

INSURANCE IN OHIO



2020 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 2019, insurance played a role in the following:

- 23,047 new family dwellings and apartments that broke ground.⁸
- 130,621 new businesses were formed, creating new job opportunities.⁹
- The sale of 526,147 cars and trucks.¹⁰
- Protecting just over 8 million licensed drivers.¹¹
- More than \$8.7 billion paid to 109,935 people employed by the insurance industry.¹²
- Protecting, building and maintaining 4,882 schools.¹³



Employment

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

- Ohio is home to 256 insurance companies.²
- The insurance industry is a large state employer with more than 109,000 employees and wages of more than \$8.7 billion.¹
- About 40% of the state's insurance industry employment is in the

property/casualty (P/C) insurance field.²

- Ohio has 72,955 licensed resident insurance agents with an additional 180,268 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—2018 and 2019¹

| Insurance Line | 2018 Employment | 2018 Wage Estimates | 2019 Employment | 2019 Wage Estimates |
|----------------|-----------------|------------------------|-----------------|------------------------|
| Life | 9,574 | \$782,117,000 | 10,050 | \$829,903,000 |
| Health/Medical | 16,668 | \$1,269,441,000 | 17,480 | \$1,341,619,000 |
| P/C | 37,958 | \$3,504,119,000 | 36,723 | \$3,535,330,000 |
| Title | 1,581 | \$102,030,000 | 1,571 | \$114,353,000 |
| Agents/Brokers | 28,116 | \$1,890,999,000 | 28,284 | \$1,957,188,000 |
| Other* | 15,288 | \$958,290,000 | 15,826 | \$1,005,618,000 |
| Total** | 109,185 | \$8,506,996,000 | 109,934 | \$8,784,011,000 |

*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.

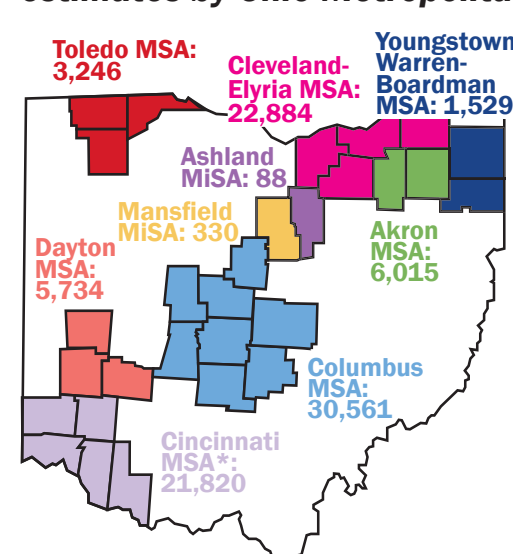
Affordability

There are 1,008 licensed property and casualty insurance companies operating in Ohio.² 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: \$862 (9th lowest) compared to U.S. average of \$1,211³
- Auto: \$778 (13th lowest) compared to U.S. average of \$1,005³

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



The average annual salary for an Ohioan working in insurance in 2019 was \$79,902. That is about 55% higher than Ohio's average private sector annual salary of \$51,593.

Ohio Annual Salaries 2019¹

| | |
|------------------------------|-----------|
| Average private employment | \$51,593 |
| Average insurance industry | \$79,902 |
| Reinsurance carriers | \$103,166 |
| P/C insurers | \$96,270 |
| All insurance carriers | \$88,324 |
| Life | \$82,575 |
| Life and health | \$78,878 |
| Insurance agents and brokers | \$66,951 |

*Data includes counties outside of Ohio.

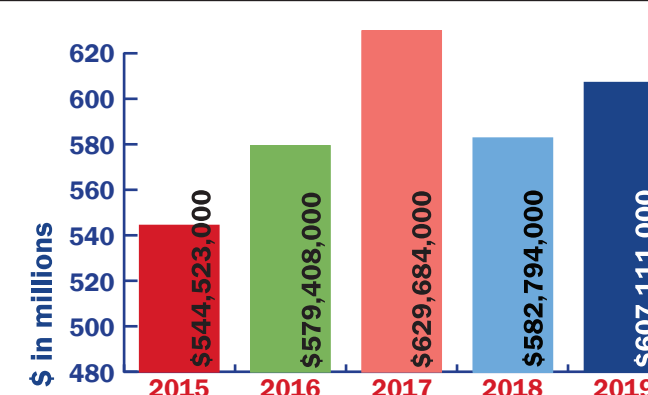
Ohio insurance industry employment average by year—2015-2019¹

| Year | Total Industry | Insurance Carriers | Agents, broker & related services |
|------|----------------|--------------------|-----------------------------------|
| 2015 | 104,109 | 63,616 | 40,493 |
| 2016 | 107,248 | 65,697 | 41,550 |
| 2017 | 108,660 | 66,537 | 42,123 |
| 2018 | 111,372 | 68,709 | 42,662 |
| 2019 | 109,935 | 66,615 | 43,320 |

Ohio ranks sixth in the U.S. for P/C insurance companies headquartered in the state, fifth in domestic life/annuity companies and tenth in health.⁵

Economic Contributions⁷

Insurance companies continue to be a major contributor to Ohio's bottom line. In 2019, insurance companies paid more than 607 million in premium taxes, which is the 9th highest in the country.



Education

Due to the growing number of in-demand insurance careers, 11 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
- Heidelberg University: Insurance and Risk Management Concentration (within Business Administration major)
- Kent State University: B.S. and Minor – Insurance Studies
- Ohio Dominican University: B.S. and Minor – 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 Protection⁶

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

RESOURCES

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

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Sources:
¹U.S. Bureau of Labor Statistics | ²Ohio Department of Insurance | ³Bureau of Economic Analysis | ⁴Insurance Industry Resource Council | ⁵National Association of Insurance Commissioners | ⁶Ohio Insurance Guaranty Association | ⁷Insurance Information Institute | ⁸United States Census Bureau | ⁹Ohio Secretary of State's Office | ¹⁰Ohio Auto Dealers Association | ¹¹Ohio Bureau of Motor Vehicles | ¹²Ohio Department of Job & Family Services | ¹³Ohio Department of Education