Flood Forum: Residential & Commercial Flood Insurance Markets in Maryland

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Opening Remarks

The Maryland Insurance Administration (MIA) is an independent State agency charged with regulating Maryland’s $28.5 billion dollar insurance industry. The MIA:

- Licenses insurers and producers
- Examines the business practices of licensees to ensure compliance
- Monitors solvency of insurers
- Reviews/approves insurance policy forms and rates
- Investigates consumer and provider complaints and allegations of fraud
Agenda

• Opening Remarks

• The Peril of Flood

• Flood Insurance Market Basics
  – NFIP
  – Admitted / Non-Admitted
  – Written Premium Levels

• Residential Markets

• Commercial Markets

• Q & A

• Closing Remarks
The Peril of Flood

• 1972 (Agnes) $2.1B
• 2003 (Isabel) $5.5B
• 2005 (Katrina) $125B
• 2017 (Harvey) $125B / $300B
• 2020 (Season) 29 named storms / 13 US landfall
Flood Insurance Market Basics (MD)

• Federal Program (NFIP)
  – @65,000 MD policies / @$32MM written premium

• Admitted Market (not including NFIP - WYO)
  – @$5MM written premium
  – Top writers

• Non-Admitted Market
  – @$3MM written premium
  – Top writers
Top Admitted Writers (group) by DWP (MD)

• Zurich
• Assurant
• AXA
• Liberty Mutual
• National General
• Allianz
• AIG
• Chubb
Top Non-Admitted Writers (MD) by DWP

- Landmark American
- Arch
- National Fire and Marine
- Voyager
- Steadfast
- Western World
- Indian Harbor
- First Specialty
Residential Markets

• Federal Program (NFIP Direct and WYO)
  – Dwelling with or without contents / Contents only ($250K / $100K)
  – Single peril
  – No LOU

• Admitted Market
  – Limited options but this is changing
  – New filings

• Non-Admitted Market
  – Exportable list change
Commercial Markets

• Federal Program (NFIP)
  – Building with or without contents / Contents only ($500K / $100K)
  – Single peril
  – No LOU or Lost Income

• Admitted Market
  – Commercially exempt
  – Other commercial risks
  – Availability of building, contents, LOU, Business interruption, etc.

• Non-Admitted Market
  – Exportable list change
  – Forms are not filed and writers have more flexibility with contract terms allowing for LOU, BI, supply chain, and other exposures to be covered.
Q & A

Closing Remarks

- www.insurance.maryland.gov
- www.floodsmart.gov