL claims are paid via the Coal Workers' Pneumoconiosis Fund (CWPF).

New Claim Filings	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
State OP	70	28	79	66	116	134	**62**
HL & OD	10	8	7	11	8	11	**5**
Uninsured Employer Fund	16	16	20	11	12	11	**10**
FBL	316	217	460	328	385	400	**416**

REGULATORY BOARDS

As stated previously, regulatory duties of the Claims Services Division include maintaining the Occupational Pneumoconiosis (OP) Board and the Permanent Total Disability Review Board (PTDRB) dockets. We have one full-time designated occupational pneumoconiosis (OP) employee who is responsible for OP applications. This individual prepares the files and maintains the docket for the OP Board and prepares the files for hearings before the Office of Judges. In FY2018, there were 950 examinations scheduled before the OP Board, and 53 fatal reviews. The PTDRB docket has been overseen by this Division since October 2008. In FY2018, the PTDRB had 29 reviews; including initial, remands, and final reviews. Applications are received for the old fund, new carriers and self-insured employees.

Regulatory Board	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
OP Board Examinations	519	515	582	383	724	1,064	**950**
OP Board Fatal Reviews	128	143	94	33	66	46	**53**
PTDRB Reviews	76	183	209	38	17	23	**29**

ELECTRONIC DATA INTERCHANGE (EDI) PROGRAM

The implementation of the Electronic Data Interchange (EDI) program resulted from the passage of §Title 85, Series 2, Workers' Compensation Claims Index. The purpose of EDI is to provide a consistent method for carriers or self-insured employers to report claims to the OIC. Any workers' compensation claim that is filed in the state of West Virginia is captured on our Claims Index System. Pursuant to regulations, the First Report of Injury (FROI) and Second Report of Injury (SROI) must be submitted electronically within 10 days of notification that an injury has occurred, using the Release 3 EDI standards as adopted by the International Association of Industrial Accident Boards and Commissions (IAIABC). The OIC's website contains information and links to our EDI Implementation Guide. In addition, we provide the procedural steps on how to apply for a trading partner profile and become eligible to file as a Carrier/TPA/Self-Insured Employer through the EDI. The program has continued to develop and EDI transaction errors are trending downward.

WORKERS' COMPENSATION SCHEDULE OF MAXIMUM ALLOWED MEDICAL REIMBURSEMENT

An Insurance Program Specialist within the Claims Services Division is tasked with maintaining the maximum allowable fee schedule that is utilized for the West Virginia claimants in the workers' compensation industry. The fee schedule serves as a "maximum allowable" reimbursement reference exclusively and is applied to all workers' compensation medical care, except for care provided under the OIC approved Managed Health Care Plan (MHCP), which is exempt from the maximum fee schedule.

The maximum fee schedule that is currently in place became effective on July 1, 2013 and is calculated by utilizing 100% of current Medicare allowed amounts, plus an approximate 35% mark-up. This methodology will remain effective until an update for efficiency is otherwise determined. All inquiries pertaining to the maximum allowable fee schedule are reviewed and answered by the Insurance Program Specialist.

CLAIMS INDEX

The Claims Services Division also reviews applications for access to the Workers' Compensation Claims Index. The Claims Index is a legislative mandated uniform system of gathering workers' compensation claim information through EDI and allows the information to be accessible to approved participants. The ndex contains basic demographic data to assist insurers in obtaining information from other insurers regarding previously filed workers' compensation claims by a particular claimant. Applications are approved or denied by a WC System Specialist III within this Division.

NURSE PROGRAM

The RN III monitors the monthly pharmacy reports that provide for a high expenditure in the Old Fund claims; in particular the claimants that receive opioids. In addition, the RN III closely reviews and monitors the Lung Transplants and complicated pneumoconiosis claims. The RN III also participates in the on-site large loss staffings, round-table claim discussions, and provides needed assistance with complicated medical issues identified by the specialists during their ongoing quality assurance reviews on all programs. The RN III coordinates and participates in the Wellness Programs, maintains the AED Machines, and validates the Independent Medical Examiner list. The RN III serves on the ICC-Early Intervention Birth to 3, as appointed by the Commissioner. In addition, was recently appointed by the Commissioner to serve on the board that provides oversight of the West Virginia Traumatic Brain and Spinal Cord Injury Rehabilitation Fund Act, pursuant to §18-10K-2. This resource has allowed medical reviews of greater detail in the areas indicated above, which is a significant contribution to the programs.

CONSUMER ADVOCATE DIVISION

In 2017, the Office of Consumer Advocate served the interests of the West Virginia insurance consumer and fulfilled the expanded duties conferred upon the Office in the tort reform measures passed in 2005 in Senate Bill 418. A large portion of the Office of the Consumer Advocate's time and resources was devoted to first and third-party administrative hearings.

During 2017, the efforts of the Office of the Consumer Advocate on behalf of West Virginia insurance consumers yielded financial awards totaling $73,109.98 which go directly into the pocket of the consumer as well as a number of other important settlements and regulatory orders directly benefiting the West Virginia insurance consumer.

During the entirety of the undersigned's tenure, the Office of the Consumer Advocate has been involved in obtaining financial settlements totaling $3,829,975.92 on behalf of West Virginia insurance consumers. These awards go directly into the pocket of the consumer. The Office of the Consumer Advocate is very proud of this accomplishment.

In the health care arena in 2017, the Office of the Consumer Advocate reviewed 155 Certificate of Need Applications. The Office of the Consumer Advocate was previously charged with reviewing Rate Review Applications before the West Virginia Health Care Authority. Subsequent to passage of SB 68, the WV Health Care Authority's ability to establish and regulate hospital rates ceased in 2017. As such, the Office of the Consumer Advocate does not continue to review Rate Review Applications any more.

The Office of the Consumer Advocate attended many State conferences and State festivals as a means of interacting with and disseminating information to West Virginia insurance consumers. State festivals attended in 2017 include the Strawberry Festival, the State Fair, the Pumpkin Festival, the Forest Festival, and the WV Hunting Show.

Further, the Office of the Consumer Advocate participated in telephonic conferences with numerous state insurance consumer advocates from across the nation in an effort to network and gather information that can be used to provide better representation to West Virginia insurance consumers. In addition, the Office of the Consumer Advocate, along with other members of the West Virginia Offices of the Insurance Commissioner (WVOIC), participated in telephonic conferences with other states and federal officials regarding the Affordable Health Care Act.

The Office of the Consumer Advocate participated in mandatory continuing legal education with a focus on insurance and consumer related education.

The Office of the Consumer Advocate kept abreast of any legislation that would affect West Virginia Consumers. When needed, representatives from the Office of the Consumer Advocate reviewed legislation and attended or watched via live web camera legislative hearings in both the House of Representatives and the Senate.

The Office of the Consumer Advocate also kept abreast of any cases before the West Virginia Supreme Court of Appeals regarding insurance law issues. The Consumer Advocate read any pertinent opinions and attended oral arguments at the Supreme Court chambers when insurance related cases were on the Court's docket.

REPRESENTING CONSUMERS IN FIRST AND THIRD-PARTY ADMINISTRATIVE HEARINGS

In 2017, the Office of the Consumer Advocate provided formal representation to insurance consumers in 18 consumer complaints before the West Virginia Insurance Commission. 16 of these complaints these complaints were third party complaints and the remaining 2 were first party complaints. First party complaints are complaints filed by a consumer against their own insurer, while third party complaints are complaints filed by a consumer against another person's insurer. In addition to formal representation, it should be noted that the Office of the Consumer Advocate also assisted and advised hundreds of West Virginia consumers throughout the year be it via email inquiries, telephonic inquiries, office visits, or other means. This assistance has directly benefited those consumers and in many cases has resolved the consumers' insurance issues or queries without requiring the filing of an actual consumer complaint with the WVOIC.

Whenever a case is received by the Office of the Consumer Advocate, it is evaluated carefully. A number of different things can occur at this time including, but not limited to; the consumer can opt to not request representation; a consumer can request representation, but after careful review of the case the Office of the Consumer Advocate can decline to represent; the consumer can request representation and the Office of the Consumer Advocate can accept; or the Office of the Consumer Advocate can assist the consumer in finding and obtaining private counsel because the damages in the matter merit a civil lawsuit.

The Office of the Consumer Advocate is proud of the representation that it has provided to consumers. Further, the Office of the Consumer Advocate is also proud of the countless hours that have been spent assisting consumers in evaluating their claims and assisting them in exploring all of their options including possible retaining private counsel when it is in their best interests. This assistance has directly benefited hundreds of consumers every year and in many cases has resolved the consumer's insurance issuers or queries without requiring the filing of a formal consumer complaint.

First Party Complaints

A confidential settlement amount was awarded directly to a West Virginia consumer in one (1) of the two (2) first party complaints that the Office of the Consumer Advocate worked on in 2017.

In one (1) consumer complaint case, the matters are still pending and are either awaiting hearing or are awaiting final order or appealed to Circuit Court.

RESPONDENT	RESOLUTION
United Financial Casualty Company	Settlement (confidential)
Depositors Insurance Company	Pending

Third Party Complaints

A total of $67,109.98 was awarded directly to West Virginia Consumers in the form of settlements in six (6) of the 16 third party complaints that the Office of the Consumer Advocate worked on in 2017.

In one (1) consumer complaint case, the consumer failed to request representation even after the Office of the Consumer Advocate contacted the individual.

In one (1) consumer complaint case, the consumer died prior to the hearing and the case was dismissed.

In seven (7) consumer complaint cases, the consumer opted to obtain private counsel for representation.

In one (1) consumer complaint case, the matters are still pending and are either awaiting hearing or are awaiting final order or appealed to Circuit Court.

RESPONDENT	RESOLUTION
GEICO	Settlement - $1,859.98
Safeco Insurance Company of America	Settlement - $2,000.00
Progressive County Mutual Insurance Company	Consumer died prior to hearing
Cincinnati Insurance Company of America	Consumer retained private counsel
USAA Casualty Insurance Company	Settlement - $1,750.00
Old Republic Insurance Company	Consumer retained private counsel
T.H.E. Insurance Company	Settlement (confidential)
GEICO Choice Insurance Company	Settlement (confidential)
Allstate Property & Casualty Insurance Company	Consumer retained private counsel
Erie Insurance Property & Casualty Company	Consumer failed to request representation
Erie Insurance Property & Casualty Company	Pending
Continental Casualty Company	Consumer retained private counsel
Liberty Mutual Insurance Company	Private Counsel
State Farm Mutual Automobile Insurance Company	Private Counsel
Liberty Mutual Fire Insurance Company	Pending
Ohio Security Insurance Company	Unknown

Certificate of Need Reviews

The Office of the Consumer Advocate participated in the review of Certificate of Need (CON) applications before the Health Care Authority. All health care providers must obtain a CON from the West Virginia Health Care Authority to develop, add, or acquire new health care facilities and equipment. The Office of the Consumer Advocate reviews all CON applications and may intervene for the interests of West Virginia residents in the Health Care Authority's CON review process. The Office of the Consumer Advocate carefully reviewed and considered the following 155 CON applications:

January 2017

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Monongalia County General Hospital Company Suncrest Obstetrics and Gynecology, PLLC	16-6-10964-P	Acquisition of assets of physician office practice and employment of physician	$225,000.00
Prime Healthcare Foundation – East Liverpool, LLC	16-11-10962-A	Member substitution of existing home health care facility	$116,054.90
Lavender Fields Assisted Living	16-7-10950-X	Construction of addition onto existing structure	$0
The Village Network	16-10-10956-X	Development of community based behavioral health/substance abuse outpatient office	$0
Southern Home Care Services, Inc.	16/1/2/3/5-10965-PC	In-home personal care services	$0
Logan Regional Medical Center	16-2-10951-X	Replacement of a CT scanner	$0
John Manchin Sr Assisted Living, LLC	16-6-10958-X	Operation of a 20-bed assisted living facility	$0
RSCR West Virginia, Inc.	16-3-10959-X	Development of licensed behavioral health I/DD home	$0
Raleigh General Hospital	16-1-10945-X	Replacement of a CT scanner	$0
A Brighter Future in West Virginia, Inc.	16-1/2/3/4/8-10967-BH	Behavioral Health	$0
Mason County Day Report Center	16-2-10966-X	Development of alcohol and drug outpatient facility	$0
Charleston Area Radiation Therapy Centers, LLC	16-3-10971-E	Acquisition of Additional Linear Accelerator	$4,024,725.00
The Word House, Inc./Focus Consultation Services	16-2-10955-X	Community mental health and alcohol drug treatment facilities	$0
Pollen8, Inc.	16-3-10972-X	Behavioral health services in Charleston, WV	$0
Morgantown Operating Company LLC	16-6-10978-X	Licensed operations of Golden Living Center Morgantown nursing home	$0
Glasgow Operating Company LLC	16-3-10979-X	Licensed operations of Golden Living Center Glasgow nursing home	$0
St. Albans Operating Company LLC	16-3-10980-X	Licensed operations of Golden Living Center Riverside nursing home	$0
R. Legacy Investment LLC	16-6-10973-X	Assisted living center known as Beulah Land Personal Care home	$0
Southern Home Care Services, Inc d/b/a ResCare Home Care	17-1-10989-PC	In-home personal care services – Mercer Co	$10,000.00
Southern Home Care Services, Inc.	17-5-10990-PC	In-home personal care services – Wood Co	$10,000.00
West Virginia University Hospitals, Inc.	17-6-10987-H	I-79 Interchange land acquisition	$14,500,000.00
Southern Home Care Services, Inc.	17-3-10995-PC	In-home personal care services-Kanawha Co.	$10,000.00
Southern Home Care Services, Inc.	17-2-10994-PC	In-home personal care services-Cabell Co.	$10,000.00
Advantage Home Care LLC	17-3-10993-PC	In-home personal care services	$1,500.00
Relational Management Services, LLC d/b/a Greenbrier Academy for Girls	16-1-10981-X	Behavioral health services for girls	Exemption request
Reliance Ridge, LLC	16-5-10983	75-bed substance use treatment facility	Exemption request

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
United Hospital Center, Inc.	16-6-10984-X	Imaging services at ambulatory health care facility	Exemption request
Total Renal Care, Inc. (Monongalia County)	15-6-10457-R	Monongalia Dialysis Center	$1,600,000.00
United Physicians Care, Inc.	17-10-10998-P	Acquisition of Glen Dale Physician Practices	$228,750.00
Right at Home	17-1-10999-PC	In-home personal care services	$12,000.00
Right at Home	17-2-11000-PC	In-home personal care services	$5,000.00
Right at Home	17-3-11001-PC	In-home personal care services	$5,000.00

February 2017

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
St. Joseph Recovery Center, LLC	16-5-10974-X	Behavioral health and in-patient substance abuse center	$0
Alecto Healthcare Services Wheeling LLC; Alecto Healthcare Services Ohio Valley LLC	17-10-11007-A	Ohio Valley Medical Center	$36,000,000.00
BayMark Health Services of West Virginia, Inc.	17-6-11008-A	Acquisition of Valley-Alliance Medication-Assisted Treatment Services	$3,320,000.00
LHCG LXXXIX, LLC; LHCG XC, LLC	17-5-11015-A	Home health and hospice services of Pleasant Valley Hospital	$1,150,000.00
Greenbrier Health Care Center, LLC Grayleaf Holdings, LLC Evergreen, LLC	17-4-11013-X	Acquisition of real property and equipment of Greenbrier County Nursing Home Assoc.	$0
WomenCare, Inc. d/b/a FamilyCare Health Centers	17-3-11014-X	Addition of medical services to women recovering from addictions	$0
Greenbrier Health Care Center LLC Vandalia Acq., LLC	17-4-11012-X	Acquisition of licensed operations of Greenbrier County Nursing Home Assoc.	$0
St. Mary's Medical Center, Inc.	17-2-10997-X	Replacement of cardiac catheterization laboratory	$0
Harrison County Day Report Center	17-6-11002-X	Alcohol/drug treatment facility	$0
United Physicians Care, Inc.	17-6-11017-P	Acquisition of Pediatric Associates Practice	$1,115,000.00

March 2017

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Princeton Community Hospital Association, Inc.	17-1-11019-X	Renovation of portion of hospital	$0
Youth Advocate Programs, Inc.	17-9-11020-X	Community-based behavioral health care services	$0
Charleston Area Medical Center	17-3-11031-P	Ambulatory Health Care Facility	$639,820.00
Southwestern Community Action Council, Inc.	17-2-11035-PC	In-home personal care	$0
Grafton-Taylor County Health Department	17-6-11029-X	Behavioral health services	$0
West Virginia University Hospitals, Inc. Davis Memorial Hospital	16-7-10976-E	Improve services provided at the Cancer Center	$6,200,000.00

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Genesis Youth Crisis Center, Inc.	17-7-11021-X	Emergency crisis shelter in Tucker Co.	$0
Collaborative Healthcare Solutions, Inc.	17-2-11044-A	William Memorial Hospital acquisition	$1,300,000.00
Guardian Elder Care at Wheeling d/b/a Peterson Healthcare & Rehabilitation Hospital	17-10-11033-X	Renovation of nursing stations	$0
Partnership of African American Churches	17-3-11023-X	Wellness and recovery center	$0

April 2017

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
New River Health Association, Inc.	17-4-11046-X	Women's health services at Summersville Regional Medical Center	$0
Thirty Six Leasing Co., LLC	17-5-11043-X	Acquire assets/operations of skilled nursing facility	$0
United Physicians Care, Inc.	17-7-11071-P	Acquisition of Family Medical Clinic	$400,000.00
Beckley Area Medical Clinic, Inc.	17-1-11039-X	Office Based Medication Assisted Treatment	$0
WVU Physicians of Charleston Behavioral Medicine & Psychiatry	17-3-11047-X	Office Based Medication Assisted Treatment	$0
United Hospital Center, Inc.	17-6-11045-X	Renovation of hospital pharmacy	$0
Sweet Blessings, LLC	17-3-11050-X	Assisted living home in St. Albans, Kan Co.	$0
Life Walk, LLC	17-6-11048-X	Behavioral health services/outpatient substance abuse treatment services	$0

May 2017

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Jefferson Urgent Care, LLC	17-9-11076-A	Acquisition of physician owned urgent care	$490,000.00
The Underprivileged Children Foundation, Inc.	17-2-11060-X	Behavioral health outpatient therapy for children and families	$0
Bridgeport Health Care Center, LLC	17-6-11069-X	Acquisition of 10 nursing home beds from Holbrook Nursing Home, Inc.	$0
Edgewood Summit, Inc.	17-3-11059-X	Renovation of plumbing and HVAC systems	$0
University Healthcare Physicians, Inc.	17-9-11057-X	Imaging services at private office physician practice	$0
United Hospital Center, Inc.	17-6-11074-X	Renovation of hospital surgery department	$0
Mercer Nursing & Rehabilitation Center, LLC	17-1-11070-X	Acquisition of 20 licensed nursing home beds from Greenbrier Health Care Center, LLC	$0

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
West Virginia University Hospitals, Inc.	17-6-11052-X	Renovation of radiology in Ruby Memorial Hospital	$0
West Virginia University Hospitals, Inc.	17-6-11053-X	Renovation of shell space in Ruby Memorial Hospital	$0
Jacob's Ladder at Brookside Farm, LLC	17-6-11079-X	Addiction treatment program in Preston Co.	$0
New Life Clinics, Inc.	17-2-11082-X	Addiction treatment program in Mason Co.	$0
Lifetree Medical Services, LLC	17-1/2/3/4/6/7/8/10-11091-P	Mid-Level Practitioner Services	$10,000.00

June 2017

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Good Samaritan Society Barbour County	17-7-11104-P	Outpatient therapy service	$4,000.00
New Life Clinics, Inc.	17-1-11081-X	Addiction treatment program in Raleigh Co.	$0
Valley Health Care, Inc.	17-7-11062-X	School-based health center within Elkins Mountain School	$0
Valley Health Care, Inc.	17-7-11061-X	School-based health center within North Elementary School	$0
AF-CH-HH, LLC	17-2-11036-A	Acquisition of all membership assets of Louisa Home Care Holdings, LLC	$581,000.00
Winchester Community Mental Health Center, Inc.	17-9-11084-X	Integrated behavioral health facility for Berkeley and Jefferson Counties	$0
NCGCare Acquisition, LLC	17-2-11075-X	Acquisition of Starlight Behavioral Health Services, Inc.	$0
Charleston Area Medical Center	17-3-11113-P	Ambulatory health care facility in Hurricane, WV	$199,305.00
Jason Michael Perry	17-6-11093-X	Drug and alcohol detox and rehab in Preston Co.	$0
Highland-Clarksburg Hospital, Inc.	17-6-11099-X	Addition of 20 forensic beds	$0
Good Samaritan Society Barbour County	17-7-11107-X	Expansion of therapy room	$0
Camden on Gauley Medical Center, Inc.	17-4-11089-X	School-based health center at Richwood High School	$0
Carter Healthcare of West Virginia, LLC	17-10/11-11116-A	Change of ownership F.C. of West Virginia Inc	$450,000.00
Highland-Clarksburg Hospital, Inc.	17-6-11100-X	Substance use disorder medical detox and residential treatment program in Harrison Co.	$0
West Virginia University Hospitals, Inc.	17-6-11102-X	Substance use disorder medical detox and residential treatment program in Monongalia Co.	$0
Highland-Clarksburg Hospital, Inc.	17-6-11101-X	Substance use disorder medical detox and residential treatment program	$0
Oak Hill Hospital Corporation d/b/a Plateau Medical Center	17-4-11119-H	Surgery and Endoscopy Addition	$10,400,000.00
Monongalia Health System, Inc.	17-7-11121-A	Affiliation of Monongalia Health System and Stonewall Jackson Memorial Hospital	$50,000.00

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Monongalia County General Hospital Company	17-6-11120-P	Mon Health Wedgewood Primary Care-Pineview, ambulatory care center	$328,000.00

July 2017

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Ohio Valley Physicians, Inc.	17-2-11125-X	Medication Assisted Treatment Program	$0
Oak Hill Hospital Corporation d/b/a Plateau Medical Center	17-4-11122-X	Renovation of operating suites	$0
Pendleton Manor	17-8-11117-X	Renovation of skilled nursing facility	$0
United Hospital Center, Inc.	17-6-11131-Z	Home Health Expansion Preston Co	$35,000.00
Stonerise Reliable Healthcare LLC	17-6/10-11134-A	MVA Home Health Services	$335,000.00
Good Samaritan Society Barbour County	17-7-11135-P	Therapy Remodel and Outpatient Services	$4,000.00
Stonerise Reliable Healthcare LLC	17-1/2/4/5/10/11-11136-A	Acquisition of MSA Home Health Services	$5,640,000.00
Carter Healthcare of West Virginia, LLC	17-10/11-11146-A	Purchase of existing home health agency	$450,000.00
First Center LLC Citenik Properties LLC	17-2-11142-NH	Cabell Post-Acute Care Facility	$20,000,000.00

August 2017

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Kanawha County Emergency Ambulance Authority	17-3-11147-P	Kan Co Employee Health and Wellness Center	$255,000.00
Stonerise Reliable Healthcare LLC	17-6/10-11150-A	MVA Home Health Services	$335,000.00
Sabra Health Care REIT, Inc.	17-5-11130-X	Indirect change in ownership of landlord of Worthington Nursing and Rehabilitation Center	$0
Re-Entry and Recovery Network LLC	17-2-11129-X	Inpatient substance abuse center	$0
West Virginia University Hospitals, Inc.	17-6-11133-X	Renovation of Mary Babb Randolph Cancer Center located in Ruby Memorial Hospital	$0
Braley & Thompson, Inc.	17-3-11152-X	Behavioral health rehabilitation services	$0
Community Health Systems, Inc. d/b/a AccessHealth	17-1-11144-X	OB/GYN services at Welch Community Hospital	$0
Community Health Systems, Inc. d/b/a AccessHealth	17-1-11143-X	School-based health clinic on campus at Cranberry Prosperity Elementary School	$0

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Highland-Clarksburg Hospital, Inc.	17-6-11099-X	Addition of 20 forensic beds	$0
West Virginia University Hospitals, Inc.	17-6-11159-H	Southeast Tower expansion	$10,500,000.00
Cavalier Mobile X-Ray Co.	17-5/6-11160-A	Acquisition of Mobile Diagnostic Imaging, LLC	$40,000.00

September 2017

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
United Hospital Center, Inc.	17-6-11163-H	Expansion of hospital	$4,120,000.00
Community Health Systems, Inc. d/b/a AccessHealth	17-1-11155-X	Private OB/GYN practice of Dr. Tucker	$0
Thomas Memorial Hospital	17-3-11151-X	Conversion of 10 psychiatric beds to medical-surgical beds	$0
Good Samaritan Society – Barbour County	17-7-11176-P	Remodel of existing SNF Physical Therapy and addition of outpatient therapy services	$4,000.00
Marshall Health Care Center, LLC	17-3/10-11167-X	Licensed operations of nursing home facility known as Mound View Health Care	$0
Magnolia Holdings, LLC	17-3/10-11168-X	Real property and equipment of nursing home facility known as Mound View Health Care	$0

October 2017

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Lincoln Primary Care Center, Inc. d/b/a Southern West Virginia Health System	17-2-11164-X	Development of Pioneer Health Center at Man Middle School	$0
Lincoln Primary Care Center, Inc. d/b/a Southern West Virginia Health System	17-2-11165-X	Development of Mustang Health Center at Midway Elem. School	$0
Lincoln Primary Care Center, Inc. d/b/a Southern West Virginia Health System	17-2-11166-X	Development of Ranger Health Center at Ranger Elem. School	$0
Recover Together, Inc. d/b/a Groups	17-9-11169-X	Office based medication-assisted treatment program	$0
Hope Healthcare Riverview Operations, LLC	17-2-11174-X	Acquisition of licensed operations of The Village at Riverview Inc.	$0
Stonerise Reliable Healthcare LLC	17-5-11187-Z	Expansion of Home Health Services	$10,000.00
Stonerise Reliable Healthcare LLC	17-5/7-11188-A	Acquisition of MSA Home Health Services	$10,000.00
Charleston Area Medical Center	17-3-11190-P	Ambulatory care facility in Mercer County	$0
Charleston Area Medical Center	17-3-11192-P	Ambulatory care facility in Logan County	$0
Charleston Area Medical Center	17-3-11191-P	Ambulatory care facility in Nicholas County	$0

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Charleston Area Medical Center	17-3-11189-P	Ambulatory care facility in Boone County	$0
Special Touch Nursing Service, Inc.	17-3-11194-PC	In Home Personal Care Service	$2,500.00
Elder Adie Services, Inc. d/b/a right at Home	17-3-11195-PC	In Home Personal care Services	$1,500.00
Ohio Valley Sleep Diagnostics, LLC	17-5-11200-A	Change of ownership in a sleep study facility	$50,000.00
Southern Home Care Services, Inc.	17-1/4-11203-PC	In home personal care services	$10,000.00
Hometown Care, LLC	17-6/7-11207-PC	In home personal care services	$1,500.00
Berkeley Medical Center	17-9-11206-P	Spring Mills Imaging Services	$673,000.00

November 2017

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Monongalia County General Hospital Company	17-6-11208-P	Ambulatory care facility at site of former practice of Alvaro R. Gutierrez Neurology	$125,000.00
Aeternus Riverview Holdings LLC	17-2-11182-X	Acquisition of real property associated with The Village at Riverview	$0
New Horizons Therapy Services, LLC	17-1/4-11186-X	Expansion of behavioral health services	$0
Marshall University	17-2-11181-X	Established of behavioral health center	$0
Mountaineer Mental Health LLC	17-8-11201-X	Behavioral health services Hampshire County	$0
WomenCare, Inc. d/b/a FamilyCare Health Centers	17-3-11193-X	School-based health center	$0
Potomac Valley Hospital	17-8-11212-P	Acquisition of Keyser Physician Practice	$237,000.00
Solutions Positive Behavior Strategies, LLC	17-2/3/4/5/6/7-11202-X	Expansion of behavior health service area	$0
Potomac Valley Hospital	17-8-11222-P	Ft. Ashby Primary Care Clinic	$45,000.00
Community Care of West Virginia, Inc.	17-7-11221-X	Development of Leading Creek Elementary Wellness Center	$0
Community Care of west Virginia, Inc.	17-7-11220-X	Development of Little Birch Elementary School Wellness Center	$0
Community Care of West Virginia, Inc.	17-7-11219-X	Development of Sutton Elementary School Wellness Center	$0
Community Care of West Virginia, Inc.	17-7-11217-X	Development of Flatwoods Elementary School Wellness Center	$0
Community Care of West Virginia, Inc.	17-7-11218-X	Development of Burnsville Elementary School Wellness Center	$0
Hope Drug Rehabilitation Center LLP	17-3-11198-X	Facility providing drug detoxification, rehabilitation and counseling	$0
Callahan Counseling Services	17-9-11184-X	Crisis stabilization unit and detox center	$0
Taylor Health Care Center, LLC	17-3-11209-X	Acquisition of nursing home at Grafton City Hospital	$0
Davis Medical Center	17-7-11233-H	Senior Behavioral Health Unit	$1,345,000.00

December 2017

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Bridgeport Behavioral Clinic	17-6-11197-X	Crisis Stabilization Unit and Drug Rehabilitation Center	$0
Valley Health Care, Inc.	17-7-11227-X	Pharmacy services	$0
Berkeley Medical Center	17-9-11248-P	Sleep Lab Relocation	$25,000.00

CONSUMER SERVICE DIVISION

The Consumer Service Division is responsible for the review of facts surrounding complaints received against insurance companies, adjusters and agents. It is the division's aim to evaluate the facts of each complaint received to ensure compliance with the West Virginia Insurance Laws and contract in question. We try to facilitate a fair resolution to each complaint and a better understanding among the parties of their rights and responsibilities.

The division also educates the public regarding insurance topics through presentations at schools and civic organizations. The division staff identifies problem areas and trends by collecting information gathered from complaints. The division performs research and surveys regarding areas that need special attention. The division is thus uniquely able to inform the Insurance Commissioner, lawmakers and other public policymakers about the impact certain decisions may have on insurance consumers.

ORGANIZATION AND ACTIVITIES

The Consumer Service Division is comprised of eight Insurance Complaint Specialists, three Insurance Complaint Specialist Supervisors who serve as liaison personnel between the insurance industry and insureds, two Clerical Staff, one Secretary, and a Director.

We receive consumer inquiries by mail, webmail, email, telephone, an online complaint form, and walk-in visits from the public. A complaint file is set up for each written inquiry. A total of 1,989 written inquiries were received by the division in 2017. In addition, we received 238 walk-in clients and 18,212 telephone calls. The clerical staff handled 111 walk-in clients for other divisions and 6,742 telephone calls. On average, the division handles 84 consumer inquiries per day. In 2017, complaint files were concluded within 34 days, on average.

The Consumer Service Division handled 325 third party liability complaints during 2017, 134 were not resolved during the cure period resulting in those files being referred to our Legal Division for a determination of merit.

Our division participated in the Insurance Commissioner's Public Outreach Initiative by attending fairs, festivals, presentations and other events reaching more than 72,550 consumers.

CONSUMER SERVICE DIVISION
COMPLAINTS
CALENDAR YEAR 2017

Files Opened 1,989

Life, Accident & Sickness 974

Property & Casualty 664

Workers' Compensation 351

Telephone Activity 18,212

Life, Accident and Sickness 5,362

Property and Casualty 3,502

Workers' Compensation. 2,606

Clerical 6,742

Office Visits 238

Life, Accident & Sickness 70

Property & Casualty. 38

Workers' Compensation 19

Clerical (Other Divisions) 111

CONSUMER SERVICE COMPLAINTS
CALENDAR YEAR 2017

PROPERTY AND CASUALTY COMPANIES WITH TEN OR MORE COMPLAINTS

COMPANY NAME	# COMPLAINTS
State Farm Mutual Automobile Insurance Company	64
Erie Insurance Property and Casualty Company	48
Nationwide Mutual Insurance Company	28
Progressive Max Insurance Company	18
Allstate Insurance Company	17
State Farm Fire and Casualty Company	16
Progressive Max Insurance Company	14
Nationwide Insurance Company of America	14
Farmers & Mechanics Mutual Insurance Company of WV	14
Liberty Mutual Fire Insurance Company	13
Allstate Property & Casualty Insurance Company	12
Safeco Insurance Company of America	12
State Auto Property & Casualty Insurance Company	11
Erie Insurance Company	11
National Union Fire Insurance Company of Pittsburgh, PA	11
Trumbull Insurance Company	11
Auto Club Property Casualty Insurance Company	10
Geico Advantage Insurance Company	10
18 Companies	334 Complaints

WORKERS' COMPENSATION COMPANIES AND THIRD PARTY ADMINISTRATORS WITH TEN OR MORE COMPLAINTS

COMPANY NAME	# COMPLAINTS
Sedgwick Claims Management Services, Inc.	36
BrickStreet Mutual Insurance Company	31
New Hampshire Insurance Company	26
Healthsmart Benefit Solutions, Inc.	26
Gallagher Bassett Services, Inc.	11
Indemnity Insurance Company of North America	11
American Zurich Insurance Company	10
7 Companies	151 Complaints

LIFE, ACCIDENT AND SICKNESS COMPANIES AND HEALTH MAINTENANCE ORGANIZATIONS WITH TEN OR MORE COMPLAINTS

COMPANY NAME	# COMPLAINTS
Highmark West Virginia, Inc.	176
Humana Insurance Company	68
Transamerica Premier Life Insurance Company	39
Aetna Life Insurance Company	39
PEIA	35
American General Life Insurance Company	30
United Healthcare Insurance	28
CareSource WV Company	27
WVDHHR	24
Cigna health and life ins co	17
Prudential Insurance Company of America	17
Unicare Health Plan of WV, Inc.	16
WV Family Health Plan	16
Centers for Medicare	14
Transamerica Life Insurance Company	14
United States Dept of Labor EBSE	14
Metropolitan Life Insurance Company	13
Healthsmart Benefit	12
Coventry Health Care of WV	12
Washington National Insurance Company	11
United Omaha Life Insurance Company	11
Lincoln National Life Insurance Company	10
22 Companies	643 Complaints

TOP FIVE INSURANCE COVERAGE TYPES FOR COMPLAINTS

COVERAGE TYPES	# COMPLAINTS
Individual Accident and Health	742
Private Passenger Auto	413
Workers' Compensation	384
Individual Life and Annuity	300
Homeowners	148
5 Coverage Types	1,987 Complaints

TOP FIVE INSURANCE REASONS FOR COMPLAINTS

COMPLAINT REASONS	# COMPLAINTS
Workers' Compensation Delay of Claim	228
Auto Private Passenger Denial of Claim	190
Accident and Health Claim Handling Delay of Claim	147
Accident and Health Claim Handling Denial of Claim	137
Accident and Health Individual Coverage Questions	92
5 Complaint Reasons	794 Complaints

EMPLOYER COVERAGE DIVISION (WORKERS' COMPENSATION)

The Employer Coverage Unit consists of a team of six. This unit works with WV employers to ensure they are compliant with current workers' compensation laws as they relate to requirements for coverage.

The unit has three primary functions. The first function focuses on compliance. The unit verifies coverage for other agencies and governmental bodies. They also try to ensure all employers required to carry workers' compensation comply with the law. This is done by extracting expired policy data provided by the National Council on Compensation Insurance (NCCI) and comparing to other agency information to determine if coverage is needed. If an employer is found to be non-compliant, the unit sets up a system account to assess the employer a fine. In 2017, the unit was responsible for setting up 516 of these accounts. These fines are related to WV Code 23-2C-8(d)(3) Workers' Compensation Uninsured Employers Fund.

The unit also has the task of carrier compliance with the Proof of Coverage (POC) system. Carriers that fail to report timely as required by the POC guidelines are maintained and reported to OIC Legal for further review.

The second primary function relates directly to the Uninsured Employers' Fund. The unit serves as the entry point of contact for the processing of workers' compensation claims filed by employees of WV employers who are uninsured. These claims are governed by Title 85 Series 8, The Workers' Compensation Uninsured Employers' Fund. This fund was established to provide a safety net for workers who are injured while working for an illegally operating employer. Once a claim is accepted into the Fund, the employer is responsible for reimbursement to the fund for all monies paid on their behalf.

The third function is to review requests for exemptions from coverage from employers and make appropriate determination of exemption.

State law does not require that exempt employers file an exemption, but many do because of local governments, individuals or contractors requiring proof that an employer has coverage or meets the criteria for being exempt before they begin a job. In these cases, the Employer Coverage unit issues letters of opinion to employers to present verifying they are not required to carry workers' compensation insurance under current law. This function relates directly to Title 85, Series 8 Workers' Compensation Policies, Coverage Issues and Related Topics.

In 2017, the Unit processed 2,153 exemption applications of which there were 1,781 exemptions granted. These exemptions were entered into the West Virginia Offices of the Insurance Commissioner's Proof of Coverage (POC) system in order to include these employers for automated compliance purposes. In addition to being the public's contact for coverage verification, the Unit is responsible for maintaining the POC system which is widely used for statutory coverage verification.

The unit works hand in hand with the Revenue Recovery Unit and the OIC Legal Department to identify and fine employers that are not carrying the mandatory coverage.

Employer Exemption Statistics			
CY2017	New Exemptions Issued	Renewals Granted	Total Exemptions Issued
Jan-17	40	84	124
Feb-17	66	101	167
Mar-17	52	108	160
Apr-17	39	94	133
May-17	56	120	176
Jun-17	68	141	209
Jul-17	29	118	147
Aug-17	38	101	139
Sep-17	45	103	148
Oct-17	49	96	145
Nov-17	44	84	128
Dec-17	35	70	105
Total	561	1,220	1,781

CY2017 Exemption Summary	
Total Exemptions Issued	1,781
Total Denials	372
Number of Applications Received	2,153

CY2017 Statistics	
Activity	Total
Phone Calls	3,606
Compliance Requests Completed	2,052
DOL Reports Investigated	770
Uninsured Employer Account Set-ups	516
Walk-Ins	309
Uninsured Claims Received	10

FINANCIAL ACCOUNTING DIVISION

The Financial Accounting (FA) Unit is responsible for the preparation of the annual audited financial statements for the OIC which includes preparation of the trial balance, footnotes, required supplementary information, and other disclosures as required by Generally Accepted Accounting Principles (GAAP.) The FA Unit works closely with consulting actuaries to assist with the annual reserve study of the OIC's claims liabilities. Work performed includes the preparation and coordination of data and the preliminary review and analysis of actuarial indications. The FA Unit coordinates the information for the independent auditors and provides all supporting documentation for the financial statement.

The FA Unit performs all daily cash management and investing activities of the Offices of the Insurance Commissioner (OIC), and serves as the liaison with the Treasurer's Office, the Auditor's Office, the WV Investment Management Board, and the Board of Treasury Investments. The FA Unit monitors investment performance and performs monthly investment analysis for all invested assets held by the OIC.

Daily operations of the FA Unit include accounts payable processing through the state's accounting system. The FA Unit coordinates with the OIC's contracted Third Party Administrators and claims services to disburse the claims payments to beneficiaries of the insurance programs administered by the OIC, including the Workers' Compensation related funds. The FA Unit is also responsible for handling and processing all agency cash receipts processing for all units of the OIC through the state accounting system and for depositing all non-lockbox checks with the Treasurer's Office.

The FA Unit prepares and submits the OIC annual budget and budget narrative, as well as the appropriation and expenditure schedules as required by the State of WV for all OIC funds. The FA Unit prepares and monitors budgets for fourteen separate OIC funds. An analysis of budget to actual expenditures is also prepared and analyzed.

The FA unit prepares and distributes monthly financial reports to Executive Management. The OIC funds reported on a monthly basis consist of the Old fund, the State Entities Workers' Compensation fund, the Coal Workers' Pneumoconiosis fund, the Self-Insured Guaranty fund, the Self-Insured Security fund, the Uninsured fund, the Operating fund, the AccessWV fund, the Consolidated Federal funds, and the Closed Estate fund. These reports are used for internal analysis and for use at the legislative interim meetings.

The FA unit is responsible for the management and administration of federal funds for the agency including preparation of required reports and the drawing down of funds on the federal payment management system.

The FA unit calculates the claims liabilities of all self-insured employers of the State of WV in order to provide the OIC's Self-Insurance unit with a reasonable estimate of the magnitude of workers' compensation risk exposure.

The Tax division was relocated to the FA unit in 2017. This division is responsible for ensuring that insurance companies and brokers operating in West Virginia report and pay the appropriate taxes levied by West Virginia statutes. This process involves the reconciliation of companies' quarterly reports and payments to their year-end tax returns. This function also includes the tracking and collection of taxes generated by the surplus lines market. Surplus lines refer to business placed with companies that are not admitted in West Virginia. This occurs when certain lines of business are not readily available with companies licensed in West Virginia. Coverage is written with these surplus lines insurers by a licensed insurance broker that has obtained an excess lines broker's license from the Agents Licensing and Educations division. The surplus lines licensee must provide reports to the Tax division on individual policies written and remit the appropriate tax payment as detailed by the West Virginia code.

FINANCIAL ACCOUNTING ACCOMPLISHMENTS FOR 2017

- Received a twelfth consecutive unmodified or “clean” opinion on the OIC’s financial statements.
- Performed year end work on an interim basis when possible to do so and greatly reduced the amount of time necessary for the completion of the annual financial statement preparation.
- Prepared and distributed monthly financial reports for all OIC funds on a timely basis.
- Prepared the annual budget an all related documents on a timely basis.
- Completed all tax audits for calendar year 2016 on a timely basis.
- Achieved all formal staff training goals and objectives.

FINANCIAL CONDITIONS DIVISION

The primary functions of the Division include, but are not limited to:

- Licensing/Registration of Insurance Risk-Bearing Entities
- Financial Analysis/Surveillance of Admitted Insurance Companies
- Financial Examinations of Domestic Insurance Companies

The types of insurance companies/entities licensed and monitored include, but are not limited to, traditional Life and Health and Property and Casualty insurers as well as health care corporations such as Blue Cross/Blue Shield Plans and Health Maintenance Organizations. The Division is also responsible for registering, licensing and/or monitoring Risk Retention Groups, Risk Purchasing Groups, Managing General Agents, Third-Party Administrators, Reinsurance Intermediaries, Viatical Settlement Providers, Discount Medical Plans, Discount Prescription Drug Plans, Professional Employer Organizations, Charitable Gift Annuities and Surplus Lines Insurers planning to do business in the State of West Virginia.

Prior to being admitted, companies must file an application with the West Virginia Offices of the Insurance Commissioner. The Division utilizes the National Association of Insurance Commissioners (NAIC) Uniform Certificate of Authority Application (UCAA) process; which is designed to allow insurers to file copies of the same application for admission in numerous states. These applications, either foreign or domestic, are reviewed by the Division to ensure that all applicable insurance laws and regulations have been satisfied in regard to the companies' general corporate organization and financial strength. Recommendations are then made to the Commissioner as to the admissibility of these applicant companies.

Companies admitted by the WVOIC are then monitored by the Division to ensure that they maintain their financial stability and solvency requirements necessary for the protection of West Virginia policyholders. Monitoring of the insurance industry is effectuated through complex analysis and/or financial examinations performed by financial analysts and certified financial examiners.

The Division is also responsible for processing various corporate amendments submitted by a licensed entity. Corporate amendments include but are not limited to: name changes, redomestications, mergers, and amendments to Articles of Incorporation or Bylaws.

The OIC's website provides a link to search for Companies licensed in the State. https://sbs-wv.naic.org/Lion-Web/jsp/sbsreports/CompanySearchLookup.jsp. From the search results, the company demographics can be viewed including the address, contact information and history.

The Division successfully retained its Accreditation from the NAIC on behalf of the West Virginia Offices of the Insurance Commissioner. The NAIC Accreditation Program establishes and maintains sound solvency regulation standards. It provides for the effective regulation of multi-state insurance companies with emphasis on each state's: financial solvency laws and regulations; financial analysis and examination capabilities; organizational and personnel practices; and insurer organizational review, licensing and change of control of domestic insurers. Accreditation is a certification given to a state insurance department once it has demonstrated it has met and continues to meet an assortment of legal, financial and organizational standards as determined by a committee of its peers. This outstanding achievement is well deserved and indicative of the high level of professionalism within the OIC.

SELF-INSURANCE DIVISION (WORKERS' COMPENSATION)

The Workers' Compensation Self-Insurance Unit is responsible for regulating 63 employers that currently self-insure their workers' compensation coverage in West Virginia and approximately 110 employers who no longer self-insure but continue to administer claims incurred during their period of self-insurance. No companies were approved for self-insured status in calendar year 2017.

Self-insured employers in West Virginia self-administer their claims. Ordinarily, the employer hires a third-party administrator (TPA) to manage and process claims although a small number of employers truly self-administer through an internal claim management department or a subsidiary company. Self-administration provides the self-insured employer with a greater degree of control over the claim management process than participation in guaranty cost or deductible programs.

Regulation of the self-insured employers focuses primarily on two areas: maintenance of the risk pools and annual financial condition reviews.

W. Va. Code St. R. § 85-19-1 et seq. establishes two risk pools in which the self-insured employers participate: the Security Risk Pool that covers claims with dates of injury, last exposure or death prior to July 1, 2004 (the date self-administration began) and the Guaranty Risk Pool that covers claims with dates of injury, last exposure or death on or after July 1, 2004. Active and inactive self-insured employers participate in the pools dependent upon each employer's exposure base since self-insured employers are joint and severely liable for defaults of other self-insured employers. The purpose of the risk pools is to provide the means to pay claims for defaulted self-insured employers without placing the burden on the taxpayers of West Virginia.

Annual financial condition reviews require the employer to submit three years of audited financial statements which are then analyzed to determine whether the employer's financial condition has declined over the past year. W. Va. Code St. R. § 85-18-1 et seq. identifies the benchmarks against which the financial statements are measured and defines deteriorating financial condition. Employers who do not pass the annual review and are deemed to be in a deteriorating financial condition are required to provide additional security to cover the claims that would be paid out of the Guaranty Risk Pool in the case of a default.

The Workers' Compensation Self-Insurance Unit includes the Managed Health Care Plans Unit which is responsible for regulating the Managed Health Care Plans (MHCP) and medical provider networks of insurance carriers, third party administrators and self-insured employers. These plans provide managed care to West Virginia workers whose employers participate in an approved West Virginia MHCP. Regulation of these plans includes processing new and renewal applications as well as reviewing and approving modifications to existing plans and ongoing medical provider network review.

OFFICE OF INSPECTOR GENERAL FRAUD DIVISION

The Fraud Unit was created under legislation passed by the WV Legislature during its 2004 regular session. The Fraud Unit is responsible for facilitating a cooperative approach in the detection, investigation, and prosecution of insurance fraud, as well as making the public aware of insurance fraud and providing a way to report instances of suspected insurance fraud. Further, the Fraud Unit is tasked with investigating persons suspected of engaging in insurance fraud and referring cases with merit to the appropriate authorities for criminal prosecution.

The Fraud Unit currently consists of twenty-five (25) allocated investigative positions and seventeen (17) allocated support and administrative positions. Field Investigators now occupy field offices in the following cities:

- Beckley
- Charleston
- Fairmont
- Huntington
- Logan
- Martinsburg
- Parkersburg
- Wheeling

The geographic locations of these field offices allow investigators to respond quickly to reports of alleged insurance fraud. It also allows investigators to foster relationships with local law enforcement and prosecutors that the Fraud Unit relies on and works with to bring about successful prosecutions. Three (3) WV State Troopers are currently assigned to work full time with the Fraud Unit.

There are three ways in which the public and the insurance industry can report suspected insurance fraud to the Fraud Unit:

- by calling toll free at 1-800-779-6853;
- online reporting at www.wvinsurance.gov;
- and by correspondence at P.O. Box 2901, Charleston, WV, 25301-2901.

The Fraud Unit's case management and reporting application has been recognized as one of the premier systems in the nation for its ability to manage cases, detect trends in fraud, and create investigative reports suitable for immediate presentation to prosecutors for review. It has also been designed to receive referrals directly from the online reporting function and is integrated with the National Association of Insurance Commissioners (NAIC) online reporting tool.

The Fraud Unit has been proactive in its approach to educate the public on what constitutes insurance fraud as well as the costs associated with insurance fraud. A brochure explaining the types of fraud, what the penalties are and what happens when someone reports suspected fraud was developed and is given out at fairs and festivals across the state as well as distributed to each WV State Police Detachment. Additionally, representatives from the Unit appeared at various functions, events, and meetings statewide taking the message to the general public that insurance fraud is not a victimless crime, but one that victimizes everyone in the form of higher costs for goods and services.

The West Virginia Insurance Commission Fraud unit received 758 referrals or reports of suspected insurance fraud in 2017 from the insurance industry, the public and law enforcement. The following chart breaks the referrals received:

In addition to the 758 referrals, investigators identified and opened an additional 153 criminal cases during the investigation of the initial referrals. Successful investigations resulting in prosecutions were conducted in numerous counties throughout the state. Prosecutions involved such activity as workers compensation fraud; conventional insurance claimant fraud; staged motor vehicle crashes; fraudulent “slip, trip, and fall” claims against businesses; insurance fraud by means of arson; and embezzlement of policy holder premium funds by insurance industry personnel. Such successful prosecutions were the result of working in cooperation with local and state law enforcement agencies and locally elected prosecutors as well as the two (2) U.S. Attorney Offices. As a result of thorough investigations and well-prepared reports, along with efficient case management of referrals, many successful prosecutions were realized. The Fraud Unit completed 143 field investigations with reports submitted to State and Federal Prosecutors with identified fraudulent dollars totaling over $2 million, resulting in 149 felony indictments.

The Fraud Unit Investigators maintained an average of 254 open investigations throughout 2017. The Fraud Unit opened 28 cooperative investigations with, and at the request of Federal and State agencies on various insurance fraud cases including arson, public corruption, falsified claims, staged accidents (crash rings), workers’ compensation and health care fraud. Cooperative Investigations often expand parameters of criminal investigations to include parallel insurance frauds.

HEALTH POLICY DIVISION

The Health Policy (HP) Division of the West Virginia Offices of the Insurance Commissioner (OIC) was formed in 2009 to begin research for a Health Insurance Exchange. In September 2009, WV was awarded the State Health Access Program (SHAP) grant by Health Resources and Services Administration (HRSA). The SHAP grant gave the state its initial ability to utilize resources for research and concept development for the state's health reform plans.

The Patient Protection and Affordable Care Act (ACA) was signed to law March 23, 2010. Its stated purpose was to increase quality and affordability of health insurance and lower the uninsured rate by expanding public and private insurance coverage. The law introduced mandates, subsidies and insurance marketplaces. Each state was required to establish a Federal, a Partnership or a State Based Exchange.

The HP Division also assists other OIC Divisions in communications with the Federal government, interpretation of the ACA Federal statute and regulations, Qualified Health Plan (QHP) review and certification decisions throughout the process. HP conducts annual training for agents and assisters on WV QHP products to be offered each year. HP is an available resource for QHP questions and training.

FEDERALLY FACILITATED EXCHANGE PARTNERSHIP

In February 2013, WV announced it would become a Partnership state, meaning that the State has chosen to take on the functionalities of Consumer Assistance (through education and outreach) and Plan Management (prior approval on rates and forms) related to the Marketplace.

As a Partnership State, West Virginia consumers experience "The Marketplace" through the federal online portal at www.Healthcare.gov to compare information on available health plan options, enroll in health plans, and receive advanced premium tax credits (APTC) and cost sharing reductions (CSR), if financially eligible.

CONSUMER ASSISTANCE

The Consumer Assistance function required the state to develop an In-Person Assistance (IPA) program to help individuals with the enrollment process. The IPA/Entity/Navigator is an impartial and free service to consumers. Primarily functioning as community-based outreach and education to ensure a smooth and seamless Marketplace experience. The IPA activities included marketplace account creation, eligibility and enrollment processing, inRoads applications (WV application system for Medicaid), managing complaints, initiating education and referral to additional services. The IPA program was funded through Federal Grants for 2014 and 2015.

Starting in 2014 and continuing is another group that supports the enrollment and education of health insurance, the Certified Application Counselor (CAC). Centers for Medicare & Medicaid Services (CMS) established the CAC program for organizations that are community health centers or other health care providers, hospitals, non-federal governmental or non-profit social service agencies that would like to help by training their staff and volunteers to assist consumers.

Additional support provided directly to West Virginia from CMS included Navigators. Through a review and application process at the federal level, various organizations competed for consideration as a State based Navigator. Those selected for the 2014 and 2015 enrollment process were TSG Consultants, WVU HAPI Program and Advanced Patient Advocates. In 2016 two organizations were awarded the Navigator contract, WVU HAPI Program and First Choice Services. The contract was awarded for one year, with up to three renewals available.

Licensed health insurance agents and brokers may enroll individuals in coverage through the Marketplace. Federal training and certification requirements apply to agents and brokers who enroll or assist consumers in the Marketplace. The OIC supplements the federal training with state specific training.

PLAN MANAGEMENT

When the federal ACA was passed in 2010, the National Association of Insurance Commissioners (NAIC) and the health industry further collaborated to ensure that System for Electronic Rate and Form Filing (SERFF) would continue to be the primary filing mechanism for health product filings, including new rate review and Qualified Health Plan (QHP) submissions.

Significant changes were made to SERFF to facilitate an efficient filing and review process for a health insurance marketplace binder filing(s). The system is effectively used for rate review of Qualified Health Plan submissions.

West Virginia is a prior approval state. Which means policy rates, rules and forms must be approved by the WV Insurance Commissioner prior to marketing plans to WV consumers. W. Va. Code §33-6-8, 33-15-1b & 33-16B-1, is the primary authority for WV to review and recommend Qualified Health Plans (QHPs) for certification.

Once the plans are reviewed and approved at the OIC level then QHPs being offered "Off Marketplace" receive final approval from the state. The QHP plans to be offered "On Marketplace" are sent to CMS/HHS via transmission from the SERFF binder through the Health Insurance Oversight System (HIOS). CMS/HHS then reviews the plan and finalizes it as a "Certified QHP" to be a Marketplace plan listed on www.Healthcare.gov. Upon certification contracts are sent from CMS to each issuer to sign to have their plans on the Marketplace.

The certified QHPs offered through the Marketplace at www.Healthcare.gov, enable individuals that qualify to receive APTCs and cost sharing reductions. QHPs purchased "Off" Marketplace are available for individuals to purchase, but do not allow for APTCs or cost sharing.

WEST VIRGINIA MARKETPLACE ENROLLMENT FOR 2014 - 2017

	2014	2015	2016	2017
Received Advanced Premium Tax Credits (APTC)	87%	87%	88%	88%
Received Cost Sharing Reduction (CSR) Payments*	56%	54%	52%	52%
Total Enrollment	19,856	33,421	37,284	34,035

* Most that received CSRs also received APTCs

TIMELINE FOR HEALTH POLICY DIVISION

2009

- Established the Health Policy Division
- Continued AccessWV that was launched July 2005

2010

- March 23, 2010 the Patient Protection and Affordable Care Act (ACA) became law.
  - Some provisions that went to effect in 2010
    - Children could stay on their parent's health plans to age 26
    - Prohibition on Preexisting Condition Exclusions for children
    - Prohibition against rescissions once an enrollee is covered under a group or individual plan.
    - No lifetime limits
    - First dollar coverage of preventive services
    - Disclosure of justifications for premium increases
    - Small business tax credits available
- September 20, 2010 received the Planning and Establishment Grant (PEG) for $1,000,000
  - Contracted with outside companies to help with research to establish a state exchange.
  - Health Policy staff included: Director, research specialist, 2 policy analysts and a secretary.

2011 - 2012

- Medical loss ratios with rebates
- August 13, 2011 received the Level 1 Establishment Grant for $9,667,694
- Continued research for an exchange, policy provisions, loss ratios, community rating etc.
- Consumer Assistance - research to set up an In-Person Assistance program to help enroll and educate WV consumers. Continue holding Stakeholder Meetings to received input from all stakeholders.
- Plan Management – SERFF updates made, work with issuers on QHP certification and SERFF enhancements

2013

- May 2, 2013 Governor Tomblin signed into law Medicaid Expansion starting January 2014
- July 9, 2013 received Level 1, Grant II for $10,165,134 to fund the IPA program for WV
- Issued RFP for administration of IPA program
    - Selected Maximus for IPA contract
        - Total of 160 IPAs were hired, some under Maximus direct management and others from 6 entities that were selected to receive funding
- CMS awarded Navigator Organization contracts which employed a total of 8 Navigators
- 90 Organizations registered to be Certified Application Counselors (CACs)
- Health Policy worked with Maximus to train the IPAs
- Health Policy also held training for insurance agents in Charleston and Huntington
- October 1, 2013 Open Enrollment 1 (OE1) started for an effective date of January 1, 2014

2014

- OE1 continued through March 31, 2014
- Medicaid Expansion started
- Provision effective January 2014
    - Guaranteed Issue
    - No Pre-Existing condition exclusions for adults
    - Rating rules
    - Essential benefits
    - Advanced Premium Tax Credits(APTCs) for individuals
    - Individual Mandates
    - Risk Adjustment, Reinsurance, Risk Corridors
- Additional changes
    - Subsidies for small businesses (under 25 employees)
    - Employer mandates
    - Co-Op Plans and Multistate Plans
- April 1, 2014 all AccessWV policyholders moved to other programs (Medicare, Medicaid or ACA plan) and AccessWV closed
- November 15, 2014 OE2 began

2015

- OE2 continued through February 15, 2015
- Contract with Maximus continued through July 1, 2015 for IPA management
- CareSource received their Certificate of Authority (COA) to sell in 10 counties in WV
- Funding was provided to the IPA Entities that wished to extend their contract through December 31st.
- Training was provided to the agents and assisters before OE3 began
- November 1, 2015 OE3 began

2016

- OE3 continued through January 31,2016
- The Navigators, CAC's continued assisting consumers in WV
- November 1, 2016 OE4 began with Highmark WV in all counties and CareSource in 32 counties

2017

- OE4 continued through January 31, 2017
- The Navigators, CAC's continued assisting consumers in WV
- OE5 (2018 enrollment) was only six weeks, November 1, 2017 – December 15, 2017
- Both CareSource and Highmark continued to sell in the same counties as in 2016
- The Federal Government discontinued the Cost Sharing Reduction (CSR's) payments to the Marketplace insurance companies in September. The Marketplace insurance companies in West Virginia increased their 2018 premiums by approximately 10% to make up for the lost funding.
- On December 22, 2017 the Tax Cuts and Job Acts (TCJA) was approved. This Act eliminates the individual mandate effective January 1, 2019.

LEGAL DIVISION

The Legal Division of the West Virginia Offices of the Insurance Commissioner (OIC) performs many functions including providing legal counsel to the Insurance Commissioner and all associated divisions thereof, as well as carrying out many day to day legal responsibilities entrusted to the Insurance Commissioner by the West Virginia Legislature. Responsibilities of the LEGAL DIVISION include:

LEGAL SUPPORT FOR ASSOCIATED DIVISIONS - The Legal Division provides general legal support for all other divisions of the Insurance Commissioner, including all insurance and workers' compensation related regulatory functions. This involves attending meetings with the directors and staff of other divisions, consulting on legal issues relating to activities of other divisions, and assisting with legal interpretations of statutes, case law, etc. as appropriate.

LEGISLATION AND RULES - The Legal Division consults, researches and drafts proposed legislation and legislative rules that are submitted for Legislative approval. Some bills and rules are based on models promulgated by the National Association of Insurance Commissioners ("NAIC") and others are custom drafted. Further, the Legal Division drafts exempt legislative workers' compensation rules that are submitted to the Industrial Council for review and approval.

During the legislative session, Legal Division attorneys attend committee meetings to respond to questions relating to the proposed bills and legislative rules. During the rule-making process, Legal Division attorneys receive and respond to public comments and staff ensures that all steps in the process are correctly performed.

INFORMATIONAL LETTERS - When the Insurance Commissioner needs to provide information to the public and to regulated entities, an informational letter is drafted by the Legal Division.

Informational letters are issued for many reasons, among them the provision of guidance for compliance with laws or rules, or the introduction of clarity to an area that may be subject to differing legal interpretations.

Other means of dissemination of policy and legal guidance from the Insurance Commissioner may also be drafted in the Legal Division.

ADMINISTRATIVE HEARINGS - The Legal Division is responsible for reviewing and ascertaining need for administrative hearings in First and Third-Party Unfair Trade Practice issues or other issues as required by the West Virginia Code. The process is described respectively in W.Va. Code of State R. §114-13-1, *et seq*. (First & Third Party) & §114-76-1, *et seq*. (Third Party supplemental rule).

The Legal Division schedules hearings, engages court reporters and hearing examiners, and provides the venue for hearings relating to consumer complaints that were not resolved in the Insurance Commissioner's Consumer Service Division. The Legal Division also investigates complaints relating to alleged violations of unfair claims settlement practices provisions of the Unfair Trade Practices Act or other alleged violations of the West Virginia Code, and determines whether merit exists to proceed with hearing on the complaint. In addition, the Legal Division attorneys provide general legal support to the Consumer Service Division.

INVESTIGATIONS - The Legal Division investigates complaints dealing with all aspects of insurance compliance contained in Chapters 33 and 23 of the West Virginia Code.

The Legal Division receives referrals from various sources including the public, the insurance industry, and other divisions within the Insurance Commission, relating to possible misconduct by insurance industry representatives, insurance producers, and unauthorized insurers. These allegations are investigated to determine if West Virginia insurance laws or rules have been violated, and if so, the investigation will result in administrative action against the target of the investigation.

ADMINISTRATIVE ACTIONS - At the conclusion of an investigation in which it has been determined that there has been a violation of insurance laws, or when the Insurance Commissioner is informed that an insurer is in hazardous financial condition, the Legal Division files an administrative complaint against insurance companies seeking penalties and/or suspension or revocation of the Certificate of Authority, as appropriate. Administrative complaints may also be filed before the Insurance Commissioner to penalize an unauthorized insurer, or injunctive relief may be sought in Circuit Court to end the illegal operations of these entities.

Administrative action may also be taken against an insurance producer when violations of statutes or rules have been committed.

LICENSURE ACTIONS - The Legal Division assists in license suspensions, revocations and/or fines regarding insurance producers and other licensees including but not limited to insurers that are found to be financially insolvent or found to be in such hazardous financial condition as to render the further transaction of insurance business hazardous to their policyholders or the people of West Virginia.

APPEALS AND LITIGATION - On some occasions, an order entered by the Insurance Commissioner in either a consumer complaint proceeding, or other administrative proceeding is appealed.

When this occurs, the Legal Division sends the record of the administrative proceeding to the Kanawha County Circuit Court. If the administrative proceeding was being pursued by the Insurance Commissioner, a LEGAL DIVISION attorney may appear to defend the actions taken before the Insurance Commissioner. Otherwise, support will be given to outside counsel.

MARKET CONDUCT – The Legal Division houses the Market Conduct Unit that performs market wide research and analysis as well as examines insurance entities regulated by the West Virginia Offices of the Insurance Commissioner.

The market conduct examiners are charged with auditing insurers on a regular basis as well as reacting to developments in the market place with targeted examinations relating to one or more distinct issues. These examinations ensure that insurers are complying with all applicable laws and rules relating to rates, forms, agent appointments and other agent issues, claims handling, policy cancellations and nonrenewals, discrimination, and many others.

MARKET ANALYSIS - The Legal Division's market conduct examiners and other Insurance Commission staff also engage in Market Analysis. This consists generally of gathering large volumes of data from insurers that reveals how the insurer is behaving in our market place, and from that data determining which companies may need further analysis or review. West Virginia cooperates with other states in this process so that any compliance issues are addressed on a country-wide basis.

FRAUD PROSECUTION - The Legal Division has attorneys who directly represent the OIC in regards to prosecution of fraudulent insurance activity or who provide support in an advisory role with other state and federal prosecutors on similar criminal issues.

When called upon to assist as special assistant prosecutors, these attorneys will perform various functions depending upon the level of assistance requested by the local county prosecuting attorney.

WORKERS' COMPENSATION PRIVATIZATION - The Legal Division has attorneys who support the "Old Fund" as created by privatization legislation in 2005 as well as open market issues. Assistance includes working with claimants and their counsel, defense counsel, third party administrators in all tribunals and courts including West Virginia Circuit Courts, the Office of Judges, the Board of Review and the West Virginia Supreme Court of Appeals. Further, OIC Legal directly consults with the actions of the Attorney General Defense Unit concerning Old Fund claims.

CONSUMER, INDUSTRY and OTHER STAKEHOLDER INQUIRIES - While the Legal Division can generally not give personal legal advice concerning any matter to outside parties, it does endeavor to point inquiries into the appropriate direction where possible or provide analysis for the market as a whole or opines on issues of broad importance.

FREEDOM OF INFORMATION ACT (FOIA) REQUESTS - All FOIA requests are directed to and processed by the Legal Division. Legal Division staff gathers all public records that are responsive to the request and provides it to the person making the request, pursuant to and in compliance with the Act.

LEGISLATION

The following is a brief synopsis of the significant legislation enacted during the 2017 Regular Session and 2017 First Special Session of the West Virginia Legislature. This information is not to be construed as inclusive of all legislation which may affect the insurance industry or insurance consumer, nor should it be construed as a comprehensive explanation of the bills addressed. Rather, the information provided is intended to highlight the bills significantly affecting the insurance community at large.

BILLS

2017 REGULAR SESSION

Senate Bill 127 – Authorizing Department of Revenue to Promulgate Legislative Rules and Repealing Obsolete Rules (Effective March 24, 2017)

This bill authorized a new legislative rule proposed by the Insurance Commissioner. The rule, 114 CSR 98 (effective May 19, 2017), adopts the National Association of Insurance Commissioners' valuation manual, which sets forth minimum reserve and related requirements of life insurance, accident and health insurance, and deposit-type contracts. The valuation manual addressed the need to develop standards that enhanced uniformity among the principle-based valuation requirements across the states. In accordance with W. Va. Code §33-7-9(n)(2), the operative date of the Valuation Manual for the State of West Virginia shall be January 1, 2017.

The legislation further repealed two insurance rules, effective March 24, 2017. The nullified rules, 114 CSR 17 and 114 CSR 51, had been superseded by the promulgation of 114 CSR 24 and 114 CSR 95 respectively.

Senate Bill 151 – Relating to Amended Rules of Board of Risk and Insurance Management (Effective April 4, 2017)

This bill authorized two amended legislative rules of the Board of Risk and Insurance Management (BRIM). Under W. Va. Code § 33-30-1 *et seq.*, insurers issuing policies to cover structures in the state, with the exception of certain designated counties, are required to provide mine subsidence insurance unless such coverage is waived by the insured. The premium charged for this coverage is set by BRIM in 115 CSR 1, with BRIM acting as a reinsurer. The amended rule provision reflects the statutory change made by House Bill 4734, enacted during the 2016 regular session of the Legislature, which raised the available coverage for mine subsidence insurance to $200,000 by increasing the total value that BRIM may reinsure from $75,000 to $200,000.

BRIM also proposed amendments to 115 CSR 7 relating to the Patient Injury Compensation Fund (PICF), which was created to provide compensation to claimants in medical malpractice actions for any portion of certain economic damages awards that are uncollectable because of statutory limitations on economic damages. The rule changes were necessary to implement statutory amendments made by the Legislature in 2016. The rule amendments (1) closed PICF to claims filed after June 30, 2016; (2) expanded the options available to BRIM in the event claims received by BRIM through June 30, 2016 cannot be paid in full at the beginning of the next fiscal year; (3) provided that BRIM may pay awards in lump sums or via structured settlements; (4) mirrored the statutory provision that attorney fees may not be paid from PICF; (5) clarified that BRIM may retain experts in the fields of accounting, economics, medicine, life care planning, or other fields relevant to one or more claims as necessary to implement the authority of BRIM to review claims; and (6) specified that BRIM must be afforded the opportunity to review the evidence, cross examine witnesses, and present evidence in support of its position in administrative hearings requested by claimants.

Senate Bill 338 – Relating to Medical Professional Liability (Effective June 29, 2017)

This legislation amended state law concerning a medical professional liability lawsuit against a nursing home, assisted living facility, or a distinct part of an acute care hospital providing intermediate care or skilled nursing care that arises or accrues on or after July 1, 2017. Pursuant to the legislative amendments, such an action must be commenced within one year of the date of injury or within one year of the date when the person discovers, or with the exercise of reasonable diligence should have discovered, the injury. If a complainant has insufficient time to obtain a screening certificate of merit prior to the expiration of the applicable statute of limitations, the claimant must furnish the health care provider with a statement of intent to provide the certificate within one hundred eighty days of the date the health care provider receives a notice of claim. Also, such suits must be brought in the circuit court of the county in which the alleged act of medical professional liability occurred, unless the health care facility and the plaintiff agree to another venue.

Senate Bill 360 – Relating to the Coalition on Diabetes Management (Effective July 6, 2017)

This bill created the Coalition on Diabetes Management. The Coalition is to be comprised of various health care professionals, with the Dean of the School of Public Health at West Virginia University serving as chair. The principle objective of the Coalition is to address pertinent issues related to diabetes by providing guidance to the Legislature regarding potential statutory solutions for the proper regulation of diabetes management. The Insurance Commissioner is one of the state agencies assigned to assist the Coalition with respect to the exchange of data, information and expertise, if so requested by the Coalition.

Senate Bill 362 – Relating to the Redirection of Certain Amounts to the General Revenue Fund (Effective July 7, 2017)

This legislation permits the Governor to redirect, from the Workers' Compensation Debt Reduction Fund to the General Revenue Fund, seventy-five percent of the proceeds generated from surcharge assessments for workers' compensation "Old Fund" debt reduction.

Senate Bill 522 – Relating to Pharmacy Audits (Effective July 3, 2017)

This bill defines audit procedures between pharmacy benefits managers (or other auditing entities) and pharmacies with respect to the administration or management of prescription drug benefits provided by a covered entity to a covered individual under a health insurance policy. The legislation requires that the entity conducting an audit establish an appeal process to allow the pharmacy an opportunity to challenge the final audit report. The bill also requires auditing entities to register with the Insurance Commissioner. An insurer or other entity licensed by the Insurance Commissioner, or a pharmacy benefits manager that is registered as a third-party administrator pursuant to Article 46, Chapter 33 of the West Virginia Code, are not required to register as an auditing entity.

Senate Bill 581 – Relating to the Insurable Interest of a Trustee (Effective July 4, 2017)

This legislation provides that a trustee of a trust has an insurable interest in the life of an individual insured under a life insurance policy that is owned by the trustee acting in a fiduciary capacity or that designates the trust itself as the owner if, on the date the policy is issued, the insured is a grantor of the trust or an individual in whom a grantor of the trust has, or would have had if living at the time the policy was issued, an insurable interest pursuant to W. Va. Code § 33-6-2. The life insurance proceeds must also be primarily for the benefit of one or more trust beneficiaries that have an insurable interest in the life of the insured as provided by W. Va. Code § 33-6-2.

Senate Bill 636 – Relating to a Pilot Project Program to Address Problems Facing Volunteer Fire Departments (Effective July 5, 2017)

This bill permits the State Fire Commission to establish a pilot project program for the purpose of implementing changes to standards imposed on volunteer firefighting in order to address problems that volunteer fire departments are encountering in the state. Beginning July 1, 2018, the State Fire Commission must annually provide a full summary report of the status of the program to the Legislature's Joint Committee on Government and Finance.

House Bill 2119 – Relating to the Repeal of the West Virginia Health Benefit Exchange Act (Effective July 4, 2017)

This legislation repealed the West Virginia Health Benefit Exchange Act. The provisions of the Act were never implemented as a result of West Virginia choosing to partner with the federal government in facilitating a health insurance exchange.

House Bill 2300 – Relating to Step Therapy Protocols in Health Benefit Plans (Effective June 19, 2017)

This law requires health benefit plans to have a clear and convenient process by which a patient or prescribing healthcare provider may request and, if appropriate, receive an exception to a step therapy protocol. The process must be easily accessible on the health plan issuer's website. "Step therapy protocol" means a protocol or program that establishes the specific sequence in which prescription drugs for a specified medical condition, and medically appropriate for the patient, are covered by a health plan issuer. A request for an exception to a step therapy protocol must be promptly approved by the health plan issuer if: (1) the required prescription drug is contraindicated or will likely cause an adverse reaction by or physical or mental harm to the patient; (2) the required prescription drug is expected to be ineffective based on the known relevant physical or mental characteristics of the patient and the known characteristics of the prescription drug regimen; (3) the patient has tried the required prescription drug while under their current or a previous health insurance or health benefit plan, or another prescription drug in the same pharmacologic class or with the same mechanism of action and such prescription drug was discontinued due to a lack of efficacy or effectiveness, diminished effect, or an adverse event; (4) the required prescription drug is not in the best interest of the patient, based upon medical appropriateness; or (5) the patient is stable on a prescription drug selected by their health care provider for the medical condition under consideration. The health plan issuer is required to provide a prescription drug for treatment of the medical condition at least until the step therapy exception determination is made. Upon approval of a step therapy exception, the health plan issuer must authorize coverage for the prescription drug prescribed by the patient's treating healthcare provider, as long as such prescription drug is a covered drug under the policy or contract.

House Bill 2301 – Relating to Direct Primary Medical Care (Effective June 13, 2017)

This bill permits a person to enter into a "direct primary care membership agreement" with a primary care provider and pay a periodic fee for the provision of medical services and products. The provider may accept payment for medical services or medical products outside of an insurance plan or outside of the Medicaid or Medicare program. However, a patient does not forfeit insurance benefits, Medicaid benefits or Medicare benefits by purchasing medical services or medical products outside the system. The provider may not bill third parties on a fee for service basis for services provided under the agreement. The agreement is not insurance or a discount medical plan and is not subject to regulation by the Insurance Commissioner. The agreement must, among other things, describe the scope of primary care services that are covered by the periodic fee, specify the duration of the agreement including any automatic renewal periods and prominently state in writing that the agreement is not health insurance.

House Bill 2402 – Relating to Salvage Certificates for Vehicles Involved in Total Loss Claims (Effective July 7, 2017)

This legislation allows an insurance company that is unable to obtain a properly endorsed certificate of title for a motor vehicle within thirty days of the payment of a total loss claim, to apply to the Division of Motor Vehicles for a salvage certificate, a cosmetic total loss salvage certificate or a nonrepairable motor vehicle certificate, as applicable. The application must include: (1) evidence that the insurer has paid a total loss claim on the vehicle; (2) a copy of a written request for the certificate of title sent to the vehicle owner and any known lienholder by the insurer; (3) proof that the request was sent by certified mail, return receipt requested, to the last known address of the vehicle owner and any known lienholder; and (4) the required application fee. A salvage certificate, cosmetic total loss salvage certificate or nonrepairable motor vehicle certificate must be issued free and clear of all liens and claims of ownership. The insurer must indemnify and hold harmless the Division of Motor Vehicles from any liability arising from an error or misrepresentation made during the application process.

House Bill 2459 – Relating to Small Group Health Benefit Plans (Effective March 30, 2017)

This bill transfers certain obligations of the Health Care Authority to the Insurance Commissioner with respect to small group health benefit plans. Specifically, the Commissioner must annually provide a written notice by regular mail to all known in-state health care providers. The notice must inform the provider regarding the provisions of W. Va. Code § 33-16D-16 and advise the provider that if he/she/it does not give written refusal to the Commissioner within thirty days from receipt of the notice, the provider must participate with and accept the products and provider reimbursements authorized under W. Va. Code § 33-16D-16. Once a provider has filed a notice of refusal to participate, the notice shall remain effective until rescinded by the provider and the provider shall not be required to renew the notice each year.

House Bill 2486 – Relating to Medical Records Obtained by Insurers (Effective June 29, 2017)

This legislation concerns medical records and medical billing records obtained by insurers in connection with insurance claims or civil litigation. It provides that such records shall be confidentially maintained by insurers in accordance with state and federal law. The bill further provides that, with respect to the housing or release of such records, no additional restrictions or conditions may be imposed that contradict or are inconsistent with any applicable policy of insurance or the performance of insurance functions, or otherwise authorized by state and federal law.

House Bill 2619 – Relating to the Risk Management and Own Risk and Solvency Assessment Act (Effective January 1, 2018)

This law adopts the National Association of Insurance Commissioners' Risk Management and Own Risk Solvency Assessment Model Act (Model #505) for implementation by West Virginia insurers so that they are better equipped to assess their financial condition and remain solvent. This bill fosters effective enterprise risk management practices of licensed insurers and provides a group level perspective on the risks potentially posted to policyholders. The "ORSA Summary Report" required by the bill is intended to provide the Insurance Commissioner with a description of an insurer's risk management framework, an insurer assessment of risk exposures, and a group risk capital and prospective solvency assessment. The provisions of the bill become effective on January 1, 2018, with the initial filing of the ORSA Summary Report due in 2018.

House Bill 2678 – Relating to Prejudgment and Post-Judgment Interest (Effective January 1, 2018)

This bill provides that any court-ordered judgment or decree for the payment of money must bear simple, not compounding, interest. For judgments or decrees containing special damages or liquidated damages, the court may award prejudgment interest on all or some of the amount of the special or liquidated damages, as calculated after the amount of any settlements. Special damages include lost wages and income, medical expenses, damages to tangible personal property and similar out-of-pocket expenditures. The rate of prejudgment interest is two percentage points above the Fifth Federal Reserve District secondary discount rate in effect on January 2 of the year in which the right to bring the action has accrued, as determined by the court. The established rate shall remain constant from that date until the date of the judgement or decree, notwithstanding changes in the federal reserve district discount rate in effect in subsequent years prior to the date of the judgment or decree. For all cases in which the right to bring the action accrued prior to 2009, the court may award prejudgment interest on all or some of the amount of the special or liquidated damages, as calculated after the amount of any settlements, at the interest rate that was in effect as of January 2 of the year in which the right to bring the action accrued. The rate of post-judgment interest on judgments and decrees for the payment of money, including prejudgment interest, is two percentage points above the Fifth Federal

Reserve District secondary discount rate in effect on January 2 of the year in which the judgment or decree is entered. The rate of pre-judgment and post-judgment interest may not exceed nine percent per annum or be less than four percent per annum.

House Bill 2683 – Relating to the West Virginia Insurance Guaranty Association Act (Effective July 7, 2017)

This legislation made substantial amendments to the West Virginia Guaranty Association Act. The Association was created to provide a mechanism for the payment of covered claims under certain insurance policies, to avoid excessive delays concerning claim payments and to minimize financial loss to claimants or policyholders because of the insolvency of an insurer. The cost of these protections is spread among licensed insurers through assessments made by the Association. The bill limits the amount payable for covered claims, including claims for deliberate intention and return of unearned premium. The bill modifies the time limits for filing claims with the Association and specifies when the obligation of the Association to the insured ceases. It further confers to the Association the rights, duties and obligations of the insolvent insurer. The legislation permits the Association to hire legal counsel for the defense of covered claims and to contest settlements, releases, compromises, waivers and judgments to which the insolvent insurer or its insured was a party prior to the entry of the final order of liquidation. The bill requires the Association to establish procedures for requesting financial information from insurers, insureds and claimants, and sets forth actions the Association may take should such information be refused to be given. The bill indicates the persons from whom the Association may recover amounts paid by the Association on behalf of that person. The legislation requires that the Association, or any similar association of another state, be permitted to be a claimant in the liquidation of the insolvent insurer. It also sets forth what constitutes a claim relating to exhaustion of coverage and requires the Association to be reimbursed for any paid deductible claim. The bill permits the Board of Directors of the Association to make recommendations to the Insurance Commissioner on matters generally related to improving regulation for insurer solvency, including the submission of reports pertaining to insurer insolvency that triggered claims to the Association. Finally, the bill provides that the liquidator, receiver, or statutory successor of an insolvent insurer must permit access by the Association to the insolvent insurer's records so that the Association may carry out its duties.

House Bill 2850 – Relating to Product Liability Actions (Effective July 6, 2017)

This bill prohibits a product liability action against the seller of a product except in certain circumstances. Included among the circumstances when an action may be maintained against a seller are: (1) the seller had actual knowledge of the defect in the product that was a proximate cause of the harm for which recovery is sought; (2) the seller exercised substantial control over the aspect of the manufacture, construction, design, formula, installation, preparation, assembly, testing, labeling, warnings or instructions of the product that was a proximate cause of the harm for which recovery is sought; (3) the seller made an express warranty regarding the product that was independent of any express warranty made by the manufacturer regarding the product, the product failed to conform to that express warranty by the seller and that failure was a proximate cause of the harm for which recovery is sought; (4) the manufacturer cannot be identified, despite a good-faith exercise of due diligence, to identify the manufacturer of the product; (5) the manufacturer is not subject to service of process under the laws of West Virginia; and (6) the court determines by clear and convincing evidence that the party asserting the product liability action would be unable to enforce a judgment against the product manufacturer.

2017 FIRST SPECIAL SESSION

Senate Bill 1010 – Relating to Volunteer Fire Department Workers' Compensation Premium Subsidy Fund (Effective May 24, 2017)

This legislation extends the Volunteer Fire Department Workers' Compensation Premium Subsidy Fund until June 30, 2020. The Fund was created for the benefit of volunteer fire departments to help defray workers' compensation insurance premium increases.

Senate Bill 1014 – Relating to Physician Assistants (Effective September 7, 2017)

This bill provides that a physician assistant licensed by the West Virginia Medical Board is among the health care providers to which a health care plan or contract may not differentiate concerning payment for the provision of medical services, benefits or procedures that are within the scope of the physician assistant's license.

LEGISLATIVE RULES

TITLE 114 LEGISLATIVE RULES

The following Title 114 insurance related legislative rule (authorized for promulgation by Senate Bill 127) became effective in 2017:

114 CSR 98 – Adoption of Valuation Manual (Effective May 19, 2017)

The purpose of this rule is to formally adopt the most recent changes to the Valuation Manual adopted by the National Association of Insurance Commissioners (NAIC), as specified in W.Va. Code §33-7-9(n). In accordance with W. Va. Code §33-7-9(n)(2), the operative date of the Valuation Manual for the State of West Virginia shall be January 1, 2017.

INFORMATIONAL LETTERS

Two (2) Informational Letters were issued in 2017:

Informational Letter No. 198 - Gramm-Leach-Bliley Act Annual Privacy Notices

Informational Letter No. 199 - Summary of 2017 Legislation

FREEDOM OF INFORMATION REQUESTS AND RESPONSES

One hundred thirty-seven (137) requests for information were received and responded to by the Legal Division in accordance with the Freedom of Information Act in 2017.

EMERGENCY ORDERS

Six (6) emergency orders were issued by the Insurance Commissioner in 2017.

17-EO-01 - Emergency Order - Entered August 2, 2017. Re: Severe Storm event beginning on July 28, 2017, containing significant rainfall and wind causing rockslides, mudslides and flooding, and damaged homes, businesses, roads and bridges. On July 29, 2017, Governor Jim Justice declared that a State of Emergency existed in Harrison, Marion, Marshall, Monongalia, Ohio, Taylor, Tucker and Wetzel Counties, West Virginia. An insurance emergency was declared by the Insurance Commissioner by virtue of the authority vested in him pursuant to W. Va. Code §33-2-10a. The normal time frames for claim handling and settlement as set forth in West Virginia Code of State Rules Title 114, Series 14, Section 5 and subsections 6.2, 6.3, 6.7, 7.3.c, and 7.5 were suspended in the state of West Virginia for claims arising out of the severe storm event.

17-EO-02 - Emergency Adjuster Order - Entered August 2, 2017. Re: Severe Storm event beginning on July 28, 2017, containing significant rainfall and wind causing rockslides, mudslides and flooding, and damaged homes, businesses, roads and bridges. On July 29, 2017, Governor Jim Justice declared that a State of Emergency existed in Harrison, Marion, Marshall, Monongalia, Ohio, Taylor, Tucker and Wetzel Counties, West Virginia. An insurance adjuster emergency was declared by the Insurance Commissioner by virtue of the authority vested in him pursuant to W. Va. Code §33-12B-11a. The Commissioner authorized the licensing of sufficient emergency adjusters to meet the demands of the public in these counties for claims arising out of the severe storm event.

17-EO-01A - Amended Emergency Order. An Amended Emergency Order was entered by the Insurance Commissioner on August 10, 2017, amending Emergency Order 17-EO-01, entered by the Commissioner on August 2, 2017, to include Doddridge, Preston and Randolph Counties, West Virginia, following a Proclamation by Governor Jim Justice on August 7, 2017 declaring that the State of Emergency proclaimed by the Governor on July 29, 2017 shall be expanded to include Doddridge, Preston and Randolph Counties, West Virginia.

17-EO-02A - Amended Emergency Adjuster Order. An Amended Emergency Adjuster Order was entered by the Insurance Commissioner on August 10, 2017, amending Emergency Adjuster Order 17-EO-02, entered by the Commissioner on August 2, 2017, to include Doddridge, Preston and Randolph Counties, West Virginia, following a Proclamation by Governor Jim Justice on August 7, 2017 declaring that the State of Emergency proclaimed by the Governor on July 29, 2017 shall be expanded to include Doddridge, Preston and Randolph Counties, West Virginia.

17-EO-01AA - Amended Emergency Order. An Amended Emergency Order was entered by the Insurance Commissioner on September 7, 2017, amending Emergency Order 17-EO-01, entered by the Commissioner on August 2, 2017, and Amended Emergency Order 17-EO-01A, entered by the Commissioner on August 10, 2017, to extend the claims reporting deadline of August 31, 2017 as set forth in said orders to September 28, 2017, following a Proclamation entered by Governor Jim Justice on August 29, 2017, declaring that emergency conditions still exist and that the State of Emergency proclaimed by the Governor on July 29, 2017 shall remain in force and effect until 5:00 p.m. on Thursday, September 28, 2017.

17-EO-02AA - Amended Emergency Adjuster Order. An Amended Emergency Adjuster Order was entered by the Insurance Commissioner on September 7, 2017, amending Emergency Adjuster Order 17-EO-02, entered by the Commissioner on August 2, 2017, and Amended Emergency Adjuster Order 17-EO-02A, entered by the Commissioner on August 10, 2017, to extend the ninety (90) day registration period set forth in said orders to one hundred twenty (120) days, following a Proclamation entered by Governor Jim Justice on August 29, 2017, declaring that emergency conditions still exist and that the State of Emergency proclaimed by the Governor on July 29, 2017 shall remain in force and effect until 5:00 p.m. on Thursday, September 28, 2017.

LITIGATION

The Insurance Commissioner was a party to or involved in the following civil actions in the year 2017:

State of WV ex rel. Offices of WV Insurance Commissioner v. JP Rice Co. Inc. Civil Action No. 16-C-1864

State of WV ex rel. Offices of WV Insurance Commissioner v. James D. Randolph dba Kwik Lube Civil Action No. 17-C-235

State of WV ex rel. Offices of WV Insurance Commissioner v. David Saul dba David Saul Auto Sales. Civil Action No. 17-C-520

State of WV ex rel. Offices of WV Insurance Commissioner v. Mountaineer Gun Sales. Civil Action No. 17-C-588

State of WV ex rel. Offices of WV Insurance Commissioner v. Michael Miller dba Millers Used Cars. Civil Action No. 17-C-1412

State of WV ex rel. Offices of WV Insurance Commissioner v. Solar Steves Window Tinting & Accessories LLC. Civil Action No. 17-C-958

State of WV ex rel. Offices of WV Insurance Commissioner v. Big Justice Construction Co. Inc. Civil Action No. 17-C-1059

State of WV ex rel. Offices of WV Insurance Commissioner v. David Osemwenkhae dba Davosa Transport Service Civil Action No. 17-C-1154

State of WV ex rel. Offices of WV Insurance Commissioner v. Donald Heckel dba Mountaineer Vapors Civil Action No. 17-C-1158

State of WV ex rel. Offices of WV Insurance Commissioner v. Bodyworks & Painting LTD dba Maaco Collision Repair & Bodyworks Civil Action No. 17-C-1157

State of WV ex rel. Offices of WV Insurance Commissioner v. The Cooke Company LLC. Civil Action No. 17-C-1195

State of WV ex rel. Offices of WV Insurance Commissioner v. Mullins Garbage Co. Civil Action No. 17-C-1602

State of WV ex rel. Offices of WV Insurance Commissioner v. David Newell dba Planet X Laser Tag. Civil Action No. 17-C-1601

State of WV ex rel. Offices of WV Insurance Commissioner v. Richard M. Sharrow dba Steel Valley Auto Civil Action No. 17-C-1654

State of WV ex rel. Offices of WV Insurance Commissioner v. Melvin Somerville dba M E Somerville Construction. Civil Action No. 17-C-1717

State of WV ex rel. Offices of WV Insurance Commissioner v. Morgan & Morgan Development Inc. dba White Day Golf Course. Civil Action No. 17-C-1171

West Virginia Office of Insurance Commissioner in its Capacity as Administrator of the Workers' Compensation Uninsured Employer Fund v. Linda M. Treadway, Individually & as Administratrix of the Estate of Michael D. Cadle, Deceased, et al. Civil Action No. 14-C-778

Chase Carmen Hunter vs. Michael D. Riley, Individually, in His Official Capacity as Commissioner of Insurance for West Virginia, and In His Official Capacity as a Committee Member of the National Association of Insurance Commissioners; and the West Virginia Offices of Insurance Commissioner. Civil Action No. 2:15-cv-05508

Air Evac EMS, Inc. v. Ted Cheatham, in his capacity as Director of PEIA; Mary Jane Pickens, Joshua Sword, James W. Dailey II, Troy Giatras, Elain A. Harris, William Ihlenfeld, Brian Donat, William Milam, & Michael Smith, in their capacity as members of the PEIA's Finance Bd.; & Michael D. Riley in his capacity as WV Insurance Commissioner. Civil Action #2:16-cv-05224

Rebecca S. Charles, Sarah N. Hall and Mary K. Morris v. State of West Virginia Offices of the Insurance Commissioner, State of West Virginia Division of Personnel. Civil Action No. 2:16-cv-10334

REFERRALS OPENED

A total of eight hundred twenty-two (822) referrals were opened by the Regulatory Compliance Unit of the Legal Division in 2017. A referral is an issue referred to the Regulatory Compliance Unit of the Legal Division from various departments and units within the Offices of the Insurance Commissioner (Financial Conditions (FINCON), Rates & Forms, Consumer Services, Office of Inspector General (OIG), Revenue Recovery, Employer Coverage), public as well as outside agencies, including the Division of Labor and State Auditor's Office and other State collaborative actions, which require review and analysis by the Regulatory Compliance Unit prior to determining if it's appropriate to take regulatory action in accordance with the West Virginia Code and/or West Virginia Code of State Rules. Below is a breakdown of the different type referrals with the number received for 2017.

TYPE OF REFERRAL	# REFERRALS
Company	4
Company - Rates & Forms	0
Company - Surplus Lines	0
Company - Unauthorized Agency	0

TYPE OF REFERRAL	# REFERRALS
Company - Fincon - PEO	0
Company - Fincon	25
First Party	44
First Party - Rate & Form	0
General Inquiries	1
Market Conduct - Analysis	1
Market Conduct - Class Action	0
Market Conduct - Continuum	0
Market Conduct - External Review Application	0
Market Conduct - Multi State Collaborative - National	16
Market Conduct - Multi State Collaborative - National - Regional	0
Market Conduct - Self Insured	10
Market Conduct - Specialized	0
Market Conduct - Statutory	4
Market Conduct - Targeted	4
Market Conduct - Third Party	1
Other Litigation - Complaint	2
Other Litigation - Other Litigation	0
Other Litigation - Subpoenas	0
Other Litigation - Third Party	0
Other Litigation - Workers' Compensation	0
Producer Licensing - Administrative Action	101
Producer Licensing - Application	36
Producer Licensing - Clearance	90
Producer Licensing - Unauthorized Agent	0
Third Party	131
WCC Compliance - 85 CSR 8 6.6(b) - Private Carrier - Audit Appeal	0
WCC Compliance - Collection	0
WCC Compliance - Contempt	1
WCC Compliance - General Referral	7
WCC Compliance - Failure to Timely Act	33
WCC Compliance - Fine Reductions	22
WCC Compliance - Investigation	38
WCC Compliance - Injunctions	46
WCC Compliance - PEO	0
WCC Compliance - POC	0
WCC Compliance - Postings	206
WCC Compliance - Self Insured	0
WCC Compliance - UEF Issues	0

TYPE OF REFERRAL	# REFERRALS
WCC Compliance - Writs & Suggestions	0
Total	822

ADMINISTRATIVE PROCEEDING CASES OPENED

A total of two hundred forty-two (242) administrative proceeding cases were opened by the Regulatory Compliance Unit of the Legal Division in 2017. An administrative proceeding is a case in which an action is being taken. Below is a breakdown of the different type of administrative proceedings with the number opened for 2017.

TYPE OF REFERRAL	# CASES OPENED
Administrative Proceeding - Producer Licensing	29
Administrative Proceeding - First Party	3
Administrative Proceeding - Fincon	19
Administrative Proceeding - Failure to Timely Act	33
Administrative Proceeding - General Referral	0
Administrative Proceeding - Market Conduct	5
Administrative Proceeding - Market Conduct - Self Insured	17
Administrative Proceeding - Company	1
Administrative Proceeding - Company - Rates & Forms	0
Administrative Proceeding - Third Party	135
Total	242

ADMINISTRATIVE PROCEEDING CASES CLOSED

A total of two hundred forty-four (244) administrative proceeding cases were closed by the Regulatory Compliance Unit of the Legal Division in 2017. Below is a breakdown of the different type of administrative proceedings with the number closed for 2017.

TYPE OF REFERRAL	# CASES CLOSED
Administrative Proceeding - Producer Licensing	26
Administrative Proceeding - First Party	2
Administrative Proceeding - Company	1
Administrative Proceeding - Fincon	19
Administrative Proceeding - Failure to Timely Act	54
Administrative Proceeding - Market Conduct	3
Administrative Proceeding - Market Conduct - Self Insured	15
Administrative Proceeding - Rates & Forms	0
Administrative Proceeding - Third Party	124
Total	244

HEARINGS

A total of forty-four (44) hearings were held in 2017. Below is a breakdown of the different types of hearings held in 2017. The WC Contempt and WC Injunction hearings were held in Circuit Court.

TYPE OF HEARINGS	# HEARINGS SCHEDULED	# HEARINGS HELD
1033 Committee Hearing	0	0
Appeal - Third Party	2	0
Company	0	0
Fincon	3	0
First Party	6	0
Producer Licensing	27	22
Third Party	14	5
Third Party - Initial	131	0
Third Party - Out of County	12	0
Third Party - Players Club	1	0
WC Contempt	1	1
WC Injunction	17	16
Total	214	44

INVESTIGATIONS OPENED

A total of six hundred two (602) investigations on all matters were opened by the Regulatory Compliance Unit of the Legal Division in 2017. Below is a breakdown of the different types of investigations opened during 2017.

TYPE OF INVESTIGATIONS	# CASES OPENED
Producer Licensing	223
Company	3
First Party	14
General Referral	0
Third Party	131
WC Contempt	1
WC General Referral	38
WC Posting	192
Total	602

INVESTIGATIONS CLOSED

A total of five hundred fifty-two (552) investigations on all matters were closed by the Regulatory Compliance Unit of the Legal Division in 2017. Below is a breakdown of the different types of investigations closed during 2017.

TYPE OF INVESTIGATIONS	# CASES CLOSED
Producer Licensing	194
Company	1
First Party	11
General Referral	0
Third Party	124
WC Contempt	1
WC General Referrals	38
WC Postings	183
Total	552

POSTINGS

One hundred ninety-two (192) posting requests with regard to employers that failed to maintain mandatory workers' compensation coverage were referred to the Regulatory Compliance Unit of the Legal Division in 2017. One hundred six (106) non-compliant employers were posted and/or handled by the Regulatory Compliance Unit. Eighty-six (86) postings were attempted but could not be completed due to various reasons, e.g. employer was no longer in business, employer was no longer at the address on file, etc. The remainder were employers that were brought into compliance or whose accounts were otherwise resolved.

ORDERS & COLLABORATIVE ACTIONS

A total of one hundred twenty-three (123) orders were prepared by the Regulatory Compliance Unit (RCU) of the Legal Division in 2017 and sixteen (16) collaborative actions were entered into as a result of market conduct actions concerning issues with multistate insurers in 2017. Below is a breakdown of the types of orders prepared by the RCU, collaborative actions and fine and restitution amounts for 2017.

TYPE OF CASE	FINAL ORDERS PREPARED BY RCU	COLLABOR-ATIVE ACTION	FINE AMOUNT	RESTITUTION AMOUNT
Company	0	0	$0.00	$0.00
Company - Rates & Forms	0	0	$0.00	$0.00
Company - Fincon	18	0	$5,800.00	$0.00
First Party	0	0	$0.00	$0.00

TYPE OF CASE	FINAL ORDERS PREPARED BY RCU	COLLABOR-ATIVE ACTION	FINE AMOUNT	RESTITUTION AMOUNT
Market Conduct -Multi State Collaborative Action	0	16	$223,517.00	$0.00
Market Conduct - Statutory	6	0	$25,375.00	$0.00
Market Conduct - Third Party	1	0	$5,000.00	$0.00
Market Conduct - Self Insured	18	0	$5,000.00	$0.00
Producer Licensing	20	0	$14,200.00	$0.00
Third Party	8	0	$0.00	$0.00
WCC Compliance - Contempt	0	0	$0.00	$0.00
WCC - Failure to Timely Act	37	0	$3,500.00	$0.00
WCC Compliance - Injunctions	15	0	$20,595.00	$0.00
Total	123	16	$302,987.00	$0.00

DISPOSITIONS OF CASES

A total of one hundred sixty-seven (167) cases were closed by the Regulatory Compliance Unit of the Legal Division in 2017. A disposition is the outcome of the case. The information below reflects the number of each type of case, the specific issue and the number for that issue.

TYPE OF CASE	# CASES
FINCON - COA Revoked	4
FINCON COA - Suspended	0
AGENT LICENSING - Revoked	19
AGENT LICENSING - Suspended	0
FINCON - Final Report Adopted	10
MARKET CONDUCT - Final Report Adopted	25
WC POSTINGS - Posted	106
WC INJUNCTIONS - Injunctions Granted	2
WC CONTEMPT - Contempt Granted	1
Total	167

APPEALS OPENED

One (1) appeal case was opened by the Regulatory Compliance Unit of the Legal Division in 2017. Below is a breakdown of the type of appeal with the number opened in 2017.

TYPE OF APPEAL	NUMBER OF APPEALS
Third Party	1
Total	1

DISCIPLINARY ACTIONS

INDIVIDUAL INSURANCE PRODUCERS

During the year 2017, Fourteen Thousand Two Hundred Dollars ($14,200.00) in penalties were assessed as a result of disciplinary actions taken against individual insurance producers for violation of and in accordance with W. Va. Code §33-12-12(a)(1), The person is currently licensed as a resident and in good standing in his or her home state; §33-12-12(e), If the insurance department of the nonresident insurance producer's resident state suspends, terminates, or revokes the producer's insurance license in that state, the nonresident insurance producer shall notify the commissioner and shall return the West Virginia nonresident license; §33-12-24(b)(1), Providing incorrect, misleading, incomplete or materially untrue information in the license application; §33-12-24(b)(2), Violating any insurance laws, or violating any regulation, subpoena or order of the Insurance Commissioner or of another state's Insurance Commissioner; §33-12-24(b)(4), Improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business; §33-12-24(b)(9), Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere; §33-12-24(b)(10), Having an insurance producer license, solicitor license, excess line broker license or its equivalent, denied, suspended or revoked in any other state, province, district or territory; and §33-12-34(a), A producer shall report to the insurance commissioner any administrative action taken against the producer in another jurisdiction or by another governmental agency in this state within thirty days of the final disposition of the matter. This report shall include a copy of the order, consent to order or other relevant legal documents.

The licenses of nineteen (19) individual insurance producers were revoked in 2017 for violation of and in accordance with W. Va. Code §33-12-12(a)(1), The person is currently licensed as a resident and in good standing in his or her home state; §33-12-12(e), If the insurance department of the nonresident insurance producer's resident state suspends, terminates, or revokes the producer's insurance license in that state, the nonresident insurance producer shall notify the commissioner and shall return the West Virginia nonresident license; §33-12-24(b)(1), Providing incorrect, misleading, incomplete or materially untrue information in the license application; §33-12-24(b)(2), Violating any insurance laws, or violating any regulation, subpoena or order of the Insurance Commissioner or of another state's Insurance Commissioner; §33-12-24(b)(4), Improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business; §33-12-24(b)(6), Having been convicted of or pleaded nolo contendere to any felony; §33-12-24(b)(9), Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere; §33-12-24(b)(10), Having an insurance producer license, solicitor license, excess line broker license or its equivalent, denied, suspended or revoked in any other state, province, district or territory; §33-12-34(a), A producer shall report to the insurance commissioner any administrative action taken against the producer in another

jurisdiction or by another governmental agency in this state within thirty days of the final disposition of the matter. This report shall include a copy of the order, consent to order or other relevant legal documents; and §33-12-34(b), Within thirty days of the initial pretrial hearing date, a producer shall report to the Insurance Commissioner any criminal prosecution of the producer taken in any jurisdiction. The report shall include a copy of the initial complaint filed, the order resulting from the hearing and any other relevant legal documents.

INSURERS

During the year 2017, Five Thousand Eight Hundred Dollars ($5,800.00) in penalties and fees were assessed as a result of disciplinary actions taken against insurers in accordance with and for violation of W. Va. Code §33-37-2(a), No domestic, foreign or alien insurer may permit a person to act, and no person may act, in the capacity of a managing general agent for an insurer in this state unless the person is licensed in this state to act as a managing general agent; §33-37-4(e), Failure to provide written notification to the commissioner within thirty days of entering into or terminating a contract with a managing general agent; and §33-37-6, Managing General Agents - Penalties and liabilities.

Two Thousand Five Hundred Dollars ($2,500.00) in penalties were assessed as a result of Reports to the Insurance Commissioner Upon Petition Alleging Failure to Timely Act, for violation of time standards set forth in W. Va. Code §23-5-1(b)(1) and §23-5-7(a), and W. Va. Code of State Rules §85-1-10.1, §85-1-10.3 and §85-1-10.6.

Thirty Thousand Three Hundred Seventy-Five Dollars ($30,375.00) in penalties were assessed as a result of actions taken by the Insurance Commission's Market Conduct Unit: $5,375.00 in penalties were assessed as a result of violations discovered during market conduct examinations conducted in accordance with W. Va. Code §33-2-9; and $25,000.00 in penalties were assessed as the result of a referral by the Market Conduct Unit for discipline of a carrier by the Insurance Commissioner for multiple violations of time standards set forth in Chapter 23 of the West Virginia Code, and Title 85 of the West Virginia Code of State Rules.

West Virginia also participated in sixteen (16) Market Conduct Multi-State Collaborative Actions which resulted in Two Hundred Twenty-Three Thousand, Five Hundred Seventeen Dollars ($223,517.00) in penalties and other assessments.

The certificates of authority of four (4) insurers were revoked in 2017 in accordance with and under the provisions of W. Va. Code §33-3-10(b), The insurer no longer meets the requirements for the license originally granted, because of deficiency of assets or otherwise; §33-3-11(a)(1), Violation of any provision of Chapter Thirty-Three of the West Virginia Code other than those as to which refusal, suspension or revocation is mandatory; §33-3-11(a)(4), The insurer is found by the commissioner to be in an unsound condition or in such condition as to render its further transaction of insurance in West Virginia hazardous to its policyholders or the people of West Virginia; §33-46-14(d), Failure of non-resident third-party administrator to annually file a statement that its home state administrator certificate of authority or license remains in force and has not been revoked or suspended by its home state during the preceding year; and §33-46-14(e), Failure of non-resident third party administrator to pay fees set forth in W. Va. Code §33-46-15.

SELF-INSURED EMPLOYERS

During the year 2017, Five Thousand Dollars ($5,000.00) in penalties were assessed as a result of Market Conduct Self-Insured Compliance Audits conducted by the Market Conduct Unit in accordance with W. Va. Code §23-2-9, §23-2C-22, §33-2-9 and §33-2-21, and W. Va. Code of State Rules §85-18-1, *et seq*.

One Thousand Dollars ($1,000.00) in penalties were assessed as a result of Reports to the Insurance Commissioner Upon Petition Alleging Failure to Timely Act, for violation of time standards set forth in W. Va. Code §23-4-7(a) and §23-5-1(b)(1), and W. Va. Code of State Rules §85-1-10.1.

WORKERS' COMPENSATION SUBROGATION

Workers' Compensation Subrogation Liens -- With respect to workers who suffered compensable injuries prior to July 1, 2005, resulting from the negligence of third parties, W. Va. Code §23-2A-1 creates subrogation liens in favor of the Insurance Commissioner against any amounts recovered by these workers from such third parties to the extent of medical benefits paid by the Old Fund. The statute required that workers or their attorneys inform the OIC when such third-party actions result in recoveries. In 2017, the OIC closed twenty-eight (28) cases and collected One Thousand Six Hundred Five Dollars ($1,605.00) from settlements or awards.

PERMANENT TOTAL DISABILITY REVIEW BOARD

The Permanent Total Disability Review Board (PTDRB) reviews claims of injured workers to determine whether the worker has met the threshold for permanent and total disability. Once the PTDRB determines a claimant has met the appropriate statutory thresholds for a permanent total disability (PTD) award, the Board will evaluate the case to determine whether the injured worker has rehabilitation potential to return to the workforce or if the worker should receive a PTD award. The Board is staffed with three medical physicians, and two vocational rehabilitation experts.

The PTDRB meets on a monthly basis. For calendar year 2017, the PTDRB recommended granting two (2) PTD awards and denying nine (9) PTD requests.

The PTDRB tabled four (4) applications for PTD awards for further consideration of additional evidence/information.

Six (6) PTD claims were remanded to the PTDRB from judicial entities (the Workers' Compensation Office of Judges, the Workers' Compensation Board of Review or the Supreme Court of Appeals of West Virginia) for consideration.

One (1) PTD request was settled by the parties (thus, removing the issue from the PTDRB).

At the end of 2017, four (4) Recommendations granting benefits and two (2) Recommendations denying benefits were awaiting review and approval by the PTDRB.

MARKET CONDUCT

Seven (7) Agreed Orders were entered by the Insurance Commissioner in 2017 as a result of market conduct examinations conducted in accordance with W. Va. Code §33-2-9. Penalties totaling $30,375.00 were assessed as a result of violations discovered during these market conduct examinations.

West Virginia also participated in sixteen (16) multi-state collaborative actions, resulting in $223,517.00 in penalties and other assessments.

Furthermore, the Market Conduct Unit completed ten (10) comprehensive compliance examinations on employers which are self-insured for workers' compensation, resulting in penalties totaling $4,000.00.

Additionally, the Market Conduct Unit conducted thirty (30) level one and thirteen (13) level two analyses on licensed companies concerning compliance with the West Virginia Code and the West Virginia Code of State Rules as well as claims compliance analysis on each of the sixty-eight (68) employers that were actively self-insured for workers' compensation.

The West Virginia Offices of the Insurance Commissioner also received a total of five hundred twenty-nine (529) market conduct annual statements per National Association of Insurance Commissioners' (NAIC) guidelines, further broken down by the following lines of business: Private Passenger Auto, 80 filings; Homeowners, 73 filings; Life, 194 filings; Annuity, 105 filings; and Long-term Care, 78 Filings.

The following professional designation was earned by a Market Conduct examiner in 2017:

- Certified Insurance Examiner (CIE)

With this accomplishment, five of the unit's seven examiners and analysts (all with over 5 years of service in the unit) are credentialed in one of the two highest designations issued by the Insurance Regulatory Examiners Society (IRES).

OFFICE OF JUDGES DIVISION (WORKERS' COMPENSATION)

The primary responsibility of the Office of Judges is to process initial appeals, commonly referred to as "protests," from workers' compensation claim management decisions made by insurers or their agents. Jurisdiction of the Office of Judges commenced on July 1, 1991. Early in the history of the office, the sole responsibility was to perform judicial review of actions of the Administrative Agency, the Workers' Compensation Division. Since privatization of the workers' compensation market in 2005, the Office of Judges reviews claim management decisions from private insurance carriers, self-insured employers, as well as claim management decisions from third-party administrators, which administer the legacy claims of the former Workers' Compensation Commission. Our goal is to resolve these protests in a fair, efficient and timely manner.

In addition to the Chief Administrative Law Judge, two Deputy Chief Administrative Law Judges and nine Administrative Law Judges, The Office of Judges currently maintains a staff of 32 support personnel. The operation is housed in two locations including Charleston and Beckley. Additionally, evidentiary hearings are conducted in seven venues across the State, including Charleston, Beckley, Fairmont, Parkersburg, Wheeling, Elkins and Charles Town.

The issues in litigation traditionally arise under Chapter 23 of the West Virginia Code, as well as Workers' Compensation Rules found in Title 85 of the Code of State Rules. The Office of Judges is governed by procedural rules found in W.Va. C.S.R. § 93-1, Litigation of Protests, and W.Va. C.S.R. § 93-2, Time Standard Rules. Pursuant to rule, the Office of Judges establishes a deadline for the filing of evidence by the parties. After all parties have been allowed an opportunity to submit evidence and argument to the Office of Judges, a written decision is issued by an Administrative Law Judge. Decisions from the Office of Judges may be appealed to the Workers' Compensation Board of Review.

In addition to traditional workers' compensation appeals, the Office of Judges also conducts hearings or review of other legal matter, including the following:

Failure to Timely Act or Rule on a Claim Request: The Offices of the Insurance Commissioner ("OIC") has jurisdiction to hear complaints that an insurer has failed to perform an act required by Statute or rule within the time limits set by law. The OIC assigns the hearing of these matters to the Office of Judges.

Award of Attorney Fees for Unreasonable Denial of Benefits by the Insurance Carrier: W.Va. Code § 23-2C-21(c) provides that the Office of Judges may order a self-insured employer, or any private insurance carrier, to pay reasonable attorney fees and expenses to claimants when the Office of Judges determines that the original denial of a claim or treatment request was unreasonable.

Award of Claimant's Attorney Fees and Expenses: W.Va. Code § 23-5-16(c) provides that an attorney's fee for successful recovery of denied medical benefits may be charged or received by an attorney and paid by the private carrier or self-insured employer for a claimant or dependent.

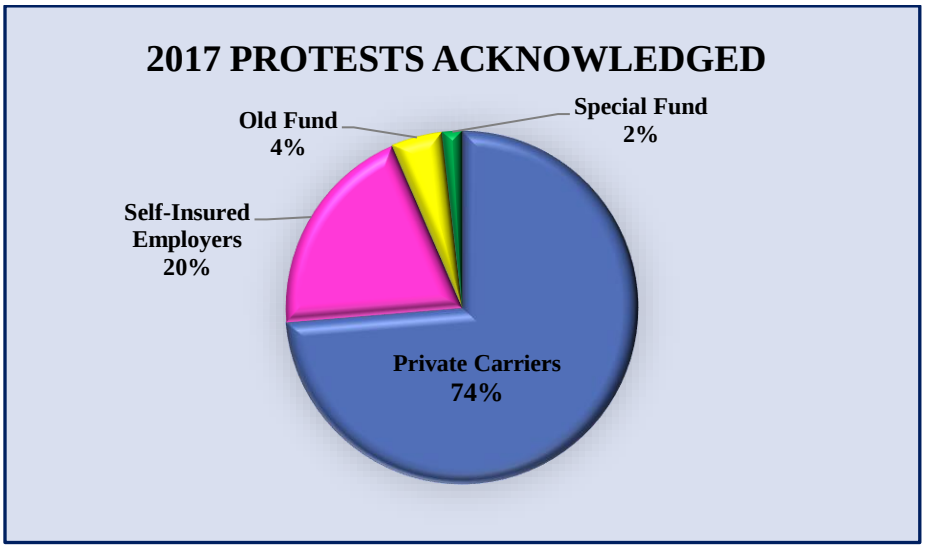
Unconscionable Settlement Review: In accordance with the provisions of W.Va. Code § 23-5-7, the Insurance Commissioner may review any workers' compensation settlement entered into between an unrepresented claimant and their responsible insurance carrier and may declare any such settlement void if the Insurance Commissioner determines the settlement to be unconscionable pursuant to criteria set forth in W.Va. C.S.R. § 85-12. The Office of Judges has been designated as the entity to review requests for settlement review by the OIC.

Workers' Compensation Default List: An employer in default of payment of workers' compensation premiums may be liable to the OIC for all medical and indemnity payments, administrative expenses, attorney fees and interest. The employer will remain on the default list until all payments are current and can be fined up to $10,000.00. The Office of Judges has been designated as the entity to review final decisions by the OIC regarding placement of an employer on the Workers' Compensation Default List. Review by the Office of Judges must be conducted in accordance with the West Virginia Administrative Procedures Act.

WV Health Care Authority: Pursuant to Executive Order No. 3-99, the Office of Judges is designated as the entity to review final decisions of the West Virginia Health Care Authority with regard to their final written decisions on matters relative to certificates of need for new institutional health services and to rate setting of hospitals pursuant to W.Va. Code § 16-2D-1, et. seq. and § 16-29B-1, et. seq. The review is conducted in accordance with the West Virginia Administrative Procedures Act.

PROTESTS ACKNOWLEDGED

In calendar year 2017, the Office of Judges acknowledged 3,250 protests. The breakdown of protests is as follows: 2,395 protests from private carrier market, 643 protests from the self-insured market, 152 protests arising from the Old Fund, and 60 protests arising from Special Fund claims.

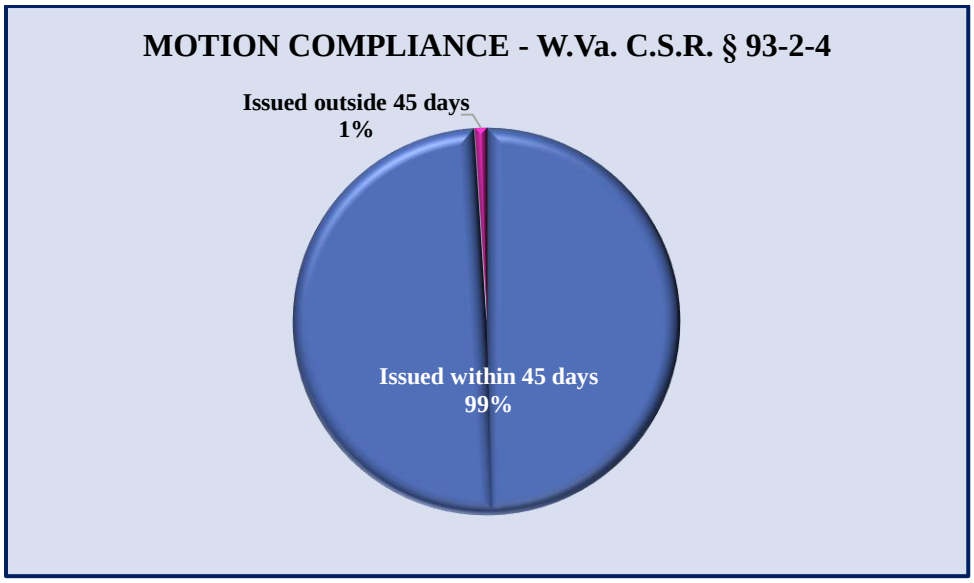


TIME STANDARD COMPLIANCE

Pursuant to regulation, the Office of Judges is required to process protests in a timely manner in order that the parties to litigation may receive decisions without unreasonable delay. Additionally, on an annual basis, the Office of Judges is required to report on "the degree of compliance" with the time limitations set forth in the Rule. The following statistical analysis reflects the performance of the Office of Judges for calendar year 2017.

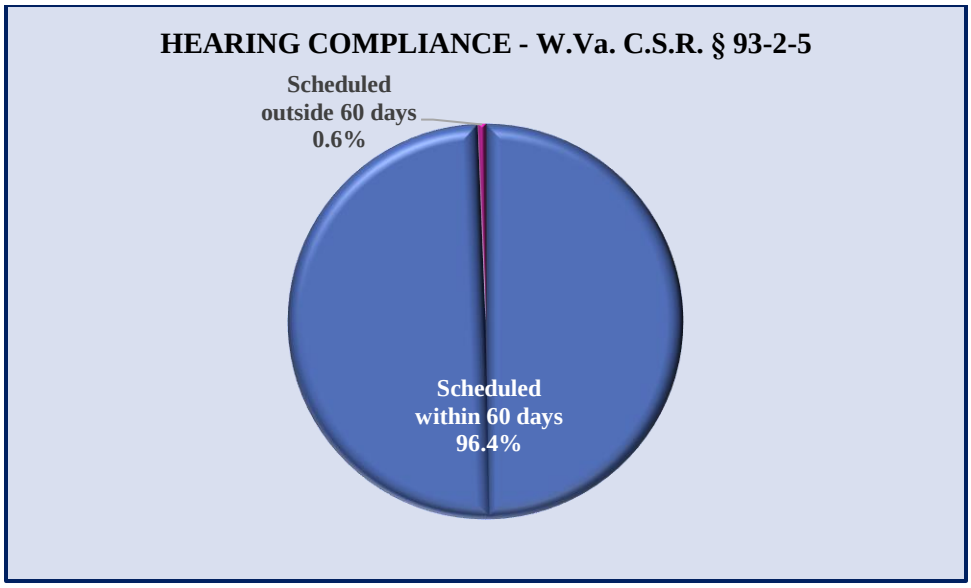
A. W.VA. C.S.R. § 93-2-4 MOTIONS

The Rule requires the Office of Judges to act upon a motion "within 45 days of the date of submission" of the motion or on the date of the final decision, whichever is earlier. Of the 7,600 written motions ruled upon in the 2017 calendar year, 99.3% were issued in compliance with the time standard.



B. W.VA. C.S.R. § 93-2-5 HEARINGS

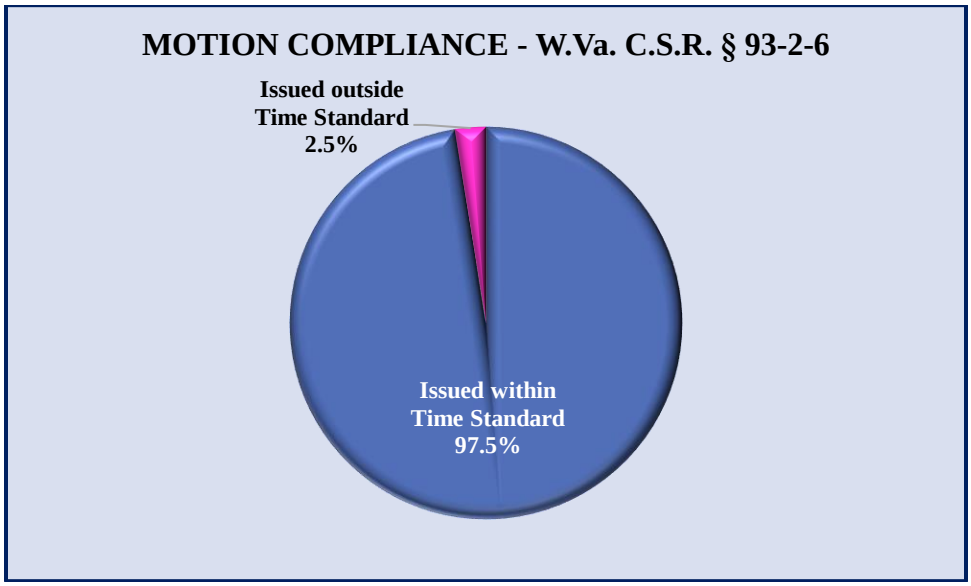
The Rule requires the Office of Judges to schedule a hearing "within 60 days from the receipt of the request for hearing." Of the 407* hearings scheduled from motions in calendar year 2017, 96.4% were scheduled in compliance with the time standard.



*The Office of Judges scheduled a total of 845 hearings in calendar year 2017 including 405 OP Board hearings which are automatically set at expiration of the parties' time frames. Additionally, 33 hearings were scheduled at the request of an Administrative Law Judge.

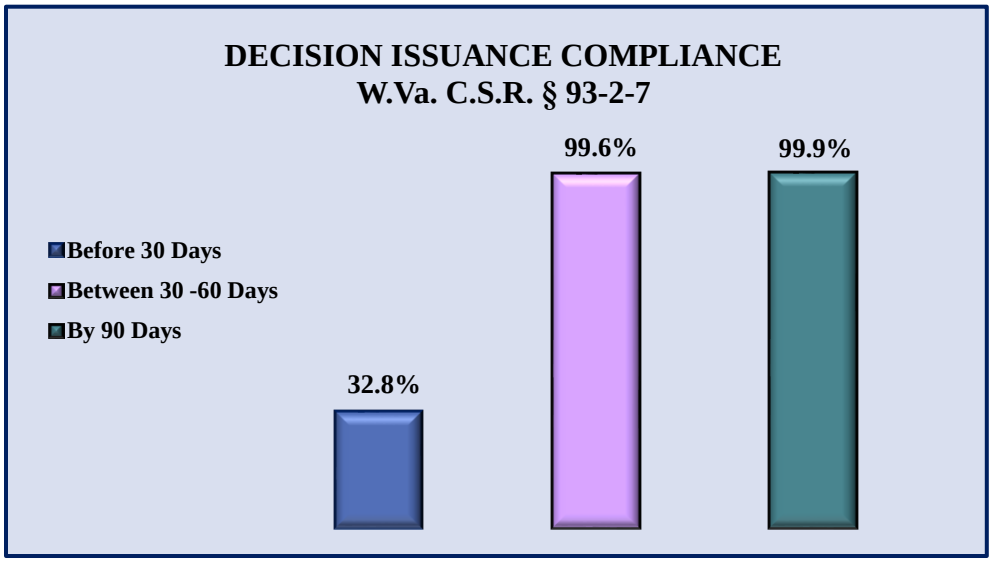
C. W.VA. C.S.R. § 93-2-6 TIME STANDARDS

The Rule requires the Office of Judges to issue a final decision within various time limits depending upon the issue involved (measuring time from the date of receipt of the protest to issuance of the decision). Pursuant to W.Va. C.S.R.§ 93-2-3.1, the percentage of final decisions that must be at or under the applicable time standards as provided in W.Va. C.S.R. § 93-2-6 is 80%. The Office of Judges issued 97.5% of its decisions within the time standard.



D. W.VA. C.S.R. § 93-2-7 ISSUANCE OF DECISIONS

The Rule requires the Office of Judges to issue 60% of its decisions within 30 days of the Order to Submit; 80% of its decisions within 60 days of the Order to Submit; and 100% of its decisions within 90 days of the Order to Submit. Of the 3,338 decisions issued in calendar year 2017, 32.8% were issued in less than 30 days, 99.6% were issued within 60 days and 99.9% were issued within 90 days of the Order to Submit.



RATES AND FORMS DIVISION

The Rates and Forms Division analyzes all rate, rule, form and advertising filings proposed by licensed insurance companies for use in the West Virginia insurance markets. Analysts review automobile, homeowners, motorcycle, mobile homes, umbrella, business owners, inland marine, medical malpractice, credit, workers' compensation products, group and individual accident and sickness, life, disability, Medicare supplements, long term care and annuities. Filings are submitted through the System for Electronic Rate and Form Filings (SERFF) and divided among the analysts. West Virginia is a prior approval state, which means policy rates, rules and forms must be approved by the WV Insurance Commissioner prior to marketing plans to West Virginia consumers.

In addition, analysts review binders as submitted by major medical and dental companies as a part of the certification process for Qualified Health Plans within the statutes of the Patient Protection and Affordable Care Act. Binders are also submitted through SERFF and consist of a series of templates that are used to transfer the plan data to the federal marketplace (www.Healthcare.gov). W. Va. Code §33-6-8, 33-15-1b & 33-16B-1, is the primary authority for WV to review and recommend Qualified Health Plans (QHPs) for certification.

The OIC has established a certification "checklist" or set of standards against which the QHP application is evaluated. The review of the QHP application is performed by the Rates and Forms Division, who reach out to other divisions within the OIC, such as Health Policy, Market Conduct, Consumer Services, and Financial Conditions, as necessary. SERFF is the primary technical system used to manage all steps in these business processes, including communications between the OIC and issuers during the evaluation and revisions to the plan.

Once the plans are reviewed and approved by the OIC then QHPs being offered "Off Marketplace" receive final approval from the state. The QHP plans to be offered "On Marketplace" are sent to CMS/HHS via transmission from the SERFF binder through the Health Insurance Oversight System (HIOS). CMS/HHS then reviews the plan and finalizes it as a "Certified QHP" to be a Marketplace plan listed on www.Healthcare.gov. The final step of certification is a contract between CMS and the issuer, which must be signed, countersigned and distributed to states prior to the plans being included on the marketplace.

Analysts participate in various committees with the NAIC to work on national solutions to issues that span more than West Virginia. For example, the Life and Health Team continues to work on the Long-Term Care Valuation Subgroup of the B Committee. The group both focuses on the increases required of old forms, as well as coming up with creative solutions for new products that may be priced appropriately for consumers.

Filings for noncommercial lines must be filed with the department no less than 60 days in advance of the desired effective date per WV Code §33-6-8(b)(1) and §33-16B-1, and unless more information is requested from the insurance company, will be deemed approved at the end of the 60-day timeframe. Commercial lines and casualty risks, as well as any mass-marketed life and health product offered to members of an association must be filed with the Division as noted in WV Code §33-6-8(b)(2), however there is no OIC prior approval needed before a carrier can begin implementing the filing. The Commissioner may take action on such forms within 30 days. WV Code 33-6-9(e) requires the Insurance Commissioner to disapprove a form "if the coverages provided therein are not sufficiently broad to be in the public interest." Effective June 2018, certain commercial lines of insurance are excluded from rate filing requirements pursuant to SB 495.

2017 FILING SUMMARY

Property and Casualty	
Total Received	**2,907**
Acknowledged	107
Approved	2,748
Disapproved	3
Withdrawn	50
Total Resolved	**2,908**

Life and Health	
Total Received	**3,426**
Acknowledged	532
Approved	2,179
Disapproved	4
Withdrawn	32
Total Resolved	**2,747**

Although the majority of filings are ultimately approved we regularly require additional information, data and time to complete a comprehensive review. Several parties are involved in the rate review process. We also rely on evaluations by our consulting actuaries and opinions from our Legal Department before a final determination is made.

There are 275 carriers eligible to write workers' compensation insurance in West Virginia. Of the 275 carriers, 222 are writing at least one policy. That represents 81% of eligible carriers who are actively writing policies in West Virginia.

There have been fourteen (14) consecutive workers' compensation loss cost decreases filed since the privatization in 2006. These decreases represent an overall premium savings of 75.8%.

APPROVED RATE CHANGES

Approved Rate Change History of Top 5 Carriers in the Market for:					
Private Passenger Auto					
Market Share as of 2017	**Company**	**Effective Date**	**% Requested**	**% Granted**	**WV File #:**
25.20%	***State Farm Mutual Auto Ins Co***				
		8/20/2018	(2.90%)	(2.90%)	100047453
		5/7/2018	(2.90%)	(2.90%)	100046984
		1/1/2018	0.00%	0.00%	100045528
		12/11/2017	(0.30%)	(0.30%)	100045037
		1/1/2017	0.00%	0.00%	100040811
		4/25/2016	(0.70%)	(0.70%)	100036061
		1/5/2015	(1.80%)	(1.80%)	100029046
		1/1/2014	0.10%	0.10%	100023109
		1/21/2013	0.30%	0.30%	100016461
		1/1/2013	0.10%	0.10%	100017281

Approved Rate Change History of Top 5 Carriers in the Market for:					
Private Passenger Auto (Continued)					
Market Share as of 2017	**Company**	**Effective Date**	**% Requested**	**% Granted**	**WV File #:**
14.80%	***Erie Ins Property & Casualty***				
		1/1/2018	1.00%	1.00%	100045111
		1/1/2017	(0.10%)	(0.10%)	100043697
		1/1/2017	0.00%	0.00%	100040047
		1/1/2016	0.00%	0.00%	100034414
		1/1/2014	0.00%	0.00%	100022600
		11/1/2012	2.10%	2.10%	100015646
7.00%	***Nationwide Mutual Insurance Company***				
		11/7/2018	1.10%	1.10%	100046860
		9/23/2017	0.00%	0.00%	100042248
		3/23/2017	0.00%	0.00%	100041070
		9/23/2016	2.90%	2.90%	100038244
		9/23/2015	0.00%	0.00%	100032839
		3/23/2015	0.00%	0.00%	100029646
		8/27/2014	0.00%	0.00%	100025959
		2/27/2013	1.30%	1.30%	100017236
		8/27/2012	1.90%	1.90%	100014392
		2/27/2012	1.50%	1.50%	100011623
4.60%	***Nationwide Ins Co of America***				
		11/7/2018	1.10%	1.10%	100046860
		9/23/2017	0.00%	0.00%	100042248
		3/23/2017	0.00%	0.00%	100041070
		9/23/2016	3.00%	3.00%	100038244
		9/23/2015	(1.40%)	(1.40%)	100032839
		3/23/2015	0.00%	0.00%	100029646
		8/27/2014	(2.80%)	(2.80%)	100025959
4.20%	***Allstate Property & Casualty***				
	CGR Table Update	5/14/2018	0.00%	0.00%	100047221
		11/20/2017	9.90%	9.90%	100045406
	CGR Table Update	9/18/2017	0.00%	0.00%	100044998
	CGR Table Update	8/14/2017	0.00%	0.00%	100044200
	CGR Table Update	9/19/2016	0.00%	0.00%	100039646
	CGR Table Update	7/25/2016	0.00%	0.00%	100038542
	CGR Table Update	6/20/2016	0.00%	0.00%	100037898
	CGR Table Update	11/16/2015	0.00%	0.00%	100035429

***Complementary Group Rating**

Approved Rate Change History of Top Carriers in the Market for:			
Comprehensive Major Medical - Individual			
2017 Market Share	**Company**	**Eff Date**	**SERFF #**
97.89%	***Highmark West Virginia, Inc.***	1/1/2017	MSBC-130020463
2.11%	***CareSource***	1/1/2017	CASO-130037894

Comprehensive Major Medical - Group			
2017 Market Share	**Company**	**Eff Date**	**SERFF #**
62.95%	***Highmark West Virginia, Inc.***	1/1/2017	MSBS-130016108
16.09%	***United Healthcare Insurance***	1/1/2017	UHLC-130032798
9.14%	***The Health Plan of the Upper Ohio Valley, Inc.***	1/1/2017	THPI-130033134
8.80%	***Aetna Health Inc***	1/1/2017	AETN-130018911
3.02%	***THP***	1/1/2017	THPI-130031882

Note: The Patient Protection and Affordable Care Act, fully in effect as of January 1, 2014, changed the underwriting and rating methodology of Individual and Small Group Major Medical Insurance.

REVENUE RECOVERY DIVISION (WORKERS' COMPENSATION)

Revenue Recovery has responsibility for:

- Collection of fines imposed on employers who failed to maintain workers' compensation coverage
- Collection from the employer when reimbursement is due the Uninsured Employer's Fund (UEF) for workers' compensation claims paid by the UEF
- Collection from the employer of all monies due to the Old Fund

The unit contacts employers who have defaulted on their workers' compensation premium payments, and may take actions such as:

- Placement of employer on the Employer Violator System (EVS), and the Defaulted Employer Database
- Compliance Posting (notice to inform employees of the employer default on workers' compensation)
- File liens (for fines owed) against the business and its individual owners, officers, partners or members
- Request revocation of state issued licenses
- Seek injunctions to enjoin the business

The Revenue Recovery unit also works in conjunction with the Insurance Commission's Regulatory Compliance (Legal) Division and with the Employer Coverage Division to enforce employer compliance with West Virginia workers' compensation laws and regulations.

DEFAULT NOTIFICATIONS AND EMPLOYER CONTACT

The Division sends letters of notification to all employers that are reported as not being compliant by having mandatory workers' compensation insurance. In 2017, there were over 1,700 notices sent to employers that were reported as uninsured. There were 11,719 contacts both by telephone and in-person between Revenue Recovery and the uninsured employer.

EMPLOYER VIOLATOR SYSTEM (EVS)

The Division reviews all employers reported to not have workers' compensation insurance and places the employer and its individual owners, officers, partners or members of the business on the EVS listing. This electronic report allows other state agencies to search for and identify a business and the individual officers, owners, partners or members associated with the business that may apply for other state licensure or permits. If the employer and its associated individual owners, officers, partners or members are on EVS, other agencies may not grant licensure or permits until the default is cured and the business is appropriately insured. In 2017, there were an average of 2,500 businesses along with the individual owners, officers, partners and members listed on EVS every month.

LIENS, INJUNCTIONS, AND REGULATORY COMPLIANCE

Liens are filed when an employer has not cured the fine caused by defaulting on its workers' compensation obligations and the lien releases are filed when the debt owed is cured. The Division prepared and mailed 827 liens to the county clerks of West Virginia Counties in 2017. The liens were placed on the business as well as the individual owners, officers, partners or the members of the business as is listed on the West Virginia Secretary of State website. During the same timeframe, 455 lien releases were prepared and mailed to the county clerk offices.

STATE AGENCY WORKERS' COMPENSATION (SAWC) PROGRAM

As the state agency workers' compensation program (SAWC) enters the eighth policy year, the program continues to realize a positive trend with decreased frequency and severity of claims and losses. The program currently includes over 100 agencies, boards and commissions with over 900 locations across our state. It is estimated that approximately 25,000 public employees are covered under this consolidated policy. As the plan administrator, the West Virginia Offices of the Insurance Commissioner (WVOIC) continually monitors and evaluates loss trends and exposures to determine if they are being properly addressed as well as make safety recommendations to mitigate workplace injuries. This report outlines specific portions of the program's administration including safety visits and recommendations, policy experience rating factors, claims trending and summaries, and future focus areas for specific agencies. Zurich Insurance Company was the SAWC policy coverage provider from October 2011 through June 2017. Effective July 1, 2017 the SAWC policy transitioned to BrickStreet Mutual Insurance Company after review and analysis of information presented as a part of an RFQ process initiated in late 2016/early 2017.

SAFETY VISIT SUMMARY

Safety visits and evaluations continue to play an important part in all aspects of the SAWC Program. During the first SAWC policy year (October 2011), all plan members were visited by a safety professional. After the initial visitations to all agencies and follow-up reports were evaluated, it was determined that future safety resources should be focused on agencies with a higher frequency and severity of losses. The table below outlines the number of visits performed by policy year by Zurich (2011 -2016) and BrickStreet (2017) safety teams as well as the OIC Program Manager.

Policy Year	Number of Visits
2011	109
2012	102
2013	81
2014	90
2015	93
2016	90
2017	200
Total	**765**

SAFETY AND RETURN TO WORK INITIATIVES

Many of the SAWC Program members have welcomed the safety initiatives and have worked diligently in implementing suggestions for improvement from the safety professionals. These initiatives include:

- Establishing safety committees
- Using slip resistant shoes to reduce slips, trips and falls
- Implementing an exercise program (stretch and flex) prior to beginning strenuous job duties
- Establishing transitional work assignments that provide employees the opportunity to return to work on a limited basis (Return to Work Program)
- Ergonomic assessments of employees performing repetitive functions
- Providing safety information related to using chain saws, log splitters, lawn mowers, and weed eaters
- Incident and accident investigation training
- Defensive drivers' training
- Developing Emergency Action Plans
- Training on safe lifting techniques
- Fire prevention and fire safety training
- Using floor scrubbers with degreasers to reduce slips, trips and falls
- Repairing flooring to decrease the number or slips, trips and falls
- Workplace violence training
- Enhanced patient observation by using cameras to reduce workplace violence
- Industrial hygiene studies were completed to address noise and air quality
- Industrial hygiene survey was completed related to airborne contaminants
- BRIM and OIC site visits to agencies to discuss strategies for reducing Motor Vehicle Accidents (MVA)

Many state agencies have already implemented safety programs or are in the process of implementing safety committees, policies and procedures. Some notable safety initiatives that have been developed and implemented include:

- **Department of Health and Human Resources** – Workplace Violence Prevention Training, Return to Work Program, and installation of video cameras in some locations.

- **Department of Veterans Assistance** – Workplace Violence Prevention Training and Return to Work Program

- **Department of Military Affairs** – The Division of Corrections, Division of Juvenile Services and the Regional Jail and Correctional Facility Authority have combined resources in the past to focus on workplace and employee safety programs by forming a multi-Agency Shared Services Committee on Safety, Workplace Violence Prevention Training, and Return to Work Programs. Effective July 2018, HB 4338 merged these agencies into a single entity called the Department of Corrections and Rehabilitation (DCR). DCR will share a centralized safety and health program and return-to-work program. This should improve the consistency of the safety program and return-to-work program for all DCR locations.

- **Division of Highways** – Slip, Trip and Fall Training, Confined Space Training, Silica Training, and additional OSHA training.

The WVOIC has worked extensively with SAWC Program members to develop Return to Work Programs. The Return to Work Programs have been finalized and implemented by several SAWC Program members. SAWC Program members have implemented functional return to work programs and continue to look for ways to improve the process for returning injured workers to the workplace. This is a critical area of success for the program and all agencies are encouraged to focus on implementing and maintaining an effective return to work program. The SAWC Program Manager is continuously monitoring the success of the program and is providing support to agencies that face challenges related to return to work program implementation.

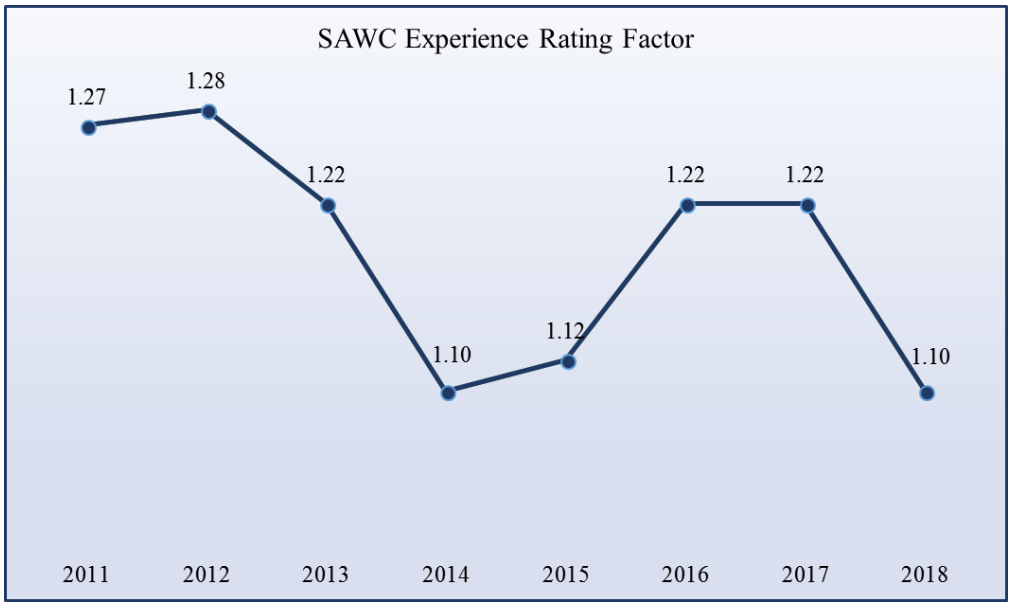
SAWC EXPERIENCE RATING FACTOR (EMOD)

An experience rating factor (emod) is an industry standard calculation that compares a policy's expected losses to actual losses for a three (3) year period. An emod can increase or decrease premium based on a policy's loss experience. If an insured has actual losses that are greater than the expected losses, a debit emod is applied to the policy. If an insured has less actual losses than expected losses, a credit emod is applied. The chart below illustrates how an experience rating factor impacts final premium.

Premium Component	Agency A	Agency B
Payroll	$1,000,000	$1,000,000
Rate	$3.50	$3.50
Manual Premium	$35,000	$35,000
Experience Rating Factor	1.10	0.90
Modified Premium	$38,500	$31,500
Schedule Rating Credit	25%	25%
Standard Premium	$28,875	$23,625

Through the hard work of the state agencies and the WVOIC employees, the SAWC Program emod has decreased from 1.27 on the July 2011 policy to 1.10 for the July 2018 policy. The emod increase from the July 2014 policy includes the claim and loss effects from the 2012 derecho and 2012 Superstorm Sandy as well as several fatal claims and severe motor vehicle accidents.

The chart below shows the experience rating factor progression throughout the SAWC Program by policy year:



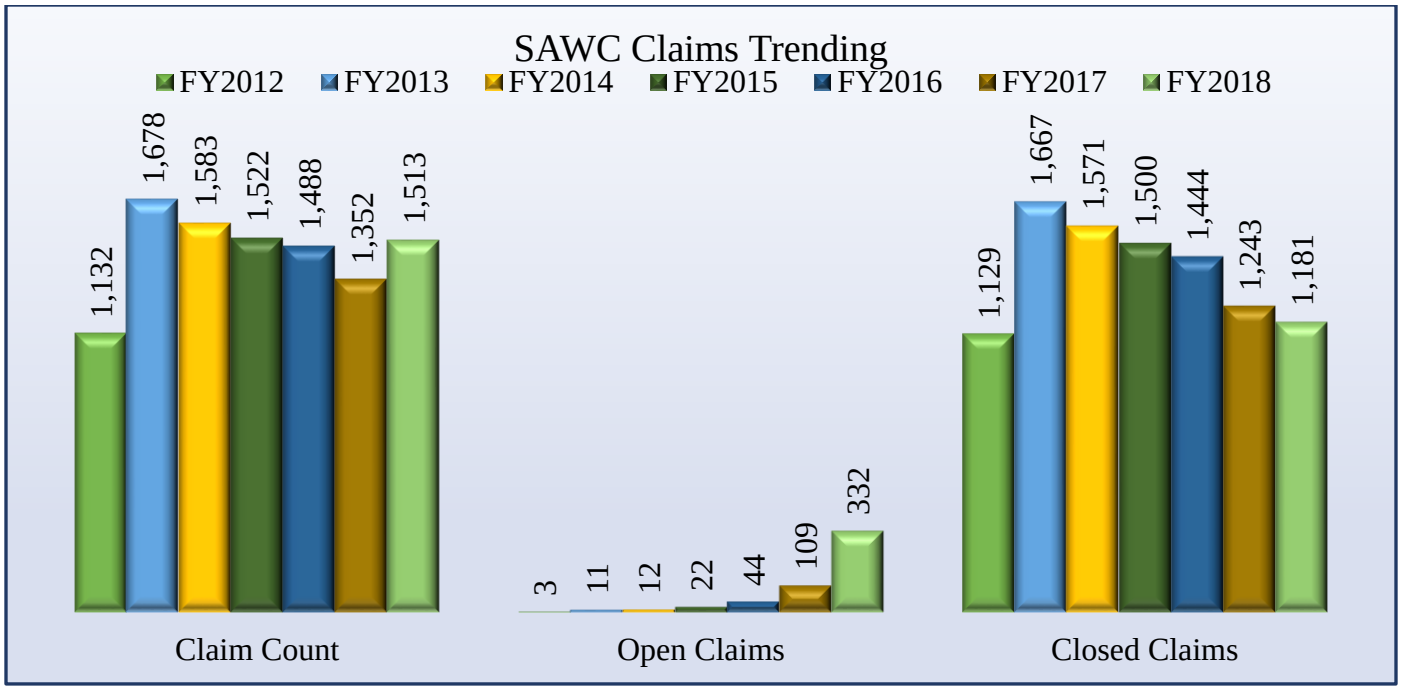
The aggregate policy emod is shown above, and then individual agency emods are calculated to allocate the premium by the risk and loss experience that each agency provides to the program. For the July 2018 policy, the individual agency emods summary is as follows:

Emod Range	Agency Count
Less than 1.00	29
Equal to 1.00	55
Greater than 1.00	18

The agencies with the lowest emods are Department of Environmental Protection (0.38) and Alcohol Beverage Control Administration and State Fire Commission (both at 0.61). The agencies with the highest emods are Mildred Mitchell Bateman Hospital (2.14) and WorkForce WV (2.17).

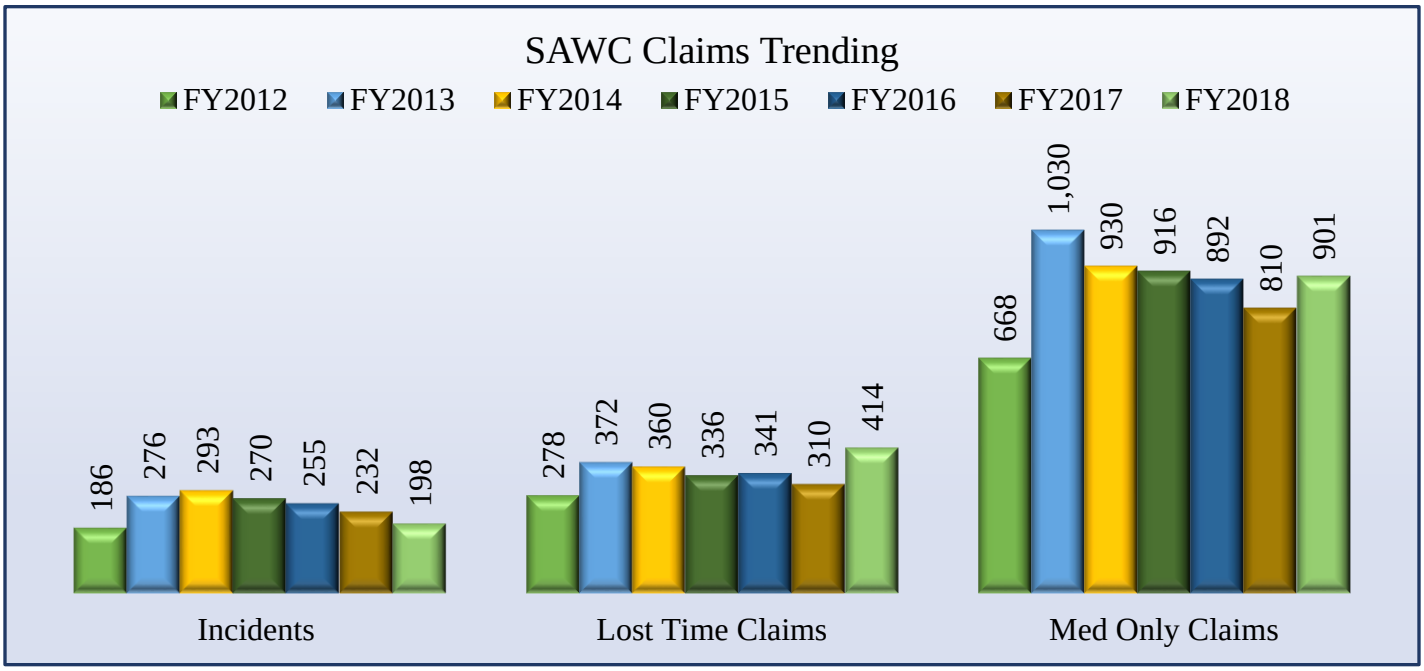
SAWC CLAIMS SUMMARY

As of July 31, 2018, there have been 8,755 SAWC claims submitted to Zurich between October 2011 and June 2016. There have been 1,513 SAWC claims submitted to BrickStreet between July 2017 and June 2018 for a total SAWC claim count of 10,268. The charts below represent claims trending analysis by fiscal year:

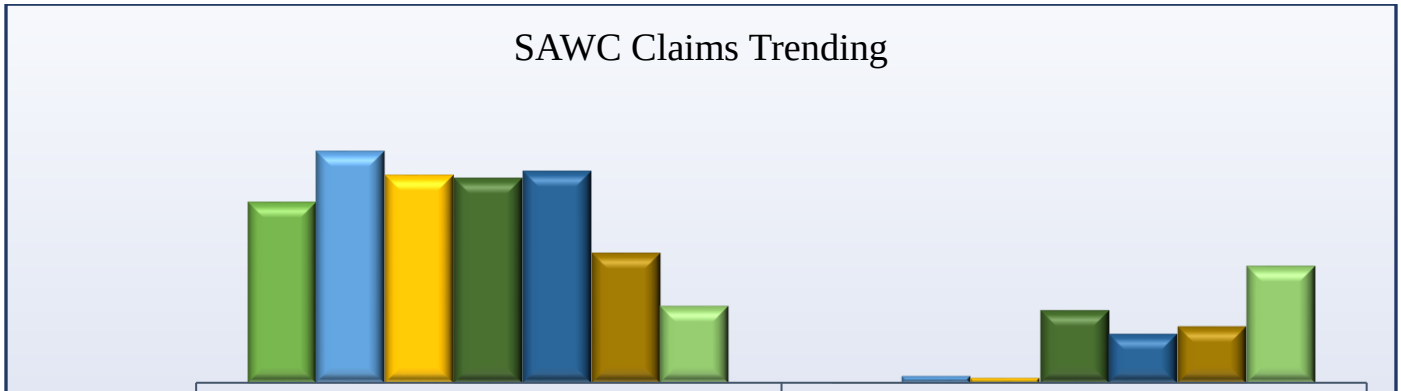


Data as of July 31, 2018 **FY2012 from October 2011 – June 2012**

FY2012 – FY2017 are Zurich claims; FY2018 are BrickStreet claims



Of the 10,268 total claims reported to Zurich and BrickStreet, 1,710 (16.7%) have resulted in being closed with no payments (incidents).



	Total Paid	Total Reserves
FY2012	$8,990,733	$15,080
FY2013	$11,558,742	$359,839
FY2014	$10,357,063	$278,952
FY2015	$10,200,649	$3,640,121
FY2016	$10,515,514	$2,447,463
FY2017	$6,452,922	$2,819,273
FY2018	$3,824,575	$5,793,437

Data as of July 31, 2018 **FY2012 from October 2011 – June 2012**

FY2012 – FY2017 are Zurich claims; FY2018 are BrickStreet claims

As indicated by the trending charts, the SAWC Program realized decreasing frequency from FY2013 through FY2017. However, FY2018 had a 12% frequency increase over FY2017. The average incurred cost per claim decreased 26.8% from FY2015 ($8,677) through FY2018 ($6,357) at current values.

There are currently sixteen (16) claims in excess of the $250,000 deductible per claim limit. The sixteen claims have a total incurred of $12,972,212.

Further claims analysis of the SAWC Program shows there are 172 employees with four (4) or more claims each between October 2011 and June 2018. The total incurred claims cost for these multiple claimants is $5,607,416. A claimant review is below:

- Three employees have 11 claims each for a total incurred cost of $90,819
- Two employees have 10 claims each for a total incurred cost of $204,429
- Two employees have 9 claims each for a total incurred cost of $191,587
- One employee has 8 claims for a total incurred cost of $3,667
- Eleven employees have 7 claims each for a total incurred cost of $567,251
- Sixteen employees have 6 claims each for a total incurred cost of $247,680
- Forty-seven employees have 5 claims each for a total incurred cost of $1,786,680
- Eighty-seven employees have 4 claims each for a total incurred cost of $2,515,302

CONCLUSION

The SAWC Program has a complex workforce doing tasks that at times place employees in potential danger. Our employees are our greatest asset and their safety is very important. Safety policies and procedures have been developed for employees to follow to minimize these risks. Efforts have been made in all agencies to ensure that policies and procedures are in place and are being followed by all employees to prevent workplace injuries. This task has been hindered due to employee turnover in state agencies. Due to this turnover, the implementation of safety programs, initiatives and return to work programs have been adversely impacted.

Major training campaigns will continue in 2018 for motor vehicle accident (MVA) prevention strategies, defensive driving training, Return to Work Implementation, workplace violence, sprain and strain reduction as well as fall prevention.

The OIC has partnered with BRIM in a shared services approach to provide motor vehicle accident prevention techniques and strategies to agencies that are intended to reduce the frequency and severity of motor vehicle accidents. During the FY2018 policy written by BrickStreet, MVAs accounted for 41 of the total 1,513 claims or ~2.7% of the claims frequency. Those 41 claims accounted for $297,760 of the total incurred or ~3.0% of the claims severity.

The SAWC Program will continue to host an annual conference that will outline the state of the program, ongoing commitments and processes in place to reduce costs and prevent workplace injuries as well as demonstrate effective return to work programs for agencies to adopt and administer.

2017 WEST VIRGINIA PROPERTY AND CASUALTY MARKET SHARE REPORT

Graphs display Top 10 licensed carriers of Market Share per Line by Earned Premiums

Aggregate Write-Ins		
Company Name	Market Share	Premiums
American Road Ins Co	30.82%	$924,283
Triton Ins Co	18.73%	$561,680
Farmers Mut Ins Co	17.58%	$527,317
Yosemite Ins Co	9.17%	$275,165
Courtesy Ins Co	6.69%	$200,770
Farmers Mech Mut Fire Ins Of WV	4.28%	$128,413
Municipal Mut Ins Co	3.85%	$115,323
Independence Amer Ins Co	2.30%	$69,063
Midwest Employers Cas Co	1.92%	$57,482
Ace Amer Ins Co	1.67%	$50,167

Total for Top 10 Insurers	96.74%	$3,048,352
Total for All Other 14 Insurers	3.26%	$102,587
Total for All 24 Insurers	100.00%	$3,150,939

Aircraft		
Company Name	Market Share	Premiums
Starr Ind & Liab Co	18.62%	$530,107
National Union Fire Ins Co Of Pitts	16.86%	$479,857
Endurance Amer Ins Co	14.02%	$399,220
Old Republic Ins Co	8.90%	$253,330
Allianz Global Risks US Ins Co	5.10%	$145,101
US Specialty Ins Co	4.02%	$114,500
Avemco Ins Co	3.86%	$109,850
North Amer Elite Ins Co	3.30%	$93,959
Starnet Ins Co	3.05%	$86,879
Hallmark Ins Co	2.91%	$82,935

Total for Top 10 Insurers	80.65%	$2,295,738
Total for All Other 18 Insurers	19.35%	$550,960
Total for All 28 Insurers	100.00%	$2,846,698

Allied Lines		
Company Name	Market Share	Premiums
Farm Family Cas Ins Co	14.30%	$4,319,487
Standard Guar Ins Co	6.43%	$1,943,229
State Auto Prop & Cas Ins Co	6.38%	$1,927,698
Factory Mut Ins Co	6.09%	$1,838,738
Zurich Amer Ins Co	4.57%	$1,381,470
American Modern Select Ins Co	4.34%	$1,311,452
Farmers Mech Mut Fire Ins Of WV	4.34%	$1,310,981
Westfield Ins Co	3.82%	$1,154,779
HDI Global Ins Co	3.59%	$1,085,748
Nationwide Mut Fire Ins Co	3.08%	$929,831

Total for Top 10 Insurers	56.94%	$17,203,413
Total for All Other 161 Insurers	43.06%	$13,007,692
Total for All 171 Insurers	100.00%	$30,211,105

Boiler and Machinery		
Company Name	Market Share	Premiums
Factory Mut Ins Co	20.23%	$1,317,657
National Union Fire Ins Co Of Pitts	14.64%	$953,679
Hartford Steam Boil Inspec & Ins Co	6.92%	$450,396
Federal Ins Co	5.68%	$370,014
Travelers Prop Cas Co Of Amer	4.64%	$302,096
Allianz Global Risks US Ins Co	3.76%	$244,968
Westport Ins Corp	3.74%	$243,825
The Cincinnati Ins Co	3.41%	$221,940
Tokio Marine Amer Ins Co	3.28%	$213,804
Liberty Mut Fire Ins Co	2.62%	$170,511

Total for Top 10 Insurers	68.93%	$4,488,890
Total for All Other 101 Insurers	31.07%	$2,023,648
Total for All 111 Insurers	100.00%	$6,512,538

Burglary and Theft		
Company Name	Market Share	Premiums
Travelers Cas & Surety Co Of Amer	34.76%	$246,849
Federal Ins Co	11.23%	$79,752
The Cincinnati Ins Co	6.52%	$46,316
Ironshore Ind Inc	5.56%	$39,496
Motorists Mut Ins Co	4.41%	$31,322
Nationwide Mut Ins Co	3.69%	$26,193
Hiscox Ins Co Inc	3.21%	$22,782
National Union Fire Ins Co Of Pitts	2.62%	$18,631
Continental Cas Co	2.60%	$18,481
Atlantic Specialty Ins Co	2.06%	$14,602
Total for Top 10 Insurers	76.66%	$544,424
Total for All Other 61 Insurers	23.34%	$165,742
Total for All 71 Insurers	100.00%	$710,166

Commercial Automobile		
Company Name	Market Share	Premiums
Erie Ins Prop & Cas Co	10.84%	$19,522,867
National Union Fire Ins Co Of Pitts	10.07%	$18,137,710
United Financial Cas Co	6.54%	$11,786,740
National Cas Co	5.05%	$9,102,494
Westfield Ins Co	4.90%	$8,828,051
The Cincinnati Ins Co	3.19%	$5,737,685
National Liab & Fire Ins Co	2.90%	$5,222,095
State Auto Prop & Cas Ins Co	2.72%	$4,894,617
Motorists Mut Ins Co	2.56%	$4,618,194
Zurich Amer Ins Co	2.30%	$4,148,652
Total for Top 10 Insurers	51.08%	$91,999,105
Total for All Other 210 Insurers	48.92%	$88,105,981
Total for All 220 Insurers	100.00%	$180,105,086

Commercial Multi-Peril (Liability)		
Company Name	Market Share	Premiums
Erie Ins Prop & Cas Co	18.36%	$12,416,008
Westfield Ins Co	9.31%	$6,293,062
The Cincinnati Ins Co	5.37%	$3,628,753
American Alt Ins Corp	4.14%	$2,796,290
Atlantic Specialty Ins Co	3.65%	$2,467,653
Philadelphia Ind Ins Co	3.60%	$2,433,942
State Auto Prop & Cas Ins Co	3.59%	$2,426,380
Nationwide Mut Ins Co	2.91%	$1,967,132
Charter Oak Fire Ins Co	2.64%	$1,784,618
Federal Ins Co	2.42%	$1,636,222

Total for Top 10 Insurers	55.98%	$37,850,060
Total for All Other 161 Insurers	44.02%	$29,765,032
Total for All 171 Insurers	100.00%	$67,615,092

Commercial Multi-Peril (Non-Liability)		
Company Name	Market Share	Premiums
Erie Ins Prop & Cas Co	18.66%	$22,784,276
Westfield Ins Co	7.35%	$8,973,197
The Cincinnati Ins Co	4.53%	$5,531,348
Nationwide Mut Ins Co	4.00%	$4,883,150
Travelers Prop Cas Co Of Amer	3.64%	$4,446,952
Federal Ins Co	3.05%	$3,723,770
National Union Fire Ins Co Of Pitts	3.04%	$3,715,404
State Auto Prop & Cas Ins Co	2.74%	$3,342,612
Brotherhood Mut Ins Co	2.63%	$3,210,065
Church Mut Ins Co	2.37%	$2,890,615

Total for Top 10 Insurers	52.00%	$63,501,389
Total for All Other 173 Insurers	48.00%	$58,616,427
Total for All 183 Insurers	100.00%	$122,117,816

Credit		
Company Name	Market Share	Premiums
Great Amer Assur Co	26.35%	$1,515,175
First Colonial Ins Co	11.16%	$641,557
Arch Ins Co	11.02%	$633,533
Great Amer Ins Co	9.94%	$571,332
Old Republic Ins Co	9.64%	$554,067
Euler Hermes N Amer Ins Co	6.38%	$367,011
Cumis Ins Society Inc	4.29%	$246,670
Ohio Ind Co	3.94%	$226,765
Atradius Trade Credit Ins Co	3.66%	$210,369
Wesco Ins Co	3.10%	$178,478

Total for Top 10 Insurers	89.47%	$5,144,957
Total for All Other 15 Insurers	10.53%	$605,271
Total for All 25 Insurers	100.00%	$5,750,228

Earthquake		
Company Name	Market Share	Premiums
State Farm Fire & Cas Co	13.39%	$124,924
XL Ins Amer Inc	10.39%	$96,888
Allianz Global Risks US Ins Co	6.82%	$63,634
United Serv Automobile Assn	5.08%	$47,364
Continental Cas Co	4.51%	$42,096
Travelers Prop Cas Co Of Amer	4.32%	$40,264
Travelers Ind Co	4.26%	$39,780
Zurich Amer Ins Co	3.95%	$36,892
Sompo Japan Ins Co of Amer	3.80%	$35,487
State Auto Prop & Cas Ins Co	3.70%	$34,524

Total for Top 10 Insurers	60.23%	$561,853
Total for All Other 88 Insurers	39.77%	$370,954
Total for All 98 Insurers	100.00%	$932,807

Excess Workers' Compensation		
Company Name	Market Share	Premiums
Rockwood Cas Ins Co	30.74%	$1,778,447
Zurich Amer Ins Co	19.18%	$1,109,613
Ace Amer Ins Co	16.41%	$949,650
Safety Natl Cas Corp	11.13%	$643,785
LM Ins Corp	11.09%	$641,917
Arch Ins Co	6.81%	$393,972
Mitsui Sumitomo Ins Co of Amer	1.39%	$80,514
Old Republic Ins Co	1.27%	$73,513
Travelers Prop Cas Co Of Amer	1.11%	$64,246
National Union Fire Ins Co Of Pitts	0.79%	$45,543

Total for Top 10 Insurers	99.91%	$5,781,200
Total for All Other 2 Insurers	0.09%	$5,097
Total for All 12 Insurers	100.00%	$5,786,297

Federal Flood		
Company Name	Market Share	Premiums
American Bankers Ins Co Of FL	36.78%	$4,600,025
Hartford Ins Co Of The Midwest	15.04%	$1,880,523
Wright Natl Flood Ins Co	11.35%	$1,419,821
Westfield Ins Co	8.88%	$1,110,676
Allstate Ins Co	7.15%	$894,060
Selective Ins Co Of The Southeast	4.86%	$608,376
Philadelphia Ind Ins Co	2.85%	$356,237
USAA Gen Ind Co	2.48%	$310,389
Nationwide Mut Fire Ins Co	1.93%	$241,470
Homesite Ins Co Of The Midwest	1.89%	$236,594

Total for Top 10 Insurers	93.22%	$11,658,171
Total for All Other 18 Insurers	6.78%	$848,500
Total for All 28 Insurers	100.00%	$12,506,671

Fidelity		
Company Name	Market Share	Premiums
Travelers Cas & Surety Co Of Amer	24.01%	$984,746
Cumis Ins Society Inc	19.85%	$814,093
Federal Ins Co	11.56%	$474,325
Great Amer Ins Co	7.47%	$306,471
Everest Natl Ins Co	4.72%	$193,636
Continental Cas Co	3.50%	$143,723
Western Surety Co	3.46%	$142,116
Security Natl Ins Co	2.77%	$113,578
Sentry Select Ins Co	1.62%	$66,372
National Union Fire Ins Co Of Pitts	1.47%	$60,271

Total for Top 10 Insurers	80.44%	$3,299,331
Total for All Other 73 Insurers	19.56%	$802,286
Total for All 83 Insurers	100.00%	$4,101,617

Financial Guaranty		
Company Name	Market Share	Premiums
Assured Guar Municipal Corp	36.26%	$576,254
MBIA Ins Corp	29.63%	$470,847
National Public Finance Guar Corp	27.77%	$441,344
Ambac Assur Corp	5.03%	$79,936
Build Amer Mut Assur Co	1.21%	$19,223
Assured Guar Corp	0.09%	$1,472
Municipal Assur Cor	0.02%	$258

Total for Top 7 Insurers	100.00%	$1,589,334
Total for All Other 0 Insurers	0.00%	$0
Total for All 7 Insurers	100.00%	$1,589,334

Fire		
Company Name	Market Share	Premiums
Farm Family Cas Ins Co	7.72%	$3,879,947
Farmers Mech Mut Fire Ins Of WV	6.97%	$3,505,935
Wva Ins Co	6.58%	$3,310,789
American Modern Select Ins Co	4.98%	$2,503,164
State Auto Prop & Cas Ins Co	4.31%	$2,166,437
Municipal Mut Ins Co	4.02%	$2,021,419
Nationwide Mut Fire Ins Co	3.88%	$1,952,392
Zurich Amer Ins Co	3.81%	$1,918,000
Insurance Co Of The State Of PA	3.53%	$1,772,707
HDI Global Ins Co	3.24%	$1,628,621

Total for Top 10 Insurers	49.04%	$24,659,411
Total for All Other 150 Insurers	50.96%	$25,624,778
Total for All 160 Insurers	100.00%	$50,284,189

Homeowners Multi-Peril		
Company Name	Market Share	Premiums
State Farm Fire & Cas Co	25.31%	$110,271,653
Erie Ins Prop & Cas Co	10.35%	$45,085,157
Erie Ins Co	8.16%	$35,533,558
Nationwide Prop & Cas Ins Co	5.34%	$23,268,781
Nationwide Mut Fire Ins Co	4.74%	$20,649,102
Westfield Ins Co	3.02%	$13,175,995
Farmers Mech Mut Fire Ins Of WV	2.79%	$12,157,883
Allstate Ins Co	2.53%	$11,039,177
State Auto Prop & Cas Ins Co	2.30%	$10,034,398
United Serv Automobile Assn	2.13%	$9,290,708

Total for Top 10 Insurers	66.69%	$290,506,412
Total for All Other 77 Insurers	33.31%	$145,105,653
Total for All 87 Insurers	100.00%	$435,612,065

Inland Marine		
Company Name	Market Share	Premiums
Continental Cas Co	35.79%	$28,483,934
Liberty Ins Underwriters Inc	11.84%	$9,422,594
State Farm Fire & Cas Co	3.47%	$2,760,387
Travelers Prop Cas Co Of Amer	3.44%	$2,738,054
Westfield Ins Co	3.19%	$2,535,829
Arch Ins Co	2.46%	$1,960,979
American Bankers Ins Co Of FL	2.15%	$1,713,169
Jefferson Ins Co	1.90%	$1,512,252
Zurich Amer Ins Co	1.80%	$1,429,867
Erie Ins Prop & Cas Co	1.72%	$1,369,542
Total for Top 10 Insurers	67.77%	$53,926,607
Total for All Other 219 Insurers	32.23%	$25,650,980
Total for All 229 Insurers	100.00%	$79,577,587

Medical Malpractice		
Company Name	Market Share	Premiums
West Virginia Mut Ins Co	47.40%	$21,953,132
Norcal Mut Ins Co	8.92%	$4,129,731
Health Care Industry Liab Recip	5.63%	$2,606,119
Community Hospital RRG	5.44%	$2,518,774
Medicus Ins Co	4.98%	$2,308,349
Medical Protective Co	4.62%	$2,139,466
Capson Physicians Ins Co	3.19%	$1,475,923
American Cas Co Of Reading PA	2.25%	$1,040,691
Doctors Co An Interins Exch	2.05%	$949,124
Applied Medico Legal Solutions	1.93%	$892,872
Total for Top 10 Insurers	86.40%	$40,014,181
Total for All Other 38 Insurers	13.60%	$6,298,433
Total for All 48 Insurers	100.00%	$46,312,614

Mortgage Guaranty		
Company Name	Market Share	Premiums
Mortgage Guar Ins Corp	36.50%	$4,574,117
Genworth Mortgage Ins Corp	17.14%	$2,148,250
Radian Guar Inc	13.29%	$1,665,772
Essent Guar Inc	9.12%	$1,143,033
United Guar Residential Ins Co	8.66%	$1,085,669
National Mortgage Ins Corp	5.46%	$684,617
ARCH Mortgage Ins Co	2.95%	$370,198
Republic Mortgage Ins Co	2.73%	$342,069
PMI Mortgage Ins Co	2.54%	$318,164
United Guar Mortgage Ind Co	1.58%	$198,288

Total for Top 10 Insurers	100.00%	$12,530,177
Total for All Other 1 Insurer	0.00%	$128
Total for All 11 Insurers	100.00%	$12,530,305

Multi-Peril Crop		
Company Name	Market Share	Premiums
Rural Comm Ins Co	50.12%	$1,066,044
Ace Prop & Cas Ins Co	42.59%	$905,858
Stratford Ins Co	2.85%	$60,555
Agri Gen Ins Co	2.19%	$46,625
NAU Country Ins Co	1.20%	$25,538
CGB Ins Co	0.63%	$13,460
ADM Ins Co	0.29%	$6,125
Casualty Underwriters Ins Co	0.11%	$2,257
FMH Ag Risk Ins Co	0.02%	$399

Total for Top 9 Insurers	100.00%	$2,126,861
Total for All Other 0 Insurers	0.00%	$0
Total for All 9 Insurers	100.00%	$2,126,861

Ocean Marine		
Company Name	Market Share	Premiums
Starr Ind & Liab Co	14.81%	$502,221
National Union Fire Ins Co Of Pitts	14.66%	$497,147
Navigators Ins Co	12.62%	$428,061
Travelers Prop Cas Co Of Amer	10.79%	$365,821
GEICO Marine Ins Co	7.88%	$267,084
Atlantic Specialty Ins Co	5.99%	$203,222
AGCS Marine Ins Co	5.63%	$191,059
Continental Ins Co	3.77%	$127,700
XL Specialty Ins Co	3.40%	$115,459
AXA Ins Co	2.43%	$82,394

Total for Top 10 Insurers	81.97%	$2,780,168
Total for All Other 39 Insurers	18.03%	$611,316
Total for All 49 Insurers	100.00%	$3,391,484

Other Liability		
Company Name	Market Share	Premiums
National Union Fire Ins Co Of Pitts	28.11%	$59,790,525
St Paul Fire & Marine Ins Co	3.34%	$7,110,695
Zurich Amer Ins Co	2.98%	$6,341,772
Erie Ins Prop & Cas Co	2.67%	$5,684,303
Travelers Prop Cas Co Of Amer	2.50%	$5,327,585
Great Midwest Ins Co	2.37%	$5,046,179
Westfield Ins Co	2.28%	$4,846,190
American Bankers Ins Co Of FL	2.27%	$4,827,296
ALPS Prop & Cas Ins Co	2.21%	$4,704,573
Federal Ins Co	2.11%	$4,484,723

Total for Top 10 Insurers	50.86%	$108,163,841
Total for All Other 315 Insurers	49.14%	$104,525,522
Total for All 325 Insurers	100.00%	$212,689,363

Private Passenger Automobile		
Company Name	Market Share	Premiums
State Farm Mut Auto Ins Co	25.17%	$308,550,824
Erie Ins Prop & Cas Co	14.43%	$176,901,770
Nationwide Mut Ins Co	7.22%	$88,499,765
Nationwide Ins Co Of Amer	4.46%	$54,621,873
Allstate Prop & Cas Ins Co	4.15%	$50,866,469
Progressive Max Ins Co	3.70%	$45,318,068
GEICO Advantage Ins Co	3.20%	$39,275,423
Progressive Classic Ins Co	2.87%	$35,223,839
Safeco Ins Co Of Amer	2.52%	$30,876,109
Geico Gen Ins Co	2.10%	$25,691,052
Total for Top 10 Insurers	69.82%	$855,825,192
Total for All Other 97 Insurers	30.18%	$369,856,185
Total for All 107 Insurers	100.00%	$1,225,681,377

Products Liability		
Company Name	Market Share	Premiums
American Guar & Liab Ins	13.71%	$886,462
St Paul Fire & Marine Ins Co	10.57%	$683,362
State Auto Prop & Cas Ins Co	7.81%	$505,241
Hartford Fire Ins Co	4.85%	$313,418
The Cincinnati Ins Co	4.47%	$288,909
Twin City Fire Ins Co Co	4.07%	$263,042
Zurich Amer Ins Co	3.92%	$253,499
Federal Ins Co	3.61%	$233,098
Old Republic Ins Co	3.03%	$196,151
Motorists Mut Ins Co	2.31%	$149,475
Total for Top 10 Insurers	58.35%	$3,772,657
Total for All Other 104 Insurers	41.65%	$2,692,851
Total for All 114 Insurers	100.00%	$6,465,508

Surety		
Company Name	Market Share	Premiums
Lexon Ins Co	18.33%	$7,126,185
Travelers Cas & Surety Co Of Amer	11.57%	$4,497,067
Fidelity & Deposit Co Of MD	6.50%	$2,527,146
Liberty Mut Ins Co	5.26%	$2,046,517
Great Amer Ins Co	5.04%	$1,958,110
Western Surety Co	4.90%	$1,906,893
Aspen Amer Ins Co	4.64%	$1,804,854
First Surety Corp	4.63%	$1,801,991
Ohio Farmers Ins Co	4.09%	$1,590,252
Continental Heritage Ins Co	3.83%	$1,488,966

Total for Top 10 Insurers	68.79%	$26,747,981
Total for All Other 119 Insurers	31.21%	$12,135,005
Total for All 129 Insurers	100.00%	$38,882,986

Warranty		
Company Name	Market Share	Premiums
Heritage Ind Co	51.93%	$1,667,172
Universal Underwriters Ins Co	20.69%	$664,271
Dealers Assur Co	9.61%	$308,605
National Cas Co	9.21%	$295,570
Wesco Ins Co	3.54%	$113,675
Continental Cas Co	1.35%	$43,247
Old Republic Ins Co	1.30%	$41,727
MIC Prop & Cas Ins Corp	0.93%	$29,891
Great Amer Ins Co of NY	0.84%	$27,018
Starr Ind & Liab Co	0.23%	$7,382

Total for Top 10 Insurers	99.57%	$3,280,565
Total for All Other 5 Insurers	0.43%	$14,211
Total for All 15 Insurers	100.00%	$3,294,776

Workers' Compensation		
Company Name	Market Share	Premiums
BrickStreet Mut Ins Co	49.90%	$134,535,722
Travelers Prop Cas Co Of Amer	3.41%	$9,196,934
American Mining Ins Co	3.13%	$8,449,660
Travelers Cas Ins Co Of Amer	3.01%	$8,109,109
Rockwood Cas Ins Co	2.63%	$7,080,926
Zurich Amer Ins Co	2.44%	$6,572,752
Summitpoint Ins Co	2.14%	$5,773,709
Flagship City Ins Co	1.78%	$4,788,289
American Zurich Ins Co	1.62%	$4,370,858
Erie Ins Exch	1.36%	$3,666,101

Total for Top 10 Insurers	71.41%	$192,544,060
Total for All Other 217 Insurers	28.59%	$77,087,982
Total for All 227 Insurers	100.00%	$269,632,042

Property and Casualty Total		
Company Name	Market Share	Premiums
State Farm Mut Auto Ins Co	11.08%	$320,408,387
Erie Ins Prop & Cas Co	9.94%	$287,241,593
State Farm Fire & Cas Co	4.80%	$138,649,557
BrickStreet Mut Ins Co	4.65%	$134,535,722
Nationwide Mut Ins Co	3.52%	$101,812,536
National Union Fire Ins Co Of Pitts	3.11%	$89,872,908
Westfield Ins Co	2.48%	$71,729,229
Allstate Prop & Cas Ins Co	2.01%	$58,042,960
Nationwide Ins Co Of Amer	1.89%	$54,622,640
State Auto Prop & Cas Ins Co	1.65%	$47,803,598

Total for Top 10 Insurers	45.13%	$1,304,719,130
Total for All Other 582 Insurers	54.87%	$1,586,254,981
Total for All 592 Insurers	100.00%	$2,890,974,111

Graphs display Top 10 licensed carriers of Market Share per Line by Earned Premiums

Annuities		
Company Name	Market Share	Premiums
Teachers Ins & Ann Assoc Of Amer	8.70%	$93,666,029
Jackson Natl Life Ins Co	7.17%	$77,209,040
Forethought Life Ins Co	6.85%	$73,763,631
New York Life Ins & Ann Corp	4.80%	$51,699,747
American Gen Life Ins Co	3.88%	$41,775,399
Prudential Ins Co Of Amer	3.86%	$41,599,207
Lincoln Natl Life Ins Co	3.57%	$38,394,316
Athene Ann & Life Co	3.56%	$38,345,118
Pacific Life Ins Co	3.23%	$34,762,002
AXA Equitable Life Ins Co	3.06%	$32,919,893

Total for Top 10 Insurers	48.69%	$524,134,382
Total for All Other 164 Insurers	51.31%	$552,419,220
Total for All 174 Insurers	100.00%	$1,076,553,602

Collectively Renewable Accident and Health		
Company Name	Market Share	Premiums
GCU	44.09%	$71,998
Horace Mann Life Ins Co	14.67%	$23,965
Unum Life Ins Co Of Amer	13.10%	$21,395
The Cincinnati Life Ins Co	9.60%	$15,675
Continental Gen Ins Co	6.52%	$10,647
Washington Natl Ins Co	5.32%	$8,693
Combined Ins Co Of Amer	3.07%	$5,006
Union Fidelity Life Ins Co	1.40%	$2,292
Mutual Of Omaha Ins Co	0.81%	$1,316
Bankers Life & Cas Co	0.66%	$1,071

Total for Top 10 Insurers	99.23%	$162,058
Total for All Other 7 Insurers	0.77%	$1,253
Total for All 17 Insurers	100.00%	$163,311

Credit Accident and Health		
Company Name	Market Share	Premiums
CMFG Life Ins Co	37.62%	$1,607,077
American Hlth & Life Ins Co	26.87%	$1,148,096
Merit Life Ins Co	16.83%	$719,031
Minnesota Life Ins Co	7.48%	$319,722
American Bankers Ins Co Of FL	3.24%	$138,424
Plateau Ins Co	3.03%	$129,438
Transamerica Life Ins Co	1.49%	$63,780
State Farm Mut Auto Ins Co	0.75%	$31,887
Protective Life Ins Co	0.42%	$18,010
American Natl Ins Co	0.40%	$17,177

Total for Top 10 Insurers	98.14%	$4,192,642
Total for All Other 16 Insurers	1.86%	$79,563
Total for All 26 Insurers	100.00%	$4,272,205

Credit Life		
Company Name	Market Share	Premiums
American Hlth & Life Ins Co	26.32%	$1,311,050
CMFG Life Ins Co	20.94%	$1,043,185
Minnesota Life Ins Co	19.97%	$994,679
Plateau Ins Co	16.78%	$835,737
Merit Life Ins Co	11.59%	$577,515
American Bankers Life Assur Co Of FL	2.86%	$142,355
Pavonia Life Ins Co of MI	0.95%	$47,275
Central States H & L Co Of Omaha	0.62%	$30,686
Protective Life Ins Co	0.55%	$27,429
Life Of The South Ins Co	0.49%	$24,245

Total for Top 10 Insurers	101.05%	$5,034,156
Total for All Other 13 Insurers	-1.05%	-$52,190
Total for All 23 Insurers	100.00%	$4,981,966

Federal Employees Health Benefits Program		
Company Name	Market Share	Premiums
Highmark West Virginia Inc.	98.80%	$351,812,755
Aetna Life Ins Co	1.13%	$4,016,012
Humana Ins Co	0.08%	$274,735

Total for Top 3 Insurers	100.00%	$356,103,502
Total for All Other 0 Insurers	0.00%	$0
Total for All 3 Insurers	100.00%	$356,103,502

Fraternal Life		
Company Name	Market Share	Premiums
National Slovak Society Of The Usa	28.91%	$5,500,163
Woodmen World Life Ins Soc	20.55%	$3,909,634
Independent Order Of Foresters Us Br	15.03%	$2,859,779
Knights Of Columbus	9.91%	$1,886,130
Modern Woodmen Of Amer	9.24%	$1,757,658
Thrivent Financial For Lutherans	8.93%	$1,699,834
Catholic United Financial	2.27%	$432,735
Royal Neighbors Of Amer	1.45%	$276,172
GCU	0.94%	$178,250
Catholic Financial Life	0.93%	$176,703

Total for Top 10 Insurers	98.16%	$18,677,058
Total for All Other 16 Insurers	1.84%	$350,340
Total for All 26 Insurers	100.00%	$19,027,398

Group Accident and Health		
Company Name	Market Share	Premiums
Highmark West Virginia Inc.	45.96%	$504,661,766
UnitedHealthcare Ins Co	14.10%	$154,807,801
The Hlth Plan of WVA Inc	7.06%	$77,549,701
Aetna Life Ins Co	5.47%	$60,023,111
THP Ins Co	3.12%	$34,282,728
Cigna Hlth & Life Ins Co	2.76%	$30,309,571
Metropolitan Life Ins Co	2.23%	$24,435,121
Guardian Life Ins Co Of Amer	1.54%	$16,920,917
Unum Life Ins Co Of Amer	1.18%	$12,918,300
Ace Amer Ins Co	1.17%	$12,804,986
Total for Top 10 Insurers	84.58%	$928,714,002
Total for All Other 168 Insurers	15.42%	$169,365,695
Total for All 178 Insurers	100.00%	$1,098,079,697

Group Life		
Company Name	Market Share	Premiums
Minnesota Life Ins Co	20.21%	$37,955,016
Metropolitan Life Ins Co	13.00%	$24,406,780
New York Life Ins Co	8.99%	$16,888,563
Prudential Ins Co Of Amer	7.01%	$13,165,984
Homesteaders Life Co	5.96%	$11,192,832
Massachusetts Mut Life Ins Co	4.95%	$9,291,740
Securian Life Ins Co	4.12%	$7,736,618
Unum Life Ins Co Of Amer	2.95%	$5,545,735
Globe Life & Accident Ins Co	2.61%	$4,896,948
Hartford Life & Accident Ins Co	2.29%	$4,299,031
Total for Top 10 Insurers	72.08%	$135,379,247
Total for All Other 135 Insurers	27.92%	$52,429,845
Total for All 145 Insurers	100.00%	$187,809,092

Health Insurers Reporting Dental Only		
Company Name	Market Share	Premiums
Delta Dental of W VA	69.07%	$26,978,074
United Concordia Ins Co	14.24%	$5,563,922
Renaissance Life & Hlth Ins Co of Am	6.34%	$2,477,524
Highmark West Virginia Inc.	4.37%	$1,707,271
Delta Dental Ins Co	2.90%	$1,131,260
Humana Ins Co	2.23%	$870,462
Compbenefits Ins Co	0.72%	$281,421
Dentegra Ins Co	0.12%	$45,211
Pennsylvania Life Ins Co	0.01%	$3,902

Total for Top 9 Insurers	100.00%	$39,059,047
Total for All Other 0 Insurers	0.00%	$0
Total for All 9 Insurers	100.00%	$39,059,047

Health Insurers Reporting Medicare Supplement		
Company Name	Market Share	Premiums
UnitedHealthcare Ins Co	45.09%	$88,674,494
Highmark West Virginia Inc.	9.87%	$19,403,179
Omaha Ins Co	6.61%	$12,992,763
United Of Omaha Life Ins Co	4.90%	$9,636,027
Continental Life Ins Co Brentwood	4.89%	$9,609,724
Aetna Hlth & Life Ins Co	2.84%	$5,586,739
American Retirement Life Ins Co	2.65%	$5,207,498
State Farm Mut Auto Ins Co	2.32%	$4,564,575
Colonial Penn Life Ins Co	2.27%	$4,465,004
Humana Ins Co	1.91%	$3,756,635

Total for Top 10 Insurers	83.34%	$163,896,638
Total for All Other 92 Insurers	16.66%	$32,757,376
Total for All 102 Insurers	100.00%	$196,654,014

Health Insurers Reporting Other		
Company Name	Market Share	Premiums
SilverScript Ins Co	28.21%	$35,334,986
Humana Ins Co	20.31%	$25,437,944
Highmark West Virginia Inc.	18.76%	$23,495,395
Medco Containment Life Ins Co	10.71%	$13,412,422
Wellcare Prescription Ins Inc	7.98%	$10,000,397
Envision Ins Co	4.98%	$6,244,077
HM Hlth Ins Co	4.46%	$5,586,946
Symphonix Hlth Ins Inc	1.47%	$1,838,392
Merit Hlth Ins Co	0.89%	$1,117,573
Avalon Ins Co	0.65%	$812,002

Total for Top 10 Insurers	98.42%	$123,280,134
Total for All Other 7 Insurers	1.58%	$1,979,650
Total for All 17 Insurers	100.00%	$125,259,784

Health Insurers Reporting Title XIX Medicaid		
Company Name	Market Share	Premiums
Unicare Hlth Plan of WV Inc	30.46%	$503,048,005
Coventry Hlth Care of W VA Inc	29.60%	$488,910,610
The Hlth Plan of WVA Inc	20.31%	$335,421,921
West Virginia Family Hlth Plan Inc	19.63%	$324,129,574

Total for Top 4 Insurers	100.00%	$1,651,510,110
Total for All Other 0 Insurers	0.00%	$0
Total for All 4 Insurers	100.00%	$1,651,510,110

Health Insurers Reporting Title XVIII Medicare		
Company Name	Market Share	Premiums
Humana Ins Co	71.62%	$912,507,823
Humana Benefit Plan of IL Inc	6.54%	$83,270,102
Coventry Hlth Care of W VA Inc	5.42%	$69,044,619
Coventry Hlth & Life Ins Co	5.13%	$65,312,531
Highmark Senior Solutions Co	4.82%	$61,378,564
The Hlth Plan of WVA Inc	4.67%	$59,477,084
West Virginia Senior Advantage Inc	0.94%	$12,003,275
THP Ins Co	0.86%	$10,972,935
UPMC Hlth Plan Inc	0.01%	$80,205

Total for Top 9 Insurers	100.00%	$1,274,047,138
Total for All Other 0 Insurers	0.00%	$0
Total for All 9 Insurers	100.00%	$1,274,047,138

Health Insurers Reporting Vision Only		
Company Name	Market Share	Premiums
Vision Serv Plan Ins Co	49.78%	$3,038,791
Highmark West Virginia Inc.	34.93%	$2,132,269
Renaissance Life & Hlth Ins Co of Am	6.89%	$420,806
Vision Benefits of Amer Inc	4.14%	$252,613
Humana Ins Co	3.02%	$184,090
Compbenefits Ins Co	1.15%	$69,922
United Concordia Ins Co	0.09%	$5,483

Total for Top 7 Insurers	100.00%	$6,103,974
Total for All Other 0 Insurers	0.00%	$0
Total for All 7 Insurers	100.00%	$6,103,974

Individual Accident and Health		
Company Name	Market Share	Premiums
Highmark West Virginia Inc.	50.52%	$231,216,544
CareSource W VA Co	7.04%	$32,203,306
American Family Life Assur Co of Col	4.98%	$22,795,820
Omaha Ins Co	2.80%	$12,803,730
United Of Omaha Life Ins Co	2.09%	$9,547,782
Continental Life Ins Co Brentwood	2.05%	$9,379,527
Washington Natl Ins Co	1.95%	$8,910,613
Northwestern Mut Life Ins Co	1.80%	$8,250,756
Bankers Life & Cas Co	1.64%	$7,500,403
Combined Ins Co Of Amer	1.61%	$7,374,352

Total for Top 10 Insurers	76.47%	$349,982,833
Total for All Other 211 Insurers	23.53%	$107,712,733
Total for All 221 Insurers	100.00%	$457,695,566

Industrial Life		
Company Name	Market Share	Premiums
Transamerica Premier Life Ins Co	47.52%	$15,505
Athene Annuity & Life Assur Co	17.90%	$5,841
The Cincinnati Life Ins Co	16.78%	$5,476
Western & Southern Life Ins Co	7.64%	$2,494
United Ins Co Of Amer	6.58%	$2,147
Universal Guar Life Ins Co	1.14%	$371
Baltimore Life Ins Co	0.93%	$303
Lincoln Life & Ann Co of NY	0.71%	$233
American Natl Ins Co	0.36%	$119
Liberty Natl Life Ins Co	0.19%	$62

Total for Top 10 Insurers	99.76%	$32,551
Total for All Other 4 Insurers	0.24%	$78
Total for All 14 Insurers	100.00%	$32,629

Long Term Care (Individual + Group)		
Company Name	Market Share	Premiums
Genworth Life Ins Co	26.81%	$8,740,446
Northwestern Long Term Care Ins Co	13.93%	$4,543,008
Metropolitan Life Ins Co	8.52%	$2,779,138
Bankers Life & Cas Co	7.19%	$2,344,391
John Hancock Life Ins Co USA	6.69%	$2,179,818
Unum Life Ins Co Of Amer	5.54%	$1,807,909
RiverSource Life Ins Co	3.58%	$1,166,979
Mutual Of Omaha Ins Co	3.27%	$1,066,044
State Farm Mut Auto Ins Co	3.14%	$1,022,536
Continental Cas Co	2.39%	$780,214

Total for Top 10 Insurers	81.06%	$26,430,483
Total for All Other 55 Insurers	18.94%	$6,175,015
Total for All 65 Insurers	100.00%	$32,605,498

Ordinary Life		
Company Name	Market Share	Premiums
Northwestern Mut Life Ins Co	12.61%	$56,283,131
State Farm Life Ins Co	7.10%	$31,672,513
Transamerica Premier Life Ins Co	3.87%	$17,294,823
Lincoln Natl Life Ins Co	3.40%	$15,195,627
American Income Life Ins Co	3.27%	$14,585,220
American Gen Life Ins Co	3.07%	$13,701,464
Massachusetts Mut Life Ins Co	2.97%	$13,272,377
United Of Omaha Life Ins Co	2.95%	$13,164,309
New York Life Ins Co	2.45%	$10,950,947
Pruco Life Ins Co	2.33%	$10,414,467

Total for Top 10 Insurers	44.03%	$196,534,878
Total for All Other 287 Insurers	55.97%	$249,784,892
Total for All 297 Insurers	100.00%	$446,319,770