

Insurance Overview

- The insurance industry in the United States is divided into three broad categories—property/casualty, life and health insurance.
 - Property/casualty includes auto, homeowners and commercial (business) insurance.
- Insurance is a business where many people share the losses of comparatively few. The purpose of insurance is to help pay for losses that you ordinarily would not be able to afford on your own. Without insurance, few people could afford the risk of owning a home or car. Lenders could not afford the risk of making loans for new business ventures or construction.
- Of the total insurance industry in the U.S. during 2004, approximately 45% of total premiums were for property/casualty; 55% were for life.
- In the State of Nevada, all forms of insurance are regulated by the Department of Business and Industry, Division of Insurance, (DOI) in Carson City.
 - DOI oversees insurer solvency, market conduct, rate requests, and provides assistance and information to consumers.
- Personal lines of the property/casualty insurance business, such as auto, homeowners and workers compensation, in commercial lines, are the most highly regulated.
- Private passenger auto insurance accounts for the largest percentage of property/casualty premiums written, 36.5% in 2004, followed by homeowners insurance at 11.7% of all property/casualty insurance.
- Direct premiums written in Nevada in 2004 total \$3.9 billion and \$467 billion countrywide.
- The U.S. insurance industry employed 2.3 million people in 2003.