



NATIONAL MEETING SPRING 2022

Date: 3/16/22

Virtual Meeting

(in lieu of meeting at the 2022 Spring National Meeting)

BLANKS (E) WORKING GROUP

Tuesday, March 29, 2022

12:00 – 1:00 p.m. ET / 11:00 a.m. – 12:00 p.m. CT / 10:00 – 11:00 a.m. MT / 9:00 – 10:00 a.m. PT

ROLL CALL

Patricia Gosselin, Chair	New Hampshire	Nakia Reid	New Jersey
Kim Hudson, Vice Chair	California	Tracy Snow	Ohio
Wally Thomas	Alaska	Diane Carter	Oklahoma
William Arfanis	Connecticut	Ryan Keeling	Oregon
Nicole Brittingham	Delaware	Kimberly Rankin/ Melissa Greiner	Pennsylvania
N. Kevin Brown	District of Columbia	Shawn Frederick	Texas
Carolyn Morgan	Florida	Jake Garn	Utah
Roy Eft	Indiana	Steve Drutz	Washington
Daniel Mathis	Iowa	Jamie Taylor	West Virginia
Dan Schaefer	Michigan	Adrian Jaramillo	Wisconsin
Debbie Doggett/Danielle Smith	Missouri		
Lindsay Crawford/Justin Schrader	Nebraska		

NAIC Support Staff: Mary Caswell/Calvin Ferguson/Jill Youtsey/Julie Gann

AGENDA

1. Consider Adoption of its Nov. 16, 2021, Minutes—*Patricia Gosselin (NH)* Attachment A
2. Consider Adoption of Items Previously Deferred—*Patricia Gosselin (NH)*
 - A. **2021-13BWG** – Add a new supplement to capture premium and loss data for Annual Statement Line 17.1, Line 17.2, and Line 17.3 of the Exhibit of Premiums and Losses (State Page) – Other Liability by more granular lines of business. Attachment B
3. Consider Adoption of Items Previously Exposed—*Patricia Gosselin (NH)*
 - A. **2021-15BWG** – Add a footnote to Exhibit 7 in the Life/Fraternal Statement and the Health Statement (Life Supplement) to capture amount of FHLB Funding Agreements reported in Columns 1 through 6 of the exhibit (2021-16 SAPWG). Attachment C

- B. **2021-16BWG Modified** – For Note 9 – Income Taxes, remove the 9C illustration instructions for the DTA and DTL components, which state, “reporting entities should disclose those items included as ‘Other’ (Lines 2a13, 2e4, 3a5, and 3b3) as additional lines for those items greater than 5% in the printed/PDF filing document,” as the illustration is not set up to accommodate variable lines. Add formulas for calculation of total and subtotal on the illustration for 9C. For Note 15 – Leases, modify the illustrations to add a “Thereafter” line and add a formula for “Total” line. Attachment D
- C. **2021-17BWG Modified** – Modify the Analysis of Operations by Lines of Business in the Health Blank to include all of health lines of business included in the Life/Fraternal Analysis of Operations by Lines of Business – Accident and Health. Add instructions for the new columns and adjust the column references. Add the Health Blank Analysis of Operations by Lines of Business as a supplement to the Life/Fraternal Blank with the appropriate instructions and crosschecks. Add crosscheck to the Health Blank Analysis of Operations by Lines of Business to the Life/Fraternal Analysis of Operations by Lines of Business – Accident and Health instructions. Attachment E
- D. **2021-18BWG** – Modify the Life Insurance (State Page) to include the line of business detail reported on the Analysis of Operations by Lines of Business pages. Two new Schedule T style pages (Exhibit of Claims Settled During the Current Year and Policy Exhibit) are created to include detail captured by state on the existing Life Insurance (State Page) that could not be included due to limited space. Add definitions for life and annuity products to the lines of business definitions in the health appendix. Attachment F
- E. **2021-19BWG Modified** – Add columns and lines to U&I (Parts 1, 2, 2A, 2B, and 2D) and the Exhibit of Premiums, Enrollment and Utilization in the annual statement to bring the lines of business reporting in line with Life/Fraternal and Property. Add columns and lines to the Exhibit of Premiums, Enrollment and Utilization and U&I Analysis of Claims Unpaid quarterly pages. The appropriate adjustments to the instructions are also being made. Attachment G
- F. **2021-20BWG Modified** – Starting at Line 72 of the Life/Fraternal Five-Year Historical, add or delete lines that do not capture the specific lines of business reported on the Life/Fraternal Analysis of Operations by Lines of Business detail pages for life (individual and group), annuities (individual and group), and A&H for Line 33 of those pages. Attachment H
- G. **2021-21BWG Modified** – Add instruction to the Investment Schedules General Instructions to exclude non-rated residual tranches or interests from being reported as bonds on Schedule D, Part 1, and add lines to Schedule BA for the reporting of those investments (2021-15 SAPWG). Attachment I
- H. **2021-22BWG Modified** – Add a new reporting requirement in the investment schedules for investment transactions with related parties. In Attachment J

addition to capturing direct loans in related parties, it will also capture information involving securitizations (or other similar investments) where the related party is a sponsor/originator, along with whether the underlying investment is in a related party.

- | | | |
|--|---|--------------|
| I. | 2021-23BWG Modified – Add a line category for Residual Tranches or Interests in the Asset Valuation Reserve Equity and Other Invested Asset Component blank, and renumber lines below the addition. Modify instructions, as appropriate, for the added lines. | Attachment K |
|
 | | |
| 4. Consider Exposure of New Items— <i>Patricia Gosselin (NH)</i> | | |
| A. | 2022-01BWG – Add new questions to General Interrogatories Part 1 asking if the reporting entity accepts cryptocurrency for payment of premiums, which cryptocurrencies are accepted, and whether they are held for investment or immediately converted to U.S. dollars (2021-24 SAPWG). | Attachment L |
| B. | 2022-02BWG – Add four new electronic-only columns to Schedule D, Part 6, Section 1, for Column 16 – Prior Year Book/Adjusted Carrying Value (BACV), Column 17 – Prior Year Nonadmitted Amount, Column 18 – Prior Year Sub-2 Verified Value, and Column 19 – Prior Year VISION Filing Number (2021-22 SAPWG). | Attachment M |
| C. | 2022-03BWG – Split Line 5 of the Quarterly Part 1 – Loss Experience and Part 2 – Direct Premiums Written into Line 5.1 – Commercial multiple peril (non-liability portion), and Line 5.2 – Commercial multiple peril (liability portion). | Attachment N |
| D. | 2022-04BWG – Add a new supplement to capture premium and loss data for Annual Statement Line 17.1, Line 17.2, and Line 17.3 of the Exhibit of Premiums and Losses (State Page) – Other Liability by more granular lines of business. | Attachment O |
| E. | 2022-05BWG – Add line numbers to the status data points in the Life/Fraternal, Health and Property/Casualty (P/C) Schedule T footnote. | Attachment P |
| F. | 2022-06BWG – Revise the Health Annual Statement Test language in the annual statement instructions. | Attachment Q |
| G. | 2022-07BWG – Modify the Health Actuarial Opinion Instructions. Add definitions of “actuarial asset” and “actuarial liability.” Modify Section 4 – Identification, Section 5 – Scope, and Section 7 – Opinion to clarify that the actuary’s opinion covers actuarial assets as well as actuarial liabilities. Modify Section 9 to clarify that the guidance related to the type of opinion rendered by an appointed actuary covers both actuarial assets and actuarial liabilities. | Attachment R |

- | | |
|---|--------------|
| H. 2022-08BWG – Modify the instructions in Section 1, Section 3, and Section 8 of the P/C Actuarial Opinion Instructions to reflect the changes adopted by the Actuarial Opinion (C) Working Group. | Attachment S |
| I. 2022-09BWG – Changes to the Life/Fraternal VM-20, Requirements for Principle-Based Reserves for Life Products, Reserves Supplement blank Part 2, and adding a Question 3, a disclosure of the year that the Life Principle-Based Reserving (PBR) Exemption was actively filed, and a confirmation of the eligibility criteria in the case of ongoing exemptions. Also, correct references to a state “granting” an exemption, since this is often not the case (e.g., the exemption may be allowed). For the VM-20 Reserves Supplement Instructions, add instructions for the new disclosure item, Question 3. Correct the references to a state “granting” an exemption. For the Supplemental Exhibits and Schedules Interrogatories (Quarterly Statement), for Question 8, add instructions on how to respond if the company is utilizing the ongoing exemption. The same instructions can also be found in the <i>Valuation Manual</i> , Section II, Subsection 1G(1). | Attachment T |
| J. 2022-10BWG – Add instructions to Schedule T, State pages and the A&H Policy Experience Exhibit to clarify guidance for reporting premium adjustments by jurisdiction. | Attachment U |
| K. 2022-11BWG – Update the Life/Fraternal Blank Asset Valuation Reserve (AVR) factors to correspond with the adopted Risk-Based Capital (RBC) factors for the expanded bond designation categories. | Attachment V |
| 5. Consider Adoption of the Editorial Listing— <i>Patricia Gosselin (NH)</i> | Attachment W |
| 6. Receive the Statutory Accounting Principles (E) Working Group Memorandum— <i>Patricia Gosselin (NH)</i> | Attachment X |
| 7. Discuss Any Other Matters Brought Before the Working Group— <i>Patricia Gosselin (NH)</i> | |
| 8. Adjournment | |
| <i>The following documents are being provided as reference materials:</i> | |
| Summary of Comment Letters | Attachment Y |
| Comment Letters | Attachment Z |

https://naiconline.sharepoint.com/teams/frsblanks/meetings_and_calls/2022/2022.03.29-call/bwg_03_2022_agenda_tracked.docx