

2023

ANNUAL REPORT



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A Message from the President & CEO

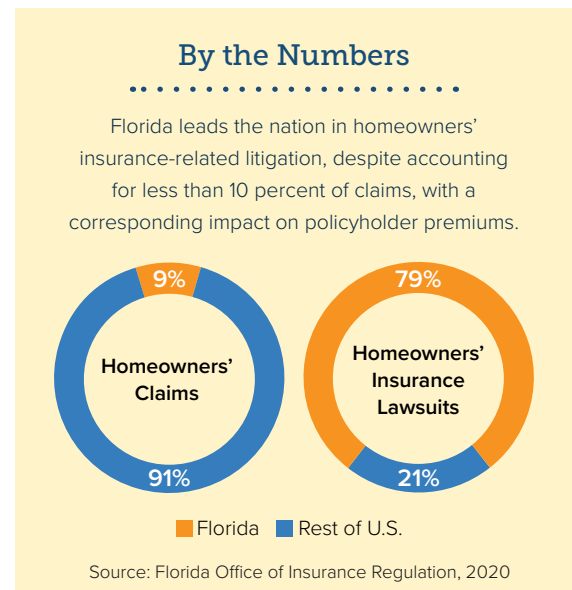
A Quietly Costly Year...

Without much of any headline catastrophe(s), an unprecedented number of weather and climate disasters struck the U.S. in 2023, each of which caused at least \$1 billion in insured and non-insured losses. These 28 events (the previous record was 22), along with economic and political uncertainty explain—in large part—why the property/casualty (P/C) industry and consumers faced financial headwinds and increased costs, respectively.

Now in our fifth year of producing economic and market performance forecasting reports on a quarterly basis, our [final report of the year](#) illustrated how it was more than \$60 billion in insured severe convective storm losses, as opposed to hurricanes and wildfires, along with a ["new normal" of inflation-spurred replacement costs](#), which kept the price of P/C insurance elevated throughout the country.

Florida and California markets remained a catalyst for news coverage related to P/C insurance in 2023, but for individually unique circumstances.

- In Florida, Insurance Information Institute (Triple-I) leveraged a key data point to illustrate its overwhelming legal system abuse problem — 79 percent of U.S. homeowners’ litigation resides in the state. And, as Triple-I has been warning about for years, it caused a property [insurance crisis](#).
- [California’s antiquated regulatory system](#) finally caught up to the reality of modern day, which has caused [a property insurance crisis of its own kind](#). As a result, insurers were forced to make unfortunate, but necessary, business decisions; some insurers withdrew from certain parts of the state while others paused the writing of any new personal and commercial property policies.



Climate risks are being given additional media attention, yet insurance is increasingly entering into the discussion. Triple-I is making clear how U.S. insurers and reinsurers have long been seeing the impacts of increased climate risk and are promoting a more collective and communal approach to physical infrastructure resilience building. It is one of the reasons Triple-I contributed its flood mitigation insights in 2023 to a [National Institute of Building Sciences](#) report on resilience and another developed in consultation with Milwaukee, Wisconsin’s [Metropolitan Sewerage District](#).

Looking ahead to 2024, Triple-I plans to leverage its continued communications success around [legal system abuse](#), in particular focusing on third-party litigation funding (TPLF).

Moreover, Triple-I’s inaugural *Town Hall: Attacking the Risk Crisis*, held in Washington, D.C. in November 2023, set the stage for Triple-I to further insurance industry leadership on this issue, to inform discussions, and more importantly, to improve climate risk resilience.

Regards,
Sean Kevelighan
CEO
Insurance Information Institute



A Message from the Triple-I Chair

Triple-I's value proposition is clear. Triple-I offers data, insights, and credibility you cannot find anywhere else. If you're in the insurance industry, it benefits all of us when we support Triple-I as member companies.

Triple-I successfully communicated in 2023 to consumers, the media, policymakers, and industry professionals about the primary issues impacting the cost of auto, home, and business insurance; legal system abuse, climate risks, and the regulatory environment in which insurers operate.

To achieve these goals, Triple-I highlighted how excessive litigiousness results in higher insurance costs, how mitigation can reduce climate risks, and explained the role state and federal policymakers have on the cost of doing business for insurers.

At the same time, Triple-I created unique editorial content for new and existing policyholders. In a joint project with the National Association of Realtors, Triple-I produced a [Homebuyers Insurance Handbook](#). In addition, existing policyholders now [have a knowledge hub](#) to consult when renewing either a homeowners or auto insurance policy, as well as access to a comprehensive survey Triple-I conducted with Munich Re on [Homeowners Perception of Weather Risks](#).

Like USAA, Triple-I is a mission-driven organization. Triple-I's mission is to improve public understanding of insurance; what it does, and how it works. With the support and guidance of my fellow Triple-I Executive Leadership Committee (ELC) members, and the hard work of the Triple-I team, the Insurance Information Institute accomplished its mission in 2023.

Very truly yours,
Jennifer Kyung
Property & Casualty, Chief Underwriter



Chair
Insurance Information Institute
Executive Leadership Committee



Jennifer Kyung moderates a panel at Triple-I's Town Hall: *Attacking the Risk Crisis*

Triple-I's 2023 Impact, By the Numbers

Website

3.3 million
unique [iii.org](https://www.iii.org) visitors

53,400+
websites link to Triple-I

Authority Score = 54
higher than any other insurance trade group or news media publication. *Source: Semrush*

Traditional Media

10%+ growth
year-over-year increase in the total number of media citations (19,965 in 2023 from 18,089 in 2022) *Source: Cision*

3,974
TV and radio broadcast segments interviewed or cited Triple-I as a source
Source: TV Eyes

61
news releases

Social Media

7% growth
year-over-year in total number of followers

45,000+
follow Triple-I on Facebook, LinkedIn, and X (formerly Twitter)

70,000+
engagements

6.4%
engagement rate
(over 6% is considered "very high")

Presentations

72

Audiences: member company boards, industry conferences, and webinars

Topics: insurance economics, climate risk and resilience, and legal system abuse

Triple-I Blog

86
posts

- Featured topical analyses of current issues
- Amplified Triple-I's Executive Exchanges with thought leaders

Defining Legal System Abuse

Triple-I influenced the terms of the debate over legal system abuse in 2023 by doing something no other industry trade association had addressed: defining what it is. Triple-I said legal system abuse constituted policyholder or plaintiff's attorney practices which increased the costs and time needed to settle insurance claims, thereby contributing to higher insurance operation expenses and policyholder pricing. While litigation is considered a policyholder's last resort, legal system abuse — which is driven by billboard attorneys across the U.S. — exploits litigation when a disputed claim could have been resolved without judicial intervention.

To illustrate the extent of the problem in 2023, Triple-I informed the industry on important developments on the issue of legal system abuse twice a month, conducted research, briefed newspaper editorial boards, and testified before state lawmakers. The financial support of Triple-I's members allows us to launch initiatives such as this one.

Employing the thousands of email addresses it accumulated during the pandemic-era debate over business income (interruption) insurance, Triple-I consistently sent topical news items to its influential audience about legal system abuse. These efforts were supplemented by paid social media campaigns, which drove traffic to a Triple-I knowledge hub which offered further data points on the connection between legal system abuse and higher insurance costs.



Florida's insurers and policyholders are starting to see benefits from the enactment of Senate Bill 2A and House Bill 837. These two tort reform laws have already led to a year-over-year reduction in the volume of frivolous lawsuits filed against Florida insurers, largely through the elimination of one-way attorney fees and fee multipliers — the primary economic incentives for plaintiff's attorneys to file suits by the thousands.



Legal system abuse also impacts other lines of insurance. To illustrate this fact, Triple-I released in March an [updated paper](#) written jointly with the Casualty Actuarial Society (CAS). The report found U.S. commercial auto insurance liability claim payouts were \$30 billion higher than they otherwise should have been between 2012 and 2021. The paper's conclusion: Commercial liability results continue to be affected by social inflation, which is defined as all the ways insurers' claims costs rise above and beyond the general inflation rate.

With lawmakers calling for greater transparency around the issue of third-party litigation funding (TPLF), Dale Porfilio, Triple-I's chief insurance officer, testified in December before an Ohio state Senate committee considering legislation calling for TPLF arrangements to be disclosed to both parties in a civil court proceeding.

Given the organization’s subject matter expertise on insurance and climate risk resilience, Sean Kevelighan, Triple-I’s CEO, was invited to testify at a New York State Assembly hearing in November on “Examining the Impact of Extreme Weather Events on the Resiliency of the Property and Casualty Insurance Market in New York State.”

“We should all be risk managers in this day and age,” Kevelighan stated, during a wide-ranging discussion with Peter Miller, CPCU, president and CEO, The Institutes, as part of The Institutes’ premiere Predict & Prevent podcast. “We need to understand there is a collective responsibility for all — communities, consumers, policymakers, and industries — to help

improve how and where we are living. Because the fact is more and more people are living in harm’s way.”

Tapping into its non-resident scholar network, Triple-I also [released a paper](#) in April showing Michigan’s personal auto insurers were paying out less in claims, and drivers were paying less in premiums, since significant reforms were implemented to the state’s no-fault system in 2020.

Meanwhile, at the federal level, Triple-I was cited multiple times in correspondence the chairman of the [U.S. Senate Budget Committee](#) sent to 41 P/C insurance company CEOs in November on the issue of climate risk.



Providing Real-time Insights

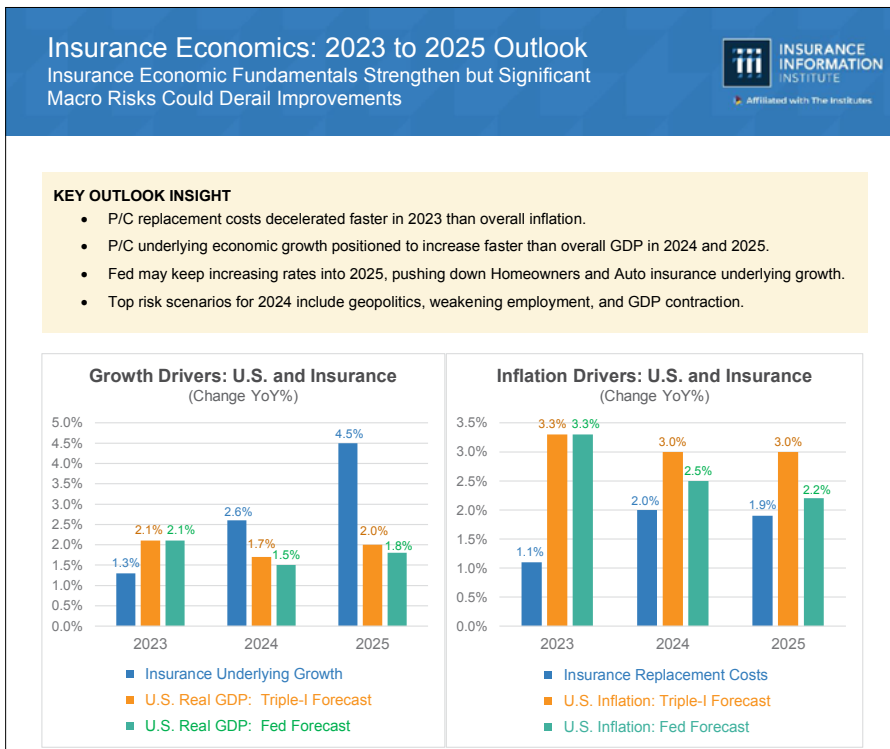
Triple-I's Insurance Economics Dashboard was updated by our Economics and Analytics Department throughout 2023, allowing Triple-I members to follow in real-time key economic indicators, such as interest rates, the Consumer Price Index, and housing trends.

By combining this information with the best-in-class economic research incorporated into *Insurance Economics and Underwriting Projections: A Forward View*, released quarterly during our members-only briefings, Triple-I consistently delivered data-driven insights about insurer economic performance.

Triple-I members received expert analyses on the economic performance of U.S. auto, home, and business insurers; how they were managing higher replacement costs, and details on the underwriting trends being seen in various lines of coverage. Charts, podcasts, and videos offered new and innovative ways to explain what Triple-I's research was finding.

Through June 30, Triple-I determined the policyholders' surplus — the amount of money remaining after the insurance industry's liabilities are subtracted from its assets — exceeded \$1 trillion. The surplus acts as a financial cushion above and beyond reserves, protecting policyholders against an unexpected or catastrophic situation.

Since insurer claims and claims-paying expenses drive insurance prices, Triple-I also acted to mitigate risks by integrating its Resilience Accelerator content into Triple-I's main consumer-focused website (www.iii.org) so this information was more easily accessible to the public. In November, Triple-I updated its Community Resilience Ratings, which assess a municipality's readiness for natural disasters. To broaden its risk management and insurance expertise even more, Triple-I announced in December the appointment of four [new non-resident scholars](#).



Michel Léonard presents at the Casualty Actuarial Society of New England

Briefing the Media

In our role as the voice of the industry, Triple-I is the go-to source for national and regional media outlets looking to explain the insurance industry to its audiences. In addition, Triple-I also provides communications counsel and handles media referrals for the Insurance Information Institute's member companies. The affordability, and availability, of insurance was a constant theme throughout 2023.

Growing climate risks and two major disasters in August 2023 — Hawaii's deadly wildfires, and Florida's Hurricane Idalia — generated national headlines. The wide range of topics Triple-I covered can be seen in the major stories which either quoted one of its spokespersons or cited Triple-I as a credible source.

ABC's Good Morning America

- [Too Easy to Steal? Insurers Refusing to Cover Certain Kia & Hyundai Cars](#) (January)

AccuWeather

- [What Will and Won't Be Covered in the Aftermath of the California Storms](#) (January)

Associated Press

- [California Insurance Market Rattled by Withdrawal of Major Companies](#) (June)

CNBC

- [Insurance Is the Effect, Not the Cause, Says Iii CEO Kevelighan on State Farm's California Decision](#) (May)
- [Maui Fire Losses Could Rise to \\$10 Billion: Steps to Take to Recover Financially After a Natural Disaster](#) (August)

CNN

- [Florida's Home Insurance Rates Are Four Times the National Average. That's Not Getting Better Anytime Soon](#) (June)
- [What is Flood Insurance, and Why Do You Need It?](#) (July)
- [Florida's Already Volatile Insurance Industry is Bracing for Hurricane Idalia](#) (August)
- [Some Homeowner Insurance Companies Decrease Coverage in Fla. and Calif. Amid Worsening Climate Crisis](#) (September)



Consumer Reports

- [Why Home Insurance Costs So Much—and How to Pay Less](#) (March)
- [How Credit Scores and ZIP Codes Can Make Car Insurance Much More Expensive for Some New Yorkers](#) (April)

FOX Weather

- [Hail Season: May Marks Most Active Month for Severe Weather](#) (April)
- [Spring Flood Insurance: Record Warmth Brings Flood Threat to West, Midwest](#) (April)
- [Hurricane Preparedness: What You Should Know Ahead of Hurricane Season](#) (April)

National Public Radio

- [How Climate Change Could Cause a Home Insurance Meltdown](#) (July)
- [Four Reasons Why Your Car Insurance Premium Is Soaring](#) (September)
- [Feeling the Pinch of High Home Insurance Costs? It's Not Getting Better Anytime Soon](#) (October)

NBC's Nightly News

- [Insurance Trouble in Calif. As State Farm Ends New Home Policies](#) (May)

NBC's Today

- [Insurers End New Homeowners Policies in California](#) (June)

Politico

- [Anti-ESG Comes for the Insurance Industry](#) (March)

Reuters

- [25,000 Cases in One Week and a Call to Arms: Morgan & Morgan's Battle with Insurers](#) (April)

Scripps News

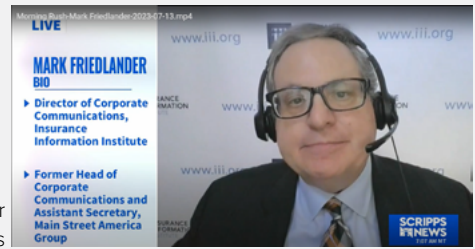
- [Florida Insurance Market: Companies Exit Amid Rising Home Insurance Prices](#) (July)
- [Area Businesses Are Banding Together After Keaton Beach, Fla. Took Direct Hit from Idalia](#) (September)
- [Cities Nationwide Are Suing Kia and Hyundai for Increased Car Thefts](#) (October)

Sinclair Broadcast Group

- [Delays, Denials, and Lowball Payments for Disaster Insurance Claims](#) (April)
- [As Costs for Some Double, What's Behind Skyrocketing Increases in Homeowners' Insurance](#) (July)

The New York Times

- [Home Insurance Is Getting Trickier. Here's How to Optimize Your Coverage](#) (June)



Mark Friedlander on Scripps News



Loretta Worters on CBS NY



Scott Holeman on NBC Indianapolis

- [Opinion—Why California and Florida Have Become Almost Uninsurable](#) (July)
- [Insurer's Retreat in Florida Signals Crisis with No Easy Fix](#) (July)

The Wall Street Journal

- [Insurers Avoid Picking Up Businesses' Covid-19 Pandemic Costs](#) (February)
- [What Is Personal Cyber Insurance—And Should You Buy It?](#) (April)
- [Auto Insurance Rates Soar with Little Relief in Sight](#) (June, front page)
- [Home Insurers Charge More, Cover Less](#) (July, front page)
- [Wildfires and Thunderstorms Are Throwing Insurance Market into Turbulence](#) (August)
- [Americans Are Bailing on Their Home Insurance](#) (August)
- [Homeowners Take Risks to Lower Their Insurance Bills](#) (September)
- [Flood-Insurance Program Faces a Backlash—and a Deadline](#) (September)
- [Is Travel Insurance Worth It?](#) (September)

- [Homeowners Flock to Last-Resort Insurance Policies](#) (October)
- [As Storm Damages Mount, States Try to Make It Harder to Sue Insurers](#) (October)
- [Why This Florida City Is a Safe Haven from Hurricanes](#) (October)

The Washington Post

- [Insurers Slashed Hurricane Ian Payouts Far Below Damage Estimates, Documents and Insiders Reveal](#) (March)
- [Florida Intensifies Oversight of Insurers After They Cut Disaster Estimates](#) (May)
- [Climate Disasters Make It Harder to Insure Your Home. Here's What to Know](#) (June)



Dale Porfilio on The Weather Channel

- [Climate Change is Fueling an Insurance Crisis. There's No Easy Fix](#) (June)
- [How Florida Let a Top Insurer Abandon Homeowners in Their Time of Greatest Need](#) (August)
- [How Florida's 'Unscrupulous' Auto Glass Shops Fuel an Insurance Crisis](#) (November)

The Weather Channel

- [Property Insurance Overhaul in Wake of Ian](#) (January)
- [Florida Insurance Changes As 2023 Season Looms](#) (April)
- [Survey: 60% of Homeowners Took No Steps to Prepare](#) (June)
- [Storms Named Most Costly Weather Disaster](#) (November)
- [The National Insurance Crisis](#) (November)
- [What Happens After Florida's Next Big Hurricane?](#) (December)

Univision

- [West Sacramento Businesses Hit by Robberies](#) (November)
- [A "Nightmare" to Get Car Insurance in California; Why?](#) (December)

Kyung Is Triple-I Chair Through 2024



Jennifer Kyung, VP, P&C Chief Underwriter, USAA, has served as chair of the Triple-I's Executive Leadership Committee (ELC) since 2022, the first woman to do so in Triple-I's 60-plus year history. The ELC has agreed to extend Ms. Kyung's service as ELC chair for an additional year through Dec. 31, 2024.

"Jennifer Kyung is a strong proponent of our mission to be the trusted source of unique, data-driven insights on insurance. The Triple-I and its Executive Leadership Committee have benefited from her extensive industry knowledge over the past two years and I look forward to working with her as ELC chair for another year," said Sean Kevelighan, CEO, Triple-I.

Executive Leadership Committee

USAA

Jennifer Kyung, Chair
Property & Casualty, Chief Underwriter

Allstate Insurance Company

Guy Hill
Executive Vice President, Product Integration and Management

American Family Insurance

Jan Kittoe
Vice President, Communications and Community Investment

Argo

Christopher Donahue
Chief Financial Officer

Chubb Group

Cheryl Krauss
Chief Communications Officer

CSAA Insurance Group, a AAA Insurer

Bob Valliere
Executive Vice President, Insurance Operations

EMC Insurance Companies

Scott Jean
President, Treasurer and CEO

Erie insurance Group

Douglas Smith
Executive Vice President, Sales & Products

Farmers Group, Inc.

Jeff Sauls
Head of Legislative Affairs

General Re Corporation

Ridge Muhly
Senior Vice President, Treaty Manager

Grange Insurance

John North
President, Commercial Lines

The Hanover Insurance Group

Richard Lavey
Executive Vice President, President, Hanover Agency Markets

Harford Mutual

Steve Linkous
President & Chief Executive Officer

Kemper Corporation

C. Thomas Evans, Jr.
Executive Vice President, Secretary and General Counsel

Liberty Mutual Insurance

Edmund Kenealy
Senior Vice President, Chief Public Affairs Officer

MMG Insurance

Matthew McHatten
President & CEO

Munich Re Group

Daniel Cenzano
Head of Global Marketing Communications

Nationwide Mutual Insurance Company

Mark Berven
*President & Chief Operating Officer,
Property & Casualty Agency Operations*

Pennsylvania Lumbermens Mutual Insurance Company

John Smith
President and Chief Executive Officer

State Farm Automobile Insurance Company

Jenny Greminger
VP Administrative Services & Public Affairs

Swiss Re Group

Lisa Butera
*Head of Financial & Personal Lines (FinPro) and Casualty
North America*

Utica National Insurance Group

Richard P. Creedon
Chairman of the Board and Chief Executive Officer

W.R. Berkley Corporation

W. Robert Berkley, Jr.
President and Chief Executive Officer

Westfield Insurance

Stuart Rosenberg
Chief Innovation and Strategy Officer

Zurich North America

Deirdre Manna
*Senior Vice President, Head of Government & Industry Affairs,
North America*

Triple-I Members



Triple-I Members



Triple-I Team

Michael Barry
Chief Communications Officer

Sondra Fry Benoudiz
*Head of Membership
Experience and Business
Development*

William Davis
Media Relations Consultant

Max Dorfman
Research Writer

Jeff Dunsavage
Senior Research Analyst

Mark Friedlander
*Director - Corporate
Communications*

Scott Holeman
Director - Media Relations

Sean Kevelighan
*President and Chief
Executive Officer*

Michel Léonard, PhD, CBE
*Chief Economist and
Data Scientist*

Charlene Lewis
Web Content Manager

Shorna Lewis
Senior Director of Operations

Kris Maccini
Head of Digital Distribution

Marina Madsen
Research Analyst

William Nibbelin
Senior Research Actuary

Michaela Platt
Communications Coordinator

Dale Porfilio, FCAS, MAAA
Chief Insurance Officer

Marielle Rodriguez
*Social Media and
Brand Design Coordinator*

Janet Ruiz, CPCU
*Director - Strategic
Communication*

Mary Sams
Senior Research Analyst

Deena Snell
Membership Manager

Tasha Williams
Senior Research Writer

Loretta Worters
Vice President, Media Relations

About Triple-I

Since 1960, Triple-I has been the trusted voice of risk and insurance; providing unique, data-driven insights to educate, elevate, and connect consumers, industry professionals, public policymakers, and media.

An affiliate of The Institutes, the Triple-I's diverse membership accounts for nearly 50 percent of all property/casualty (P/C) premiums written in the U.S. Our members include mutual and stock companies, personal and commercial lines, primary insurers, and reinsurers. They have regional, national, and international customers. Brokers, agents, consultants, educators, and other insurance professionals are eligible for associate membership. To learn more about supporting Triple-I's mission, please contact members@iii.org.



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