

2020 California Insurance Diversity Survey Results

What Do The Numbers Tell Us?



Insurance Diversity Initiative



Chandara K. Phanachone, Director

Uzma E. Rahman, Manager

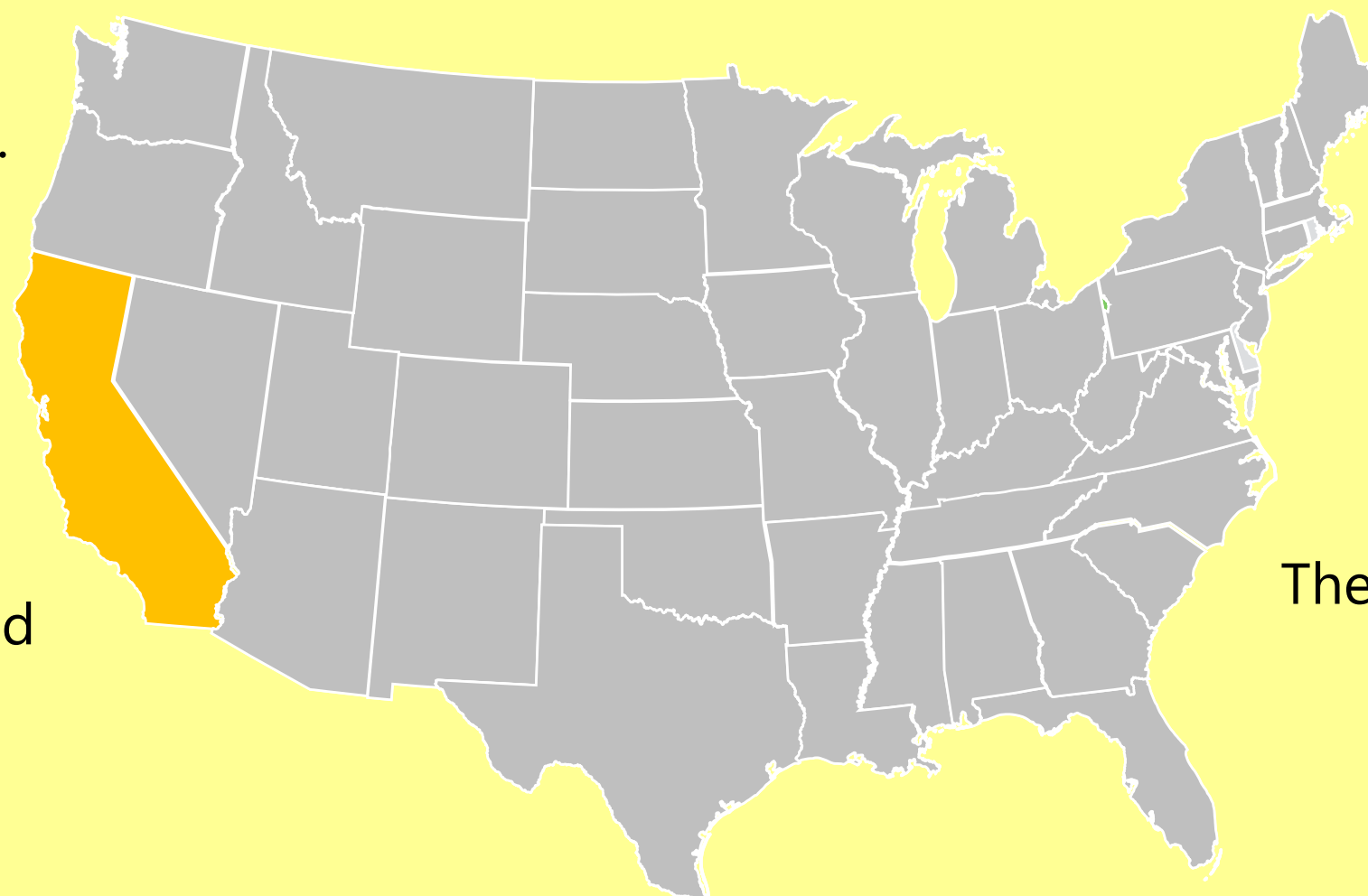
Our Insurance Industry- A Bird's Eye Look



California is the 4th LARGEST insurance market in the world.



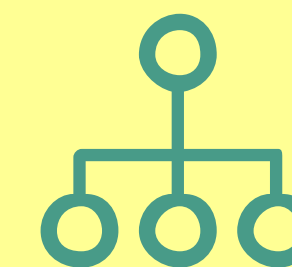
Since 2015, insurance carriers contributed more to the United States GDP than banks.



California is the LARGEST insurance market in the United States of America.

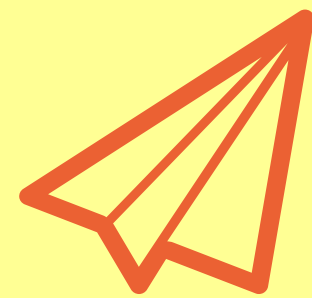


The United States insurance industry employs 2.7 million people.

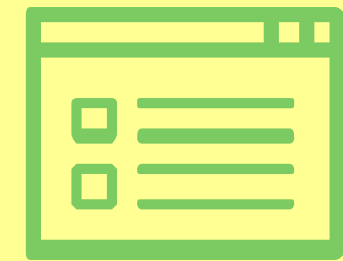


**CA insurers collect
\$310 Billion in
Annual Premiums**

**The US insurance
industry is home to
\$1.2 Trillion in Net
Premiums**



2011 - 2012



2013 - 2016



2016 - 2018



2019 - Now

Getting Started

- Insurance Diversity Initiative Established
- Baseline Insurance Diversity Survey (29% response record)
- Assembly Bill 53 Signed & Enacted
- Insurance Diversity Task Force Established

Launch

- 2nd Supplier Diversity Survey
- 1st Governing Board Diversity survey
- Launch of Multistate Insurance Diversity Survey

Implementation

- Multistate Insurance Diversity Survey

A New Chapter

- Senate Bill 534 Signed & Enacted
- Launch of 2020 CA Insurance Diversity Survey
- 100% response record

MISSION & GOAL



4



**Advance
Governing
Board Diversity**

Advance Governing Board Diversity

Encourage commitment from the highest level of governance, by education and calls to action.



**Increase
Supplier
Diversity**

Increase Supplier Diversity

Open doors of economic opportunity for diverse business enterprises.

Insurance Diversity Initiative



CA Insurance Diversity Survey

Transparency initiative among the state and nation's insurance industry

Annual Diversity Summit

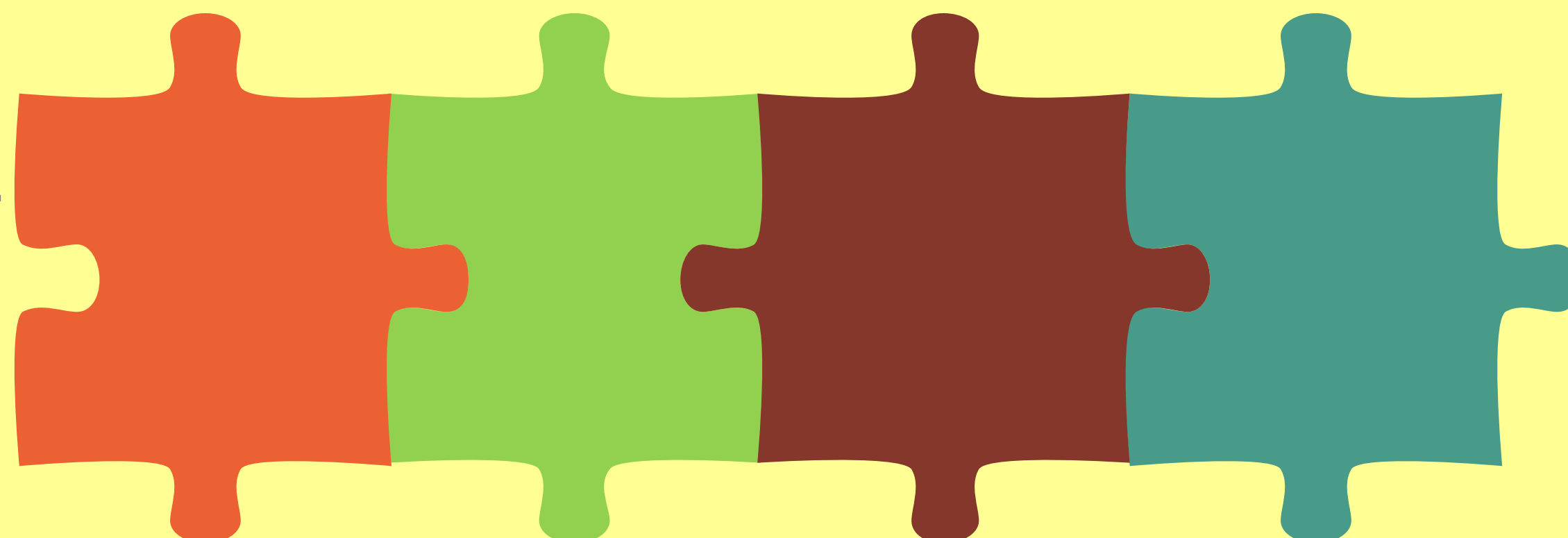
Educational resource & networking for diverse suppliers and insurers

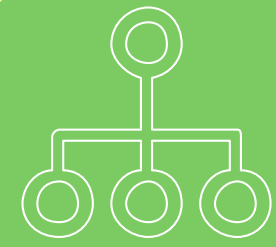
Insurance Diversity Task Force

- 15 Appointed Members
- Advise and support IDI

Mission-Critical Special Projects

- Diversity Digest Newsletter
- State & National Conferences
- Legislative Activities

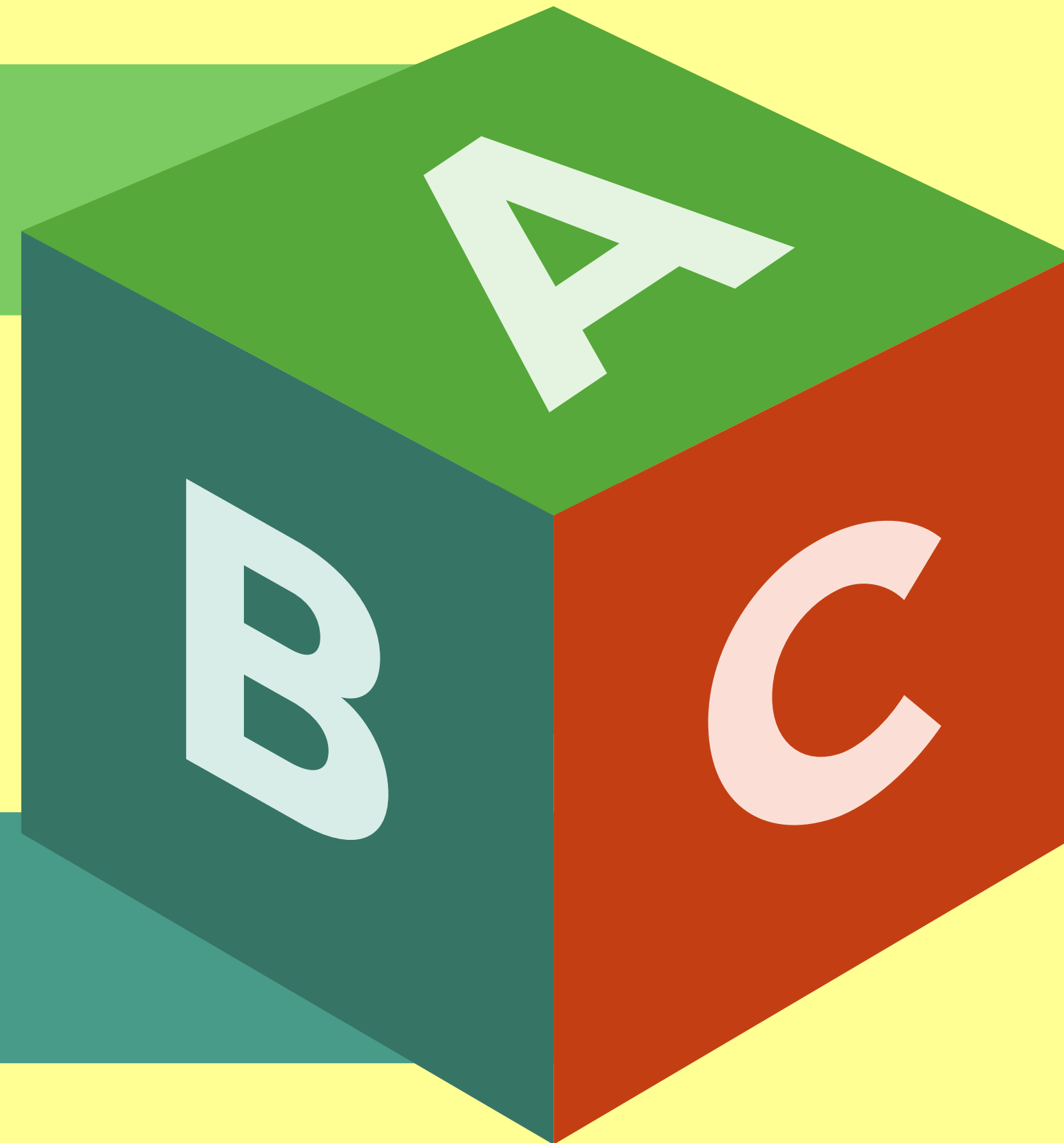




Governing Board
Diversity Data



Supplier Diversity
Programs



Diverse Spend Data





By Company Size

Grouped by tiers

Most companies reported fall within the \$100M - \$499M tier.

Diverse spend increased diverse spend from 2018 to 2019 for both CA and National spend.

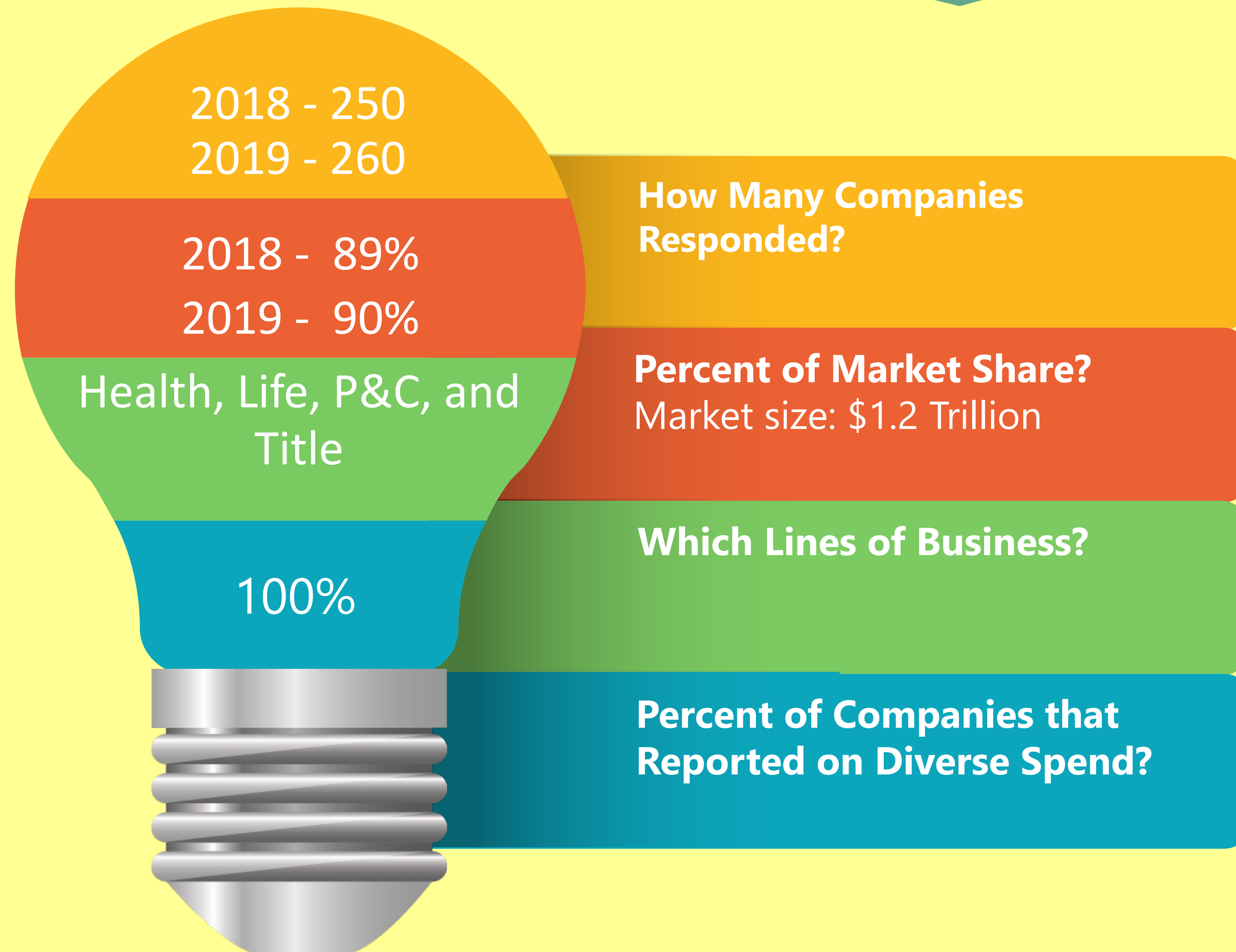
By Industry Category

Which industries contract most with insurance companies?

Professional services and Other services get the most of procurement spending.

By Line of Business

Grouped by lines of business to accurately analyze spend

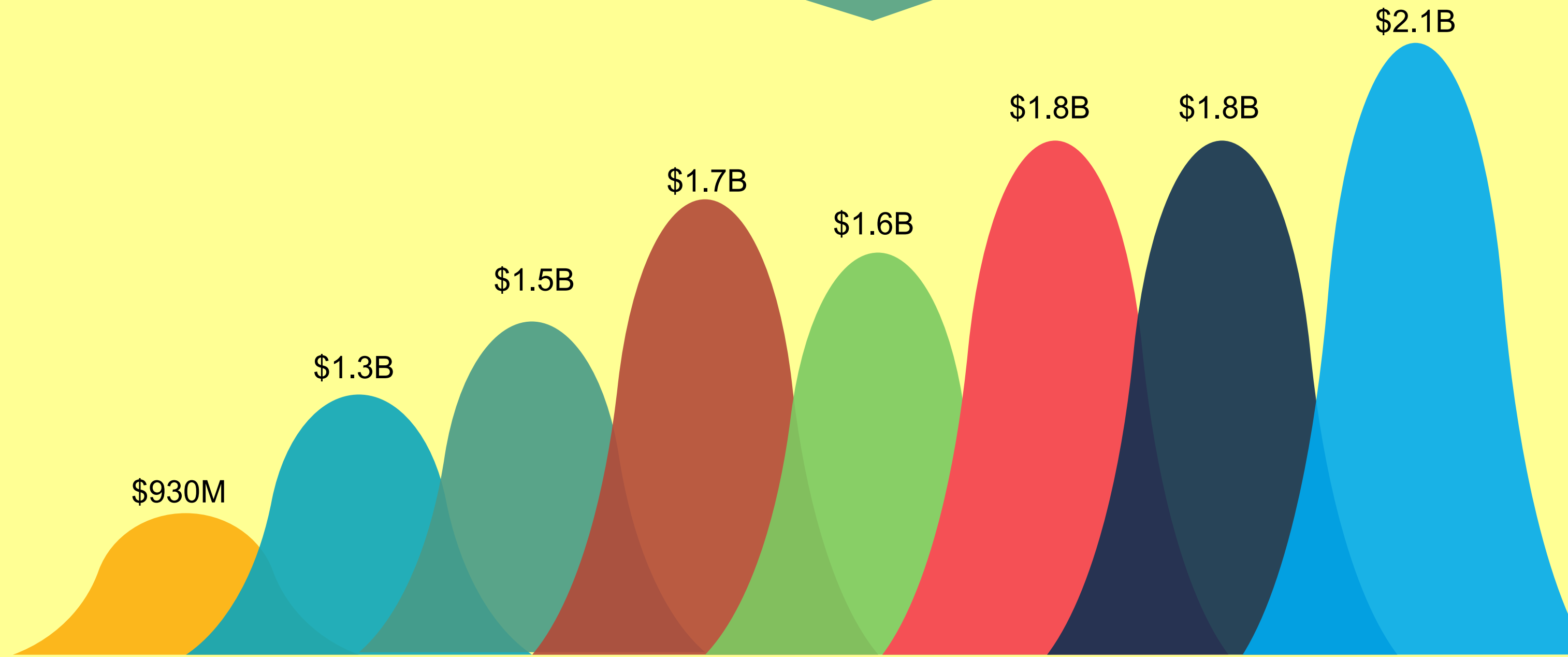


| 100%...

Response Rate, But What Did The Survey Answers Include?

Who Is Required to Report?
Companies that collect \$100M (or more) in CA premiums for each reporting year.

CA Diverse Spend



From 2012 – 2019, California diverse spend has increased 126%
Source: California Department of Insurance – Insurance Diversity Survey

2012

2013

2014

2015

2016

2017

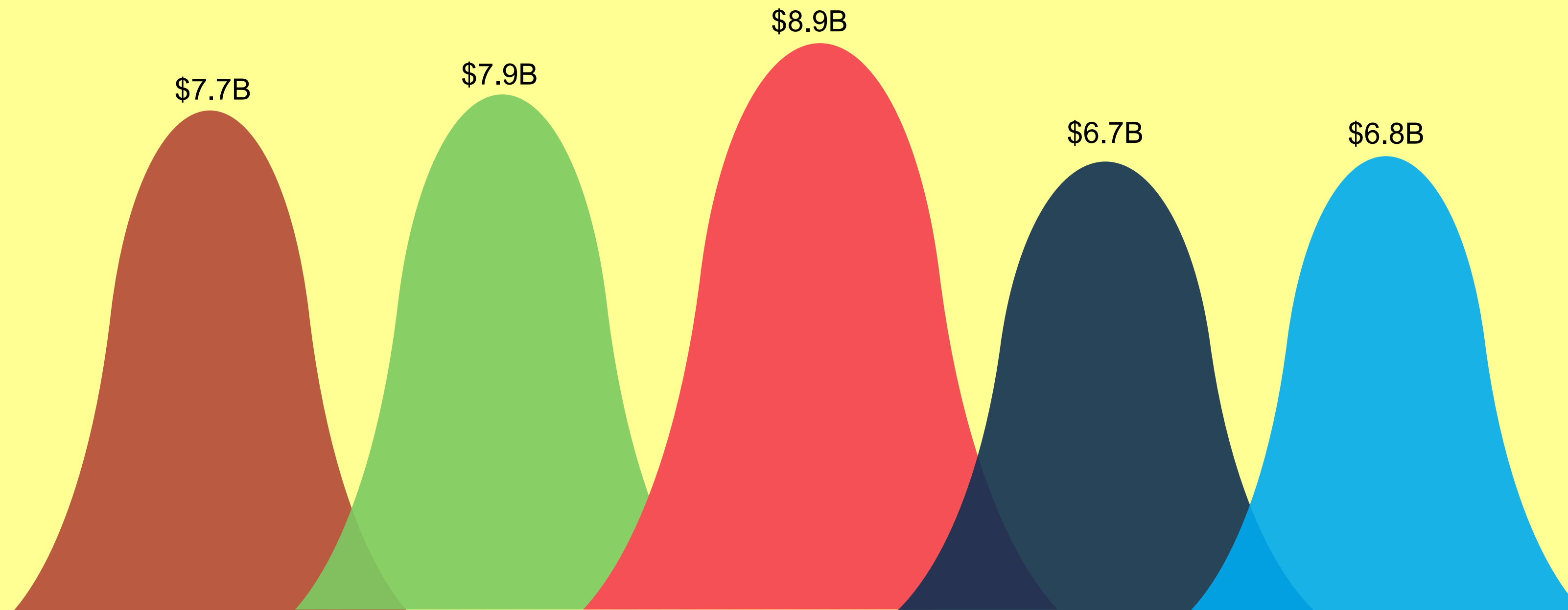
2018

2019

National Diverse Spend



10



From 2015 – 2019, California diverse spend declined by 9.33%
Source: California Department of Insurance – Insurance Diversity Survey

2015

2016

2017

2018

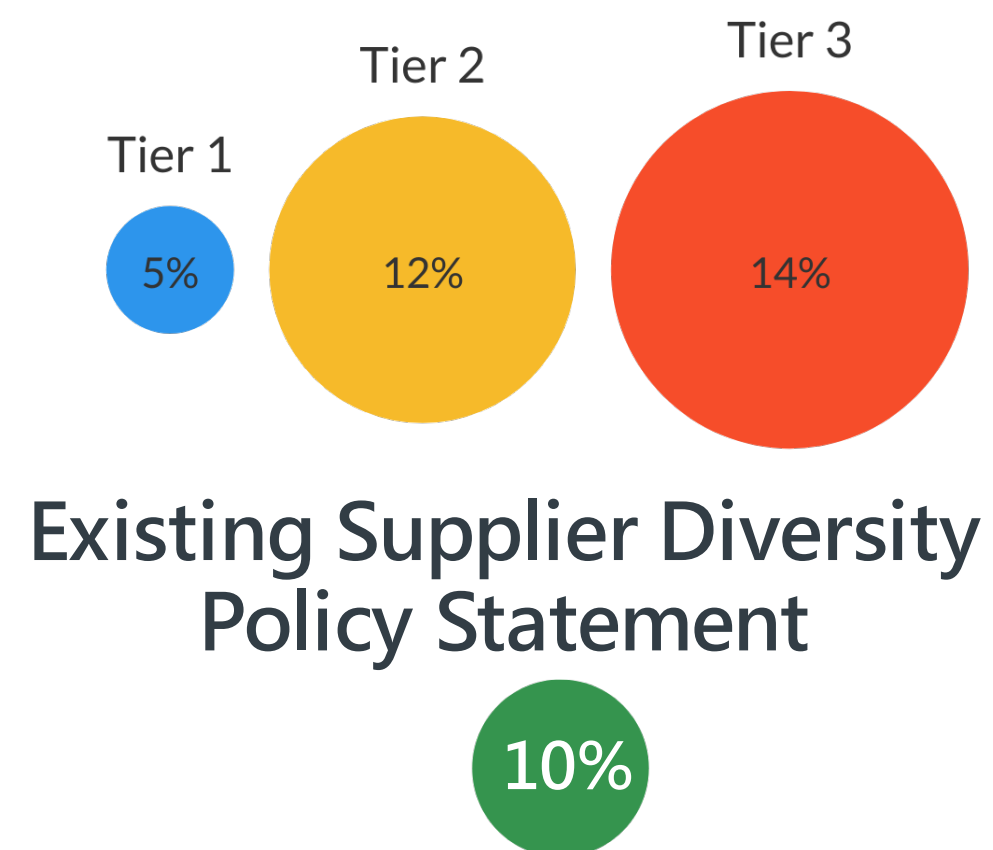
2019

A Look at Supplier Diversity Programming

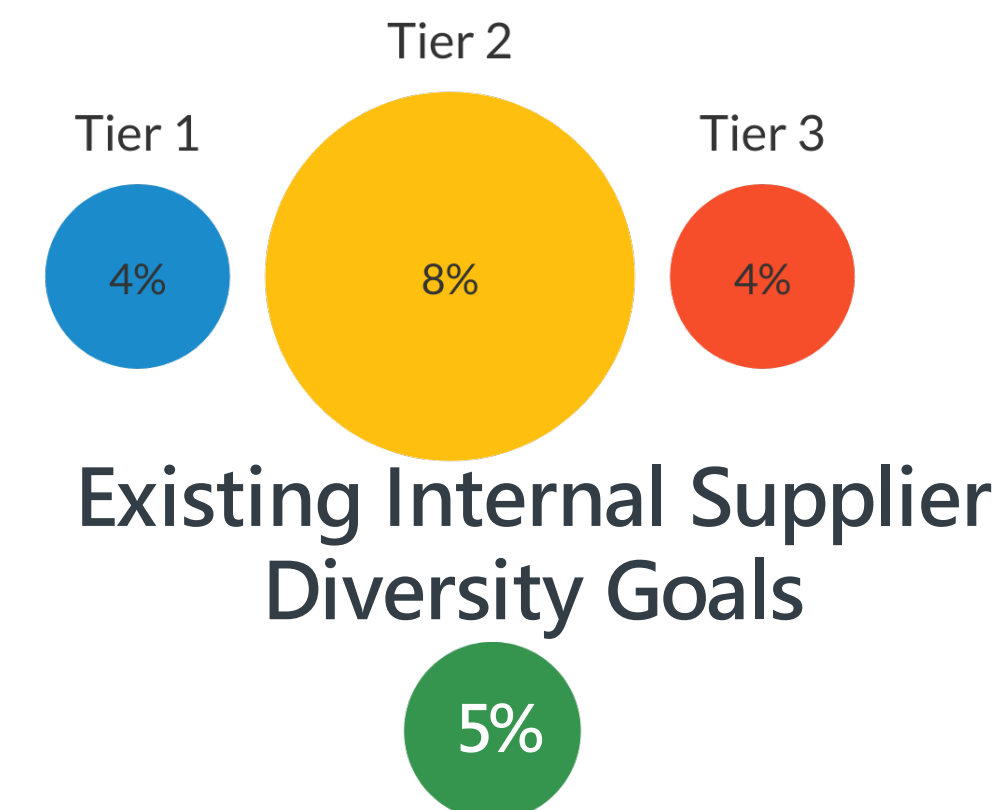
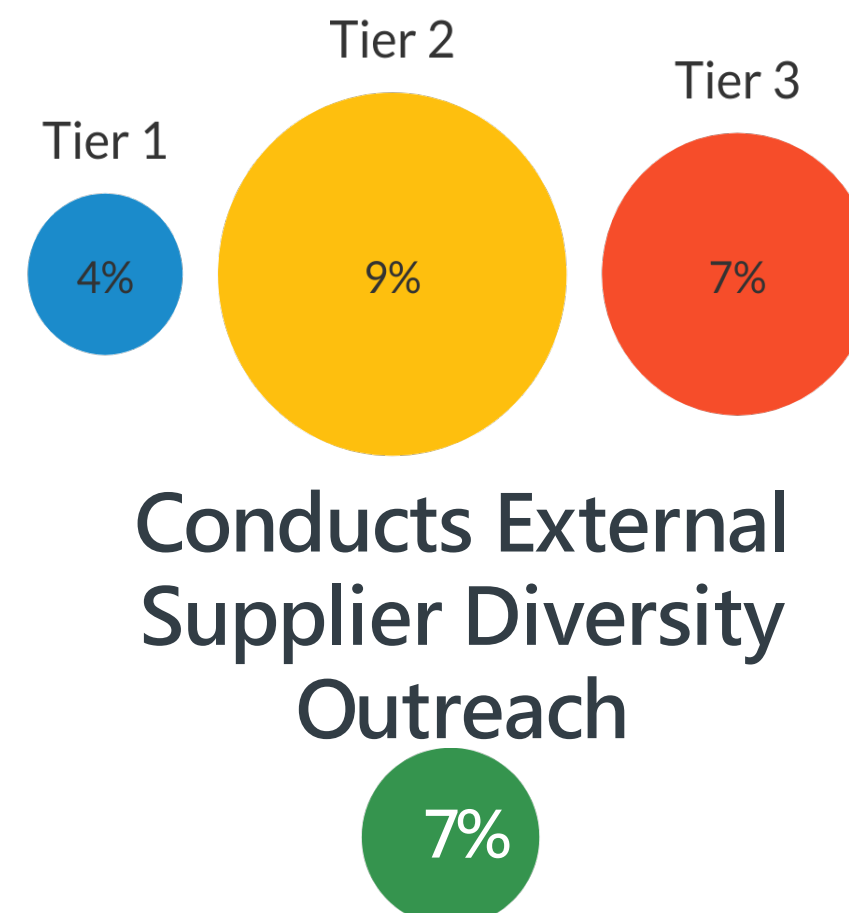
What The Data Reveals



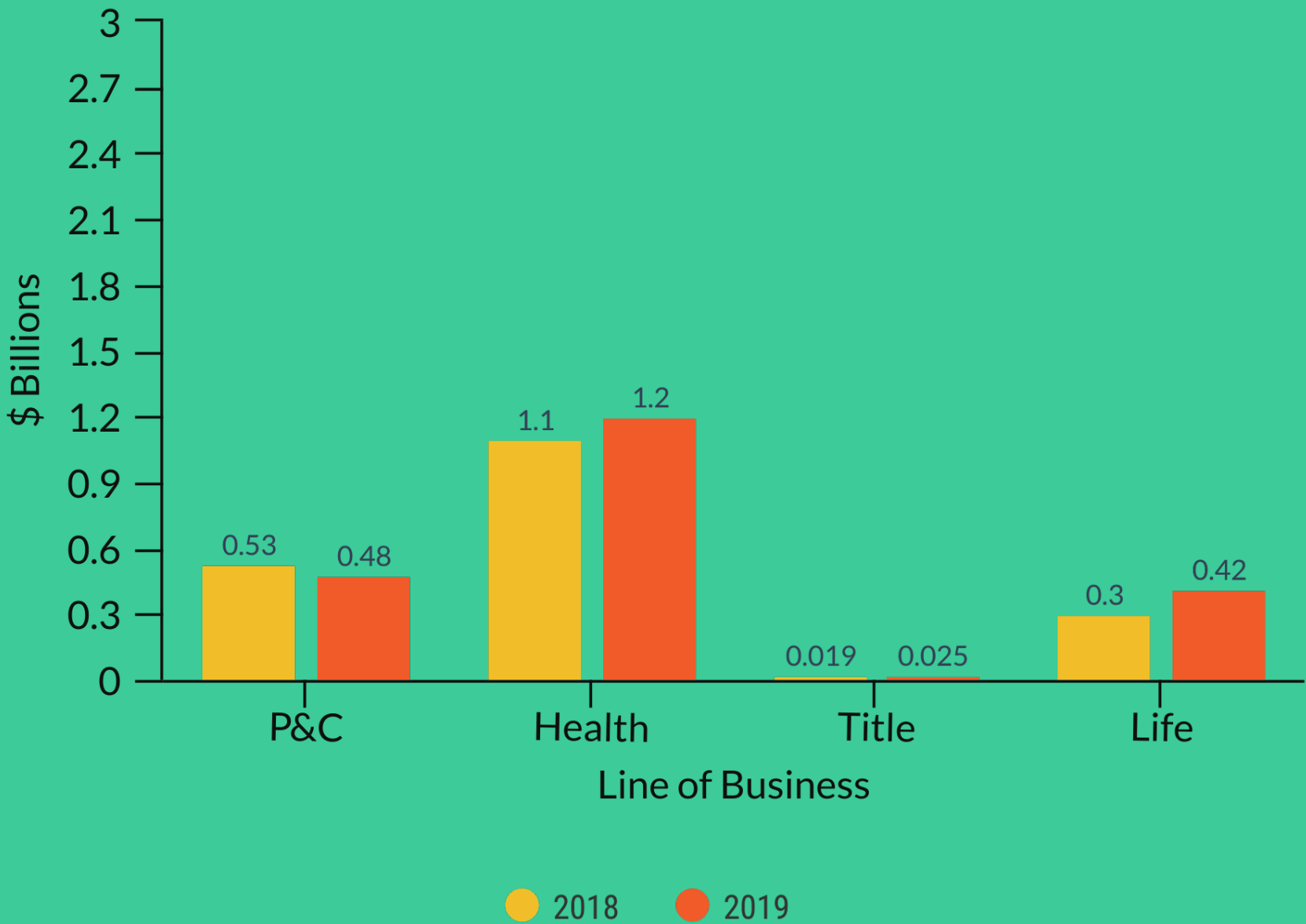
The three data sets look at the current landscape of supplier diversity programming in the insurance industry, as reported in the 2020 CAIDS. Each number corresponds to the percentage of companies in the Tier that currently have the respective programming in place.



Tier 1: \$2B+
Tier 2: \$1.99B - \$500M
Tier 3: \$499M - \$100M

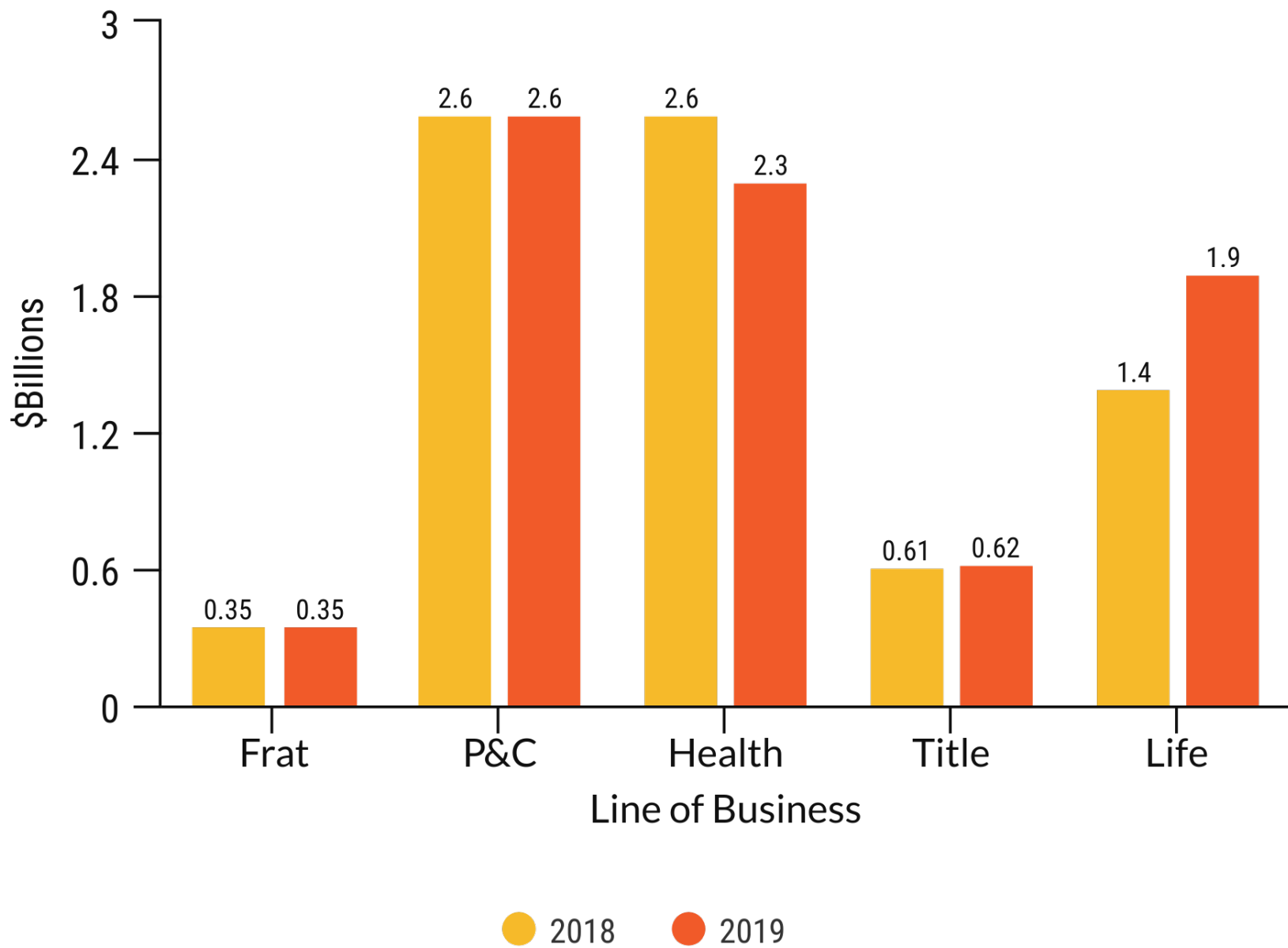


Yearly Comparison of Diverse Spend by Lines of Business



CALIFORNIA

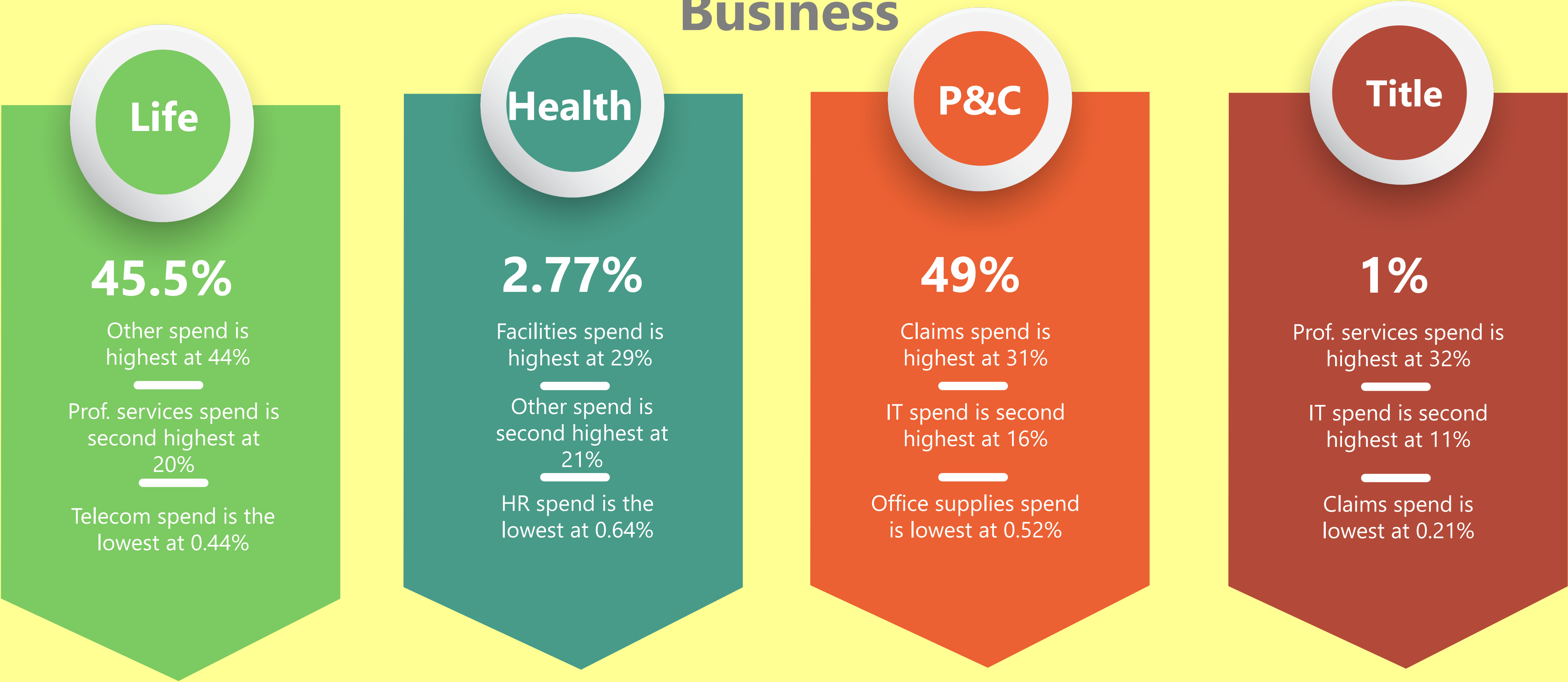
2020 CAIDS results did not yield Frat or Other data



NATIONAL

2020 CAIDS results did not result in results from Other

Percent of Market Share by Line of Business



According to the 2020 CAIDS results:
WBE Are Getting The Biggest Slice of Total Diverse Spend from Each Line of Business-
In Both CALIFORNIA and NATIONAL reports

49% to WBE

58% to WBE

49% to WBE

48% to WBE



P&C

59% in 2018 to 57% in 2019, nationally

Life

57% in 2018 to 11% in 2019, nationally.

Title

74% in 2018 to 73% in 2019, nationally.

Health

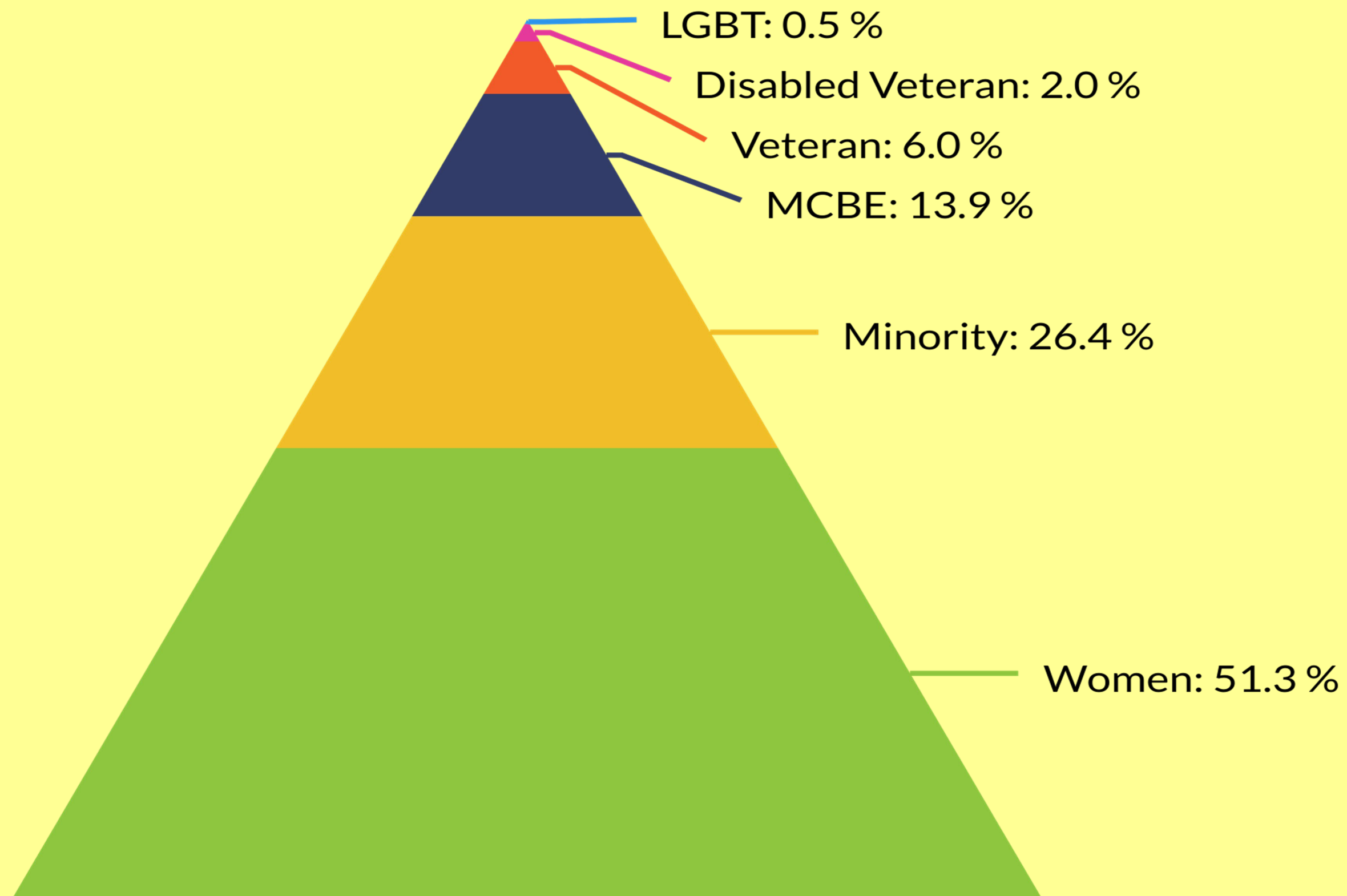
49% in 2018 to 48% in 2019, nationally.

Diverse Spend by DBE California

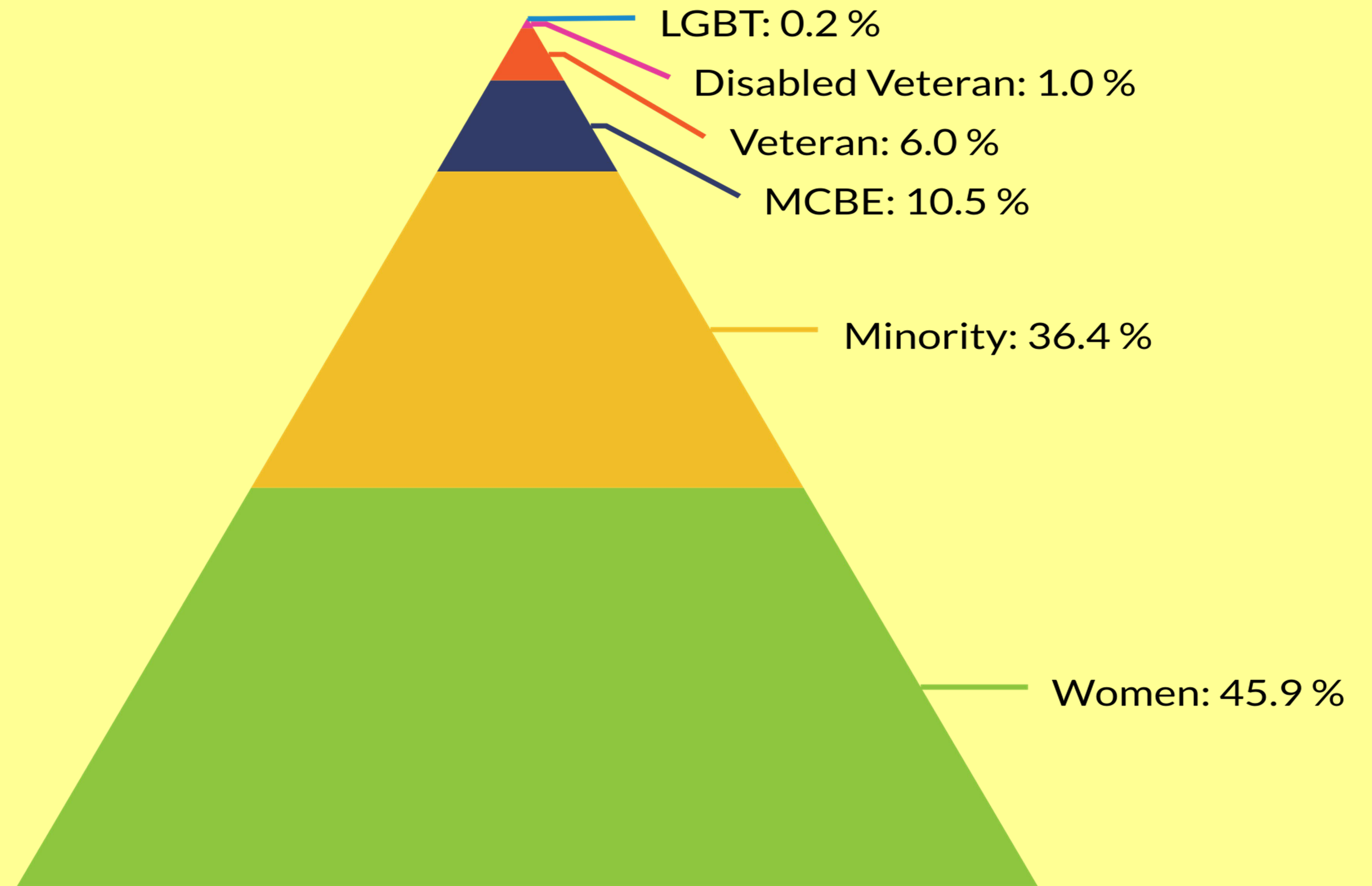


15

2018 Diverse Spend by DBE



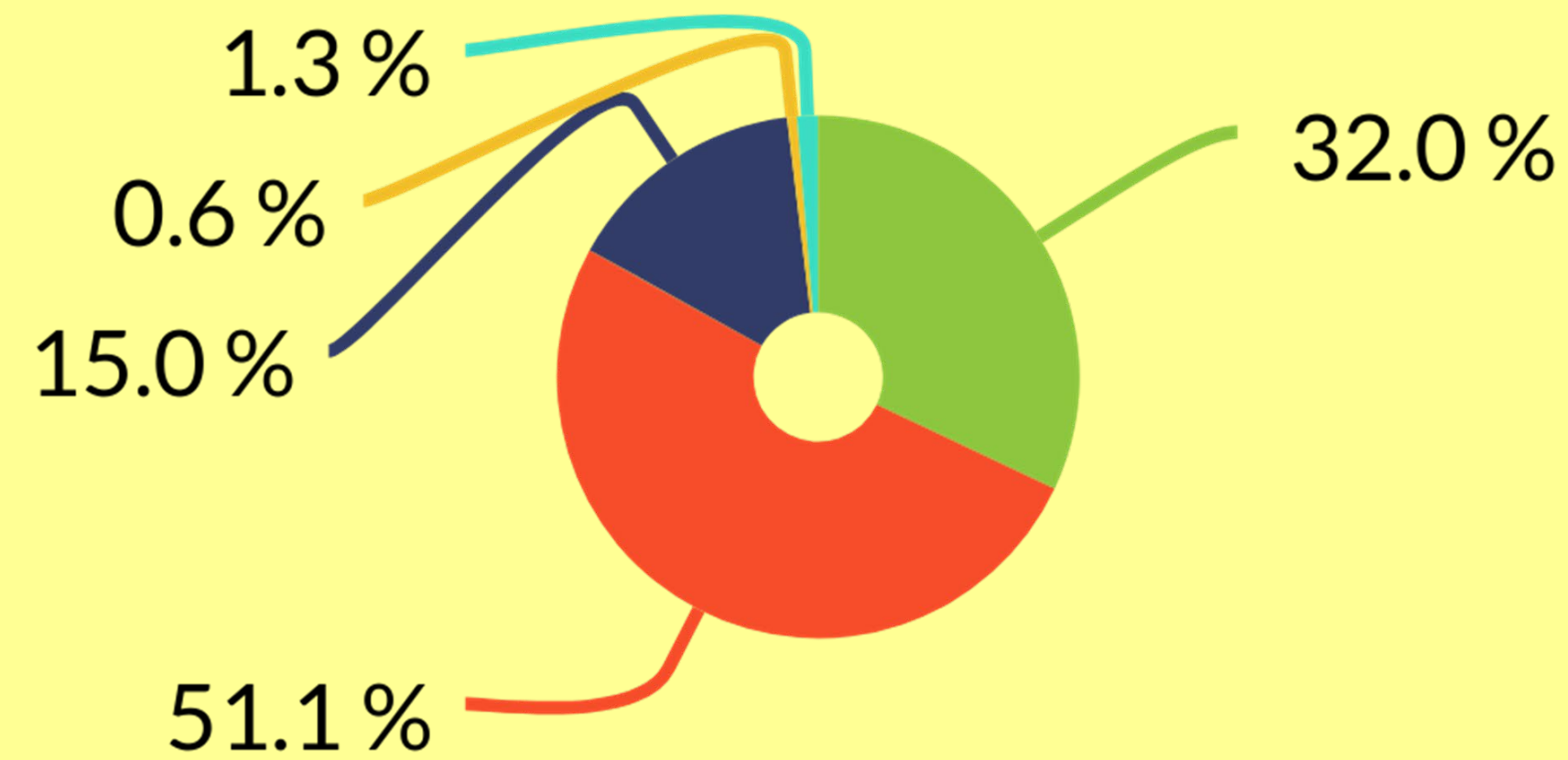
2019 Diverse Spend by DBE



Magnifying MBE Spend

16

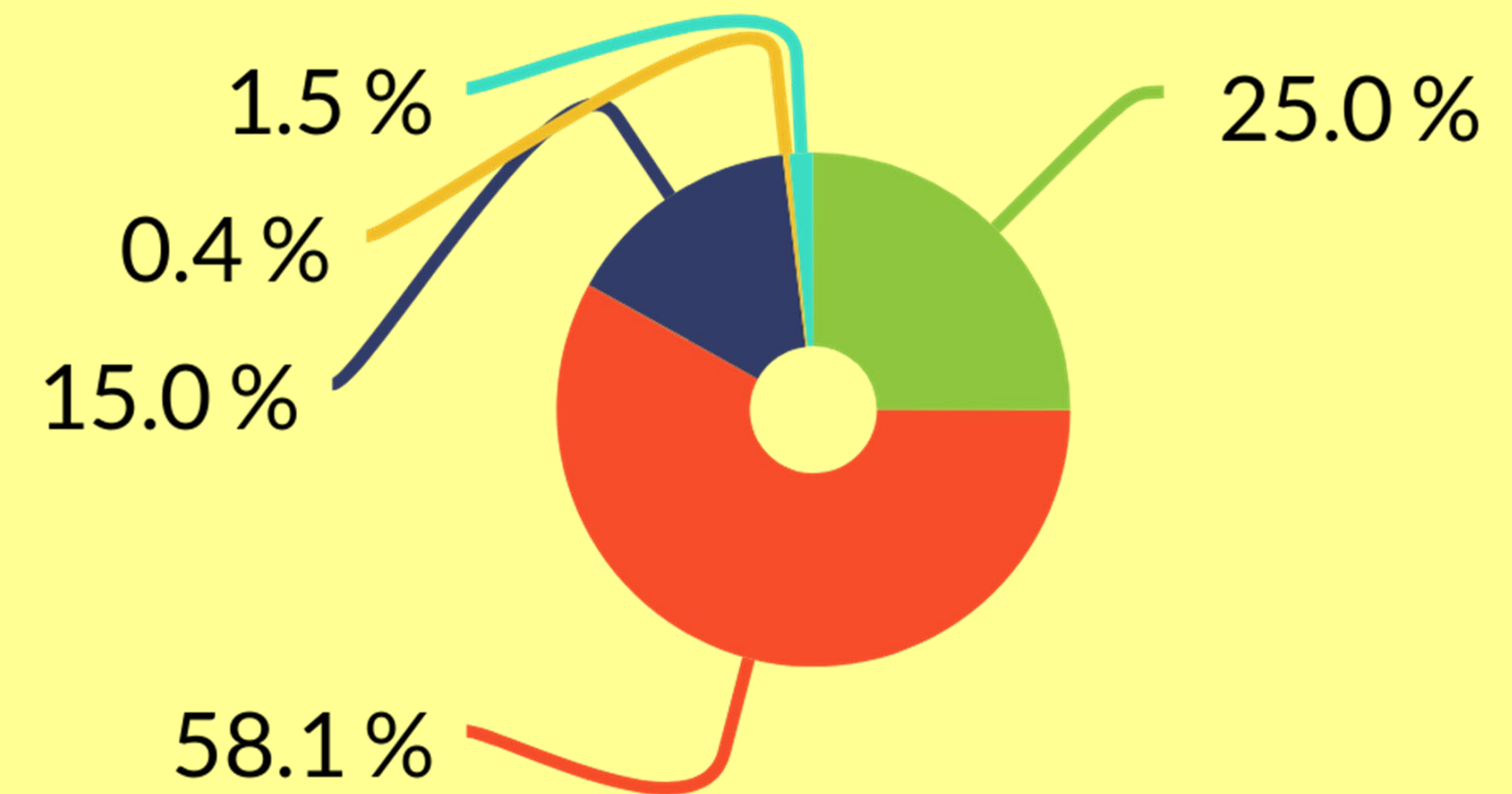
2018



- African American
- Asian/Pacific Islander
- Latino/Hispanic
- American Indian
- Multi-Ethnic

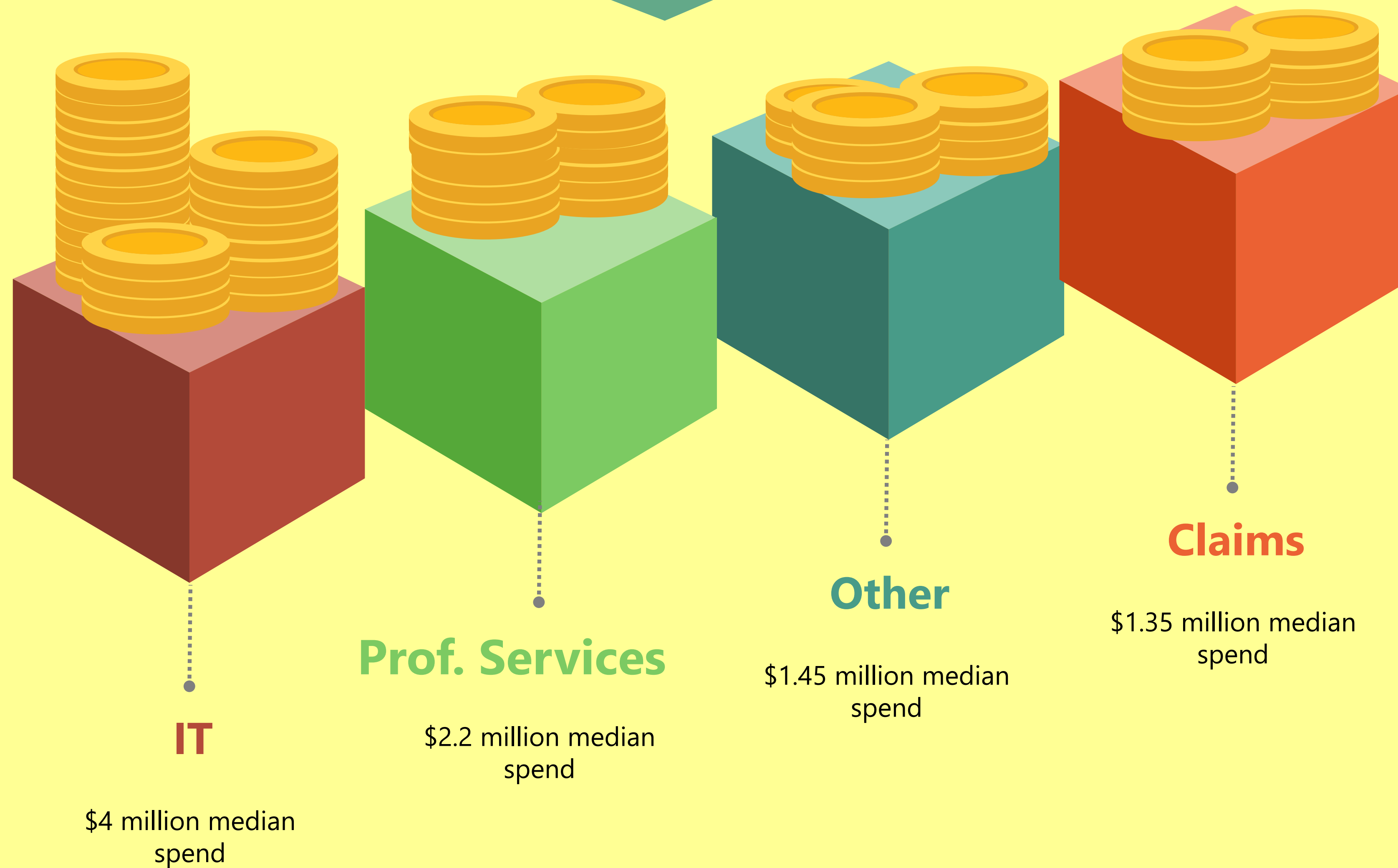


2019

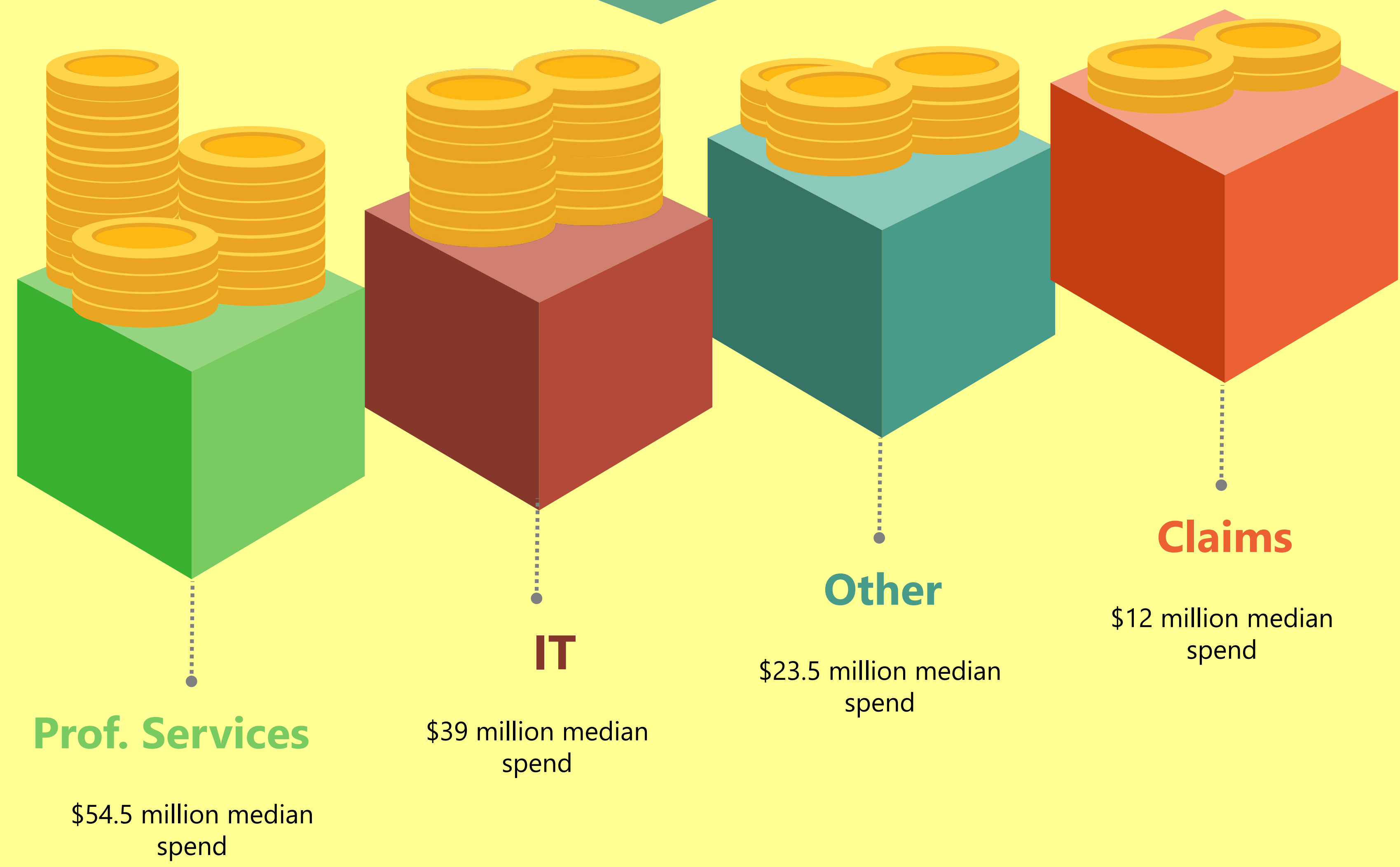


- African American
- Asian/Pacific Islander
- Latino/Hispanic
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Spend by Industry Category - CA



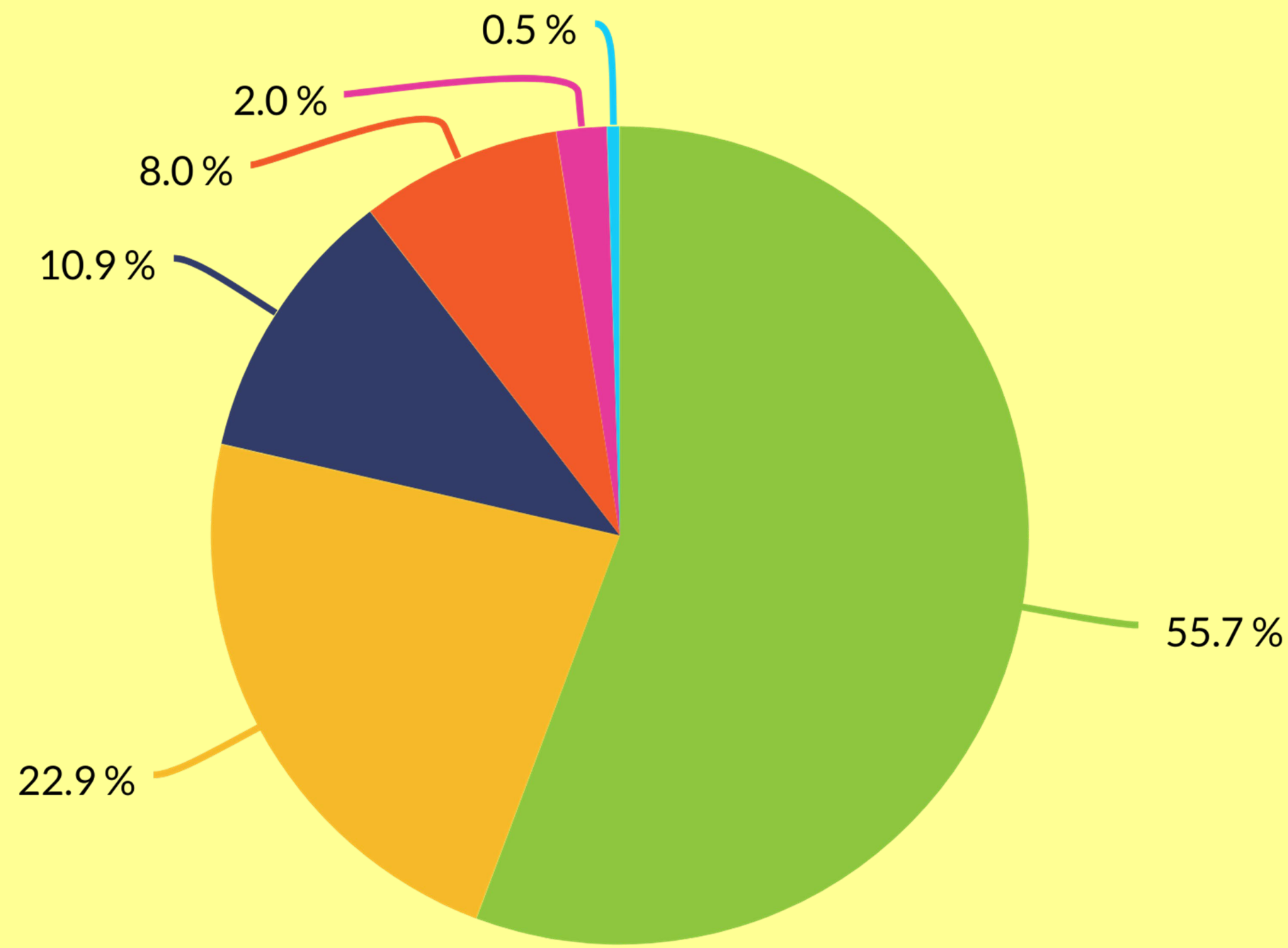
Spend by Industry
Category - National



Industry Category by DBE - California

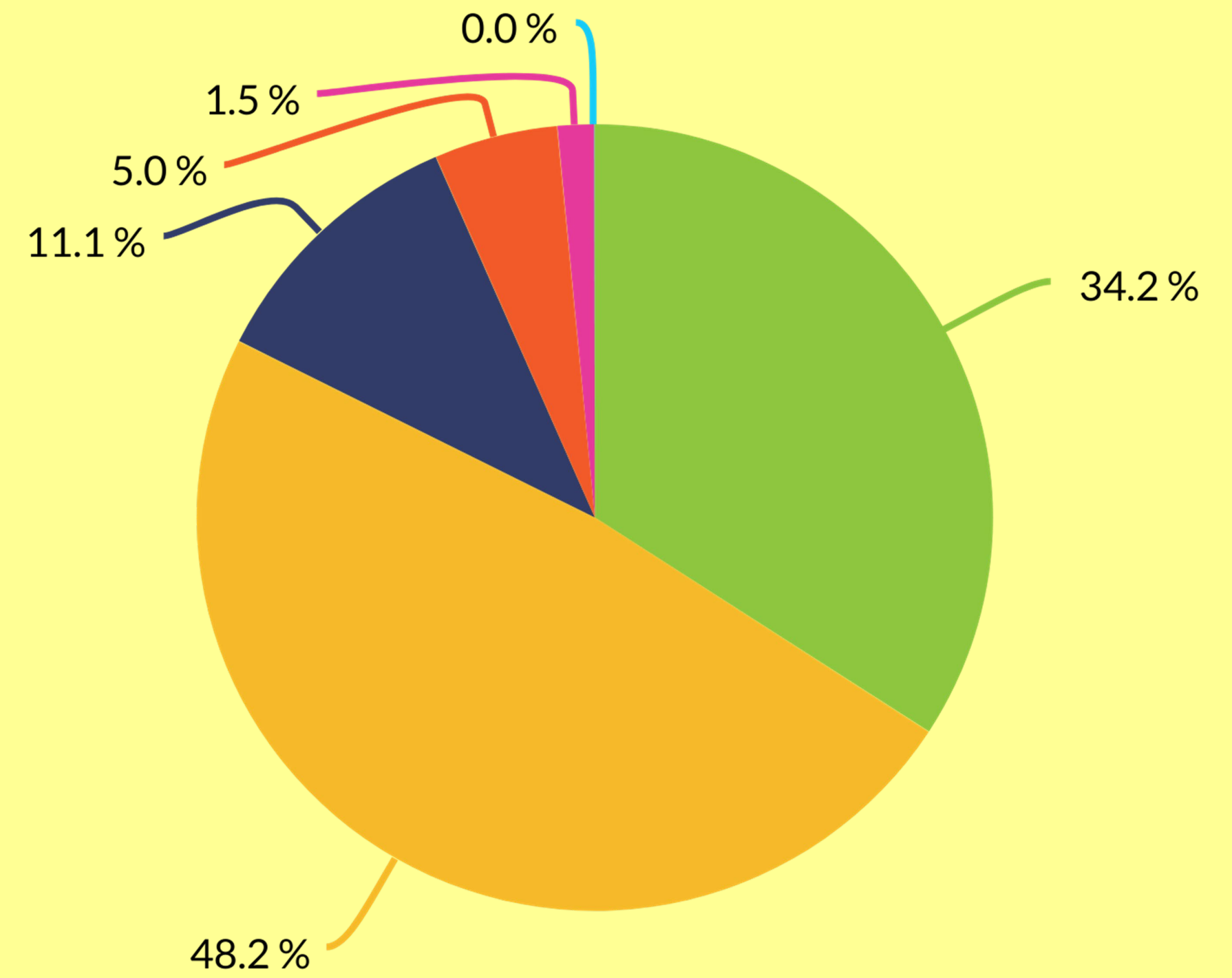


Professional Services



WBE MBE MCBE VBE DVBE LGBT

IT

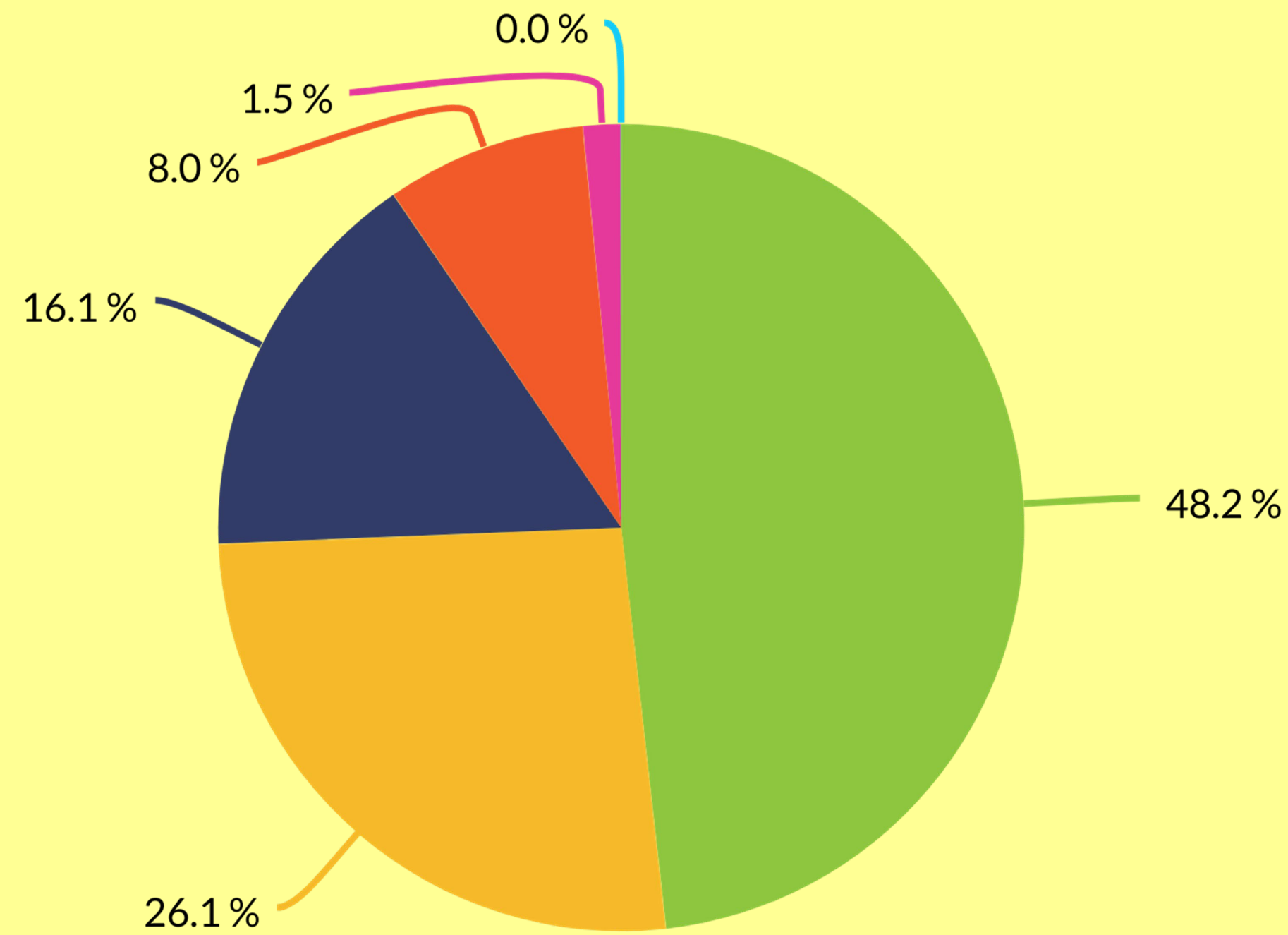


WBE MBE MCBE VBE DVBE LGBT

Industry Category by DBE - California

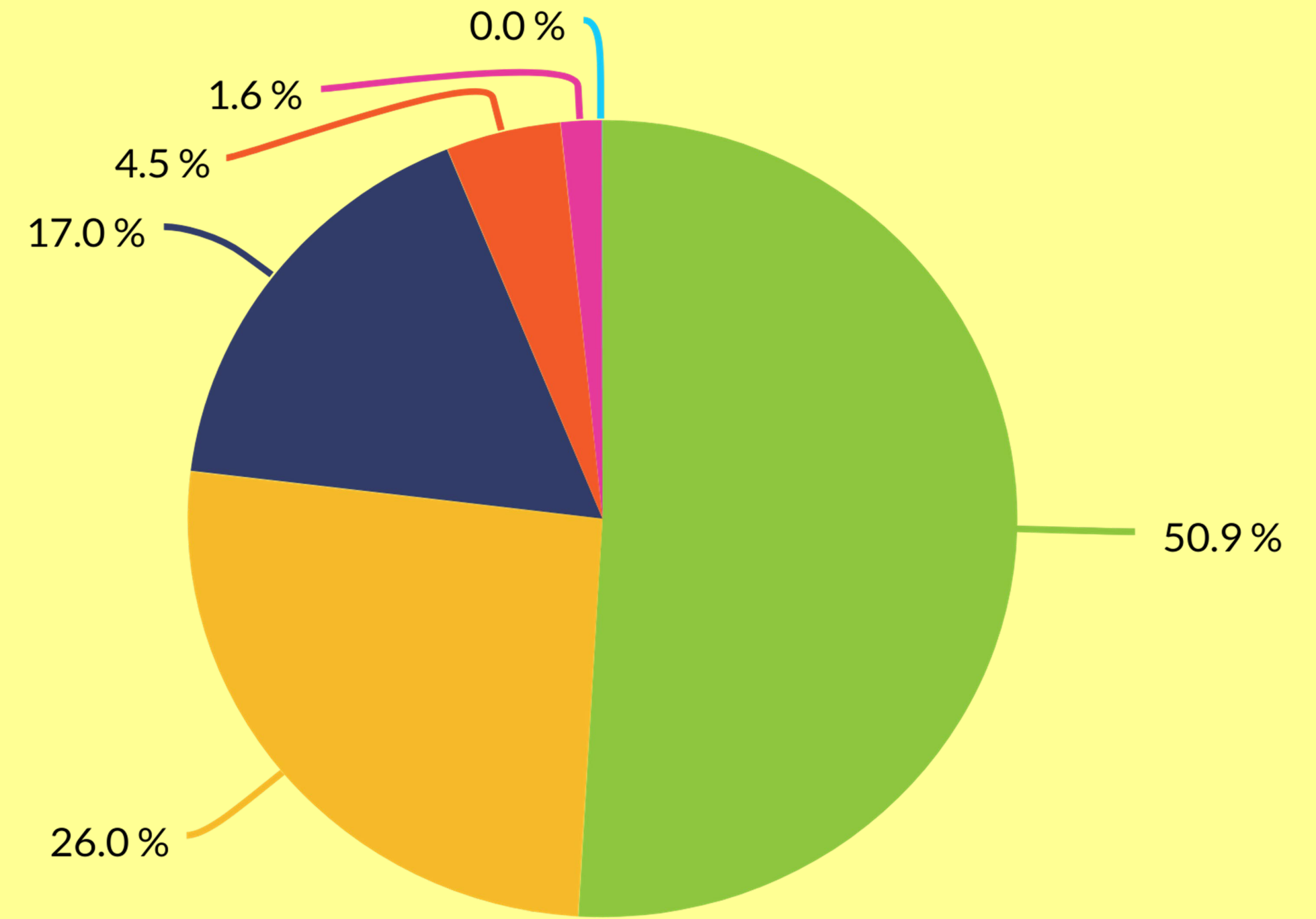


Other



WBE MBE MCBE VBE DVBE LGBT

Claims



WBE MBE MCBE VBE DVBE LGBT

Building on Progress



A **Expand Outreach**

Attend events targeted to contracting with diverse suppliers.

B **Put It In Writing**

Create company policy that clearly establishes a supplier diversity program.

C **More Matchmaking**

Participate in our Matchmaking sessions and stay tuned for additional Matchmaking opportunities.

D **Build Pipelines**

Keep lasting relationships with primary, secondary, tertiary etc. diverse suppliers.

E **Set Goals**

Create clear benchmarks and goals for supplier diversity and procurement spend.