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Estimated Investment Earnings Potential of P&C Insurers in 2024 with Each Day of Payment Delay to Homeowners

For its Market Conduct Annual Statement (MCAS), the National Association of Insurance Commissioners (NAIC) collects data from each property and casualty insurance company regarding the percentage of homeowner claims payments that are delayed beyond 60 days.

However, the NAIC publishes only the average percentage for each jurisdiction. It does not disclose company-specific data. Nor does it reveal how much each company — or the industry as a whole — earns in additional investment income thanks to such delays.

Despite this lack of transparency, Weiss Ratings has found a pathway to estimate how much each insurer can make in investment income with each day of delayed payment, providing an aggregate estimate for the industry with reasonable accuracy:

Homeowners share of total business[1]	27.9%	
Average invested assets[2]	$263.0	billion
Investment income earned[2]	$9.2	billion
Annual investment yield	3.49%	
Daily investment yield	0.0094%	
Investment earnings per day	$24.7	million
Total homeowners claims paid in 2024	$94.2	billion
Estimated earnings potential per day of payment delay	**$8.8**	**million**

[1]Average homeowners share of insurers' business writing homeowners premiums
[2]Invested assets and investment income earned are estimated by homeowners' share of business

The table above summarizes the following analytical steps:

1. Among insurers that write policies for homeowners (excluding those that only write other lines), their homeowners insurance policies represent **27.9%** of their total business, as measured by total premiums earned in 2024.

2. The P&C industry's investment assets held during the 2024 calendar year are calculated by averaging the amounts reported for yearend 2023 and yearend 2024. The homeowners' 27.9% share of these investment assets was **$263 billion**.

3. The investment income reported by each P&C company was aggregated, and the homeowners' 27.9% share of that income was **$9.2 billion**.

4. The $9.2 billion in investment income on $263 billion in invested assets represents an investment yield of **3.49%** for the year.

5. The yearly investment yield of 3.49% equates to a daily yield of **0.0094%**.

6. The daily investment yield 0.0094% on $263 billion in invested assets equals **$24.7 million** in yield per day.

7. The sum of each insurer's homeowners claims paid in 2024, as reported to the NAIC, was **$94.2 billion**.

8. **Conclusion: On $94.2 billion in total claims payments for 2024, each day those payments could be delayed at 0.0094% yield equates to $8.8 million in extra earnings.**