

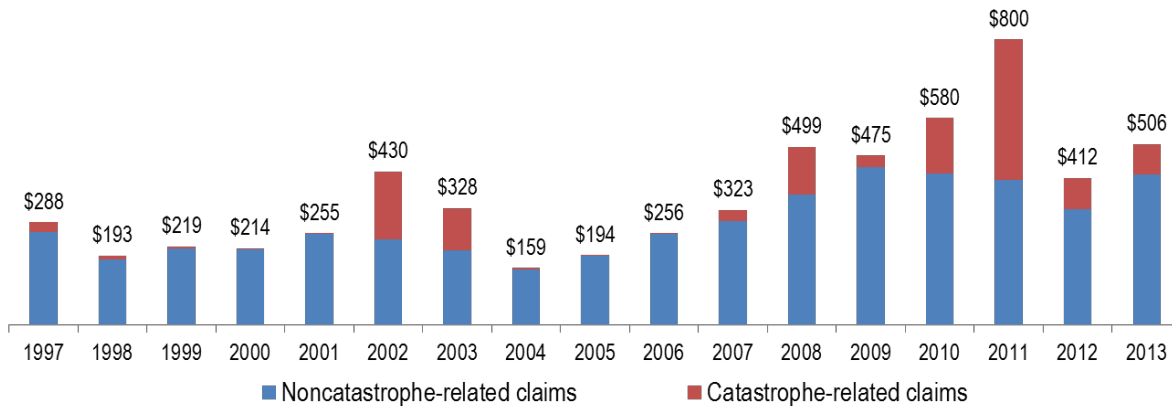


## Trends in Homeowners Insurance Claims

### Findings from Wyoming

The following is an analysis of fundamental trends in the frequency and cost of homeowners insurance claims paid in Wyoming between 1997 and 2013. The analysis is based primarily on data reported by insurance companies participating in the Fast Track Monitoring System. The Fast Track system is a cooperative effort of three major statistical agencies, ISO Data, Inc., Independent Statistical Service, Inc., and National Independent Statistical Services. Insurance companies participating in the system represent approximately one half of the homeowners insurance market countrywide. The findings presented here were previously published in the IRC report *Trends in Homeowners Insurance Claims, 2015 Edition*. More information about the data and methodology can be found in the report.

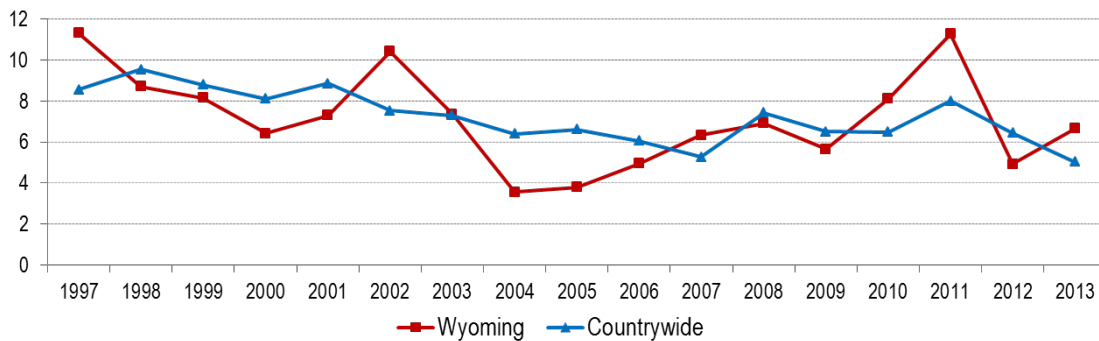
Figure 1  
Homeowners Insurance Claim Trends in Wyoming  
Average Claim Payment per Insured Home, All Policy Forms Combined



Sources: Fast Track Monitoring System; National Climatic Data Center.

- In 2011, homeowners insurance companies paid on average \$800 in claim payments for every insured home in Wyoming—28 percent more than the \$625 paid on average countrywide. In 2013, insurers paid on average \$506 per insured home in Wyoming.
- Average claim payments in Wyoming were greater than the countrywide average in 5 of the 17 years studied.
- 2011 was also significant for Wyoming in that nearly half (49 percent) of all reported claim payments were attributed by insurers to catastrophe events. In 2002, 44 percent of all reported payments were attributed to catastrophes.

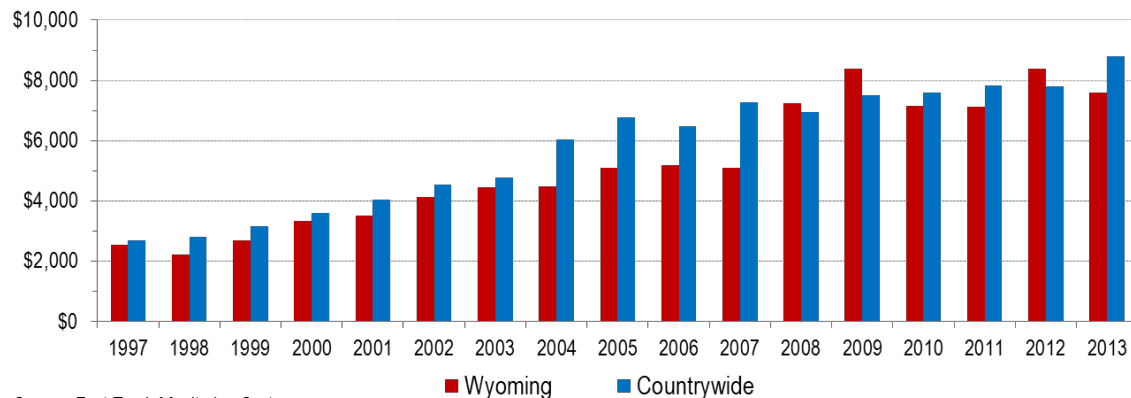
Figure 2  
Homeowners Insurance Claim Frequency in Wyoming  
Number of Claims Paid per 100 Insured Homes, All Policy Forms Combined



Source: Fast Track Monitoring System.

- The frequency of paid homeowners insurance claims, depicted in Figure 2, is the number of paid claims per 100 insured homes.
- Homeowners insurance claim frequency in Wyoming fluctuated significantly over the study period—ranging from 3.6 claims per 100 insured homes in 2002, to 11.3 claims in 1997 and 2011. Claim frequency in Wyoming was greater than claim frequency countrywide in 7 of the years studied.

Figure 3  
Homeowners Insurance Claim Severity in Wyoming  
Average Insurance Payment per Paid Claim, All Policy Forms Combined



Source: Fast Track Monitoring System.

- Claim severity, depicted in Figure 3, is the average payment per paid homeowners insurance claim.
- The average severity of homeowners insurance claims in Wyoming grew from \$2,545 in 1997 to \$8,372 in 2012. Over the 17-year study period, claim severity in Wyoming increased at an annualized rate of 9.1 percent. Average claim severity countrywide grew at an annualized rate of 7.8 percent per year, and over the same period of time, inflation averaged 2.4 percent per year.
- The rapid and continuing increase in the severity of homeowners insurance claims has multiple causes, including an increase in the size and complexity of new homes, the increased severity of storms, and major increases in the price of oil-based building materials such as asphalt and tar roofing.