

INSURANCE IN OHIO



Representing Ohio's property/casualty insurance industry

2019 Edition

OHIO'S INSURANCE INDUSTRY

The size and importance of Ohio's insurance industry can be measured in several ways — but any way you look at it, the Ohio insurance industry is a key economic driver of the state's economy. With more than 200 insurance companies based in Ohio, jobs and financial security are provided to a workforce of 109,000+ Ohioans and growing. The robust competition among the numerous insurance companies operating in the Buckeye state gives Ohio consumers many choices and some of the lowest rates in the nation. The competitive insurance marketplace in Ohio provides businesses, both large and small, with the right types of coverages that support economic growth, innovation and prosperity throughout the state.

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Property and Financial Security

Insurance enables Ohioans to make long-term commitments and secure a better future. In 2018, insurance played a role in the following:

- 23,826 new family dwellings broke ground.
- 125,204 new businesses were formed, creating new job opportunities.
- The sale of 653,313 cars and trucks.
- Protecting nearly 8 million licensed drivers.
- More than \$8 billion paid to 109,185 people employed by the insurance industry.
- Protecting, building and maintaining 4,913 schools.



Employment

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

- Ohio is home to 257 insurance companies.
- The insurance industry is a large state employer with more than 109,000 employees and wages of more than \$8 billion.¹
- More than one third (40%) of the state's insurance industry employment

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

- Ohio has 71,405 licensed resident insurance agents with an additional 158,935 licensed non-resident agents.²
- Ohio ranks seventh in the U.S. in insurance industry employment.³
- Between 2016 and 2024, Ohio's insurance industry will require approximately 29,000 new employees.⁴

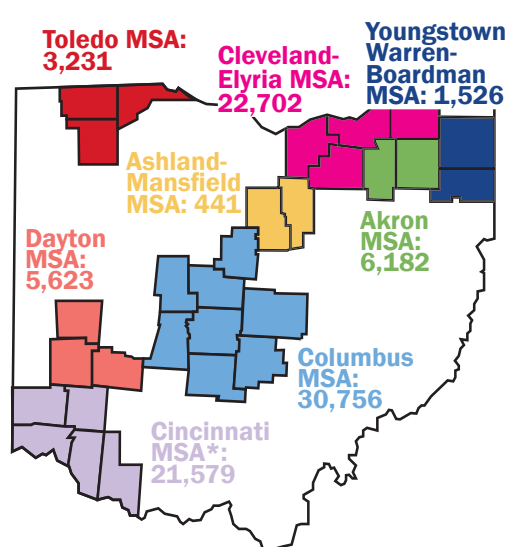
Ohio employment by insurance line—2017 and 2018¹

| Insurance Line | 2017 Employment | 2017 Actual Wages | 2018 Employment | 2018 Wage Estimates |
|----------------|-----------------|------------------------|-----------------|------------------------|
| Life | 10,188 | \$805,696,000 | 9,574 | \$782,117,000 |
| Health/Medical | 16,558 | \$1,162,567,000 | 16,668 | \$1,269,441,000 |
| P/C | 37,531 | \$3,323,196,000 | 37,958 | \$3,504,119,000 |
| Title | 1,561 | \$95,152,000 | 1,581 | \$102,030,000 |
| Agents/Brokers | 28,123 | \$1,822,873,000 | 28,116 | \$1,890,999,000 |
| Other* | 14,699 | \$896,498,000 | 15,288 | \$958,290,000 |
| Total** | 108,660 | \$8,105,982,000 | 109,185 | \$8,506,996,000 |

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

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

2018 preliminary insurance industry employment estimates by Ohio Metropolitan Statistical Area (MSA)¹



*Data includes counties outside of Ohio.

The average annual salary for an Ohioan working in insurance in 2018 was \$77,913. That's 56% higher than Ohio's average private sector annual salary of \$49,988.

Ohio Annual Salaries 2018¹

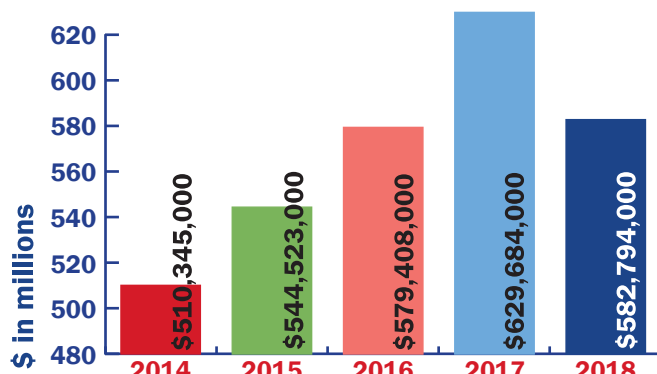
| | |
|------------------------------|----------|
| Average private employment | \$49,988 |
| Average insurance industry | \$77,913 |
| Reinsurance carriers | \$99,813 |
| P/C carriers | \$92,315 |
| All insurance carriers | \$85,905 |
| Life | \$81,690 |
| Life and health | \$78,179 |
| Insurance agents and brokers | \$65,449 |

Ohio insurance industry employment average by year—2014-2018¹

| Year | Total industry | Insurance Carriers | Agents, broker & related services |
|------|----------------|--------------------|-----------------------------------|
| 2014 | 100,144 | 61,956 | 38,188 |
| 2015 | 104,109 | 63,616 | 40,493 |
| 2016 | 107,248 | 65,697 | 41,550 |
| 2017 | 108,660 | 66,537 | 42,123 |
| 2018 | 109,185 | 66,528 | 42,657 |

Economic Contributions⁷

Insurance companies continue to be a major contributor to Ohio's bottom line. In 2018, insurance companies paid more than \$582 million in taxes. 2018 premium taxes paid by Ohio's insurers ranked 12th highest in the country.



- Ohio Dominican University: *B.S. and Minor – Risk Management and Insurance*
- Ohio Northern University: *B.S.B.A. Risk Management and Insurance*
- The Ohio State University Fisher College of Business: *Specialization in Insurance and Insurance Minor*
- Owens Community College: *Associate of Applied Business Insurance Studies*
- University of Akron: *B.B.A. Risk Management and Insurance*
- University of Cincinnati: *B.B.A. and Minor – Insurance and Risk Management*
- University of Mount Union: *B.S. Risk Management and Insurance*

Consumer Protection

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

Affordability

There are 1,000 licensed property and casualty insurance companies operating in Ohio.⁵ Consumers benefit from the hundreds of companies vying for their insurance business, keeping premiums competitive.

Ohioans pay among the lowest average premiums in the nation for homeowners and auto insurance.

- Homeowners: \$850 (9th lowest) compared to U.S. average of \$1,192⁶
- Auto: \$727 (14th lowest) compared to U.S. average of \$936⁶

Education

Due to the growing number of in-demand insurance careers, 13 Ohio colleges and universities now offer insurance degrees, specializations, or certificates.

Ohio Certificate Programs

- American Institute for Chartered Property Casualty Underwriters: *Multiple professional designations and certificates available*
- Clark State Community College: *Property Insurance Claims Departmental Certificate*
- Columbus State Community College: *Foundations of Insurance Certificate*

Ohio College and University Insurance Degrees

- Bowling Green State University: *Specialization and Minor in Insurance*
- Clark State Community College: *Associate Degree in Business Management with an Insurance Option*
- Franklin University: *B.S. Risk Management and Insurance; M.B.A. Insurance Specialization*
- Heidelberg University: *Insurance and Risk Management Concentration (within Business Administration major)*
- Kent State University: *B.S. and Minor – Insurance Studies*

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

Ohio Insurance Institute
172 E. State St., Suite 201
Columbus, OH 43215

614.228.1593

ohioinsurance.org
info@ohioinsurance.org



Sources:

¹U.S. Bureau of Labor Statistics | ²Ohio Department of Insurance | ³Bureau of Economic Analysis | ⁴2016 Insurance Industry Resource Council Workforce Development Report | ⁵National Association of Insurance Commissioners (NAIC) 2017 Insurance Department Resources Report | ⁶NAIC 2016 Homeowners Insurance Report and 2015—2016 Auto Insurance Report | ⁷Insurance Information Institute