

Draft date: 4/26/24

*Virtual Meeting*

**MARKET CONDUCT ANNUAL STATEMENT BLANKS (D) WORKING GROUP**

Wednesday, May 1, 2024

2:00 – 3:00 p.m. ET / 1:00 – 2:00 p.m. CT / 12:00 – 1:00 p.m. MT / 11:00 a.m. – 12:00 p.m. PT

**ROLL CALL**

Rebecca Rebholz, Chair	Wisconsin	Martin Swanson	Nebraska
Tolanda Coker, Vice Chair	Arizona	Hermoliva Abejar	Nevada
Teri Ann Mecca/Jake Windley	Arkansas	Patrick Zeller	New Mexico
Sheryl Parker	Florida	Guy Self	Ohio
Elizabeth Nunes/ Paula Shamburger	Georgia	Gary Jones/August Hall/ Karen Veronikis	Pennsylvania
Erica Weyhenmeyer	Illinois	Gwendolyn McGriff/	South Carolina
Shannon Lloyd	Kansas	Rachel Moore	
Lori Cunningham	Kentucky	Larry D. Deiter	South Dakota
Raymond Guzman	Maryland	Shelli Isiminger	Tennessee
Mary Lou Moran	Massachusetts	Shelley Wiseman	Utah
Jeff Hayden	Michigan	Melissa Gerachis/Will Felvey	Virginia
T.J. Patton/ John Fritzberg-Glover	Minnesota	John Haworth/John Kelcher	Washington
Julie Hesser/Jo LeDuc	Missouri	Letha Tate	West Virginia

NAIC Support Staff: Teresa Cooper/Hal Marsh

**AGENDA**

1. Consider Adoption of its April 2 Minutes—*Rebecca Rebholz (WI)* Attachment 1
2. Consider Adoption of its April 19 Electronic Vote Minutes —*Rebecca Rebholz (WI)* Attachment 2
3. Discuss Formation of a SME Group to Address the Federal Government’s New Rules Limiting the Duration of Short-Term, Limited Duration Medical Plans to 90 Days With a Month Extension – Randy Helder (NAIC)

STLDI Final Rule Considerations for States

<https://www.shvs.org/short-term-limited-duration-insurance-final-rule-considerations-for-states/>

4. Consider the Removal of the Duplicate Data Elements in the Market Conduct Annual Statement (MCAS) Short-Term, Limited Duration (STLD) Blank  
—*Rebecca Rebholz (WI)*
  - A. Data Elements 64 and 74
  - B. Data Elements 69 and 75Attachments 3 & 4
5. Consider the Removal of the Duplicate Data Elements in the MCAS Other Health Blank— *Rebecca Rebholz (WI)*
  - A. Data Elements 67 and 71
  - B. Data Elements 51 and 90Attachments 5 & 6
6. Consider the Proposed Clarification of MCAS Home and Auto Definition of Lawsuit — *Rebecca Rebholz (WI)* Attachment 7
7. Consider the Proposed Edits to the Definition of External Replacement of Affiliated Company Policies in the MCAS Life and Annuity Blanks — *Rebecca Rebholz (WI)* Attachment 8
8. Hear an Update From the Subject Matter Expert (SME) Group Formed to Discuss Possible Edits to the Definition of Accelerated Underwriting for Clarification Purposes— *Rebecca Rebholz (WI)*
9. Hear an Update on the Formation of a SME Group to Discuss Needed Pet Insurance MCAS Clarifications—*Randy Helder (NAIC)*
  - A. Reporting of Partial Payment
  - B. Reporting of “Right to Review” data
10. Discuss Any Other Matters Brought Before the Working Group—*Rebecca Rebholz (WI)*
11. Adjournment

Draft: 4/25/24

Market Conduct Annual Statement Blanks (D) Working Group  
Virtual Meeting  
April 2, 2024

The Market Conduct Annual Statement Blanks (D) Working Group of the Market Regulation and Consumer Affairs (D) Committee met April 2, 2024. The following Working Group members participated: Rebecca Rebholz, Chair (WI); Maria Ailor (AZ); Erica Weyhenmeyer (IL); LeAnn Crow (KS); Jeff Hayden (MI); Bryce Wang (MN); Jo LeDuc (MO); Robert McCullough (NE); Guy Self (OH); Karen Veronikis (PA); Tony Dorschner (SD); Shelli Isiminger (TN); and Melissa Gerachis (VA). Also participating was: Brett Bache (RI).

1. Adopted its Oct. 10, 2023, Minutes

The Working Group met Oct. 10, 2023. During the meeting, the Working Group took the following action: 1) adopted clarifying language to the definition of closed claim in the property and casualty lines of business; and 2) adopted revisions to the MCAS Change Process.

Rebholz made a motion, seconded by Crow, to adopt the Working Group's Oct. 10, 2023, minutes. The motion passed unanimously.

2. Discussed Needed Clarifications on the Pet Insurance MCAS

Randy Helder (NAIC) reported that while the Working Group was drafting the pet insurance Market Conduct Annual Statement (MCAS), it found there were a number of ratios that referred to partial payments and that there was not a definition for partial payment in the pet insurance MCAS blank. The drafting group decided to request that a subject matter expert (SME) group be formed to develop a definition that could be put into the data call and definitions, as well as draft frequently asked questions (FAQ) for guidance prior to the pet insurance blank's first filing in April, 2025. The Working Group also questioned whether a canceled policy would be reported in the right-to-review data element as well as the cancellation data element. The Working Group is still working to form the SME Group, and a draft definition is ready to present to the SME Group once it is formed. Crow said that if anyone is interested in being part of the SME Group to reach out.

3. Reviewed Two Sets of Duplicate Data Elements in the MCAS STLD Blank

Crow reported that NAIC staff have identified two potential duplicate data elements within the short-term, limited-duration (STLD) blank, which are date elements No. 69 and No. 75. She noted that data elements No. 64 and No. 74 may also be duplicates. These two elements ask for the number of covered lives impacted by cancellation initiated by the policyholder or certificate holder during the period. The date elements are #64 which is "the number of covered lives on a policyholder certificate, canceled at the initiation of the policyholder certificate" and data element # 74 which is "number of insured lives impacted on terminations and cancellations initiated by the policyholder/certificate holder."

The Working Group exposed the data elements for a 17-day public comment period ending April 19.

#### 4. Reviewed Two Sets of Duplicate Data Elements in the MCAS Other Health Blank

Crow also identified two sets of duplicate data elements on the other health blank. Data element No. 67 is the “number of denied, rejected, or returned claims due to being non-covered or maximum benefit exceeded”, and No. 71 is the “number of denied, rejected, or returned (in whole or in part) because the maximum dollar amount limit exceeded.” She said there is also a potential duplication with data elements No. 51 and No. 90. She said both ask for the number of new policy certificates denied during the period.

The Working Group exposed the data elements for a 17-day public comment period ending April 19.

#### 5. Discussed Possible Edits to Clarify the Definition of Accelerated Underwriting

Crow stated NAIC staff have received questions on the definition of accelerated underwriting (AU), and grammatical edits are needed for clarification. Rebholz said the proposed revisions are intended to complete the definition, which was not a complete sentence.

LeDuc said the definitions include both the Accelerated Underwriting (D) Working Group’s definition of AU and the MCAS definition of AU. LeDuc said the MCAS definition intentionally excluded the term “big data” and said it was made clear in the data call that the definition being presented was solely for the purpose of MCAS. Rebholz said that the term “big data” was removed at the request of the American Council of Life Insurers (ACLI).

Helder said that there needs to be some clarity for the companies and that there needs to be some expertise involved in developing the clarification. Crow proposed forming a SME group and have a call to provide the clarification that is needed. She said that anyone interested in participating should email Hal Marsh, Teresa Cooper, or Helder.

#### 6. Discussed the Clarification of MCAS Home and Auto Lawsuit Definition

Crow said that questions have been raised regarding the updated lawsuit definition within the home and private passenger auto (PPA) MCAS data call and definitions. Helder said that when the Working Group attempted to make the definitions consistent throughout the lines of business, it unintentionally used language that would require only lawsuits that names the insurance company as a defendant. He said that would unintentionally exclude third party lawsuits on most claims against the insured. Helder proposed revising on the first bullet point of the lawsuit definition to begin with the clause, “for non-claims related lawsuits”.

Lisa Brown (American Property Casualty Insurance Association—APCIA) said the issue arose because the original MCAS lines for PPA and homeowner (HO) had an old definition of lawsuit. The original definition was limited to first- and third-party lawsuits arising from a claim. Brown said when the wording was changed to include non-claims-related lawsuits it became confusing.

The Working Group provide for a 17-day public comment period ending April 19.

#### 7. Discussed MCAS Reporting of Life/Annuity Replacements of a Company’s Policy/Contract Under the Same Holding Company Group

Bache said that in Rhode Island, the replacement of a policy issued by an affiliate or a subsidiary under common ownership is considered an internal replacement. He said this is consistent with the *Life Insurance and Annuities*

*Replacement Model Regulation (#613)*. He said the MCAS blanks requires replacements of affiliates to be reported as external replacements. Bache proposed that they should be reported as internal replacements to be consistent with Model Regulation #613. Bache said that his proposal includes suggested language to make the revision.

Isiminger agreed with Bache.

The Working Group exposed the data elements for a 17-day public comment period ending April 19.

Having no further business, the Market Conduct Annual Statement Blanks (D) Working Group adjourned.

SharePoint/NAIC Support Staff Hub/D Working Groups/MCAS Blanks WG (TES)/2024 MCAS Blanks WG

Draft: 4/26/2024

Market Conduct Annual Statement Blanks (D) Working Group  
E-Vote  
April 19, 2024

The Market Conduct Annual Statement (MCAS) Blanks (D) Working Group of the Market Regulation and Consumer Affairs (D) Committee conducted an e-vote that concluded April 19, 2024. The following Working Group members participated: Rebecca Rebholz, Chair (WI); Sheryl Parker (FL); Erica Weyhenmeyer (IL); Lori Cunningham (KY); Mary Lou Moran (MA); Raymond Guzman (MD); Jeff Hayden (MI); Julie Hesser (MO); Robert McCullough (NE); Guy Self (OH); Karen Veronikis (PA); Rachel Moore (SC); Shelli Isiminger (TN); Shelley Wiseman (UT); Melissa Gerachis (VA); John Kelcher (WA); Letha Tate (WV).

1. Adopted the Proposed Grammatical Changes to the MCAS Life and Annuity Definition of AU

The existing definition of accelerated underwriting (AU) does not read as a complete sentence. The proposed additions to the definition do not change the substance of the definition but serve to make the definition more grammatically correct.

The grammatical change was first exposed to the MCAS Blanks (D) Working Group during its April 2, 2024, MCAS meeting. A subject matter expert (SME) group consisting of regulators, industry representatives, and NAIC staff met April 16, 2024, to review the change. The SME group is in agreement with the proposed edits.

The current definition of MCAS AU is “For this MCAS, data should be reported as Accelerated Underwriting when artificial intelligence and/or machine learning which utilizes, in whole or in part, Other Non-medical Third-party Data and/or FCRA Compliant Non-medical Third-party Data in the underwriting of life insurance; including when used in combination with Application Data or Medical Data.”

The proposed definition of MCAS AU is “For this MCAS, data should be reported as Accelerated Underwriting when artificial intelligence and/or machine learning which utilizes, in whole or in part, Other Non-medical Third-party Data and/or FCRA Compliant Non-medical Third-party Data in the underwriting of life insurance ***is applied;*** including when ***that data is*** used in combination with Application Data or Medical Data.”

A quorum of the Working Group members voted in favor of adopting the motion, which will allow for the grammatical changes to be made to the definition of AU on the MCAS life and annuity blanks. The motion passed.

Having no further business, the Market Conduct Annual Statement Blanks (D) Working Group adjourned.

SharePoint/Market Regulation – Home/D Working Groups/MCAS Blanks WG (TES)/2024 MCAS Blanks WG/WG Mtg 0501

## NAIC USE ONLY

Proposal Submission Date: 2/29/2024	
Proposed Effective Data Year for Reporting: 2024 Data Year	
Proposed <input checked="" type="checkbox"/> Substantive Change <input type="checkbox"/> Non-Substantive Change/Clarification	
Proposal Number	2024.2
Proposal Status	<u>All Submissions</u> <input checked="" type="checkbox"/> Received – Date 2/29/2024 <input checked="" type="checkbox"/> Accepted <input type="checkbox"/> Rejected by MCAS Blanks WG Chair <input checked="" type="checkbox"/> Posted to Web Page for Public Exposure/Comment – Date 4/3/2024 <input type="checkbox"/> Referred to Another NAIC Group – Date Click or tap to enter a date. – Name of Group Click or tap here to enter text. <input type="checkbox"/> Adopted <input type="checkbox"/> Modified <input type="checkbox"/> Rejected <input type="checkbox"/> Deferred by WG – Date Click or tap to enter a date. <u>Substantive Revisions</u> <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by D Committee – Date Click or tap to enter a date. <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by EX/Plenary – Date Click or tap to enter a date. <input type="checkbox"/> Other – Date Click or tap to enter a date. Specify Click or tap here to enter text.
NAIC Staff Input	Form updated with recommendation on 4/18/2024.

## Proposal Contact Information

Name of Contact Person	Rebecca Rebholz
Name of Organization	Wisconsin Office of the Commissioner of Insurance
Email Address	rebecca.rebholz@wisconsin.gov
Phone Number	608-264-8111
Affiliation Type	<input checked="" type="checkbox"/> State Regulator <input type="checkbox"/> NAIC Staff <input type="checkbox"/> Other Regulator <input type="checkbox"/> Reporting Company <input type="checkbox"/> Industry Trade Association <input type="checkbox"/> Consumer Representative <input type="checkbox"/> Other

PROPOSAL IS FOR:  Data Element     Data Definitions     Data Validation

## APPLICABLE LINE(S) OF BUSINESS:

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Annuity           | <input type="checkbox"/> Lender Placed Auto and Home | <input type="checkbox"/> Private Flood          |
| <input type="checkbox"/> Disability Income | <input type="checkbox"/> Life                        | <input type="checkbox"/> Private Passenger Auto |
| <input type="checkbox"/> Health            | <input type="checkbox"/> Long-Term Care              | <input type="checkbox"/> Travel                 |
| <input type="checkbox"/> Homeowners        | <input type="checkbox"/> Other Health                | <input checked="" type="checkbox"/> STLD        |

## PROVIDE A CONCISE STATEMENT OF THE PROPOSED CHANGE:

Data elements #64 and #74 both ask for covered lives impacted by cancellations initiated by the policyholder/certificate holder during the period. **Recommendation:** Delete data element #64. Removing data element #64 will create more consistent wording throughout the entire MCAS STLD Blank.

#64 – Number of Covered Lives on Policies/Certificates Cancelled at the Initiation of the policyholder/certificate holder During the Period.

#74 – Number of insured lives impacted on terminations and cancellations initiated by the policyholder/certificateholder.

**PROVIDE THE REASON FOR THE CHANGE:**

Identify duplicate data elements and remove the duplicate element.

**IF ADDITIONAL DOCUMENTS CONTAIN DEFINITIONS, BLANK MOCK-UPS, ETC, PROVIDE A LISTING OF THESE DOCUMENTS BELOW. SEND THE LISTED DOCUMENTS TO NAIC STAFF ALONG WITH THE COMPLETED FORM:**

Click or tap here to enter text.



## NAIC USE ONLY

Proposal Submission Date: 2/29/2024	
Proposed Effective Data Year for Reporting: 2024 Data Year	
Proposed <input checked="" type="checkbox"/> Substantive Change <input type="checkbox"/> Non-Substantive Change/Clarification	
Proposal Number	2024.1
Proposal Status	<u>All Submissions</u> <input checked="" type="checkbox"/> Received – Date 2/29/2024 <input checked="" type="checkbox"/> Accepted <input type="checkbox"/> Rejected by MCAS Blanks WG Chair <input checked="" type="checkbox"/> Posted to Web Page for Public Exposure/Comment – Date 4/3/2024 <input type="checkbox"/> Referred to Another NAIC Group – Date Click or tap to enter a date. – Name of Group Click or tap here to enter text. <input type="checkbox"/> Adopted <input type="checkbox"/> Modified <input type="checkbox"/> Rejected <input type="checkbox"/> Deferred by WG – Date Click or tap to enter a date. <u>Substantive Revisions</u> <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by D Committee – Date Click or tap to enter a date. <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by EX/Plenary – Date Click or tap to enter a date. <input type="checkbox"/> Other – Date Click or tap to enter a date. Specify Click or tap here to enter text.
NAIC Staff Input	Form updated with recommendation on 4/18/2024

## Proposal Contact Information

Name of Contact Person	Rebecca Rebholz
Name of Organization	Wisconsin Office of the Commissioner of Insurance
Email Address	rebecca.rebholz@wisconsin.gov
Phone Number	608-264-8111
Affiliation Type	<input checked="" type="checkbox"/> State Regulator <input type="checkbox"/> NAIC Staff <input type="checkbox"/> Other Regulator <input type="checkbox"/> Reporting Company <input type="checkbox"/> Industry Trade Association <input type="checkbox"/> Consumer Representative <input type="checkbox"/> Other

PROPOSAL IS FOR:  Data Element     Data Definitions     Data Validation

## APPLICABLE LINE(S) OF BUSINESS:

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Annuity           | <input type="checkbox"/> Lender Placed Auto and Home | <input type="checkbox"/> Private Flood          |
| <input type="checkbox"/> Disability Income | <input type="checkbox"/> Life                        | <input type="checkbox"/> Private Passenger Auto |
| <input type="checkbox"/> Health            | <input type="checkbox"/> Long-Term Care              | <input type="checkbox"/> Travel                 |
| <input type="checkbox"/> Homeowners        | <input type="checkbox"/> Other Health                | <input checked="" type="checkbox"/> STLD        |

## PROVIDE A CONCISE STATEMENT OF THE PROPOSED CHANGE:

Data elements #69 and #75 both ask for covered lives impacted by cancellations resulting from nonpayment.

**Recommendation:** Delete data element #69. Removing data element #69 will create more consistent wording throughout the entire MCAS STLD Blank.

#69 – Number of Lives on Policies/Certificates Cancelled Due to Non-Payment of Premium During the Period.

#75 – Number of insured lives impacted on terminations and cancellations due to nonpayment.

## PROVIDE THE REASON FOR THE CHANGE:

Identify duplicate data elements and remove the duplicate element.

IF ADDITIONAL DOCUMENTS CONTAIN DEFINITIONS, BLANK MOCK-UPS, ETC, PROVIDE A LISTING OF THESE DOCUMENTS BELOW. SEND THE LISTED DOCUMENTS TO NAIC STAFF ALONG WITH THE COMPLETED FORM:

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## NAIC USE ONLY

Proposal Submission Date: 2/29/2024	
Proposed Effective Data Year for Reporting: 2024 Data Year	
Proposed <input checked="" type="checkbox"/> Substantive Change <input type="checkbox"/> Non-Substantive Change/Clarification	
Proposal Number	2024.3
Proposal Status	<u>All Submissions</u> <input checked="" type="checkbox"/> Received – Date 2/29/2024 <input checked="" type="checkbox"/> Accepted <input type="checkbox"/> Rejected by MCAS Blanks WG Chair <input checked="" type="checkbox"/> Posted to Web Page for Public Exposure/Comment – Date 4/3/2024 <input type="checkbox"/> Referred to Another NAIC Group – Date Click or tap to enter a date. – Name of Group Click or tap here to enter text. <input type="checkbox"/> Adopted <input type="checkbox"/> Modified <input type="checkbox"/> Rejected <input type="checkbox"/> Deferred by WG – Date Click or tap to enter a date. <u>Substantive Revisions</u> <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by D Committee – Date Click or tap to enter a date. <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by EX/Plenary – Date Click or tap to enter a date. <input type="checkbox"/> Other – Date Click or tap to enter a date. Specify Click or tap here to enter text.
NAIC Staff Input	Form updated with recommendation on 4/18/2024.

## Proposal Contact Information

Name of Contact Person	Rebecca Rebholz
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Phone Number	608-264-8111
Affiliation Type	<input checked="" type="checkbox"/> State Regulator <input type="checkbox"/> NAIC Staff <input type="checkbox"/> Other Regulator <input type="checkbox"/> Reporting Company <input type="checkbox"/> Industry Trade Association <input type="checkbox"/> Consumer Representative <input type="checkbox"/> Other

PROPOSAL IS FOR:  Data Element     Data Definitions     Data Validation

## APPLICABLE LINE(S) OF BUSINESS:

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Annuity           | <input type="checkbox"/> Lender Placed Auto and Home | <input type="checkbox"/> Private Flood          |
| <input type="checkbox"/> Disability Income | <input type="checkbox"/> Life                        | <input type="checkbox"/> Private Passenger Auto |
| <input type="checkbox"/> Health            | <input type="checkbox"/> Long-Term Care              | <input type="checkbox"/> Travel                 |
| <input type="checkbox"/> Homeowners        | <input checked="" type="checkbox"/> Other Health     | <input type="checkbox"/> STLD                   |

## PROVIDE A CONCISE STATEMENT OF THE PROPOSED CHANGE:

Data elements #67 and #71 both ask for number of claims denied, rejected, or returned because the maximum has been exceeded. **Recommendation:** Delete data element #71. Removing data element #71 will create more consistent wording throughout the entire MCAS STLD Blank.

#67 – Number denied, rejected, or returned as non-covered or maximum benefit exceeded.

#71 – Number denied, rejected, or returned (in whole or in part) because maximum \$ limit exceeded.

## PROVIDE THE REASON FOR THE CHANGE:

Identify duplicate data elements and remove the duplicate.

IF ADDITIONAL DOCUMENTS CONTAIN DEFINITIONS, BLANK MOCK-UPS, ETC, PROVIDE A LISTING OF THESE DOCUMENTS BELOW. SEND THE LISTED DOCUMENTS TO NAIC STAFF ALONG WITH THE COMPLETED FORM:

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## NAIC USE ONLY

Proposal Submission Date: 3/19/2024	
Proposed Effective Data Year for Reporting: 2024 Data Year	
Proposed <input checked="" type="checkbox"/> Substantive Change <input type="checkbox"/> Non-Substantive Change/Clarification	
Proposal Number	2024.6
Proposal Status	<u>All Submissions</u> <input checked="" type="checkbox"/> Received – Date 3/19/2024 <input checked="" type="checkbox"/> Accepted <input type="checkbox"/> Rejected by MCAS Blanks WG Chair <input checked="" type="checkbox"/> Posted to Web Page for Public Exposure/Comment – Date 4/3/2024 <input type="checkbox"/> Referred to Another NAIC Group – Date Click or tap to enter a date. – Name of Group Click or tap here to enter text. <input type="checkbox"/> Adopted <input type="checkbox"/> Modified <input type="checkbox"/> Rejected <input type="checkbox"/> Deferred by WG – Date Click or tap to enter a date. <u>Substantive Revisions</u> <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by D Committee – Date Click or tap to enter a date. <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by EX/Plenary – Date Click or tap to enter a date. <input type="checkbox"/> Other – Date Click or tap to enter a date. Specify Click or tap here to enter text.
NAIC Staff Input	Form updated with recommendation on 4/18/2024.

## Proposal Contact Information

Name of Contact Person	Rebecca Rebholz
Name of Organization	Wisconsin Office of the Commissioner of Insurance
Email Address	rebecca.rebholz@wisconsin.gov
Phone Number	608-264-8111
Affiliation Type	<input checked="" type="checkbox"/> State Regulator <input type="checkbox"/> NAIC Staff <input type="checkbox"/> Other Regulator <input type="checkbox"/> Reporting Company <input type="checkbox"/> Industry Trade Association <input type="checkbox"/> Consumer Representative <input type="checkbox"/> Other

PROPOSAL IS FOR:  Data Element     Data Definitions     Data Validation

## APPLICABLE LINE(S) OF BUSINESS:

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Annuity           | <input type="checkbox"/> Lender Placed Auto and Home | <input type="checkbox"/> Private Flood          |
| <input type="checkbox"/> Disability Income | <input type="checkbox"/> Life                        | <input type="checkbox"/> Private Passenger Auto |
| <input type="checkbox"/> Health            | <input type="checkbox"/> Long-Term Care              | <input type="checkbox"/> Travel                 |
| <input type="checkbox"/> Homeowners        | <input checked="" type="checkbox"/> Other Health     | <input type="checkbox"/> STLD                   |

## PROVIDE A CONCISE STATEMENT OF THE PROPOSED CHANGE:

Data elements #51 and #90 both ask for the number of new policies/certificates denied during the period.

#51 – Number of new policies/certificates denied during the period.

#90 – Number of individual applications/enrollments denied during the period for any reason.

**Recommendation:** Keep both data elements for this reporting period. The intent of the two data elements was to produce the same data, the reporting fits well into both of the current reporting sections. Instead of removing one data element now, review the submitted 2023 data that is reported, then determine if one of the data elements should be removed. Recommend creating a Subject Matter Expert (SME) Group to review the

Policy/Certificate Administration and Marketing and Sales sections of the MCAS Other Health Blank. SMEs can review the two sections to determine if there are data elements that can be changed (wording), removed or combined. Changes would be implemented for the 2026 data reporting year if approved by the MCAS Blanks WG by 6/1/25.

**PROVIDE THE REASON FOR THE CHANGE:**

Identify duplicate data elements and remove the duplicate.

**IF ADDITIONAL DOCUMENTS CONTAIN DEFINITIONS, BLANK MOCK-UPS, ETC, PROVIDE A LISTING OF THESE DOCUMENTS BELOW. SEND THE LISTED DOCUMENTS TO NAIC STAFF ALONG WITH THE COMPLETED FORM:**

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## NAIC USE ONLY

Proposal Submission Date: 2/22/2024	
Proposed Effective Data Year for Reporting: 2023 Data Year	
Proposed <input type="checkbox"/> Substantive Change <input checked="" type="checkbox"/> Non-Substantive Change/Clarification	
Proposal Number	2024.4
Proposal Status	<u>All Submissions</u> <input checked="" type="checkbox"/> Received – Date 2/22/2024 <input type="checkbox"/> Accepted <input type="checkbox"/> Rejected by MCAS Blanks WG Chair <input type="checkbox"/> Posted to Web Page for Public Exposure/Comment – Date Click or tap to enter a date. <input type="checkbox"/> Referred to Another NAIC Group – Date Click or tap to enter a date. – Name of Group Click or tap here to enter text. <input type="checkbox"/> Adopted <input type="checkbox"/> Modified <input type="checkbox"/> Rejected <input type="checkbox"/> Deferred by WG – Date Click or tap to enter a date. <u>Substantive Revisions</u> <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by D Committee – Date Click or tap to enter a date. <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by EX/Plenary – Date Click or tap to enter a date. <input type="checkbox"/> Other – Date Click or tap to enter a date. Specify Click or tap here to enter text.
NAIC Staff Input	Click or tap here to enter text.

## Proposal Contact Information

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PROPOSAL IS FOR:  Data Element  Data Definitions  Data Validation

## APPLICABLE LINE(S) OF BUSINESS:

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Annuity               | <input type="checkbox"/> Lender Placed Auto and Home | <input type="checkbox"/> Private Flood                     |
| <input type="checkbox"/> Disability Income     | <input type="checkbox"/> Life                        | <input checked="" type="checkbox"/> Private Passenger Auto |
| <input type="checkbox"/> Health                | <input type="checkbox"/> Long-Term Care              | <input type="checkbox"/> Travel                            |
| <input checked="" type="checkbox"/> Homeowners | <input type="checkbox"/> Other Health                | <input type="checkbox"/> STLD                              |

## PROVIDE A CONCISE STATEMENT OF THE PROPOSED CHANGE:

Change the first bullet point on the existing definition of lawsuit to “For non-claims related lawsuits, include only lawsuits brought by an applicant for insurance, a policyholder or claimant as a plaintiff against the reporting insurer as a defendant.”

Existing definition of lawsuit – Include only lawsuits brought by applicant for insurance, a policyholder or claimant as a plaintiff against the reporting insurer as a defendant.

## PROVIDE THE REASON FOR THE CHANGE:

The current wording of the first bullet-point was added to provide a definition for non-claims related lawsuits. It was copied from the Disability Income MCAS definition of lawsuit, but the last portion of it should have been deleted.

The intent of adding this bullet-point was to define non-claims related lawsuits. But since it was added to the entire definition of lawsuit, the bullet-point also alters how claims-related lawsuits are to be reported. From the inception of MCAS to the most recent filing, claims-related lawsuits were any lawsuit against the insured arising from a claim regardless of whether the insurer was a named defendant. The current wording would drastically reduce the reported number of claims-related lawsuits if the companies read and apply this new definition without questioning the change.

**IF ADDITIONAL DOCUMENTS CONTAIN DEFINITIONS, BLANK MOCK-UPS, ETC, PROVIDE A LISTING OF THESE DOCUMENTS BELOW. SEND THE LISTED DOCUMENTS TO NAIC STAFF ALONG WITH THE COMPLETED FORM:**

Click or tap here to enter text.



## NAIC USE ONLY

Proposal Submission Date: 2/28/2024	
Proposed Effective Data Year for Reporting: 2025 Data Year	
Proposed <input checked="" type="checkbox"/> Substantive Change <input type="checkbox"/> Non-Substantive Change/Clarification	
Proposal Number	2024.7
Proposal Status	<u>All Submissions</u> <input checked="" type="checkbox"/> Received – Date 3/25/2024 <input type="checkbox"/> Accepted <input type="checkbox"/> Rejected by MCAS Blanks WG Chair <input type="checkbox"/> Posted to Web Page for Public Exposure/Comment – Date Click or tap to enter a date. <input type="checkbox"/> Referred to Another NAIC Group – Date Click or tap to enter a date. – Name of Group Click or tap here to enter text. <input type="checkbox"/> Adopted <input type="checkbox"/> Modified <input type="checkbox"/> Rejected <input type="checkbox"/> Deferred by WG – Date Click or tap to enter a date. <u>Substantive Revisions</u> <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by D Committee – Date Click or tap to enter a date. <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by EX/Plenary – Date Click or tap to enter a date. <input type="checkbox"/> Other – Date Click or tap to enter a date. Specify Click or tap here to enter text.
NAIC Staff Input	Click or tap here to enter text.

## Proposal Contact Information

Name of Contact Person	Brett Bache
Name of Organization	Rhode Island Insurance Division
Email Address	Brett.bache@dbr.ri.gov
Phone Number	401-462-9612
Affiliation Type	<input checked="" type="checkbox"/> State Regulator <input type="checkbox"/> NAIC Staff <input type="checkbox"/> Other Regulator <input type="checkbox"/> Reporting Company <input type="checkbox"/> Industry Trade Association <input type="checkbox"/> Consumer Representative <input type="checkbox"/> Other

PROPOSAL IS FOR:  Data Element       Data Definitions       Data Validation

## APPLICABLE LINE(S) OF BUSINESS:

- |   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> Annuity | <input type="checkbox"/> Lender Placed Auto and Home | <input type="checkbox"/> Private Flood          |
| <input type="checkbox"/> Disability Income  | <input checked="" type="checkbox"/> Life             | <input type="checkbox"/> Private Passenger Auto |
| <input type="checkbox"/> Health             | <input type="checkbox"/> Long-Term Care              | <input type="checkbox"/> Travel                 |
| <input type="checkbox"/> Homeowners         | <input type="checkbox"/> Other Health                | <input type="checkbox"/> STLD                   |

## PROVIDE A CONCISE STATEMENT OF THE PROPOSED CHANGE:

Under the [Life Insurance and Annuities Replacement Model regulation \[content.naic.org\]](https://content.naic.org), the incontestability provision in Section 5. B states: “In transactions where the replacing insurer and the existing insurer are the same or subsidiaries or affiliates under common ownership or control, allow credit for the period of time that has elapsed under the replaced policy’s or contract’s incontestability and suicide period up to the face amount of the existing policy or contract.” The interpretation is that the model regulation is calling replacements within the same holding company “internal replacements.” However, the Life and Annuity MCAS Blanks appears to categorize these intra-holding company replacements as an external replacement, as the definition for an “External Replacement of

Affiliated Company Policies” states: “An external replacement of an affiliated company policy is when the policy and/or annuity to be replaced was issued by a company affiliated to the MCAS reporting company.” If it is determined that a change is needed, then the definition of an “External Replacement of Affiliated Company Policies” would need to be revised and the corresponding data element as well.

Current Definition

External Replacement of Affiliated Company Policies – An external replacement of an affiliated company policy is when the policy and/or annuity to be replaced was issued by a company affiliated to the MCAS reporting company.

Proposed Definition

**Internal** Replacement of Affiliated Company Policies – An **internal** replacement of an affiliated company policy is when the policy and/or annuity to be replaced was issued by a company affiliated to the MCAS reporting company.

PROVIDE THE REASON FOR THE CHANGE:

To ensure that the Life and Annuity data call reflects the language used in the Life Insurance and Annuities Replacement Model Regulation.

IF ADDITIONAL DOCUMENTS CONTAIN DEFINITIONS, BLANK MOCK-UPS, ETC, PROVIDE A LISTING OF THESE DOCUMENTS BELOW. SEND THE LISTED DOCUMENTS TO NAIC STAFF ALONG WITH THE COMPLETED FORM:

Click or tap here to enter text.