



Center for Justice & Democracy
 90 Broad Street, Suite 401
 New York, NY 10004
 Tel: 212.267.2801
centerjd@centerjd.org
<http://centerjd.org>

MILLIONS IN PAY TO INSURANCE EXECUTIVES... WHILE COMPANIES SEEK TO LIMIT COMPENATION TO THE SICK AND INJURED

As the insurance industry pushes for laws that deprive sick and injured Americans of their right to be fairly compensated for harm caused by corporate wrongdoing, insurance executives continue to collect millions of dollars in compensation.¹ The July 2011 edition of the *Insurance Forum* shows that insurance executives were collectively paid hundreds of millions of dollars in 2010.² This finding was based on data from the Securities and Exchange Commission (SEC), the Nebraska Insurance Department and the New York Insurance Department. The *Forum* analyzed the SEC, Nebraska and New York figures separately, as we do below, since they sometimes differed due to varying agency rules on what compensation must be disclosed.³

SEC Data. 114 insurance executives received compensation of \$5 million or more in 2010, with 30 receiving \$10 million or above.⁴ That same year, an additional 164 executives received \$2,500,000 to \$4,999,999 in compensation.⁵

The ten highest compensated individuals were⁶:

| | |
|---|--------------|
| William R. Berkley, W.R. Berkley Corp. | \$24,633,641 |
| John R. Strangfeld, Prudential Financial Inc..... | \$22,572,279 |
| Gregory C. Case, Aon Corp. | \$20,783,301 |
| Ronald A. Williams, Aetna Inc. | \$20,730,968 |
| Jay S. Fishman, Travelers Cos. Inc..... | \$20,415,060 |
| John D. Finnegan, Chubb Corp. | \$20,259,761 |
| James M. Cracchiolo, Ameriprise Financial Inc. | \$18,025,000 |
| Patrick A. Thiele, PartnerRe Ltd. | \$17,124,446 |
| Robert L. Moody Sr., American National Ins. Co..... | \$16,483,156 |
| Daniel P. Amos, AFLAC Inc. | \$15,955,183 |

Nebraska Data. 71 insurance executives received compensation of \$5 million or more in 2010, with 18 receiving \$10 million or above.⁷ That same year, an additional 157 executives received \$2,500,000 to \$4,999,999 in compensation.⁸

The ten highest compensated individuals were⁹:

| | |
|--|--------------|
| Ronald A. Williams, Aetna Inc. | \$53,462,663 |
| Edmund F. Kelly, Liberty Mutual Group..... | \$44,852,944 |

| | |
|--|--------------|
| Jay S. Fishman, Travelers Cos. Inc..... | \$25,305,351 |
| Albert T. Annexstad, Federated Mutual Ins. Co..... | \$19,566,933 |
| Thomas P. Nerney, Berkshire Hathaway Inc. | \$19,477,046 |
| Daniel P. Amos, AFLAC Inc. | \$18,969,164 |
| A. Alexander Fontanes, Liberty Mutual Group..... | \$18,800,179 |
| Gregory J. Deal, QBE Ins. Group..... | \$16,975,770 |
| Robert L. Moody, American National Ins. Co..... | \$13,957,850 |
| Mark B. Grier, Prudential Financial Inc..... | \$13,539,015 |

New York Data. 15 insurance executives received compensation of \$5 million or more in 2010, with four receiving \$10 million or above.¹⁰ That same year, an additional 30 executives received \$2,500,000 to \$4,999,999 in compensation.¹¹

The highest compensated individuals were¹²:

| | |
|---|--------------|
| Ronald A. Williams, Aetna Life Ins. Co..... | \$54,524,112 |
| Mark B. Grier, Prudential Ins. Co. of America | \$13,539,015 |
| John R. Strangfeld Jr., Prudential Ins. Co. of America..... | \$12,580,381 |
| Stuart H. Reese, Massachusetts Mutual Life Ins. Co..... | \$10,880,026 |
| John W. Rowe, Aetna Life Ins. Co..... | \$8,941,283 |
| Eleese E. Wright, Aetna Life Ins. Co..... | \$8,224,711 |
| Theodore A. Mathas, New York Life Ins. Co..... | \$8,045,564 |
| C. Robert Henrikson, Metropolitan Life Ins. Co..... | \$7,574,085 |
| Edward J. Zore, Northwestern Mutual Life Ins. Co. | \$6,720,090 |
| Gary E. Wendlandt, New York Life Ins. Co..... | \$6,671,142 |

NOTES

¹ For recent insurance industry activity, *see, e.g.*, Center for Media and Democracy, “Tort Reform, Corporate Liability and the Rights of Injured Americans,” *ALEC Exposed*, found at http://www.alecexposed.org/wiki/Tort_Reform,_Corporate_Liability_and_the_Rights_of_Injured_Americans; Wendell Potter, “ALEC Exposed: Sabotaging Healthcare,” *Nation*, July 12, 2011, found at <http://www.thenation.com/article/161975/alec-exposed-sabotaging-healthcare>; Physicians Insurers Association of America, “PIAA Praises West Virginia Supreme Court Decision to Uphold Cap on Non-economic Damages in Medical Liability Lawsuits,” June 23, 2011, found at http://www.piaa.us/AM/ContentManagerNet/HTMLDisplay.aspx?ContentID=7739&Section=Press_Releases; Americans for Insurance Reform, “New Consumer Report Finds Basis for ‘Savings’ in Medical Malpractice Proposals Bogus,” March 23, 2011, found at <http://insurance-reform.org/pr/110323.html>; Physicians Insurers Association of America, “PIAA Applauds Creation of Congressional Civil Justice Caucus,” February 20, 2011, found at http://www.piaa.us/AM/ContentManagerNet/HTMLDisplay.aspx?ContentID=7739&Section=Press_Releases; Center for Justice & Democracy, *America’s Worst Top Model: ALEC’s Model Civil Justice Legislation* (September 2010), found at <http://www.centerjd.org/archives/studies/AmericasWorstTopModelWPaperF1.pdf>. *See also*, America’s Health Insurance Plans, “Medical Liability Reform,” found at <http://www.ahip.org/content/default.aspx?bc=39|341|320>; Public Citizen, “Insurance Companies and Their Lobbyists Admit It: Caps on Damages Won’t Lower Insurance Premiums,” found at http://www.citizen.org/congress/article_redirect.cfm?ID=9008.

² Joseph M. Belth, ed., *Insurance Forum*, Vol. 38, No. 7 (July 2011), 191, 195-204.

³ *Id.* at 191. “Public companies file compensation exhibits with the SEC. For each of the five highest compensated individuals, the exhibit shows salary, bonus, stock awards, option awards, non-equity incentive plan compensation, change in pension value and non-qualified deferred compensation earnings, all other compensation, and total. We show the total.” *Ibid.* “Nebraska law requires every insurance company doing business there to file a compensation exhibit. For each of the ten highest compensated individuals, the exhibit shows salary, bonus, all other compensation, and total. We show the total.” *Ibid.* In New York, “[e]very life insurance company doing business in the state must file a compensation exhibit. For each individual, the exhibit shows the total of ‘any and all remuneration, including all salaries, commissions, stock grants, gains from the exercise of stock options and other emoluments paid.’” *Ibid.*

⁴ *Ibid.*

⁵ *Ibid.*

⁶ *Id.* at 195-197.

⁷ *Id.* at 191.

⁸ *Ibid.*

⁹ *Id.* at 197-202.

¹⁰ *Id.* at 191.

¹¹ *Ibid.*

¹² *Id.* at 202-204.