

## Draft Pending Adoption

Attachment Two  
Accounting Practices and Procedures (E) Task Force  
4/5/22

Draft: 4/11/2022

Blanks (E) Working Group  
Virtual Meeting (*in lieu of meeting at the 2022 Spring National Meeting*)  
March 29, 2022

The Blanks (E) Working Group of the Accounting Practices and Procedures (E) Task Force met March 29, 2022. The following Working Group members participated: Pat Gosselin, Chair (NH); Kim Hudson, Vice Chair (CA); William Arfanis (CT); Philip Barlow and N. Kevin Brown (DC); Tom Hudson (DE); Carolyn Morgan (FL); Daniel Mathis (IA); Roy Eft (IN); Dan Schaefer (MI); Debbie Doggett (MO); Lindsay Crawford (NE); Nakia Reid (NJ); Dale Bruggeman and Tracy Snow (OH); Holly Mills (OK); Kimberly Rankin (PA); Shawn Frederick and Jamie Walker (TX); Jake Garn (UT); Steve Drutz (WA); Adrian Jaramillo (WI); and Michael Crum (WV). Also participating was: Anna Krylova (NM).

### 1. Adopted its Nov. 16, 2021, Minutes

Ms. Gosselin referenced the Blanks (E) Working Group's Nov. 16 minutes, where the sponsor withdrew the previously exposed agenda item 2021-21BWG. During this meeting, the Working Group took the following action: 1) deferred proposal 2021-13BWG to allow for additional discussion; 2) adopted deferred proposal 2021-14BWG with editorial revisions; 3) rejected proposal 2021-11BWG, which was previously deferred; 4) exposed seven new proposals for a public comment period ending March 4; 5) adopted its editorial listing; and 6) approved the state filing checklists.

Mr. Hudson made a motion, seconded by Ms. Crawford, to adopt the Working Group's Nov. 16, 2021, minutes (*see NAIC Proceedings – 2021 Fall, Accounting Practices and Procedures (E) Task Force, Attachment Two*). The motion passed unanimously.

### 2. Withdrew an Item Previously Deferred

#### a. Agenda Item 2021-13BWG

Ms. Gosselin stated that this proposal adds a new supplement, Exhibit of Premiums and Losses (State Page) – Other Liability, to the property/casualty (P/C) blank to capture premium and loss data for annual statement line 17.1, line 17.2 and line 17.3. There were numerous interested party comments received for this proposal. Taking those into consideration, Ms. Gosselin requested the withdrawal of this proposal, and a new proposal is being submitted for exposure incorporating interested parties' suggested revisions. She said the new proposal is 2022-04BWG, and it is to be exposed during this meeting.

### 3. Adopted Items Previously Exposed

#### a. Agenda Item 2021-15BWG

Mr. Bruggeman stated that this blanks agenda item results from the Statutory Accounting Principles (E) Working Group's adoption of its related agenda item 2021-16, which is to increase the transparency of Federal Home Loan Bank (FHLB) borrowings classified as a funding agreement within the scope of *Statement of Statutory Accounting Principles (SSAP) No. 52—Deposit-Type Contracts* reported in *Exhibit 7 – Deposit-Type Contracts*. Exhibit 7 includes columnar reporting of various types of deposit-type contracts, including guaranteed interest contracts (GICs), annuities certain, supplemental contracts, etc. Due to the varied nature of reporting based on policy form, FHLB

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borrowings classified as a deposit-type contract and reported in Exhibit 7 are not readily identifiable to financial statement users. Mr. Bruggeman stated that the recommendation from the Statutory Accounting Principles (E) Working Group was to include a new footnote detailing the FHLB borrowings associated with every column in Exhibit 7.

Mr. Bruggeman stated that the comments from interested parties suggested adding a new line in Exhibit 7, rather than a footnote, stating that the new line would be easier to align to the associated FHLB borrowings with the respective deposit type contract columns. When this agenda item was drafted by NAIC staff, interested parties indicated preference for the footnote. While the footnote proposed by the Statutory Accounting Principles (E) Working Group was envisioned to be below the table, it deferred to the Blanks (E) Working Group support staff on the format of the footnote.

Mr. Bruggeman made a motion, seconded by Mr. Garn, to adopt the proposal (Attachment Two-A). The motion passed unanimously.

### b. Agenda Item 2021-16BWG

Mr. Bruggeman stated that this blanks agenda item proposes revisions to Note 9—Income Taxes and Note 15—Leases. For Note 9, specifically 9C, the agenda item addresses differences between the portable document format (PDF) reporting of Note 9C and the data capture element of the disclosure. The data capture element has a single “Other” line for deferred tax asset (DTA) and deferred tax liability (DTL) components, whereas the instructions for Note 9C ask that additional lines be added to the illustration for additional components over 5% in the PDF document. The additional lines in the PDF were intended to be temporary to identify if there were other specific lines that needed to be added based on what companies were reporting as additional lines in the PDF. With no additional items identified, the instruction for adding these lines is now being removed.

Mr. Bruggeman stated that for Note 15, the proposal adds minor modifications by including a “thereafter” row in the minimum aggregate rental commitment table and adjusts the total formula accordingly. The comments from interested parties recommended a couple of minor editorial revisions to the formulas to reflect the removal of the lines in the income tax PDF, which NAIC staff agree with and are reflected in the final proposal.

Mr. Bruggeman made a motion, seconded by Mr. Hudson, to adopt the proposal (Attachment Two-B). The motion passed unanimously.

### c. Agenda Item 2021-17BWG

Mr. Drutz stated that this proposal modifies 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 blank Analysis of Operations by Lines of Business – Accident and Health. It adds instructions for the new columns and adjusts the column references. It adds the Health Blank Analysis of Operations by Lines of Business as a supplement to the life/fraternal blank with the appropriate instructions and crosschecks. It adds crosschecks 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.

Mr. Drutz stated that there were interested party comments received. With regards to the request to change the effective date, this proposal was changed to a supplement to accommodate interested parties’ previous request and input. There does not appear to be a need to postpone this proposal to annual 2023. Regarding the identical descriptions comment, those will remain in the instructions for now as they appear in the proposal. Mr. Drutz

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stated that both the life\fraternal and health statement instructions have duplication of definitions of Lines of Business. NAIC staff will put together a proposal to concentrate the definitions in the Appendix of the instructions. The P/C instructions have the Lines of Business in the Appendix, and the instructions for the individual pages refer to the Appendix.

Mr. Drutz stated that the request to change the name of the supplement was included in the modifications highlighted in the proposal. Interested parties pointed out some issues with the crosschecks, which have been discussed with them and resolved. The crosscheck for the Analysis of Operations – Accident and Health, line 13, language will be added to include the change in the reserve that is reported in Exhibit 6, column 1. Language will be added to line 19 to clarify that the line should include the increase in policy reserves and the change in premium deficiency reserves. This language is consistent with the same line reported in the health blank. The crosschecks for line 19 and line 20 of the page will be deleted and replaced with one adding line 19 and line 20 to match up in total with the supplement lines 21 through 24, column 1. A crosscheck is being added from the Supplement, column 1 minus column 14, line 24 should equal the total in the Analysis of Operations Summary, column 6 (accident and health [A&H]), line 29. This is similar to the other crosschecks of the Analysis of Operations pages to the summary. Interested parties asked for an instruction added to the supplement to indicate that life companies that do not write any health business or hold any health reserves are not required to file the supplement.

Mr. Drutz made a motion, seconded by Mr. Hudson, to adopt the modifications to the proposal. Tip Tipton (Thrivent Financial) stated that interested parties would like the effective date to be an annual 2023. He stated that companies have indicated that they are adjusting to the previous changes to Schedule H and the changes to the Accident and Health Policy Experience Exhibit, which is also effective this year. He stated that those efforts, especially for smaller companies, will make it difficult to implement this change for annual 2022. He stated that this proposal, being effective for annual 2022, would require companies to retroactively report the data back to the first of the year.

Mr. Hudson made a subsequent motion, seconded by Mr. Drutz, to adopt the modifications, including the change in effective date to annual 2023 to accommodate interested parties' request. The motion passed unanimously. Mr. Drutz made a motion, seconded by Mr. Hudson, to adopt the modified proposal (Attachment Two-C). The motion passed.

### d. Agenda Item 2021-18BWG

Ms. Walker stated that this proposal modifies the Life Insurance exhibit (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 exhibit (State Page) that could not be included due to space restrictions. This proposal adds definitions for life and annuity products to the lines of business definitions in the health appendix. She stated that considering the interested party comments, she would like to defer this proposal to allow time for further discussion and review by other regulatory groups.

Ms. Walker made a motion, seconded by Ms. Doggett, to defer the proposal for a public comment period ending April 25. The motion passed unanimously.

### e. Agenda Item 2021-19BWG

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Mr. Drutz stated that this proposal adds columns and lines to Underwriting and Investment Exhibits, Parts 1, 2, 2A, 2B, and 2D and the Exhibit of Premiums, Enrollment and Utilization in the annual statement bringing the lines of business reporting in line with Life/Fraternal and Property. It adds columns and lines to the Exhibit of Premiums, Enrollment and Utilization and Underwriting and Investment analysis of Claims Unpaid quarterly pages. The appropriate adjustments to the instructions are also being made.

Mr. Drutz made a motion, seconded by Mr. Hudson to adopt the modifications to the proposal. The motion passed unanimously. Mr. Garn made a motion, seconded by Mr. Drutz to adopt the modified proposal (Attachment Two-D). The motion passed unanimously.

f. Agenda Item 2021-20BWG

Mr. Garn stated that this proposal, beginning at line 72 of the Life/Fraternal Five-Year Historical, adds or deletes lines to pull in 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 Accident and Health for line 33 of those pages.

Mr. Garn stated that the changes to the life/fraternal Analysis of Operations by Lines of Business were made in the 2019 filing. The effective date of 2023 was recommended to accommodate the five years of data to coincide with this adoption. Companies have reported the five-year historical page for three years using the lines as they currently exist. As it should not be a hardship for companies to report in the current lines for one additional year and complete the full five years of data in 2023, it is recommended that the proposal remain with a 2023 effective date.

Mr. Garn said the A&H claim reserves adequacy lines are not part of the current proposal. They will remain and can be discussed further as to whether they should remain in the future. The crosscheck references will be adjusted in a future editorial listing as these may no longer work with the recent changes to Schedule H. The other editorial suggestions from the interested parties have been made and are highlighted in the proposal as modifications.

Mr. Garn made a motion, seconded by Mr. Eft to adopt the modifications to the proposal. The motion passed unanimously. Mr. Garn made a motion, seconded by Mr. Eft to adopt the modified proposal (Attachment Two-E). The motion passed unanimously.

g. Agenda Item 2021-21BWG

Mr. Bruggeman stated that this blanks agenda item results from the Statutory Accounting Principles (E) Working Group's adoption of agenda item 2021-15, which specified that residual tranches shall be reported on Schedule BA - Other Long-Term Investments and valued at the lower of amortized cost or fair value. The effective date of this required reporting is year-end 2022. This blanks item added instructions to the Investment Schedules General Instructions to exclude residual tranches or interests from being reported as bonds on Schedule D, Part 1 and added lines to Schedule BA for the reporting of those investments. He stated that the comments from interested parties recommended adding a notation that the proposal should also apply to separate accounts, as these types of investments could exist in separate account investment holdings. This change was not deemed necessary as the general account instructions are relevant for this type of investment.

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Mr. Bruggeman stated that interested parties recommended modifying the title of residual tranches or interests to include the phrase “with underlying assets having characteristics of.” This change has been made to the proposal. Interested parties also suggested splitting the Common Stock subcategory between Preferred Stock and Common Stock, which would require renumbering of the lines for the subsequent categories/subcategories. They state that this change would support the efforts of the newly formed Risk-Based Capital Investment Risk and Evaluation (E) Working Group as it evaluates possible changes to the RBC factors for these types of investments. While NAIC staff support this suggestion, this item has not yet been reflected in the proposal. However, it could be considered, as long as the revisions can be implemented for year-end 2022 reporting.

Finally, interested parties proposed adding instructions that the investment in Residual Tranches or Interests should be assigned to the subcategory with the highest underlying asset concentration as there should not be any bifurcation of the underlying assets among the subcategories. NAIC staff conferred with state insurance regulators, who indicated support for these revisions. Mr. Bruggeman recommended adoption of proposal 2021-21BWG, incorporating the suggestions of interested parties, which: 1) split the common stock subcategory between preferred and common stock; and 2) add instructions that residual tranches should be assigned to the subcategory with the highest underlying asset concentration.

Ms. Doggett and Mr. Hudson indicated that they agreed with the breakout of the preferred stock and common stock lines. Mr. Tipton stated that interested parties approved of the breakout of preferred stock and common stock as well.

Mr. Bruggeman made a motion, seconded by Mr. Eft to adopt the modifications to the proposal. The motion passed unanimously. Mr. Bruggeman made a motion, seconded by Mr. Eft, to adopt the modified proposal (Attachment Two-F). The motion passed unanimously.

### h. Agenda Item 2021-22BWG

Mr. Bruggeman stated that this blank agenda item is in response to the Statutory Accounting Principles (E) Working Group’s agenda item 2021-21 regarding related party reporting. The Working Group’s agenda item had two main goals: 1) to clarify reporting of affiliate transactions within existing reporting lines in the investment schedules; and 2) to incorporate new reporting requirements for investment transactions with related parties. Pursuant to recent discussions, state insurance regulators desire additional information on investment transactions involving related parties, regardless of whether the related party is “affiliated” pursuant to the *Insurance Holding Company System Regulatory Act* (#440).

Mr. Bruggeman stated that the identification of certain investments/transactions would be identified through the use of a reporting code in the 2022 year-end investment schedules: 1) direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure; 2) securitization or similar investment involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties; 3) securitization or similar investment involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties; 4) securitization or similar investment in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role; and 5) the investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1–4.

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Mr. Bruggeman stated that during its April 4 meeting at the Spring National Meeting, the Statutory Accounting Principles (E) Working Group plans to expose its related agenda item with modifications to the reporting proposal that considers comments from interested parties. The exposure will include modifications to the original proposed *SSAP No. 25—Affiliates and Other Related Parties* clarifications and revisions to the proposed annual statement reporting instructions. Accordingly, it is recommended that the Blanks (E) Working Group expose this blanks item incorporating the new language that will be concurrently exposed by the Statutory Accounting Principles (E) Working Group.

Mr. Bruggeman made a motion, seconded by Mr. Hudson, to adopt the modifications to the proposal. The motion passed unanimously. Mr. Bruggeman made a motion, seconded by Mr. Drutz to re-expose the modified proposal (Attachment Two-G) for a public comment period ending April 25. The motion passed unanimously.

### i. Agenda Item 2021-23BWG

Mr. Bruggeman stated that this blanks agenda item assumes adoption of 2021-21BWG. With the new reporting lines proposed for residuals in Schedule BA, additional revisions are needed to map those reporting lines to the asset valuation reserve (AVR) schedule. The proposed revisions will separately capture these items in a new category within AVR as they are items that are not comparable to other investments.

The comments from interested parties, similar to 2021-21BWG, recommended adding a notation that the proposal should also apply to separate accounts, as these types of investments could exist in separate account investment holdings. This change was not deemed necessary as the general account instructions are relevant for this type of investment. However, interested parties also suggested other editorial updates, and those items have been corrected in the final proposal. Mr. Bruggeman recommend adoption of 2021-21BWG, incorporating the editorial suggestions of interested parties

Mr. Bruggeman made a motion, seconded by Ms. Doggett, to adopt the modifications to the proposal. The motion passed unanimously. Mr. Bruggeman made a motion, seconded by Ms. Doggett to adopt the modified proposal (Attachment Two-H). The motion passed unanimously.

John DuBois (MassMutual) stated that the Working Group may need to look at the risk-based capital (RBC) impact. Mr. Bruggeman stated that the factors will stay the same for this year. It will be broken out in the AVR categories. They may go in a different category of risk, so there may be a covariance difference, but the factors should not have an impact for 2022. There may need to be an editorial comment in the new RBC instructions to account for that.

## 4. Exposed New Items

### a. Agenda Item 2022-01BWG

Mr. Bruggeman stated that this blanks agenda item is in response to Statutory Accounting Principles (E) Working Group agenda item 2021-24, which the Working Group exposed in December 2021 and is up for consideration of adoption during the Spring National Meeting. The Blanks (E) Working Group's agenda item proposes a new general interrogatory within the annual reporting blanks, specific to the use or acceptance of cryptocurrencies. Examples of inquiries within the interrogatory include the identification regarding: 1) if cryptocurrencies are held by an insurance reporting entity (and if so, which reporting schedules are the cryptocurrencies reported); and 2) if

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cryptocurrencies are accepted for the payment of premiums. This general interrogatory was requested by regulators after the Statutory Accounting Principles (E) Working Group's May 2021 adoption of *Interpretation (INT) 21-01: Accounting for Cryptocurrencies*, which established that directly held cryptocurrencies do not meet the definition of an admitted asset for statutory accounting.

Hearing no objection, Ms. Gosselin stated that the proposal will be considered exposed.

b. Agenda Item 2022-02BWG

Mr. Bruggeman stated that this blank agenda item is in response to Statutory Accounting Principles (E) Working Group agenda item 2021-22, which the Working Group exposed in December 2021 and is up for consideration of adoption during the Spring National Meeting. The agenda item is to expand, through electronic-only columns, the reporting on *Schedule D – Part 6 – Section 1: Valuation of Shares of Subsidiary, Controlled or Affiliated Entities* (Schedule D-6-1). Schedule D-6-1 captures investments that are defined in *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities*. The proposed expansion in reporting would capture items consistent with current requirements in SSAP No. 97 and include items such as prior year's book/adjusted carrying value (BACV), nonadmitted amount, sub-2 verified value, and VISION filing number. The addition of these items to the Schedule D, Part 6, Section 1 tables were proposed as they will assist state insurance regulators to: 1) ensure Sub 1 and Sub 2 filings are being submitted by reporting entities; and 2) identify situations where the NAIC approved value varies significantly from the value reported on Schedule D, Part 6, Section 1.

Hearing no objection, Ms. Gosselin stated that the proposal will be considered exposed.

c. Agenda Item 2022-03BWG

Mary Caswell (NAIC) stated that this affects only the P/C quarterly filing with effective date of first-quarter 2023. This proposal is to fix the reporting of line 5 to be reported as line 5.1 – Commercial multiple peril (non-liability portion) and line 5.2 – Commercial multiple peril (liability portion) on the Quarterly Part 1 and Part 2 pages to be consistent with the annual reporting. This change was missed on proposal 2020-33BWG. This is a big enough change to warrant a proposal rather than an editorial correction.

Hearing no objection, Ms. Gosselin stated that the proposal will be considered exposed.

d. Agenda Item 2022-04BWG

Ms. Gosselin stated that this proposal adds a new supplement to capture premium and loss data for the P/C blank 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. She stated that after discussions with interested parties and state insurance regulators and reviewing their input, this proposal was drafted to replace 2021-13BWG.

Hearing no objection, Ms. Gosselin stated that the proposal will be considered exposed.

e. Agenda Item 2022-05BWG

Ms. Caswell stated that this proposal adds line numbers to the status data points of the life/fraternal, health, and P/C Schedule T footnote for ease in electronic data capture of the lines and clarification of reporting.

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Hearing no objection, Ms. Gosselin stated that the proposal will be considered exposed.

f. Agenda Item 2022-06BWG

Mr. Drutz stated that this proposal is sponsored by the Health Risk-Based Capital (E) Working Group. After much discussion of the Health Test Ad Hoc Group members, and approval by the Health Risk-Based Capital (E) Working Group, the proposal was drafted to amend the health test language annual statement instructions in an effort to move those filers who write predominantly health business and file on the life blank to begin filing on the health blank.

Hearing no objection, Ms. Gosselin stated that the proposal will be considered exposed.

g. Agenda Item 2022-07BWG

Eric King (NAIC) stated that this proposal is sponsored by the Health Actuarial (B) Task Force. It modifies the Health Actuarial Opinion Instructions to add definitions of “actuarial asset” and “actuarial liability” and modifies 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. It modifies 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.

Hearing no objection, Ms. Gosselin stated that the proposal will be considered exposed.

h. Agenda Item 2022-08BWG

Ms. Krylova stated that this proposal modifies the instructions in Section 1, Section 3, and Section 8 of the Property/Casualty Actuarial Opinion Instructions to reflect the changes adopted by the Actuarial Opinion (C) Working Group. She stated that the first change is deletion of the paragraph on continuing education log procedures because this is no longer needed as the Task Force has ended its project of studying the continuing education logs. The second change came about as a request for guidance from industry. In consultation with the financial examiner, the technical group developed guidance on documenting the review of the qualification documentation for companies that are part of a larger group. The third change regarding the directly appointed actuaries to include an additional requirement is added in the Identification paragraph for appointed actuaries to confirm that qualification documentation has been provided to the board of directors. This statement in the Identification paragraph will assist state insurance regulators in determining whether this requirement has been met. The fourth change clarifies that the signature block requirements apply to the Statement of Actuarial Opinion only.

Hearing no objection, Ms. Gosselin stated that the proposal will be considered exposed.

i. Agenda Item 2022-09BWG

Jennifer Frasier (NAIC) stated that this proposal is sponsored by the Life Actuarial (A) Task Force with an effective date of annual 2022. She stated that the *Valuation Manual* allows for an ongoing exemption, which means that a company can file once for a life principles-based reserve (PBR) exemption, and for subsequent years, the company could just attest to its ongoing qualification. The proposal changes are meant to sync up the blanks requirements with the new allowance for an ongoing exemption. It changes to the Life/Fraternal VM-20 Reserves Supplement blank part 2, adding a question 3, a disclosure of the year that the Life PBR Exemption was actively filed, and a

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confirmation of the eligibility criteria in the case of ongoing exemptions. It corrects 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, it adds instructions for the new disclosure item, question 3. It corrects the references to a state “granting” an exemption. For the Supplemental Exhibits and Schedules Interrogatories (Quarterly Statement), for question 8, it adds instructions for how to respond if the company is using the ongoing exemption. The same instructions can also be found in the *Valuation Manual*, Section II, Subsection 1.G.1.

Hearing no objection, Ms. Gosselin stated that the proposal will be considered exposed.

### j. Agenda Item 2022-10BWG

Mr. Bruggeman stated that this blanks agenda item is in response to Statutory Accounting Principles (E) Working Group agenda item 2022-03, which the Working Group expects to consider for exposure during the Spring National Meeting. The Statutory Accounting Principles (E) Working Group’s agenda item was drafted to propose blanks instructional changes primarily to Schedule T, which reflects premiums, allocated by states and territories. NAIC staff received inquiries from three states in the fourth quarter of 2021 regarding a minor number of entities that primarily wrote health business related to the federal Affordable Care Act (ACA), which are believed to have not properly allocated premium adjustments by jurisdiction on the statutory financial statement. In summary, the agenda item directs that all premium adjustments (both increases and decreases), including but not limited to ACA premium adjustments related to the risk adjustment program, shall be allocated as premium in the respective jurisdiction.

Hearing no objection, Ms. Gosselin stated that the proposal will be considered exposed.

### k. Agenda Item 2022-11BWG

Mr. Barlow stated that this proposal updates the Life/Fraternal AVR factors to correspond with the adopted RBC factors for the expanded bond designation categories. This is strictly a mechanical update. The maximum reserve factor is set to the after-tax RBC factor, and the basic contribution and reserve objective factors are a percentage of those updated maximum reserve factors.

Hearing no objection, Ms. Gosselin stated that the proposal will be considered exposed.

## 5. Adopted the Editorial Listing

Mr. Hudson made a motion, seconded by Ms. Gosselin, to adopt the Blanks (E) Working Group editorial listing. The motion passed unanimously (Attachment Two-I).

## 6. Received the Statutory Accounting Principles (E) Working Group Memorandum

Mr. Bruggeman stated that this is a standardized year-end memorandum from the Statutory Accounting Principles (E) Working Group. It is intended to notify the Blanks (E) Working Group of revisions to the “Notes to the Financial Statements” that have been adopted for year-end 2021 reporting. It is recommended that this memorandum, detailing instructional revisions and changes to existing disclosure requirements, be posted to the NAIC website. If deemed necessary, specific proposals, if not yet submitted, will be submitted to the Blanks (E) Working Group to formalize the instruction revisions. It is requested that this information be included in the next update to the Annual Statement Instructions. A year-end review identified that the instructions in Schedule D, Part 2 on

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preferred stock need to be updated to be consistent with the *SSAP No. 32R—Preferred Stock* revision, because the valuation of perpetual preferred stock is no longer based on the NAIC designation.

Mr. Bruggeman made a motion, seconded by Mr. Hudson, to receive the Statutory Accounting Principles (E) Working Group memorandum (Attachment Two-J). The motion passed unanimously.

Having no further business, the Blanks (E) Working Group adjourned.

NAIC Support Staff Hub/Member Meetings/2022 NAIC Meetings/Spring National Meeting/Committee Meetings/Financial Condition (E) Committee/Accounting Practices and Procedures (E) Task Force/BWG/03.29.2022 blanks

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>10/04/2021</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Dale Bruggeman</u></p> <p>TITLE: <u>Chair SAPWG</u></p> <p>AFFILIATION: <u>Ohio Department of Insurance</u></p> <p>ADDRESS: <u>50W. Town St., 3<sup>rd</sup> Fl., Ste. 300</u> <u>Columbus, OH 43215</u></p>	<p style="text-align: center;"><b><u>FOR NAIC USE ONLY</u></b></p> <p>Agenda Item # <u>2021-15BWG</u> Year <u>2022</u> Changes to Existing Reporting [ X ] New Reporting Requirement [ ]</p> <p style="text-align: center;"><b><u>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</u></b></p> <p>No Impact [ X ] Modifies Required Disclosure [ ]</p> <p style="text-align: center;"><b><u>DISPOSITION</u></b></p> <p>[ ] Rejected For Public Comment [ ] Referred To Another NAIC Group [ ] Received For Public Comment [ X ] Adopted Date <u>03/29/2022</u> [ ] Rejected Date _____ [ ] Deferred Date _____ [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input type="checkbox"/> INSTRUCTIONS                        | <input checked="" type="checkbox"/> CROSSCHECKS |
| <input type="checkbox"/> QUARTERLY STATEMENT                          | <input checked="" type="checkbox"/> BLANK                    |   |
| <input checked="" type="checkbox"/> Life, Accident & Health/Fraternal | <input type="checkbox"/> Separate Accounts                   | <input type="checkbox"/> Title _____            |
| <input type="checkbox"/> Property/Casualty                            | <input type="checkbox"/> Protected Cell                      | <input type="checkbox"/> Other _____            |
| <input type="checkbox"/> Health                                       | <input checked="" type="checkbox"/> Health (Life Supplement) |   |

Anticipated Effective Date: Annual 2022

**IDENTIFICATION OF ITEM(S) TO CHANGE**

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.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

The purpose of this proposal is to provide regulators the amount of FHLB Funding Agreements in the individual columns of Exhibit 7. (2021-16 SAPWG)

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

Revised 7/18/2018

**ANNUAL STATEMENT BLANK – LIFE/FRATERNAL AND HEALTH (LIFE SUPPLEMENT)**

**EXHIBIT 7 – DEPOSIT-TYPE CONTRACTS**

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance .....	.....	.....	.....	.....	.....	.....
2. Deposits received during the year .....	.....	.....	.....	.....	.....	.....
3. Investment earnings credited to the account .....	.....	.....	.....	.....	.....	.....
4. Other net change in reserves .....	.....	.....	.....	.....	.....	.....
5. Fees and other charges assessed .....	.....	.....	.....	.....	.....	.....
6. Surrender charges .....	.....	.....	.....	.....	.....	.....
7. Net surrender or withdrawal payments .....	.....	.....	.....	.....	.....	.....
8. Other net transfers to or (from) Separate Accounts .....	.....	.....	.....	.....	.....	.....
9. Balance at the end of current year before reinsurance (a) (Lines 1+2+3+4-5-6-7-8) .....	.....	.....	.....	.....	.....	.....
10. Reinsurance balance at the beginning of the year .....	.....	.....	.....	.....	.....	.....
11. Net change in reinsurance assumed .....	.....	.....	.....	.....	.....	.....
12. Net change in reinsurance ceded .....	.....	.....	.....	.....	.....	.....
13. Reinsurance balance at the end of the year (Lines 10+11-12) .....	.....	.....	.....	.....	.....	.....
14. Net balance at the end of current year after reinsurance (Lines 9+13) .....	.....	.....	.....	.....	.....	.....

(a) FHLB Funding Agreements

- 1. Reported as a GICs (captured in column 2): ..... \$ \_\_\_\_\_
- 2. Reported as an Annuities Certain (captured in column 3): ..... \$ \_\_\_\_\_
- 3. Reported as Supplemental Contracts (captured in column 4): ..... \$ \_\_\_\_\_
- 4. Reported as Dividend Accumulations or Refunds (captured in column 5)..... \$ \_\_\_\_\_
- 5. Issued as Premium or Other Deposit Funds (captured in column 6): ..... \$ \_\_\_\_\_
- 6. Total Issued as Deposit-Type Contracts (captured in column 1): (Sum of Lines 1 through 6) ..... \$ \_\_\_\_\_

[https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member Meetings/2022 NAIC Meetings/Spring National Meeting/Committee Meetings/FINANCIAL CONDITION \(E\) COMMITTEE/Accounting Practices and Procedures \(E\) TF/BWG/Att2A\\_2021-15BWG.doc](https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member%20Meetings/2022%20NAIC%20Meetings/Spring%20National%20Meeting/Committee%20Meetings/FINANCIAL%20CONDITION%20(E)%20COMMITTEE/Accounting%20Practices%20and%20Procedures%20(E)%20TF/BWG/Att2A_2021-15BWG.doc)

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>10/19/2021</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Dale Bruggeman</u></p> <p>TITLE: <u>Chair SAPWG</u></p> <p>AFFILIATION: <u>Ohio Department of Insurance</u></p> <p>ADDRESS: <u>50W. Town St., 3<sup>rd</sup> Fl., Ste. 300</u> <u>Columbus, OH 43215</u></p>	<p style="text-align: center;"><b><u>FOR NAIC USE ONLY</u></b></p> <p>Agenda Item # <u>2021-16BWG MOD</u> Year <u>2022</u> Changes to Existing Reporting [ X ] New Reporting Requirement [ ]</p> <p style="text-align: center;"><b><u>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</u></b></p> <p>No Impact [ X ] Modifies Required Disclosure [ ]</p> <p style="text-align: center;"><b><u>DISPOSITION</u></b></p> <p>[ ] Rejected For Public Comment [ ] Referred To Another NAIC Group [ ] Received For Public Comment [ X ] Adopted Date <u>03/29/2022</u> [ ] Rejected Date _____ [ ] Deferred Date _____ [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> INSTRUCTIONS  | <input checked="" type="checkbox"/> CROSSCHECKS |
| <input type="checkbox"/> QUARTERLY STATEMENT                          | <input type="checkbox"/> BLANK                    |   |
| <input checked="" type="checkbox"/> Life, Accident & Health/Fraternal | <input type="checkbox"/> Separate Accounts        | <input checked="" type="checkbox"/> Title       |
| <input checked="" type="checkbox"/> Property/Casualty                 | <input type="checkbox"/> Protected Cell           | <input type="checkbox"/> Other _____            |
| <input checked="" type="checkbox"/> Health                            | <input type="checkbox"/> Health (Life Supplement) |   |

Anticipated Effective Date: Annual 2022

**IDENTIFICATION OF ITEM(S) TO CHANGE**

\*\*\*See next page for details\*\*\*

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

\*\*\*See next page for details\*\*\*

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

Revised 7/18/2018

### **IDENTIFICATION OF ITEM(S) TO CHANGE**

#### **Note 9 – Income Taxes:**

- Modify the instructions for 9C to eliminate the instruction for adding additional lines for DTA and DTL components to the PDF/printed version of the notes not specifically detailed in the illustration that are greater than 5% to bring in line with the data capture element of the note that can't accommodate variable lines.
- Add formulas for calculation of total and subtotal on the illustration for 9C that are not already present.

#### **Note 15 – Leases:**

- Modify the illustrations to add a “Thereafter” line.
- Add formula for “Total” line.

### **REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

For Note 9 – Income Taxes, address differences between the PDF reporting of Note 9C and the data capture element of the disclosure. The data capture element has a single “Other” line for DTA and DTL components where the instructions for 9C asks that additional lines be added to the illustration for additional components over 5% in the PDF document. The additional lines on the PDF were intended to be temporary to identify if there were other specific lines needed to be added based on what companies were reporting as additional lines on the PDF. With no additional items identified to be added the instruction for adding these lines is being removed. The proposal also specifically clarifies calculation of total and subtotal lines where that calculation has not already been provided for clarification.

For Note 15 – Leases, there should have been a line for aggregating the amounts for the remaining years after the five years specifically shown in the illustration. This proposal adds those lines as Line 6 – Thereafter. In addition, formula for calculating the total line has been added to the illustration for clarification.

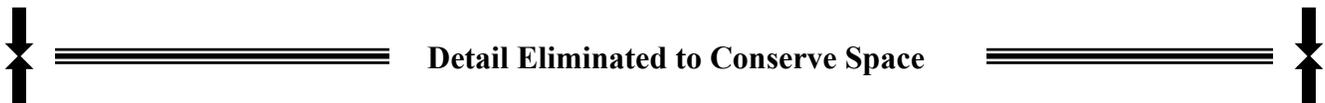
ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE

NOTES TO FINANCIAL STATEMENTS



9. **Income Taxes**

Instruction:



C. Disclose the significant components of income taxes incurred (i.e., current income tax expenses) and the changes in DTAs and DTLs. These components would include, for example:

- Current tax expense or benefit;
- The change in DTAs and DTLs (exclusive of the effects of other components listed below);
- Investment tax credits;
- The benefits of operating loss carry forwards;
- Adjustments of a DTA or DTL for enacted changes in tax laws or rates or a change in the tax status of the reporting entity; and
- Adjustments to gross deferred tax assets because of a change in circumstances that causes a change in judgment about the realizability of the related deferred tax asset, and the reason for the adjustment and change in judgment.

NOTE: The illustration below for this disclosure reflects the setup for the data capture of the electronic notes. ~~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.~~



**THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR THE TABLE BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.**

C. Current income taxes incurred consist of the following major components:

	(1)	(2)	(3)
	12/31/2021	12/31/2020	(Col 1-2) Change
1. Current Income Tax			
(a) Federal	\$ _____	\$ _____	\$ _____
(b) Foreign	\$ _____	\$ _____	\$ _____
(c) Subtotal (1a+1b)	\$ _____	\$ _____	\$ _____
(d) Federal income tax on net capital gains	\$ _____	\$ _____	\$ _____
(e) Utilization of capital loss carry-forwards	\$ _____	\$ _____	\$ _____
(f) Other	\$ _____	\$ _____	\$ _____
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)	\$ _____	\$ _____	\$ _____
2.. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ _____	\$ _____	\$ _____
(2) Unearned premium reserve	\$ _____	\$ _____	\$ _____
(3) Policyholder reserves	\$ _____	\$ _____	\$ _____
(4) Investments	\$ _____	\$ _____	\$ _____
(5) Deferred acquisition costs	\$ _____	\$ _____	\$ _____
(6) Policyholder dividends accrual	\$ _____	\$ _____	\$ _____
(7) Fixed assets	\$ _____	\$ _____	\$ _____
(8) Compensation and benefits accrual	\$ _____	\$ _____	\$ _____
(9) Pension accrual	\$ _____	\$ _____	\$ _____
(10) Receivables – nonadmitted	\$ _____	\$ _____	\$ _____
(11) Net operating loss carry-forward	\$ _____	\$ _____	\$ _____
(12) Tax credit carry-forward	\$ _____	\$ _____	\$ _____
(13) Other (including items <5% of total ordinary tax assets)	\$ _____	\$ _____	\$ _____
(99) Subtotal (sum of 2a1 through 2a13)	\$ _____	\$ _____	\$ _____
(b) Statutory valuation allowance adjustment	\$ _____	\$ _____	\$ _____
(c) Nonadmitted	\$ _____	\$ _____	\$ _____
(d) Admitted ordinary deferred tax assets (2a99 – 2b – 2c)	\$ _____	\$ _____	\$ _____
(e) Capital:			
(1) Investments	\$ _____	\$ _____	\$ _____
(2) Net capital loss carry-forward	\$ _____	\$ _____	\$ _____
(3) Real estate	\$ _____	\$ _____	\$ _____
(4) Other (including items <5% of total capital tax assets)	\$ _____	\$ _____	\$ _____
(99) Subtotal (2e1+2e2+2e3+2e4)	\$ _____	\$ _____	\$ _____
(f) Statutory valuation allowance adjustment	\$ _____	\$ _____	\$ _____
(g) Nonadmitted	\$ _____	\$ _____	\$ _____
(h) Admitted capital deferred tax assets (2e99 – 2f – 2g)	\$ _____	\$ _____	\$ _____
(i) Admitted deferred tax assets (2d + 2h)	\$ _____	\$ _____	\$ _____
3. Deferred Tax Liabilities:	\$ _____	\$ _____	\$ _____
(a) Ordinary			
(1) Investments	\$ _____	\$ _____	\$ _____
(2) Fixed assets	\$ _____	\$ _____	\$ _____
(3) Deferred and uncollected premium	\$ _____	\$ _____	\$ _____
(4) Policyholder reserves	\$ _____	\$ _____	\$ _____
(5) Other (including items <5% of total ordinary tax liabilities)	\$ _____	\$ _____	\$ _____
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	\$ _____	\$ _____	\$ _____
(b) Capital:			
(1) Investments	\$ _____	\$ _____	\$ _____
(2) Real estate	\$ _____	\$ _____	\$ _____
(3) Other (including items <5% of total capital tax liabilities)	\$ _____	\$ _____	\$ _____
(99) Subtotal (3b1+3b2+3b3)	\$ _____	\$ _____	\$ _____
(c) Deferred tax liabilities (3a99 + 3b99)	_____	_____	_____
4. Net deferred tax assets/liabilities (2i – 3c)	\$ _____	\$ _____	\$ _____




15. Leases

Instruction:

- A. Disclose the following items related to lessee leasing arrangements (refer to *SSAP No. 22R—Leases*):

**Detail Eliminated to Conserve Space**

- (2) For leases having initial or remaining noncancelable lease terms in excess of one year:
- a. Future minimum rental payments required as of the date of the latest balance sheet presented, in the aggregate and for each of the five succeeding years.
  - b. The total of minimum rentals to be received in the future under noncancelable subleases as of the date of the latest balance sheet presented.

**Detail Eliminated to Conserve Space**

- B. When leasing is a significant part of the lessor's business activities in terms of revenue, net income or assets, disclose the following information with respect to leases:

- (1) For operating leases:
- a. A general description of the lessor's leasing arrangements;
  - b. The cost and carrying amount, if different, of property on lease or held for leasing by major classes of property according to nature or function, and the amount of accumulated depreciation in total as of the date of the latest balance sheet presented;
  - c. Minimum future rentals on noncancelable leases as of the date of the latest balance sheet presented, in the aggregate and for each of the five succeeding years; and
  - d. Total contingent rentals included in income for each period for which an income statement is presented.
- (2) For leveraged leases:
- a. A description of the terms including the pretax income from the leveraged leases. For purposes of presenting the investment in a leveraged lease in the lessor's balance sheet, the amount of related deferred taxes shall be presented separately (from the remainder of the net investment);
  - b. Separate presentation (from each other) shall be made of pretax income from the leveraged lease, the tax effect of pretax income, and the amount of investment tax credit recognized as income during the period; and
  - c. When leveraged leasing is a significant part of the lessor's business activities in terms of revenue, net income, or assets, the components of the net investment balance in leveraged leases shall be disclosed.

Illustration:

A. Lessee Operating Lease



**Detail Eliminated to Conserve Space**

**THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR THE TABLE BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.**

- (2) a. At December 31, 20\_\_\_, the minimum aggregate rental commitments are as follows:

	<u>Year Ending December 31</u>	<u>Operating Leases</u>
1.	20__	\$ _____
2.	20__	\$ _____
3.	20__	\$ _____
4.	20__	\$ _____
5.	20__	\$ _____
6.	<u>Thereafter</u>	<u>\$ _____</u>
<del>6</del> 7.	Total ( <u>sum of 1 through <del>7</del>6</u> )	\$ _____

- (3) The company is not involved in any material sales – leaseback transactions.

B. Lessor Leases



**Detail Eliminated to Conserve Space**

**THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR THE TABLE BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.**

- c. Future minimum lease payment receivables under noncancelable leasing arrangements as of December 31, 20\_\_\_ are as follows:

	<u>Year Ending December 31</u>	<u>Operating Leases</u>
1.	20__	\$ _____
2.	20__	\$ _____
3.	20__	\$ _____
4.	20__	\$ _____
5.	20__	\$ _____
6.	<u>Thereafter</u>	<u>\$ _____</u>
<del>6</del> 7.	Total ( <u>sum of 1 through <del>7</del>6</u> )	\$ _____

- d. Contingent rentals included in income for the years ended December 31, 20\_\_ and 20\_\_ amounted to \$ \_\_\_\_\_ and \$ \_\_\_\_\_, respectively. The net investment is classified as real estate.

**THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR THE TABLE BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.**

**(NOTE: THIS DOES NOT INCLUDE THE BEGINNING NARRATIVE.)**

(2) Leveraged Leases

- b. The Company's investment in leveraged leases relates to equipment used primarily in the transportation industries. The component of net income from leveraged leases at December 31, 20\_\_ and December 31, 20\_\_ were as shown below:

	20__	20__
1. Income from leveraged leases before income tax including investment tax credit	\$ _____	\$ _____
2. Less current income tax	\$ _____	\$ _____
3. Net income from leveraged leases <a href="#">(1-2)</a>	\$ _____	\$ _____

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**Detail Eliminated to Conserve Space**
≡

[https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member Meetings/2022 NAIC Meetings/Spring National Meeting/Committee Meetings/FINANCIAL CONDITION \(E\) COMMITTEE/Accounting Practices and Procedures \(E\) TF/BWG/Att2B\\_2021-16BWG\\_Modified.doc](https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member%20Meetings/2022%20NAIC%20Meetings/Spring%20National%20Meeting/Committee%20Meetings/FINANCIAL%20CONDITION%20(E)%20COMMITTEE/Accounting%20Practices%20and%20Procedures%20(E)%20TF/BWG/Att2B_2021-16BWG_Modified.doc)

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;"><b>DATE:</b> <u>10/19/2021</u></p> <p><b>CONTACT PERSON:</b> _____</p> <p><b>TELEPHONE:</b> _____</p> <p><b>EMAIL ADDRESS:</b> _____</p> <p><b>ON BEHALF OF:</b> _____</p> <p><b>NAME:</b> <u>Steve Drutz</u></p> <p><b>TITLE:</b> <u>Chief Financial Analyst</u></p> <p><b>AFFILIATION:</b> <u>WA Office of the Insurance Commissioner</u></p> <p><b>ADDRESS:</b> _____</p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2021-17BWG MOD</u></p> <p>Year <u>2022</u></p> <p>Changes to Existing Reporting <input checked="" type="checkbox"/> [ X ]</p> <p>New Reporting Requirement <input type="checkbox"/> [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact <input checked="" type="checkbox"/> [ X ]</p> <p>Modifies Required Disclosure <input type="checkbox"/> [ ]</p> <hr/> <p style="text-align: center;"><b>DISPOSITION</b></p> <p><input type="checkbox"/> [ ] Rejected For Public Comment</p> <p><input type="checkbox"/> [ ] Referred To Another NAIC Group</p> <p><input checked="" type="checkbox"/> [ X ] Received For Public Comment</p> <p><input type="checkbox"/> [ ] Adopted Date _____</p> <p><input type="checkbox"/> [ ] Rejected Date _____</p> <p><input type="checkbox"/> [ ] Deferred Date _____</p> <p><input type="checkbox"/> [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> [ X ] ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> [ X ] INSTRUCTIONS | <input checked="" type="checkbox"/> [ X ] CROSSCHECKS |
| <input type="checkbox"/> [ ] QUARTERLY STATEMENT                            | <input checked="" type="checkbox"/> [ X ] BLANK        |   |
| <input checked="" type="checkbox"/> [ X ] Life, Accident & Health/Fraternal | <input type="checkbox"/> [ ] Separate Accounts         | <input type="checkbox"/> [ ] Title                    |
| <input type="checkbox"/> [ ] Property/Casualty                              | <input type="checkbox"/> [ ] Protected Cell            | <input type="checkbox"/> [ ] Other _____              |
| <input checked="" type="checkbox"/> [ X ] Health                            | <input type="checkbox"/> [ ] Health (Life Supplement)  |   |

Anticipated Effective Date: Annual 2023

**IDENTIFICATION OF ITEM(S) TO CHANGE**

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

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

The purpose of the proposal is to add the Health Blank Analysis of Operations by Lines of Business as a supplement to the Life/Fraternal Statement to capture data points Health Blank Analysis of Operations by Lines of Business. This will allow regulators to look at revenue and expenses in the same detail as reported on the Health Analysis of Operations by Lines of Business.

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

**ANNUAL STATEMENT INSTRUCTIONS – HEALTH**

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

Please refer to the instructions in Statement of Revenues and Expenses for instructions and line descriptions for this Exhibit.

Riders/Endorsements/Floaters:

If a rider, endorsement or floater acts like a separate policy with separate premium, deductible and limit, then it is to be recorded on the same line of business as if it were a stand-alone policy regardless of whether it is referred to as a rider, endorsement or floater. If there is no additional premium, separate deductible or limit, the rider, endorsement or floater should be reported on the same line of business as the base policy.

Column 1 – Total

The amounts in this column are to agree with the corresponding amounts reported on Page 4, Column 2.

Column 2 – Comprehensive (Hospital & Medical) – Individual  
 Column 3 – Comprehensive (Hospital & Medical) – Group

Include: Business that provides for medical coverages including hospital, surgical and major medical. Include State Children’s Health Insurance Program (SCHIP) Medicaid Program (Title XXI), risk contracts.

Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefit plan (FEHBP) premiums, Medicare (Title XVIII) and Medicaid (Title XIX) risk contracts, Medicare Supplement, Vision only and Dental only business.

Column 34 – Medicare Supplement

Include: Business reported in the Medicare Supplement Insurance Experience Exhibit of the annual statement.

Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefit plan (FEHBP) premiums, comprehensive hospital and medical policies, Medicare (Title XVIII) and Medicaid (Title XIX) risk contracts, Vision only and Dental only business.

Column 45 – Dental Only

Include: Policies providing for dental only coverage issued as stand alone dental or as a rider to a medical policy that is not related to the medical policy through premiums, deductibles or out-of-pocket limits.

Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefit plan (FEHBP) premiums, comprehensive hospital and medical policies, Medicare (Title XVIII) and Medicaid (Title XIX) risk contracts, Medicare Supplement and Vision only business.

- Column [56](#) – Vision Only
- Include: Policies providing for vision only coverage issued as stand-alone vision or as a rider to a medical policy that is not related to the medical policy through premiums, deductibles or out-of-pocket limits.
- Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefit plan (FEHBP) premiums, comprehensive hospital and medical policies, Medicare (Title XVIII) and Medicaid (Title XIX) risk contract, Medicare Supplement, and Dental only business.
- Column [67](#) – Federal Employees Health Benefits Plans (FEHBP)
- Include: Business allocable to the Federal Employees Health Benefits Plan (FEHBP) premium that are exempted from state taxes or other fees by Section 8909(f)(1) of Title 5 of the United States Code.
- Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), comprehensive hospital and medical policies, Medicare (Title XVIII) and Medicaid (Title XIX) risk contracts, Medicare Supplement, Vision only and Dental only business.
- Column [78](#) – Title XVIII - Medicare
- Include: Business where the reporting entity charges a premium and agrees to cover the full medical costs of Medicare subscribers. Policies providing Medicare Part D Prescription Drug Coverage through a Medicare Advantage product.
- Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefits plan (FEHBP) premiums, comprehensive hospital and medical policies, Medicaid (Title XIX) risk contracts, Medicare Supplement, Vision only and Dental only business. Policies providing stand alone Medicare Part D Prescription Drug Coverage.
- Column [89](#) – Title XIX - Medicaid
- Include: Business where the reporting entity charges a premium and agrees to cover the full medical costs of Medicaid subscribers.
- Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefits plan (FEHBP) premiums, comprehensive hospital and medical policies, Medicare (Title XVIII) risk contracts, Medicare Supplement, Vision only and Dental only business.
- [Column 10](#) – [Credit A&H](#)
- [Include:](#) [Coverage provided to, or offered to, borrowers in connection with a consumer credit transaction where the proceeds are used to repay a debt or an installment loan in the event the consumer is disabled as the result of an accident, including business not exceeding 120 months duration \(Group and Individual\).](#)

Column 11 – Disability Income

Include: The term ‘disability income’ includes contracts providing disability income coverage, both short-term and long-term.

Column 12 – Long-Term Care

Include: Any insurance policy or rider that provides coverage for not less than twelve (12) consecutive months for each covered person on an expense incurred, indemnity, prepaid or other basis, for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance or personal care services, provided in a setting other than an acute care unit of a hospital.

A policy or rider that provides for payment of benefits based upon cognitive impairment or the loss of functional capacity.

Column ~~9~~13 – Other Health

Include: Other health coverages such as stop loss, ~~disability income, long term care~~ and prescription drug plans and coverages not specifically addressed in any other columns. Policies providing stand alone Medicare Part D Prescription Drug Coverage.

On Line 20, expenses and reimbursements from administrative services only (ASO), other non-underwritten business and administrative services contracts (ASC).

Exclude: Policies providing Medicare Part D Prescription Drug Coverage through a Medicare Advantage product.

Column ~~10~~14 – Other Non-health

Include: Life and property/casualty coverages.

**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL**

**HEALTH SUPPLEMENT**

**HEALTH ANALYSIS OF OPERATIONS BY LINES OF BUSINESS SUPPLEMENT**

~~Please refer to the instructions in Statement of Revenues and Expenses for instructions and line descriptions for this Exhibit.~~

Complete the supplement if the reporting entity has health lines of business to be reported in Columns 2 through 13. Reporting entities that only have non-health lines of business should not complete the supplement.

Riders/Endorsements/Floaters:

If a rider, endorsement or floater acts like a separate policy with separate premium, deductible and limit, then it is to be recorded on the same line of business as if it were a stand-alone policy regardless of whether it is referred to as a rider, endorsement or floater. If there is no additional premium, separate deductible or limit, the rider, endorsement or floater should be reported on the same line of business as the base policy.

Column 1 – Total

Column 1 (Line 19 plus Line 20) minus Column 14 (Line 19 plus Line 20) should equal Analysis of Operations by Lines of Business – Accident and Health Column 1, sum of Lines 21 through 24.

Column 2 – Comprehensive (Hospital & Medical) – Individual }  
Column 3 – Comprehensive (Hospital & Medical) – Group }

Include: Business that provides for medical coverages including hospital, surgical and major medical. Include State Children’s Health Insurance Program (SCHIP) Medicaid Program (Title XXI), risk contracts.

Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefit plan (FEHBP) premiums, Medicare (Title XVIII) and Medicaid (Title XIX) risk contracts, Medicare Supplement, Vision only and Dental only business.

Column 4 – Medicare Supplement

Include: Business reported in the Medicare Supplement Insurance Experience Exhibit of the annual statement.

Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefit plan (FEHBP) premiums, comprehensive hospital and medical policies, Medicare (Title XVIII) and Medicaid (Title XIX) risk contracts, Vision only and Dental only business.

Column 5 – Dental Only

Include: Policies providing for dental only coverage issued as stand alone dental or as a rider to a medical policy that is not related to the medical policy through premiums, deductibles or out-of-pocket limits.

Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefit plan (FEHBP) premiums, comprehensive hospital and medical policies, Medicare (Title XVIII) and Medicaid (Title XIX) risk contracts, Medicare Supplement and Vision only business.

Column 6 – Vision Only

Include: Policies providing for vision only coverage issued as stand-alone vision or as a rider to a medical policy that is not related to the medical policy through premiums, deductibles or out-of-pocket limits.

Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefit plan (FEHBP) premiums, comprehensive hospital and medical policies, Medicare (Title XVIII) and Medicaid (Title XIX) risk contract, Medicare Supplement, and Dental only business.

Column 7 – Federal Employees Health Benefits Plans (FEHBP)

Include: Business allocable to the Federal Employees Health Benefits Plan (FEHBP) premium that are exempted from state taxes or other fees by Section 8909(f)(1) of Title 5 of the United States Code.

Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), comprehensive hospital and medical policies, Medicare (Title XVIII) and Medicaid (Title XIX) risk contracts, Medicare Supplement, Vision only and Dental only business.

Column 8 – Title XVIII - Medicare

Include: Business where the reporting entity charges a premium and agrees to cover the full medical costs of Medicare subscribers. Policies providing Medicare Part D Prescription Drug Coverage through a Medicare Advantage product.

Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefits plan (FEHBP) premiums, comprehensive hospital and medical policies, Medicaid (Title XIX) risk contracts, Medicare Supplement, Vision only and Dental only business. Policies providing stand alone Medicare Part D Prescription Drug Coverage.

Column 9 – Title XIX - Medicaid

Include: Business where the reporting entity charges a premium and agrees to cover the full medical costs of Medicaid subscribers.

Exclude: Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefits plan (FEHBP) premiums, comprehensive hospital and medical policies, Medicare (Title XVIII) risk contracts, Medicare Supplement, Vision only and Dental only business.

Column 10 – Credit A&H

Include: Coverage provided to, or offered to, borrowers in connection with a consumer credit transaction where the proceeds are used to repay a debt or an installment loan in the event the consumer is disabled as the result of an accident, including business not exceeding 120 months duration (Group and Individual).

Column 11 – Disability Income

Include: The term ‘disability income’ includes contracts providing disability income coverage, both short-term and long-term.

Column 12 – Long-Term Care

Include: Any insurance policy or rider that provides coverage for not less than twelve (12) consecutive months for each covered person on an expense incurred, indemnity, prepaid or other basis, for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance or personal care services, provided in a setting other than an acute care unit of a hospital.

A policy or rider that provides for payment of benefits based upon cognitive impairment or the loss of functional capacity.

Column 13 – Other Health

Include: Other health coverages such as stop loss and prescription drug plans and coverages not specifically addressed in any other columns. Policies providing stand alone Medicare Part D Prescription Drug Coverage.

On Line 20, expenses and reimbursements from administrative services only (ASO), other non-underwritten business and administrative services contracts (ASC).

Exclude: Policies providing Medicare Part D Prescription Drug Coverage through a Medicare Advantage product.

Column 14 – Other Non-health

Include: Life and property/casualty coverages.

Line 1 – Net Premium Income

Written premium is defined as the contractually determined amount charged by the reporting entity to the policyholder for the effective period of the contract based on the expectation of risk, policy benefits, and expenses associated with the coverage provided by the terms of the insurance contract. For health contracts without fixed contract periods, premiums written will be equal to the amount collected during the reporting period plus uncollected premiums at the end of the period less uncollected premiums at the beginning of the period.

Include: Accrued return premium adjustments for contracts subject to redetermination.

Line 2 – Change in Unearned Premium Reserves and Reserve for Rate Credits

Exclude: Reserves relating to uninsured plans and the uninsured portion of partially insured plans.

Line 3 – Fee-for-Service (Net of \$ \_\_\_ Medical Expenses)

Include: Revenue recognized by the reporting entity for provision of health services to non-members by reporting entity providers and to members through provision of health services excluded from their prepaid benefit packages. Include in the inside amount, the medical expenses associated with fee-for-service business.

Line 4 – Risk Revenue

Include: Amounts charged by the reporting entity as a provider or intermediary for specified medical services (e.g., full professional, dental, radiology, etc.) provided to the policyholders or members of another insurer or reporting entity.

Unlike premiums that are collected from an employer group or individual member, risk revenue is the prepaid (usually on a capitated basis) payment, made by another insurer or reporting entity to the reporting entity in exchange for services to be provided or offered by such organization.

Line 5 – Aggregate Write-ins for Other Health Care Related Revenues

Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 5 for Other Health Care Related Revenues.

Line 6 – Aggregate Write-ins for Other Non-health Revenues

Enter the total of the write-ins in schedule Details of Write-ins Aggregate at Line 6 for Other Non-health Revenues.

Line 8 – Hospital/Medical Benefits

Include: Expenses for physician services provided under contractual arrangement to the reporting entity.

Salaries, including fringe benefits, paid to physicians for delivery of medical services. Capitation payments by the reporting entity to physicians for delivery of medical services to reporting entity subscribers.

Fees paid by the reporting entity to physicians on a fee-for-service basis for delivery of medical services to reporting entity subscribers. This includes capitated referrals.

Inpatient hospital costs of routine and ancillary services for reporting entity members while confined to an acute care hospital.

Charges for non-reporting entity physician services provided in a hospital are included in this line item only if included as an undefined portion of charges by a hospital to the reporting entity. (If separately itemized or billed, physician charges should be included in outside referrals below.)

The cost of utilizing skilled nursing and intermediate care facilities.

Routine hospital service includes regular room and board (including intensive care units, coronary care units, and other special inpatient hospital units), dietary and nursing services, medical surgical supplies, medical social services, and the use of certain equipment and facilities for which the provider does not customarily make a separate charge.

Ancillary services may also include laboratory, radiology, drugs, delivery room, physical therapy services, other special items and services for which charges are customarily made in addition to a routine service charge.

Skilled nursing facilities are primarily engaged in providing skilled nursing care and related services for patients who require medical or nursing care or rehabilitation service.

Intermediate care facilities are for individuals who do not require the degree of care and treatment that a hospital or skilled nursing-care facility provides, but that do require care and services above the level of room and board.

Report gross of reinsurance. Report net of coordination of benefits, co-payments and subrogation.

Exclude: Expenses for medical personnel time devoted to administrative tasks.

Emergency room and out-of-area hospitalization.

All items meeting the definition of Cost Containment Expenses found in SSAP No. 55—Unpaid Claims, Losses and Loss Adjustment Expenses.

Line 9 – Other Professional Services

Include: Expenses for other professional providers under contractual arrangement to the reporting entity.

Salaries, as well as fringe benefits, paid by the reporting entity to non-physician providers licensed, accredited or certified to perform specified health services, consistent with state law, engaged in the delivery of medical services.

Compensation to personnel engaged in activities in direct support of the provision of medical services. For example, include compensation to pharmacists, dentists, psychologists, optometrists, podiatrists, extenders, nurses, clinical personnel such as ambulance drivers and technicians.

Exclude: Professional services not meeting this definition. Report these services as administrative expenses. For example, exclude compensation to paraprofessionals, janitors, quality assurance analysts, administrative supervisors, secretaries to medical personnel, and medical record clerks.

Prescription drugs.

All items meeting the definition of Cost Containment Expenses found in SSAP No. 55—Unpaid Claims, Losses and Loss Adjustment Expenses.

Line 10 – Outside Referrals

Include: Expenses for providers not under arrangement with the reporting entity to provide services, such as consultations, or out-of-network providers.

Line 11 – Emergency Room and Out-of-Area

Include: Expenses for other health delivery services including emergency room costs incurred by members for which the reporting entity is responsible and out-of-area service costs for emergency physician and hospital.

In the event a member is admitted to the health care facility immediately after seeking emergency room service, emergency service expenses are reported in this line, the expenses after admission are reported in the hospital/medical line, provided the member is seeking services in the service area. Out-of-area expenses incurred, whether emergency or hospital, are reported in this line.

Line 12 – Prescription Drugs

Include: Expenses for Prescription Drugs and other pharmacy benefits covered by the reporting entity.

Deduct: Pharmaceutical rebates relating to insured plans.

Exclude: Prescription drug charges that are included in a hospital billing which should be classified as Hospital/Medical Benefits on Line 8.

Line 13 – Aggregate Write-ins for Other Hospital and Medical

Include: Other hospital and medical expenses not covered in the other claims accounts.

Line 14 – Incentive Pool, Withhold Adjustments and Bonus Amounts

This category is for adjusting the full medical expenses reported by means of both debit and credit entries. For example, report physician withholds forfeited to the reporting entity as a credit entry. Report amounts incurred due to an arrangement whereby the reporting entity agrees to utilization savings with a provider as a debit entry.

Line 16 – Net Reinsurance Recoveries

Amounts recovered and recoverable from reinsurers on paid losses

Include: Amounts related to assumed and ceded business.

Line 18 – Non-Health Claims (net)

Include: Claims for life or property/casualty insurance, net of reinsurance.

Line 19 – Claims Adjustment Expenses, Including \$ \_\_\_ Cost Containment Expenses

All expenses incurred in connection with the recording, adjustment and settlement of claims. This includes the total of the expense classification “Other Claim Adjustment Expenses” and all “Cost Containment Expenses” in the Underwriting and Investment Exhibit, Part 3, Analysis of Expenses.

Cost Containment Expenses and Other Claim Adjustment Expenses have been defined in SSAP No. 55—Unpaid Claims, Losses and Loss Adjustment Expenses. Refer to SSAP No. 55 for accounting guidance.

Line 20 – General Administrative Expenses

Refer to SSAP No. 70—Allocation of Expenses, for accounting guidance.

Exclude: All expenses related to cost containment activities in accordance with SSAP No. 55—Unpaid Claims, Losses and Loss Adjustment Expenses.

~~Should equal Analysis of Operations by Lines of Business—Accident and Health, Column 1, Line 21 plus Line 22 plus Line 24.~~

Line 21 – Increase in Reserves for Accident and Health Contracts

Include: Increase in policy reserves.

Change in premium deficiency reserve.

Line 22 – Increase in Reserves for Life Contracts

Include: Increase in policy reserves.

Change in premium deficiency reserve.

Line 24 – Net Underwriting Gain or (Loss)

Column 1 minus Column 14 should equal Analysis of Operations by Lines of Business – Summary Column 6, Line 29

Detail of Write-ins Aggregated at Line 5 for Other Health Care Related Revenues

Include: Revenue from sources not covered in the other revenue accounts.

Detail of Write-ins at Line 6 for Other Non-Health Revenues

Include: Revenue from life and property/casualty business (non-premium amounts).

Gains losses on fixed assets.

Details of Write-ins Aggregated at Line 13 for Other Hospital and Medical

Include: Other hospital and medical expenses not covered in the other claims accounts.

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS – ACCIDENT AND HEALTH**

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**Detail Eliminated to Conserve Space**

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Column 1 – Total

Sum of Lines 21 through 24 should equal Health Analysis of Operations by Lines of Business Supplement Line 19 plus 20 (Column 1 minus Column 14).

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**Detail Eliminated to Conserve Space**

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Line 1 – Premiums for Accident and Health Contracts

Should equal Health Analysis of Operations by Lines of Business Supplement, Line 7 minus Line 6 (Column 1 minus Column 14).

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**Detail Eliminated to Conserve Space**

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Line 8.3 – Aggregate Write-Ins for Miscellaneous Income

Enter the total of the write-ins listed in schedule Details of Write-ins Aggregated at Line 8.3 for Miscellaneous Income.

Line 13 – Disability Benefits and Benefits Under Accident and Health Contracts

Should equal

Health Supplement – Analysis of Operations by Lines of Business Supplement, Line 17, Column 1 minus Column 14.

Plus Exhibit 6, Line 16, Column 1 CY.

Minus Exhibit 6, Line 16, Column 1 PY.

Line 16 – Group Conversions

Include: The customary charges, in the appropriate columns, to cover the excess cost arising from group conversions.

**This line is not applicable to Fraternal Benefit Societies.**

Line 19 – Increase in Aggregate Reserves for Life and Accident and Health Contracts

Should equal the Health Supplement – Analysis of Operations by Lines of Business Supplement, Column 1 minus Column 14, Line 21 plus Line 22

Include: Increase in policy reserves reported in Exhibit 6.

Change in premium deficiency reserve reported in Exhibit 6.

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**Detail Eliminated to Conserve Space**

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**ANNUAL STATEMENT BLANK –HEALTH**

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

	1 Total	Comprehensive (Hospital & Medical)		4	45	6	67	78	89	10	11	12	913	14
		2 Comprehensive (Hospital & Medical) Individual	3 Group	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other Health	Other Non- Health
1. Net premium income .....														
2. Change in unearned premium reserves and reserve for rate credit .....														
3. Fee-for-service (net of \$..... medical expenses) .....														XXX XXX
4. Risk revenue .....														XXX
5. Aggregate write-ins for other health care related revenues .....														
6. Aggregate write-ins for other non-health care related revenues .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7. Total revenues (Lines 1 to 6) .....														
8. Hospital/medical benefits .....														XXX
9. Other professional services .....														XXX
10. Outside referrals .....														XXX
11. Emergency room and out-of-area .....														XXX
12. Prescription drugs .....														XXX
13. Aggregate write-ins for other hospital and medical .....														XXX
14. Incentive pool, withhold adjustments and bonus amounts.....														XXX
15. Subtotal (Lines 8 to 14) .....														XXX
16. Net reinsurance recoveries .....														XXX
17. Total hospital and medical (Lines 15 minus 16) .....														XXX
18. Non-health claims (net) .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$..... cost containment expenses .....														
20. General administrative expenses .....														
21. Increase in reserves for accident and health contracts.....														XXX
22. Increase in reserves for life contracts .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22) .....														
24. Net underwriting gain or (loss) (Line 7 minus Line 23)														
<b>DETAILS OF WRITE-INS</b>														
0501. ....														XXX
0502. ....														XXX
0503. ....														XXX
0598. Summary of remaining write-ins for Line 5 from overflow page .....														
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)														XXX
0601. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page .....														
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
1301. ....														XXX
1302. ....														XXX
1303. ....														XXX
1398. Summary of remaining write-ins for Line 13 from overflow page .....														
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)														XXX

ANNUAL STATEMENT BLANK – LIFE\FRATERNAL

**HEALTH SUPPLEMENT**

**HEALTH ANALYSIS OF OPERATIONS BY LINES OF BUSINESS SUPPLEMENT**

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non- Health
		2 Individual	3 Group											
1. Net premium income														
2. Change in unearned premium reserves and reserve for rate credit														
3. Fee-for-service (net of \$ medical expenses)														XXX
4. Risk revenue														XXX
5. Aggregate write-ins for other health care related revenues														XXX
6. Aggregate write-ins for other non-health care related revenues		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7. Total revenues (Lines 1 to 6)														
8. Hospital/medical benefits														XXX
9. Other professional services														XXX
10. Outside referrals														XXX
11. Emergency room and out-of-area														XXX
12. Prescription drugs														XXX
13. Aggregate write-ins for other hospital and medical														XXX
14. Incentive pool, withhold adjustments and bonus amounts														XXX
15. Subtotal (Lines 8 to 14)														XXX
16. Net reinsurance recoveries														XXX
17. Total hospital and medical (Lines 15 minus 16)														XXX
18. Non-health claims (net)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ cost containment expenses														
20. General administrative expenses														
21. Increase in reserves for accident and health contracts														XXX
22. Increase in reserves for life contracts		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)														
24. Net underwriting gain or (loss) (Line 7 minus Line 23)														
<b>DETAILS OF WRITE-INS</b>														
0501.														XXX
0502.														XXX
0503.														XXX
0598. Summary of remaining write-ins for Line 5 from overflow page														XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)														XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page														
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
1301.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
1302.														XXX
1303.														XXX
1398. Summary of remaining write-ins for Line 13 from overflow page														XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)														XXX

### SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of **WAIVED** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

#### MARCH FILING

#### Responses

1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? .....

**Detail Eliminated to Conserve Space**

The following supplemental reports are required to be filed as part of your annual statement filing **if your company is engaged in the type of business covered by the supplement. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below.** If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

#### MARCH FILING

10. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1? (Not applicable to fraternal benefit societies) .....

**Detail Eliminated to Conserve Space**

35. Will the Health Care Receivables Supplement be filed with the state of domicile and the NAIC by March 1? .....

36. [Will the Health Analysis of Operations by Lines of Business Supplement be filed with the state of domicile and the NAIC by March 1?](#) .....

#### APRIL FILING

- ~~3637.~~ Will the confidential Regulatory Asset Adequacy Issues Summary (RAAIS) required by the Valuation Manual be filed with the state of domicile by April 1? .....

- ~~3738.~~ Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1? .....

- ~~3839.~~ Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1? (Not applicable to fraternal benefit societies) .....

- ~~3940.~~ Will the Accident and Health Policy Experience Exhibit be filed by April 1? .....

- ~~4041.~~ Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1? .....

- ~~4142.~~ Will the regulator only (non-public) Supplemental Health Care Exhibit's Allocation Report be filed with the state of domicile and the NAIC by April 1? .....

- ~~4243.~~ Will the confidential Actuarial Memorandum required by Actuarial Guideline XXXVIII 8D be filed with the state of domicile by April 30? .....

- ~~4344.~~ Will the Supplemental Term and Universal Life Insurance Reinsurance Exhibit be filed with the state of domicile and the NAIC by April 1? .....

- ~~4445.~~ Will the Variable Annuities Supplement be filed with the state of domicile and the NAIC by April 1? .....

- ~~4546.~~ Will the confidential Executive Summary of the PBR Actuarial Report be filed with the state of domicile by April 1? .....

- ~~4647.~~ Will the confidential Life Summary of the PBR Actuarial Report be filed with the state of domicile by April 1? .....

- ~~4748.~~ Will the confidential Variable Annuities Summary of the PBR Actuarial Report be filed with the state of domicile by April 1? .....

#### AUGUST FILING

- ~~4849.~~ Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? .....

**Explanation:**

**Bar code:**

[https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member Meetings/2022 NAIC Meetings/Spring National Meeting/Committee Meetings/FINANCIAL CONDITION \(E\) COMMITTEE/Accounting Practices and Procedures \(E\) TF/BWG/Att2C\\_2021-17BWG\\_Modified.doc](https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member%20Meetings/2022%20NAIC%20Meetings/Spring%20National%20Meeting/Committee%20Meetings/FINANCIAL%20CONDITION%20(E)%20COMMITTEE/Accounting%20Practices%20and%20Procedures%20(E)%20TF/BWG/Att2C_2021-17BWG_Modified.doc)

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>10/21/2021</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Steve Drutz</u></p> <p>TITLE: <u>Chief Financial Analyst</u></p> <p>AFFILIATION: <u>WA Office of the Insurance Commissioner</u></p> <p>ADDRESS: _____</p>	<p style="text-align: center;"><b><u>FOR NAIC USE ONLY</u></b></p> <p>Agenda Item # <u>2021-19BWG MOD</u></p> <p>Year <u>2022</u></p> <p>Changes to Existing Reporting [ X ]</p> <p>New Reporting Requirement [ ]</p> <hr/> <p style="text-align: center;"><b><u>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</u></b></p> <p>No Impact [ X ]</p> <p>Modifies Required Disclosure [ ]</p> <hr/> <p style="text-align: center;"><b><u>DISPOSITION</u></b></p> <p>[ ] Rejected For Public Comment</p> <p>[ ] Referred To Another NAIC Group</p> <p>[ ] Received For Public Comment</p> <p>[ X ] Adopted Date <u>03/29/2022</u></p> <p>[ ] Rejected Date _____</p> <p>[ ] Deferred Date _____</p> <p>[ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |  |   |   |
|--|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT       | <input checked="" type="checkbox"/> INSTRUCTIONS  | <input checked="" type="checkbox"/> CROSSCHECKS |
| <input checked="" type="checkbox"/> QUARTERLY STATEMENT    | <input checked="" type="checkbox"/> BLANK         |   |
| <input type="checkbox"/> Life, Accident & Health/Fraternal | <input type="checkbox"/> Separate Accounts        | <input type="checkbox"/> Title                  |
| <input type="checkbox"/> Property/Casualty                 | <input type="checkbox"/> Protected Cell           | <input type="checkbox"/> Other _____            |
| <input checked="" type="checkbox"/> Health                 | <input type="checkbox"/> Health (Life Supplement) |   |

Anticipated Effective Date: Annual 2022

**IDENTIFICATION OF ITEM(S) TO CHANGE**

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 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.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

The purpose of this proposal is to bring consistency in lines of business reporting across all statement types that report health business. This proposal brings the Health Statement in line with Life/Fraternal and Property Statements.

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

Revised 7/18/2018

**ANNUAL STATEMENT INSTRUCTIONS – HEALTH**

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1 – PREMIUMS**

Written premium is defined as the contractually determined amount charged by the reporting entity to the policyholder for the effective period of the contract based on the expectation of risk, policy benefits, and expenses associated with the coverage provided by the terms of the insurance contract. For health contracts without fixed contract periods, premiums written will be equal to the amount collected during the reporting period plus uncollected premiums at the end of the period less uncollected premiums at the beginning of the period.

- |          |   |   |   |
|----------|---|---|---|
| Column 1 | – | Direct Business                                 |   |
|          |   | Include:  | Experience rating refunds and return retrospective premiums. Deduct any experience rating refunds and return retrospective premiums paid. Refer to <i>SSAP No. 66—Retrospectively Rated Contracts</i> for accounting guidance.  |
|          |   |   | Accrued return premium adjustments for contracts subject to redetermination.  |
| Column 4 | – | Net Premium Income                              |   |
|          |   |   | For companies that record premium on a cash basis, make adjustments for uncollected premiums at the beginning and end of the year to reflect premiums on a written basis.   |
| Line 1   | – | Comprehensive (Hospital & Medical) – Individual | }   |
| Line 2   | – | Comprehensive (Hospital & Medical) – Group      |   |
|          |   | Include:  | Policies providing for medical coverages including hospital, surgical and major medical. Include State Children’s Health Insurance Program (SCHIP) Medicaid Program (Title XXI), risk contracts.  |
|          |   | Exclude:  | Administrative services only (ASO), other non-underwritten business, administrative services contracts (ASC), federal employees health benefit plan (FEHBP) premiums, medical only policies, Medicare (Title XVIII) and Medicaid (Title XIX) risk contracts, Medicare Supplement, Vision only and Dental only business. |
| Line 23  | – | Medicare Supplement                             |   |
|          |   | Include:  | Business reported in the Medicare Supplement Insurance Experience Exhibit of the annual statement.  |
|          |   | Exclude:  | Revenue as a result of an arrangement between the reporting entity and the Centers for Medicare & Medicaid Services (CMS), on a cost or risk basis, for services to a Medicare beneficiary.   |
| Line 34  | – | Dental Only                                     |   |
|          |   | Include:  | Premiums for policies providing for dental only coverage issued as stand alone dental or as a rider to a medical policy that is not related to the medical policy through deductibles or out-of-pocket limits.  |
| Line 45  | – | Vision Only                                     |   |
|          |   | Include:  | Premiums for policies providing for vision only coverage issued as stand alone vision or as a rider to a medical policy that is not related to the medical policy through deductibles or out-of-pocket limits.  |
| Line 56  | – | Federal Employees Health Benefits Plan (FEHBP)  |   |

Include: Net premiums written attributable to the FEHBP.

Line ~~6~~7 – Title XVIII - Medicare

Include: Revenue as a result of a risk arrangement between the reporting entity and the Centers for Medicare & Medicaid Services (CMS), for services to a Medicare beneficiary. Policies providing Medicare Part D Prescription Drug Coverage through a Medicare Advantage product.

Exclude: Medicare Supplement or Medicare wrap-around premiums. Policies providing stand alone Medicare Part D Prescription Drug Coverage.

Line ~~7~~8 – Title XIX - Medicaid

Include: Revenue resulting from an arrangement between the reporting entity and a Medicaid state agency for services to a Medicaid beneficiary.

Line ~~10~~9 – Credit A&H

Include: Coverage provided to, or offered to, borrowers in connection with a consumer credit transaction where the proceeds are used to repay a debt or an installment loan in the event the consumer is disabled as the result of an accident, including business not exceeding 120 months duration (Group and Individual).

Line ~~11~~10 – Disability Income

Include: The term ‘disability income’ includes contracts providing disability income coverage, both short-term and long-term.

Line ~~12~~11 – Long-Term Care

Include: Any insurance policy or rider that provides coverage for not less than twelve (12) consecutive months for each covered person on an expense incurred, indemnity, prepaid or other basis, for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance or personal care services, provided in a setting other than an acute care unit of a hospital.

A policy or rider that provides for payment of benefits based upon cognitive impairment or the loss of functional capacity.

Line ~~8~~12 – Other Health

Include: Other health revenues not included in any other column, including stop loss, ~~disability income and long term care~~. Policies providing stand alone Medicare Part D Prescription Drug Coverage.

Exclude: ASO (administrative services only) contracts and ASC (administrative service contracts). Refer to *SSAP No. 47—Uninsured Plans* for accounting guidance. Policies providing Medicare Part D Prescription Drug Coverage through a Medicare Advantage product.

Line ~~9~~13 – Health Subtotal

Column 1 should equal Schedule T, Line 61 sum of Columns 2, 3, 5 and 6.

- Line ~~10~~14 – Life
  - Include: Revenue for life insurance.
  - Column 1 should equal Schedule T, Line 61, Column 7.
  
- Line ~~11~~15 – Property/Casualty
  - Include: Revenue for property/casualty insurance.
  - Column 1 should equal Schedule T, Line 61, Column 8.

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2 – CLAIMS INCURRED DURING THE YEAR**

- Column ~~9~~13 – Other Health  
Include: Claims incurred for other health lines of business not included in any other column, including stop loss, ~~disability income and long term care~~.
- Column ~~10~~14 – Other Non-health  
Include: Claims incurred for life and property/casualty lines of business.
- Line 1 – Payments During the Year  
Report payments net of pharmaceutical rebates collected and risk share amount collected. Refer to *SSAP No. 84—Health Care and Government Insured Plan Receivables* for accounting guidance.  
Line 1.3 should include only those reinsurance recoveries received during the year.  
Exclude: Medical incentive pools and bonuses.
- Line 2 – Paid Medical Incentive Pools and Bonuses  
Equals Underwriting and Investment, Part 2B, Columns 1 and 2, Line ~~12~~16.



- Line 12 – Incurred Benefits  
Line 12.1 = Line 1.1 + Line 3.1 + Line 4.1 – Line 6 – Line 8.1 – Line 9.1  
Line 12.2 = Line 1.2 + Line 3.2 + Line 4.2 – Line 8.2 – Line 9.2  
Line 12.3 = Line 1.3 + Line 3.3 + Line 4.3 + Line 7 – Line 8.3 – Line 9.3 – Line 11  
Line 12.4 = Line 1.4 + Line 3.4 + Line 4.4 – Line 6 – Line 7 – Line 8.4 – Line 9.4 + Line 11
- Line 12.1 – Incurred Benefits: Direct  
Column 1 minus Column ~~10~~14, Line 12.1 should agree with the sum of Lines 9 through 14 on the Statement of Revenue and Expenses.
- Line 13 – Incurred Medical Incentive Pools and Bonuses  
This should agree with Line 2 + Line 5 – Line 10.

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2A – CLAIMS LIABILITY END OF CURRENT YEAR**

Refer to *SSAP No. 55—Unpaid Claims, Losses and Loss Adjustment Expenses* for accounting guidance. Include recoverables for anticipated coordination of benefits and subrogation as a reduction to unpaid claims.

Column ~~9~~13 – Other Health

Include: Claims liability for other health lines of business not included in any other column, including stop loss, ~~disability income and long term care~~.

Column ~~10~~14 – Other Non-health

Include: Claims liability for life and property/casualty lines of business.

Line 1 – Reported in Process of Adjustment

Include: Liability for all claims that have been reported to the company on or before December 31 of the current year. Provision for claims of the current year or prior years, if any, reported after that date would be made in Line 2 as Incurred but Unreported. Portions of reported claims for which payments are due after December 31 of the current year are reported in Underwriting and Investment Exhibit, Part 2D, Line 9.

Line 2 – Incurred but Unreported

Except where inapplicable, the reserve included in these lines should be based on past experience, modified to reflect current conditions, such as changes in exposure, claim frequency or severity.

Line 3 – Amounts Withheld from Paid Claims and Capitulations

Report the amounts withheld from paid claims and capitulations that have not been distributed and the anticipated withholds from estimated incurred but not reported losses.

Line 4.4 – Net Total Claim Liability

This amount should agree to Page 3, Line 1, Column 3.

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2B – ANALYSIS OF CLAIMS UNPAID – PRIOR YEAR – NET OF REINSURANCE**

Claims are to include amounts paid or accrued for capitation, and any other means of payment, for medical or other health care services including, under other medical costs, amounts for occupancy, depreciation and amortization as it relates to medical and hospital expenses.

Incentive pool, withhold, and bonus amounts are defined as: amounts to be paid to providers by the Health entity as an incentive to achieve goals such as effective management of care. Some arrangements involve paying an agreed-on amount for each claim, and then paying a bonus at the end of the contract period. Other arrangements involve a set amount to be withheld from each claim, and then paying a portion (which could be none or all) of the withheld amount at the end of the contract period.

For arrangements involving amounts withheld, the claim payments should be recorded net of the withhold, and the unpaid withholds should be held as an additional liability until paid or formally retained. The amount due should be supported by signed agreements and the basis for establishing the liability should be documented when determining the amount of this liability.

**Columns 1 and 2**

Enter in Columns 1 and 2, Lines 1 through ~~8~~12, all payments made during the year. Record actual payments only, net of applicable Coordination of Benefits, deductibles, copayments, pharmaceutical rebates collected, risk share amounts collected, reinsurance, subrogation, and provider discounts. Refer to *SSAP No. 84—Health Care and Government Insured Plan Receivables* for accounting guidance.

Include in Columns 1 and 2, Line ~~4~~14, the portion of current health care receivables balance relating to claims paid in the current year on insured plans. This would not include those health care receivables, such as loans or advances to non-related party hospitals, established as prepaid assets that are not expensed until the related claims have been received from the provider as the claims have not been paid as of the statement date. Refer to *SSAP No. 84—Health Care and Government Insured Plan Receivables* for accounting guidance.

Include on Line ~~12~~16 actual payments from provider incentive pools and bonus arrangements or supplemental facility settlements (distributions of utilization savings).

All claim payments made relating to service dates prior to the current reporting year should be reported in Column 1. Report in Column 2 all claim payments for service dates in the current reporting year.

**Columns 3 and 4**

Enter in Columns 3 and 4 all claims related liabilities and reserves held at the end of the current year. This includes liability for both reported and unreported claims and should be net of anticipated reductions for coordination of benefits, deductibles, copayments, provider discounts or reinsurance recoveries on unpaid claims.

Include in Columns 3 and 4, Line ~~10~~14 the portion of current health care receivables of insured plans relating to claims in the process of adjustment, excluding those health care receivables, such as loans or advances to non-related party hospitals, established as prepaid assets that are not expensed until the related claims have been received from the provider. Refer to *SSAP No. 84—Health Care and Government Insured Plan Receivables* for accounting guidance.

Report on Lines 1 through ~~8~~12 the claims unpaid gross of the actual withholds on paid claims and net of settlement adjustments to prior withholds. Estimated incurred but unreported losses reported on Lines 1 through ~~8~~12 should be calculated in accordance with *SSAP No. 54R—Individual and Group Accident and Health Contracts* and may include estimations as to return of withhold on claims incurred, but not yet paid. Liability for provider incentive pools and supplemental facility settlements should also be included on Line ~~12~~16.

Line ~~9-13~~ plus Line ~~11-15~~ of Columns 3 and 4 should agree to Underwriting and Investment Exhibit – Part 2A, Column 1, Line 4.4 plus Underwriting and Investment Exhibit – Part 2D, Column 1, Line 14.

Line ~~9-13~~ plus Line ~~11-15~~, Columns 3 and 4 should equal Page 3, Line 1 plus Line 7, Column 3.

Line ~~13-17~~, Columns 1 through 4, less Column 6 should agree to Page 4, Line 18 plus Line 19, Column 2.

The sum of Columns 3 and 4, Line ~~13-17~~ plus ~~10-14~~ should agree to the sum of Lines 1, 2 and 7, Page 3, Column 3.

Line ~~8-12~~ – Other Health

Report the unpaid claims for other health business not included in any other line. This category includes all unspecified business written under the Company's health line of business authority including stop loss ~~as well as business that does not qualify for the Health Statement Test (e.g., disability income and long-term care).~~

Line ~~10-14~~ – Health Care Receivables

This line is based on the gross health care receivable, not just the admitted portion.

Columns 1 and 2 report the amounts of health care receivables associated with claims paid during the year, excluding those health care receivables, such as loans or advances to non-related party hospitals, established as prepaid assets that are not expensed until the related claims have been received from the provider.

Columns 3 and 4 report the health care receivable amount attributable to those claims remaining unpaid as of the reporting date. This will include those amounts of pharmaceutical rebates that are estimated in accordance with *SSAP No. 84—Health Care and Government Insured Plan Receivables* guidelines.

The sum of Columns 1 through 4 on the Underwriting and Investment Exhibit, Part 2B, Line ~~10-14~~ should equal the health care receivables on Exhibit 3, Column 6 plus Column 7, excluding those health care receivables, such as loans or advances to non-related party hospitals, established as prepaid assets that are not expensed until the related claims have been received from the provider. If health care receivables reported on Underwriting and Investment Exhibit, Part 2B are affected by reinsurance, then the sum of Column 1 through Column 4 may be different from the amounts of health care receivables reported on Exhibit 3, which are gross of reinsurance.

If health care receivables are not affected by reinsurance, then Line ~~10-14~~, Column 1 through Column 4 should be no more than Exhibit 3, Line 0799999, Column 6 plus Column 7 and be no less than to Exhibit 3, Line 0799999, Column 6 plus Column 7 minus Exhibit 3, Line 0399999, Column 6 plus Column 7. If health care receivables are affected by reinsurance, then Line ~~10-14~~, Column 1 through Column 4 should be more/less than Exhibit 3, Line 0799999, Columns 6 plus 7 minus Exhibit 3, Line 0399999, Column 6 and Column 7.

Column 6 reports the amounts of prior year health care receivables, excluding those health care receivables, such as loans or advances to non-related party hospitals, established as prepaid assets that are not expensed until the related claims have been received from the provider.

Footnote (a) Line ~~10-14~~ reports those health care receivables, such as loans or advances to non-related party hospitals, established as prepaid assets that are not expensed until the related claims have been received from the provider.

Line ~~11-15~~ – Other Non-health

Report the unpaid claims for life and property/casualty business.

Line ~~12-16~~ – Medical Incentive Pools and Bonus Amounts

Include disbursements for incentive pool and bonus amounts in Column 1 and 2. Include liability for incentive pool and bonus amounts in Column 3 and 4.



**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

A schedule must be prepared and submitted to the state of domicile for each jurisdiction in which the company has written direct business, or has direct amounts paid, incurred or unpaid for provisions of health care services. In addition, a schedule must be prepared and submitted that contains the grand total (GT) for the company. To other states in which the company is licensed it should submit a schedule for that state.

Written premium is defined as the contractually determined amount charged by the reporting entity to the policyholder for the effective period of the contract based on the expectation of risk, policy benefits, and expenses associated with the coverage provided by the terms of the insurance contract. For health contracts without fixed contract periods, premiums written will be equal to the amount collected during the reporting period plus uncollected premiums at the end of the period less uncollected premiums at the beginning of the period.

Column 1 – Total

Include: All members.

Columns 2  
through ~~10~~13 – Lines of Business

See Appendix – Definitions of Lines of Business in determining with which source information is associated. Stop loss, ~~disability income and long term care are~~ is to be included in the Other column.

Column 4 – Medicare Supplement

Include: Medicare Supplement contracts as defined by the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#650) and Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651).

Contracts sold primarily to Medicare eligible persons and designed to coordinate with Medicare but that are exempt from the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#650) and Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651).

Column 8 – Title XVIII Medicare

Include only amounts collected from the Federal Government for Medicare benefits and the amounts collected from enrollees over and above that collected from the Federal Government as authorized under Title XVIII.

Column ~~10~~13 – Other

Include: Policies providing stand-alone Medicare Part D Prescription Drug Coverage.

Column 14 – Other Non-health

Include: Claims incurred for life and property/casualty lines of business.

Line 1 – Total Members at End of Prior Year

A member is a person who has been enrolled as a subscriber, or an eligible dependent of a subscriber, and for whom the reporting entity has accepted the responsibility for the provision of basic health services as provided by contract.

↓ **====** **Detail Eliminated to Conserve Space** **====** ↓

- Line 12 – Health Premiums Written  
Include: Direct premiums written.  
Column 1 should equal Underwriting and Investment Exhibit, Part 1, Column 1, Line ~~9~~13.
- Line 13 – Life Premiums Direct  
Include: Direct premiums and annuity considerations for life contracts excluding reinsurance assumed and without deduction of reinsurance ceded.  
Column 1 should equal Underwriting and Investment Exhibit, Part 1, Column 1, Line ~~10~~14.
- Line 14 – Property/Casualty Premiums Written  
Include: Direct premiums for property and casualty lines of business excluding reinsurance assumed and without deduction of reinsurance ceded.  
Column 1 should equal Underwriting and Investment Exhibit, Part 1, Column 1, Line ~~11~~15.
- Line 15 – Health Premiums Earned  
Include: Direct written premium plus the change in unearned premium reserves and reserve for rate credits.  
  
Sum of General Interrogatories Part 2, Lines 1.61, 1.64, 1.71 and 1.74 should equal Column 4, Grand Total Exhibit of Premiums, Enrollment and Utilization page.

**Detail Eliminated to Conserve Space**

- Footnote (a) – Complete the information regarding number of persons covered under PPO managed care products and number of persons covered under indemnity only products. Include in PPO business health insurance products that provide access to higher level of benefits whenever participating provider networks are used. This will include all blended products whereby an indemnity product is sold and issued in conjunction with an HMO product. Health business includes all business equivalent to that included in the health blank.
- Footnote (b) – Report Medicare Title XVIII premiums that are exempted from state taxes or other fees by Section 1854(g) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. This includes but is not limited to premiums written under a Medicare Advantage product, a Medicare PPO product, or a stand-alone Medicare part D product.

**QUARTERLY STATEMENT INSTRUCTIONS – HEALTH**

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**



**Detail Eliminated to Conserve Space**

- Column 1 – Total
  - Include: All members.
  
- Columns 2 through ~~10~~13 – Lines of Business
  - See Annual Statement Appendix – Definitions of Lines of Business and Product Lines in determining with which source information is associated. Stop loss, ~~disability income and long term care are~~ is to be included in the Other column.
  
- Column 4 – Medicare Supplement
  - Include: Medicare Supplement contracts as defined by the NAIC *Medicare Supplement Insurance Minimum Standards Model Act (#650)* and *Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651)*.
  
  - Contracts sold primarily to Medicare eligible persons and designed to coordinate with Medicare but that are exempt from the NAIC *Medicare Supplement Insurance Minimum Standards Model Act (#650)* and *Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651)*.
  
- Column 8 – Title XVIII Medicare
  - Include only amounts collected from the Federal Government for Medicare benefits and the amounts collected from enrollees over and above that collected from the Federal Government as authorized under Title XVIII. Policies providing Medicare Part D Prescription Drug Coverage through a Medicare Advantage product.
  
- Column ~~10~~13 – Other
  - Include: Policies providing stand-alone Medicare Part D Prescription Drug Coverage.
  
- Column 14 – Other Non-health
  - Include: Claims incurred for life and property/casualty lines of business.
  
- Line 1 – Total Members at End of Prior Year
  - A member is a person who has been enrolled as a subscriber, or an eligible dependent of a subscriber, and for whom the reporting entity has accepted the responsibility for the provision of basic health services as provided by contract.
  
- Line 2 – Total Members at End of First Quarter
  - Show total members (cumulative) at the end of the quarter.



**Detail Eliminated to Conserve Space**

**UNDERWRITING AND INVESTMENT EXHIBIT**

**ANALYSIS OF CLAIMS UNPAID – PRIOR YEAR NET OF REINSURANCE**

Information should be reported for current year-to-date.

Refer to *SSAP No. 54R—Individual and Group Accident and Health Contracts*, and *SSAP No. 66—Retrospectively Rated Contracts*, for accounting guidance.

Exclude: From the appropriate lines and columns, those amounts attributable to the Federal Employees Health Benefit Plan (FEHBP) that are exempted from state taxes or other fees by Section 8909(f)(1) of Title 5 of the United States Code.

Amounts attributable to uninsured plans and the uninsured portion of partially insured plans.

Claims are to include amounts paid or accrued for capitation, and any other means of payment, for medical or other health care services including, under other medical costs, amounts for occupancy, depreciation and amortization as it relates to medical and hospital expenses.

Incentive pool, withhold and bonus amounts are defined as amounts to be paid to providers by the Health entity as an incentive to achieve goals such as effective management of care. Some arrangements involve paying an agreed-on amount for each claim and then paying a bonus at the end of the contract period. Other arrangements involve a set amount to be withheld from each claim and then paying a portion (which could be none or all) of the withheld amount at the end of the contract period.

For arrangements involving amounts withheld, the claim payments should be recorded net of the withhold, and the unpaid withholds should be held as an additional liability until paid or formally retained. The amount due should be supported by signed agreements and the basis for establishing the liability should be documented when determining the amount of this liability.

**Columns 1 and 2:**

Enter in Columns 1 and 2, Lines 1 through ~~8-12~~ and ~~11-15~~, all payments made year-to-date. Record actual payments only, net of applicable Coordination of Benefits, deductibles, copayments, pharmaceutical rebates collected, risk share amounts collected, reinsurance, subrogation and provider discounts. Refer to *SSAP No. 84—Health Care and Government Insured Plans Receivables*, for accounting guidance.

Include in Columns 1 and 2, Line ~~10-14~~, the current health care receivables balance relating to claims paid year-to-date on insured plans. Refer to *SSAP No. 84—Health Care and Government Insured Plans Receivables*, for accounting guidance.

Include on Line ~~12-16~~ actual payments from provider incentive pools and bonus arrangements or supplemental facility settlements (distributions of utilization savings).

All claim payments made relating to service dates prior to the current reporting year should be reported in Column 1. Report in Column 2 all claim payments for service dates in the current reporting year.

**Columns 3 and 4:**

Enter in Columns 3 and 4 all claims related liabilities and reserves held at the end of the current quarter. This includes liability for both reported and unreported claims and should be net of anticipated reductions for coordination of benefits, deductibles, copayments, provider discounts or reinsurance recoveries.

Included in Columns 3 and 4, Line ~~10-14~~ current health care receivables of insured plans relating to claims in the process of adjustment. Refer to *SSAP No. 84—Health Care and Government Insured Plans Receivables*, for accounting guidance.

Report on Line 1 through ~~8-12~~ and ~~11-15~~, the claims unpaid gross of the actual withholds on paid claims and net of settlement adjustments to prior withholds. Estimated incurred but unreported losses reported on Lines 1 through ~~8-12~~ should be calculated in accordance with *SSAP No. 54R—Individual and Group Accident and Health Contracts* and may include estimations as to return of withhold on claims incurred, but not yet paid. Liability for provider incentive pools and supplemental facility settlements should also be included on Line ~~12-16~~.

Line ~~9-13~~ plus Line ~~11-15~~, Column 3 and 4 should equal Page 3, Line 1 plus Line 7, Column 3.

Line ~~13-17~~, Columns 1 through 4, less Column 6 should agree to Page 4, Line 18 plus Line 19, Column 2.

The sum of Columns 3 and 4, Line ~~13-17~~ plus ~~10-14~~ should agree to the sum of Lines 1, 2 and 7, Page 3, Column 3.

Line ~~8-12~~ – Other Health

Report the unpaid claims for other health business not included in any other line. This category includes all unspecified business written under the Company's health line of business authority, including stop loss ~~as well as business that does not qualify for the Health Statement Test (e.g., disability income and long-term care).~~

Line ~~10-14~~ – Health Care Receivables

This line is based on the gross health care receivable, not just the admitted portion.

Columns 1 and 2 report the amounts of health care receivables associated with claims paid year-to-date.

Columns 3 and 4 report the health care receivable amount attributable to those claims remaining unpaid as of the end of the current quarter. This will include those amounts of pharmaceutical rebates that are estimated in accordance with *SSAP No. 84—Health Care and Government Insured Plans Receivables*, guidelines.

Line ~~11-15~~ – Other Non-health

Report the unpaid claims for life and property/casualty business.

Line ~~12-16~~ – Medical Incentive Pools and Bonus Amounts

Include disbursements for incentive pool and bonus amounts in Column 1 and 2. Include liability for incentive pool and bonus amounts in Column 3 and 4.

ANNUAL STATEMENT BLANK – HEALTH

**UNDERWRITING AND INVESTMENT EXHIBIT  
PART 1 – PREMIUMS**

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical) <u>Individual</u> .....	.....	.....	.....	.....
2. <u>Comprehensive (hospital and medical) Group</u> .....	.....	.....	.....	.....
<del>23.</del> Medicare Supplement.....	.....	.....	.....	.....
<del>34.</del> Dental only .....	.....	.....	.....	.....
<del>45.</del> Vision only .....	.....	.....	.....	.....
<del>56.</del> Federal Employees Health Benefits Plan.....	.....	.....	.....	.....
<del>67.</del> Title XVIII – Medicare .....	.....	.....	.....	.....
<del>78.</del> Title XIX – Medicaid.....	.....	.....	.....	.....
<del>9.</del> <u>Credit A&amp;H</u> .....	.....	.....	.....	.....
<del>10.</del> <u>Disability Income</u> .....	.....	.....	.....	.....
<del>11.</del> <u>Long-Term Care</u> .....	.....	.....	.....	.....
<del>812.</del> Other health .....	.....	.....	.....	.....
<del>913.</del> Health subtotal (Lines 1 through <del>812</del> ) .....	.....	.....	.....	.....
<del>4014.</del> Life .....	.....	.....	.....	.....
<del>4415.</del> Property/casualty.....	.....	.....	.....	.....
<del>4216.</del> Totals (Lines <del>9-13</del> to <del>4415</del> ) .....	.....	.....	.....	.....

**UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2 – CLAIMS INCURRED DURING THE YEAR**

	1	Comprehensive (Hospital & Medical) <sup>2</sup>		4	5	6	7	8	9	10	11	12	13	14
		2 Comprehensive (Hospital & Medical) Individual	3 Group											
	Total			Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other Health	Other Non- Health
1. Payments during the year:														
1.1 Direct.....														
1.2 Reinsurance assumed.....														
1.3 Reinsurance ceded.....														
1.4 Net.....														
2. Paid medical incentive pools and bonuses.....														
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct.....														
3.2 Reinsurance assumed.....														
3.3 Reinsurance ceded.....														
3.4 Net.....														
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct.....														
4.2 Reinsurance assumed.....														
4.3 Reinsurance ceded.....														
4.4 Net.....														
5. Accrued medical incentive pools and bonuses, current year.....														
6. Net health care receivables (a).....														
7. Amounts recoverable from reinsurers December 31, current year.....														
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct.....														
8.2 Reinsurance assumed.....														
8.3 Reinsurance ceded.....														
8.4 Net.....														
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct.....														
9.2 Reinsurance assumed.....														
9.3 Reinsurance ceded.....														
9.4 Net.....														
10. Accrued medical incentive pools and bonuses, prior year.....														
11. Amounts recoverable from reinsurers December 31, prior year.....														
12. Incurred benefits:														
12.1 Direct.....														
12.2 Reinsurance assumed.....														
12.3 Reinsurance ceded.....														
12.4 Net.....														
13. Incurred medical incentive pools and bonuses.....														

(a) Excludes \$..... loans or advances to providers not yet expensed.

**UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2A – CLAIMS LIABILITY END OF CURRENT YEAR**

	1	Comprehensive (Hospital & Medical)		34	45	56	67	78	89	10	11	12	913	1014
		2 Comprehensive (Hospital and Medical) Individual	3 Group				Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other Health	Other Non- Health
	Total			Medicare Supplement	Dental Only	Vision Only								
1. Reported in Process of Adjustment:														
1.1 Direct .....														
1.2 Reinsurance assumed .....														
1.3 Reinsurance ceded .....														
1.4 Net.....														
2. Incurred but Unreported:														
2.1 Direct .....														
2.2 Reinsurance assumed .....														
2.3 Reinsurance ceded .....														
2.4 Net.....														
3. Amounts Withheld from Paid Claims and Capitations:														
3.1 Direct .....														
3.2 Reinsurance assumed .....														
3.3 Reinsurance ceded .....														
3.4 Net.....														
4. TOTALS:														
4.1 Direct .....														
4.2 Reinsurance assumed .....														
4.3 Reinsurance ceded .....														
4.4 Net .....														

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2B – ANALYSIS OF CLAIMS UNPAID – PRIOR YEAR-NET OF REINSURANCE**

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) <u>Individual</u> .....	.....	.....	.....	.....	.....	.....
<del>2.</del> <u>2.</u> Comprehensive (hospital and medical) <u>Group</u> .....	.....	.....	.....	.....	.....	.....
<del>3.</del> Medicare Supplement .....	.....	.....	.....	.....	.....	.....
<del>4.</del> Dental Only .....	.....	.....	.....	.....	.....	.....
<del>5.</del> Vision Only .....	.....	.....	.....	.....	.....	.....
<del>6.</del> Federal Employees Health Benefits Plan .....	.....	.....	.....	.....	.....	.....
<del>7.</del> Title XVIII – Medicare .....	.....	.....	.....	.....	.....	.....
<del>8.</del> Title XIX – Medicaid.....	.....	.....	.....	.....	.....	.....
<del>9.</del> <u>9.</u> Credit A&H.....	.....	.....	.....	.....	.....	.....
<del>10.</del> <u>10.</u> Disability Income.....	.....	.....	.....	.....	.....	.....
<del>11.</del> <u>11.</u> Long-Term Care.....	.....	.....	.....	.....	.....	.....
<del>12.</del> Other health .....	.....	.....	.....	.....	.....	.....
<del>13.</del> <u>13.</u> Health subtotal (Lines 1 to <del>8</del> <u>12</u> ) .....	.....	.....	.....	.....	.....	.....
<del>14.</del> Health care receivables (a).....	.....	.....	.....	.....	.....	.....
<del>15.</del> <u>15.</u> Other non-health .....	.....	.....	.....	.....	.....	.....
<del>16.</del> <u>16.</u> Medical incentive pools and bonus amounts .....	.....	.....	.....	.....	.....	.....
<del>17.</del> <u>17.</u> Totals (Lines <del>9</del> <u>13</u> - <del>10</del> <u>14</u> + <del>11</del> <u>15</u> + <del>12</del> <u>16</u> ).....	.....	.....	.....	.....	.....	.....

(a) Excludes \$..... loans or advances to providers not yet expensed.

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2D – AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY**

	1	Comprehensive (Hospital & Medical)		44	45	56	67	78	82	10	11	12	913
		2 Comprehensive (Hospital & Medical) Individual	3 Group										
	Total			Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other
1. Unearned premium reserves .....													
2. Additional policy reserves (a) .....													
3. Reserve for future contingent benefits .....													
4. Reserve for rate credits or experience rating refunds (including \$..... for investment income) .....													
5. Aggregate write-ins for other policy reserves .....													
6. Totals (gross) .....													
7. Reinsurance ceded .....													
8. Totals (Net) (Page 3, Line 4) .....													
9. Present value of amounts not yet due on claims .....													
10. Reserve for future contingent benefits .....													
11. Aggregate write-ins for other claim reserves .....													
12. Totals (gross) .....													
13. Reinsurance ceded .....													
14. Totals (Net) (Page 3, Line 7) .....													
<b>DETAILS OF WRITE-INS</b>													
0501. ....													
0502. ....													
0503. ....													
0598. Summary of remaining write-ins for Line 5 from overflow page .....													
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) .....													
1101. ....													
1102. ....													
1103. ....													
1198. Summary of remaining write-ins for Line 11 from overflow page .....													
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....													

(a) Includes S..... premium deficiency reserve.

Affix Bar Code Above

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)**

REPORT FOR: 1. CORPORATION \_\_\_\_\_ 2. \_\_\_\_\_ (LOCATION)

NAIC Group Code \_\_\_\_\_ BUSINESS IN THE STATE OF \_\_\_\_\_ DURING THE YEAR \_\_\_\_\_ NAIC Company Code \_\_\_\_\_

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Vision Only	6 Vision Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non- Health
		2 Individual	3 Group											
Total Members at end of:														
1. Prior Year.....														
2. First Quarter.....														
3. Second Quarter.....														
4. Third Quarter.....														
5. Current Year.....														
6. Current Year Member Months														
Total Member Ambulatory Encounters for Year:														
7. Physician.....														
8. Non-Physician.....														
9. Total.....														
10. Hospital Patient Days Incurred														
11. Number of Inpatient Admissions														
12. Health Premiums Written (b).....														
13. Life Premiums Direct.....														
14. Property/Casualty Premiums Written.....														
15. Health Premiums Earned.....														
16. Property/Casualty Premiums Earned														
17. Amount Paid for Provision of Health Care Services.....														
18. Amount Incurred for Provision of Health Care Services.....														

(a) For health business: number of persons insured under PPO managed care products \_\_\_ and number of persons insured under indemnity only products \_\_\_.

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....

**QUARTERLY STATEMENT BLANK – HEALTH**

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Vision Only	6 Vision Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
Total Members at end of:														
1. Prior Year .....														
2. First Quarter .....														
3. Second Quarter .....														
4. Third Quarter .....														
5. Current Year .....														
6. Current Year Member Months														
Total Member Ambulatory Encounters for Period:														
7. Physician .....														
8. Non-Physician .....														
9. Total .....														
10. Hospital Patient Days Incurred														
11. Number of Inpatient Admissions														
12. Health Premiums Written (a) .....														
13. Life Premiums Direct .....														
14. Property/Casualty Premiums Written .....														
15. Health Premiums Earned .....														
16. Property/Casualty Premiums Earned .....														
17. Amount Paid for Provision of Health Care Services .....														
18. Amount Incurred for Provision of Health Care Services .....														

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....

**UNDERWRITING AND INVESTMENT EXHIBIT  
ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE**

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) <u>Individual</u> .....	.....	.....	.....	.....	.....	.....
2. <u>Comprehensive (hospital and medical) Group</u> .....	.....	.....	.....	.....	.....	.....
<del>23.</del> Medicare Supplement .....	.....	.....	.....	.....	.....	.....
<del>34.</del> Dental only .....	.....	.....	.....	.....	.....	.....
<del>45.</del> Vision only .....	.....	.....	.....	.....	.....	.....
<del>56.</del> Federal Employees Health Benefits Plan .....	.....	.....	.....	.....	.....	.....
<del>67.</del> Title XVIII – Medicare .....	.....	.....	.....	.....	.....	.....
<del>78.</del> Title XIX – Medicaid.....	.....	.....	.....	.....	.....	.....
<del>9.</del> <u>Credit A&amp;H</u> .....	.....	.....	.....	.....	.....	.....
<del>10.</del> <u>Disability Income</u> .....	.....	.....	.....	.....	.....	.....
<del>11.</del> <u>Long-Term Care</u> .....	.....	.....	.....	.....	.....	.....
<del>812.</del> Other health.....	.....	.....	.....	.....	.....	.....
<del>913.</del> Health subtotal (Lines 1 to <del>812</del> ) .....	.....	.....	.....	.....	.....	.....
<del>1014.</del> Health care receivables (a).....	.....	.....	.....	.....	.....	.....
<del>1115.</del> Other non-health .....	.....	.....	.....	.....	.....	.....
<del>1216.</del> Medical incentive pools and bonus amounts .....	.....	.....	.....	.....	.....	.....
<del>1317.</del> Totals (Lines <del>913</del> - <del>1014</del> + <del>1115</del> + <del>1216</del> )	.....	.....	.....	.....	.....	.....

(a) Excludes \$..... loans or advances to providers not yet expensed.

[https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member Meetings/2022 NAIC Meetings/Spring National Meeting/Committee Meetings/FINANCIAL CONDITION \(E\) COMMITTEE/Accounting Practices and Procedures \(E\) TF/BWG/Att2D\\_2021-19BWG\\_Modified.doc](https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member Meetings/2022 NAIC Meetings/Spring National Meeting/Committee Meetings/FINANCIAL CONDITION (E) COMMITTEE/Accounting Practices and Procedures (E) TF/BWG/Att2D_2021-19BWG_Modified.doc)

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>10/22/2021</u></p> <p><b>CONTACT PERSON:</b> _____</p> <p><b>TELEPHONE:</b> _____</p> <p><b>EMAIL ADDRESS:</b> _____</p> <p><b>ON BEHALF OF:</b> _____</p> <p><b>NAME:</b> <u>Jacob W. Garn</u></p> <p><b>TITLE:</b> <u>Chair, Blanks Working Group</u></p> <p><b>AFFILIATION:</b> _____</p> <p><b>ADDRESS:</b> _____</p>	<p style="text-align: center;"><b>FOR NAIC USE ONLY</b></p> <p>Agenda Item # <u>2021-20BWG MOD</u></p> <p>Year <u>2023</u></p> <p>Changes to Existing Reporting [ X ]</p> <p>New Reporting Requirement [ ]</p> <hr/> <p style="text-align: center;"><b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b></p> <p>No Impact [ X ]</p> <p>Modifies Required Disclosure [ ]</p> <hr/> <p style="text-align: center;"><b>DISPOSITION</b></p> <p>[ ] Rejected For Public Comment</p> <p>[ ] Referred To Another NAIC Group</p> <p>[ ] Received For Public Comment</p> <p>[ X ] Adopted Date <u>03/29/2022</u></p> <p>[ ] Rejected Date _____</p> <p>[ ] Deferred Date _____</p> <p>[ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> INSTRUCTIONS  | <input checked="" type="checkbox"/> CROSSCHECKS |
| <input type="checkbox"/> QUARTERLY STATEMENT                          | <input checked="" type="checkbox"/> BLANK         |   |
| <input checked="" type="checkbox"/> Life, Accident & Health/Fraternal | <input type="checkbox"/> Separate Accounts        | <input type="checkbox"/> Title                  |
| <input type="checkbox"/> Property/Casualty                            | <input type="checkbox"/> Protected Cell           | <input type="checkbox"/> Other _____            |
| <input type="checkbox"/> Health                                       | <input type="checkbox"/> Health (Life Supplement) |   |

Anticipated Effective Date: Annual 2023

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Starting at Line 72 of the Life/Fraternal Five-Year Historical add or delete lines that don't pull in 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.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

The purpose of this proposal is to bring back the line of business detail reporting of Net Gains from Operations After Dividends to Policyholders/Refunds to Members and Federal Income Taxes by Lines of Business as was done before the Life/Fraternal Analysis of Operations by Lines of Business page was expanded for the new lines of business categories.

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

**\*\* This section must be completed on all forms.**

**Revised 7/18/2018**

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL

FIVE-YEAR HISTORICAL DATA



Detail Eliminated to Conserve Space

Net Gains From Operations After Dividends to Policyholders, Refunds to Members and Federal Income Taxes and Before Realized Capital Gains or (Losses) by Lines of Business

Line 72 – [Individual Industrial Life](#)

[All years ..... Page 6.1, Line 33, Column 2](#)

[Line 73 – Individual Whole Life](#)

[All years ..... Page 6.1, Line 33, Column 3](#)

[Line 74 – Individual Term Life](#)

[All years ..... Page 6.1, Line 33, Column 4](#)

[Line 75 – Individual Indexed Life](#)

[All years ..... Page 6.1, Line 33, Column 5](#)

[Line 76 – Individual Universal Life](#)

[All years ..... Page 6.1, Line 33, Column 6](#)

[Line 77 – Individual Universal Life With Secondary Guarantees](#)

[All years ..... Page 6.1, Line 33, Column 7](#)

[Line 78 – Individual Variable Life](#)

[All years ..... Page 6.1, Line 33, Column 8](#)

[Line 79 – Individual Variable Universal Life](#)

[All years ..... Page 6.1, Line 33, Column 9](#)

[Line 80 – Individual Credit Life](#)

[All years ..... Page 6.1, Line 33, Column 10](#)

[Line 81 – Individual Other Life](#)

[All years ..... Page 6.1, Line 33, Column 11](#)

[Line 82 – Individual YRT Mortality Risk Only](#)

[All years ..... Page 6.1, Line 33, Column 12](#)

[Line 83 – Group Whole Life](#)

[All years ..... Page 6.2, Line 33, Column 2](#)

[Line 84 – Group Term Life](#)

[All years ..... Page 6.2, Line 33, Column 3](#)

[Line 85 – Group Universal Life](#)

[All years ..... Page 6.2, Line 33, Column 4](#)

[Line 86 – Group Variable Life](#)

[All years ..... Page 6.2, Line 33, Column 5](#)

[Line 87 – Group Variable Universal Life](#)

[All years ..... Page 6.2, Line 33, Column 6](#)

[Line 88 – Group Credit Life](#)

[All years ..... Page 6.2, Line 33, Column 7](#)

[Line 89 – Group Other Life](#)

[All years ..... Page 6.2, Line 33, Column 8](#)

[Line 90 – Group YRT Mortality Risk Only](#)

[All years ..... Page 6.2, Line 33, Column 9](#)

~~[Line 73 – Ordinary Life](#)~~

~~[All years ..... Page 6.1, Line 33, Column 1 less Columns 2, 10 and 12](#)~~

~~Line 74~~91 – ~~Ordinary~~ Individual [Deferred Fixed](#) Annuities

[All years ..... Page 6.3, Line 33, Column 4](#)

[Line 92 – Individual Deferred Indexed Annuities](#)

[All years ..... Page 6.3, Line 33, Column 3](#)

[Line 93 – Individual Deferred Variable Annuities With Guarantees](#)

[All years ..... Page 6.3, Line 33, Column 4](#)

[Line 94 – Individual Deferred Variable Annuities Without Guarantees](#)

[All years ..... Page 6.3, Line 33, Column 5](#)

[Line 95 – Individual Contingent Payout \(Immediate and Annuitization\)](#)

[All years ..... Page 6.3, Line 33, Column 6](#)

Line 96 – Individual Other Annuities

All years ..... Page 6.3, Line 33, Column 7

~~Line 75 – Ordinary – Supplementary Contracts~~

~~All years ..... No longer a separate column on the Analysis of Operations by Lines of Business pages. The amounts are included in the individual and group annuities amounts on Lines 74 and 78.~~

~~Line 76 – Credit Life~~

~~All years ..... Line 33, Page 6.1, Column 10 plus Page 6.2, Column 7~~

~~Line 77 – Group Life~~

~~All years ..... Page 6.2, Line 33, Column 1 less Columns 7 and 9~~

Line ~~78~~97 – Group Deferred Fixed Annuities

All years ..... Page 6.4, Line 33, Column ~~2~~

Line 98 – Group Deferred Indexed Annuities

All years ..... Page 6.4, Line 33, Column 3

Line 99 – Group Deferred Variable Annuities With Guarantees

All years ..... Page 6.4, Line 33, Column 4

Line 100 – Group Deferred Variable Annuities Without Guarantees

All years ..... Page 6.4, Line 33, Column 5

Line 101 – Group Contingent Payout (Immediate and Annuitization)

All years ..... Page 6.4, Line 33, Column 6

Line 102 – Group Other Annuities

All years ..... Page 6.4, Line 33, Column 7

Line 103 – A & H – Comprehensive Group

All years ..... Page 6.5, Line 33, Column 2

Line ~~79~~104 – A & H – Comprehensive Group

All years ..... Page 6.5, Line 33, Column 3

Line 105 – A & H – Medicate Supplement

All years ..... Page 6.5, Line 33, Column 4

Line 106 – A & H – Vision Only

All years ..... Page 6.5, Line 33, Column 5

Line 107 – A & H – Dental Only

All years ..... Page 6.5, Line 33, Column 6

Line 108 – A & H – Federal Employees Health Benefits Plan

All years ..... Page 6.5, Line 33, Column 7

Line 109 – A & H – Title XVII Medicare

All years ..... Page 6.5, Line 33, Column 8

Line 110 – A & H – Title XIX Medicaid

All years ..... Page 6.5, Line 33, Column 9

Line ~~80~~111 – A&H – Credit

All years ..... Page 6.5, Line 33, Column 10

Line 112 – A & H – Disability Income

All years ..... Page 6.5, Line 33, Column 11

Line 113 – A & H – Long-Term Care

All years ..... Page 6.5, Line 33, Column 12

Line ~~81~~114 – A&H – Other Health

All years ..... Page 6.5, Line 33, Column 13 ~~less Columns 3 and 10~~

Line ~~82~~115 – Aggregate of All Other Lines of Business

All years ..... Page 6, Line 33, Column 8

Line ~~83~~116 – Fraternal

All years ..... Page 6, Line 33, Column 7

**ANNUAL STATEMENT BLANKS – LIFE/FRATERNAL**

**FIVE-YEAR HISTORICAL DATA**

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6  
\$000 omitted for amounts of life insurance

	1 2019	2 2020	3 2021	4 2022	5 2023
--	-----------	-----------	-----------	-----------	-----------



	1 2019	2 2020	3 2021	4 2022	5 2023
<b>Net Gains From Operations After Dividends to Policyholders, Refunds to Members and Federal Income Taxes and Before Realized Capital Gains or (Losses) by Lines of Business (Page 6.x, Line 33)</b>					
72. Individual industrial life (Page 6.1, Col. 2).....					
73. Individual whole life (Page 6.1, Col. 3).....					
74. Individual term life (Page 6.1, Col. 4).....					
75. Individual indexed life (Page 6.1, Col. 5).....					
76. Individual universal life (Page 6.1, Col. 6).....					
77. Individual universal life with secondary guarantees (Page 6.1, Col. 7).....					
78. Individual variable life (Page 6.1, Col. 8).....					
79. Individual variable universal life (Page 6.1, Col. 9).....					
80. Individual credit life (Page 6.1, Col. 10).....					
81. Individual other life (Page 6.1, Col. 11).....					
82. Individual YRT mortality risk only (Page 6.1, Col. 12).....					
83. Group whole life (Page 6.2, Col. 2).....					
84. Group term life (Page 6.2, Col. 3).....					
85. Group universal life (Page 6.2, Col. 4).....					
86. Group variable life (Page 6.2, Col. 5).....					
87. Group variable universal life (Page 6.2, Col. 6).....					
88. Group credit life (Page 6.2, Col. 7).....					
89. Group other life (Page 6.2, Col. 8).....					
90. Group YRT mortality risk only (Page 6.2, Col. 9).....					
<del>73. Ordinary life (Page 6.1, Col. 1 less Cols. 2, 10 and 12).....</del>					
<del>7491. Ordinary individual deferred fixed annuities (Page 6.3, Col. 42).....</del>					
92. Individual deferred indexed annuities (Page 6.3, Col. 3).....					
93. Individual deferred variable annuities with guarantees (Page 6.3, Col. 4).....					
94. Individual deferred variable annuities without guarantees (Page 6.3, Col. 5).....					
95. Individual life contingent payout (Immediate and Annuitization (Page 6.3, Col. 6).....					
96. Individual other annuities (Page 6.3, Col. 7).....					
<del>75. Ordinary-supplementary contracts.....</del>	<del>xxx</del>	<del>xxx</del>	<del>xxx</del>	<del>xxx</del>	<del>xxx</del>
<del>76. Credit life (Page 6.1, Col. 10 plus Page 6.2, Col. 7).....</del>					
<del>77. Group life (Page 6.2, Col. 1 less Cols. 7 and 9).....</del>					
<del>7897. Group deferred fixed annuities (Page 6.4, Col. 52).....</del>					
98. Group deferred indexed annuities (Page 6.4, Col. 3).....					
99. Group deferred variable annuities with guarantees (Page 6.4, Col. 4).....					
100. Group deferred variable annuities without guarantees (Page 6.4, Col. 5).....					
101. Group life contingent payout (Immediate and Annuitization (Page 6.4, Col. 6).....					
102. Group other annuities (Page 6.4, Col. 7).....					
103. A & H-comprehensive individual (Page 6.5, Col. 2).....					
<del>79104. A &amp; H-comprehensive group (Page 6.5, Col. 3).....</del>					
105. A & H-Medicare supplement (Page 6.5, Col. 4).....					
106. A & H-vision only (Page 6.5, Col. 5).....					
107. A & H-dental only (Page 6.5, Col. 6).....					
108. A & H-federal employees health benefits plan (Page 6.5, Col. 7).....					
109. A & H-Title XVIII Medicare (Page 6.5, Col. 8).....					
110. A & H-Title XIX Medicaid (Page 6.5, Col. 9).....					
<del>80111. A &amp; H-credit (Page 6.5, Col. 10).....</del>					
112. A & H-disability income (Page 6.5, Col. 11).....					
113. A & H-long-term care (Page 6.5, Col. 12).....					
<del>81114. A &amp; H-other (Page 6.5, Col. 1 less Cols. 3 and 10).....</del>					
<del>82115. Aggregate of all other lines of business (Page 6, Col. 8).....</del>					
<del>83116. Fraternal (Page 6, Col. 7).....</del>					
<del>84117. Total (Page 6, Col. 1).....</del>					



[https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member Meetings/2022 NAIC Meetings/Spring National Meeting/Committee Meetings/FINANCIAL CONDITION \(E\) COMMITTEE/Accounting Practices and Procedures \(E\) TF/BWG/Att2E\\_2021-2020BWG\\_Modified.doc](https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member%20Meetings/2022%20NAIC%20Meetings/Spring%20National%20Meeting/Committee%20Meetings/FINANCIAL%20CONDITION%20(E)%20COMMITTEE/Accounting%20Practices%20and%20Procedures%20(E)%20TF/BWG/Att2E_2021-2020BWG_Modified.doc)

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>10/25/2021</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Dale Bruggeman</u></p> <p>TITLE: <u>Chair SAPWG</u></p> <p>AFFILIATION: <u>Ohio Department of Insurance</u></p> <p>ADDRESS: <u>50W. Town St., 3<sup>rd</sup> Fl., Ste. 300</u> <u>Columbus, OH 43215</u></p>	<p style="text-align: center;"><b><u>FOR NAIC USE ONLY</u></b></p> <p>Agenda Item # <u>2021-21BWG MOD</u> Year <u>2022</u> Changes to Existing Reporting [ X ] New Reporting Requirement [ ]</p> <p style="text-align: center;"><b><u>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</u></b></p> <p>No Impact [ X ] Modifies Required Disclosure [ ]</p> <p style="text-align: center;"><b><u>DISPOSITION</u></b></p> <p>[ ] Rejected For Public Comment [ ] Referred To Another NAIC Group [ ] Received For Public Comment [ ] Adopted Date _____ [ ] Rejected Date _____ [ ] Deferred Date _____ [ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> INSTRUCTIONS  | <input type="checkbox"/> CROSSCHECKS      |
| <input checked="" type="checkbox"/> QUARTERLY STATEMENT               | <input type="checkbox"/> BLANK                    |   |
| <input checked="" type="checkbox"/> Life, Accident & Health/Fraternal | <input type="checkbox"/> Separate Accounts        | <input checked="" type="checkbox"/> Title |
| <input checked="" type="checkbox"/> Property/Casualty                 | <input type="checkbox"/> Protected Cell           | <input type="checkbox"/> Other _____      |
| <input checked="" type="checkbox"/> Health                            | <input type="checkbox"/> Health (Life Supplement) |   |

Anticipated Effective Date: Annual 2022

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Add instruction to the Investment Schedules General Instructions to exclude 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.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

The purpose of this proposal is to reflect changes being adopted by the Statutory Accounting Principles (E) Working Group *SSAP No. 43R – Loan-Backed and Structured Securities* (Ref #2021-15). The proposal excludes residual tranches or interests from being reported as bonds on Schedule D, Part 1 and requires them to be reported on Schedule BA

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

**ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE**

**SCHEDULE BA – PARTS 1, 2 AND 3**

**OTHER LONG-TERM INVESTED ASSETS – GENERAL INSTRUCTIONS**

⌞

**Detail Eliminated to Conserve Space**

⌞

<u>Group or Category</u>	<u>Line Number</u>
Oil and Gas Production	
Unaffiliated.....	0199999
Affiliated .....	0299999

⌞

**Detail Eliminated to Conserve Space**

⌞

Residual Tranches or Interests with Underlying Assets Having Characteristics of:

Fixed Income Instruments

Unaffiliated.....	4699999
Affiliated.....	4799999

Common Stock

Unaffiliated.....	4899999
Affiliated.....	4999999

Preferred Stock

Unaffiliated.....	5099999
Affiliated.....	5199999

Real Estate

Unaffiliated.....	<del>50</del> 5299999
Affiliated.....	<del>51</del> 5399999

Mortgage Loans

Unaffiliated.....	<del>52</del> 5499999
Affiliated.....	<del>53</del> 5599999

Other

Unaffiliated.....	<del>54</del> 5699999
Affiliated.....	<del>55</del> 5799999

Any Other Class of Assets

Unaffiliated.....	<del>46</del> 99999 <del>56</del> 5899999
Affiliated .....	<del>47</del> 99999 <del>57</del> 5999999

Subtotals

Unaffiliated.....	<del>48</del> 99999 <del>58</del> 6099999
Affiliated .....	<del>49</del> 99999 <del>51</del> 596199999

TOTALS..... ~~50~~99999~~59~~606299999

The following listing is intended to give examples of investments to be included in each category; however, the list should not be considered all inclusive, and it should not be implied that any invested asset currently being reported in Schedules A, B or D is to be reclassified to Schedule BA:

**Oil and Gas Production**

Include: Offshore oil and gas leases.



**Detail Eliminated to Conserve Space**

**Residual Tranches or Interests with Underlying Assets Having Characteristics of:**

Investment in Residual Tranches or Interests should be assigned to the subcategory with the highest underlying asset concentration. There shouldn't be any bifurcation of the underlying assets among the subcategories.

Include: Residual tranches or interests captures securitization tranches and beneficial interests as well as other structures captured in scope of SSAP No. 43R – Loan-Backed and Structured Securities, that reflect loss layers without any contractual payments, whether interest or principal, or both. Payments to holders of these investments occur after contractual interest and principal payments have been made to other tranches or interests and are based on the remaining available funds. See SSAP No. 43R for accounting guidance.

**Fixed Income Instruments**

Include: Investments with underlying collateral which, if held individually, would be reported on Schedule D – Part 1 – Long-Term Bonds

**Common Stocks**

Include: Investments with underlying collateral which, if held individually, would be reported on Schedule D – Part 2 – Section 2 – Common Stocks

**Preferred Stocks**

Include: Investments with underlying collateral which, if held individually, would be reported on Schedule D – Part 2 – Section 1 – Preferred Stocks

**Real Estate**

Include: Investments with underlying collateral which, if held individually, would be reported on Schedule A – Real Estate Owned

**Mortgage Loans**

Include: Investments with underlying collateral which, if held individually, would be reported on Schedule B – Mortgage Loans

**Other**

Include: Items that do not qualify for inclusion in the above subcategories.

**Any Other Class of Assets**

Include: Investments that do not fit into one of the other categories. An example of items that may be included are reverse mortgages.

All structured settlement income streams acquired as investments where the reporting entity acquires the legal right to receive payments. (Valuation and admittance provisions are detailed in SSAP No. 21R—Other Admitted Assets.)

**QUARTERLY STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE**

**SCHEDULE BA – PARTS 2 AND 3**

**OTHER LONG-TERM INVESTED ASSETS ACQUIRED AND DISPOSED OF**

⌞

**Detail Eliminated to Conserve Space**

⌞

<u>Group or Category</u>	<u>Line Number</u>
Oil and Gas Production	
Unaffiliated.....	0199999
Affiliated .....	0299999

⌞

**Detail Eliminated to Conserve Space**

⌞

Residual Tranches or Interests with Underlying Assets Having Characteristics of:

Fixed Income Instruments

Unaffiliated.....	4699999
Affiliated.....	4799999

Common Stock

Unaffiliated.....	4899999
Affiliated.....	4999999

Preferred Stock

Unaffiliated.....	5099999
Affiliated.....	5199999

Real Estate

Unaffiliated.....	<del>50</del> 5299999
Affiliated.....	<del>51</del> 5399999

Mortgage Loans

Unaffiliated.....	<del>52</del> 5499999
Affiliated.....	<del>53</del> 5599999

Other

Unaffiliated.....	<del>54</del> 5699999
Affiliated.....	<del>55</del> 5799999

Any Other Class of Assets

Unaffiliated.....	<del>46</del> 99999 <del>56</del> 5899999
Affiliated .....	<del>47</del> 99999 <del>57</del> 5999999

Subtotals

Unaffiliated.....	<del>48</del> 99999 <del>58</del> 6099999
Affiliated .....	<del>49</del> 99999 <del>51</del> 596199999

TOTALS..... ~~50~~99999 ~~59~~606299999

The following listing is intended to give examples of investments to be included in each category; however, the list should not be considered all-inclusive and it should not be implied that any invested asset currently being reported in Schedules A, B or D is to be reclassified to Schedule BA.

**Oil and Gas Production**

Include: Offshore oil and gas leases.



**Residual Tranches or Interests with Underlying Assets Having Characteristics of:**

Investment in Residual Tranches or Interests should be assigned to the subcategory with the highest underlying asset concentration. There shouldn't be any bifurcation of the underlying assets among the subcategories.

Include: Residual tranches or interests captures securitization tranches and beneficial interests as well as other structures captured in scope of SSAP No. 43R – Loan-Backed and Structured Securities, that reflect loss layers without any contractual payments, whether interest or principal, or both. Payments to holders of these investments occur after contractual interest and principal payments have been made to other tranches or interests and are based on the remaining available funds. See SSAP No. 43R for accounting guidance.

**Fixed Income Instruments**

Include: Investments with underlying collateral which, if held individually, would be reported on Schedule D – Part 1 – Long-Term Bonds

**Common Stocks**

Include: Investments with underlying collateral which, if held individually, would be reported on Schedule D – Part 2 – Section 2 – Common Stocks

**Preferred Stocks**

Include: Investments with underlying collateral which, if held individually, would be reported on Schedule D – Part 2 – Section 1 – Preferred Stocks

**Real Estate**

Include: Investments with underlying collateral which, if held individually, would be reported on Schedule A – Real Estate Owned

**Mortgage Loans**

Include: Investments with underlying collateral which, if held individually, would be reported on Schedule B – Mortgage Loans

**Other**

Include: Items that do not qualify for inclusion in the above subcategories.

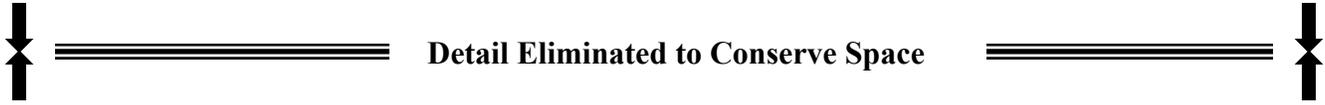
**Any Other Class of Assets**

Include: Investments that do not fit into one of the other categories. An example of items that may be included are reverse mortgages.

All structured settlement income streams acquired as investments where the reporting entity acquires the legal right to receive payments. (Valuation and admittance provisions are detailed in SSAP No. 21R—Other Admitted Assets.)

ANNUAL AND QUARTERLY STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE

**INVESTMENT SCHEDULES GENERAL INSTRUCTIONS**  
(Applies to all investment schedules)



**Detail Eliminated to Conserve Space**

The following is the description of the General and Specific Classifications used for reporting the detail lines for bonds and stocks.

**General Classifications Bonds Only:**

[Exclude residual tranches or interests captured in scope of SSAP No. 43R – Loan-Backed and Structured Securities. See SSAP No. 43R for accounting guidance. These securities should be reported on Schedule BA.](#)

Refer to *SSAP No. 26R—Bonds*, *SSAP No. 43R—Loan-Backed and Structured Securities* and *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities* for additional guidance.

U.S. Government:

U.S. Government shall be defined as U.S. Government Obligations as defined per the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*.



**Detail Eliminated to Conserve Space**

[https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member Meetings/2022 NAIC Meetings/Spring National Meeting/Committee Meetings/FINANCIAL CONDITION \(E\) COMMITTEE/Accounting Practices and Procedures \(E\) TF/BWG/Att2F\\_2021-21BWG\\_Modified.doc](https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member Meetings/2022 NAIC Meetings/Spring National Meeting/Committee Meetings/FINANCIAL CONDITION (E) COMMITTEE/Accounting Practices and Procedures (E) TF/BWG/Att2F_2021-21BWG_Modified.doc)

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>12/16/2021</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Dale Bruggeman</u></p> <p>TITLE: <u>Chair SAPWG</u></p> <p>AFFILIATION: <u>Ohio Department of Insurance</u></p> <p>ADDRESS: <u>50W. Town St., 3<sup>rd</sup> Fl., Ste. 300</u> <u>Columbus, OH 43215</u></p>	<p style="text-align: center;"><b><u>FOR NAIC USE ONLY</u></b></p> <p>Agenda Item # <u>2021-22BWG MOD</u> Year <u>2022</u> Changes to Existing Reporting [ X ] New Reporting Requirement [ ]</p> <p style="text-align: center;"><b><u>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</u></b></p> <p>No Impact [ X ] Modifies Required Disclosure [ ]</p> <p style="text-align: center;"><b><u>DISPOSITION</u></b></p> <p>[ ] Rejected For Public Comment [ ] Referred To Another NAIC Group [ ] Received For Public Comment [ ] Adopted Date _____ [ ] Rejected Date _____ [ ] Deferred Date _____ [ X ] Other (Specify) <u>Re-exposed</u> <u>03/29/2022</u></p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> INSTRUCTIONS  | <input type="checkbox"/> CROSSCHECKS      |
| <input checked="" type="checkbox"/> QUARTERLY STATEMENT               | <input type="checkbox"/> BLANK                    |   |
| <input checked="" type="checkbox"/> Life, Accident & Health/Fraternal | <input type="checkbox"/> Separate Accounts        | <input checked="" type="checkbox"/> Title |
| <input checked="" type="checkbox"/> Property/Casualty                 | <input type="checkbox"/> Protected Cell           | <input type="checkbox"/> Other _____      |
| <input checked="" type="checkbox"/> Health                            | <input type="checkbox"/> Health (Life Supplement) |   |

Anticipated Effective Date: Annual 2022

**IDENTIFICATION OF ITEM(S) TO CHANGE**

This item proposes new reporting requirements for investment transactions with related parties. In 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.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

Pursuant to recent discussions, regulators desire additional information on investment transactions involving related parties, regardless of whether the related party is "affiliated" pursuant to Model #440. To preserve the affiliate definition and reporting categories for affiliated investments, these additional proposed reporting elements will be captured outside of the current affiliate reporting requirements. The new electronic columns will capture investments issued by a related party or acquired through a related party transaction or arrangement, regardless if the specific affiliate definition has been met or if there has been a disclaimer of affiliation / control.

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

Revised 7/18/2018



**SCHEDULE BA – PART 2**

**OTHER LONG-TERM INVESTED ASSETS ACQUIRED AND ADDITIONS MADE DURING THE YEAR**

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**Detail Eliminated to Conserve Space**

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\*\* Columns 12 through ~~15~~ 16 will be electronic only. \*\*

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**Detail Eliminated to Conserve Space**

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Column 15 – Maturity Date

Use only for securities included in the following subtotal lines.

Non-Registered Private Funds with Underlying Assets Having Characteristics of:

Mortgage Loans

Unaffiliated.....	1199999
Affiliated.....	1299999

State the date the mortgage loan matures.

Column 16 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE BA – PART 3**

**OTHER LONG-TERM INVESTED ASSETS DISPOSED, TRANSFERRED OR REPAID DURING THE YEAR**

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\*\* Columns 21 through ~~24~~25 will be electronic only. \*\*

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Column 24 – Maturity Date

Use only for securities included in the following subtotal lines.

Non-Registered Private Funds with Underlying Assets Having Characteristics of:

Mortgage Loans

Unaffiliated..... 1199999

Affiliated..... 1299999

State the date the mortgage loan matures.

Column 25 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE D – PART 1**

**LONG-TERM BONDS OWNED DECEMBER 31 OF CURRENT YEAR**

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**Detail Eliminated to Conserve Space**  
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\*\* Columns 23 through 34-35 will be electronic only. \*\*

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**Detail Eliminated to Conserve Space**  
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Column 35 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

NAIC Designation Category Footnote:

Provide the total book/adjusted carrying value amount by NAIC Designation Category that represents the amount reported in Column 11.

The sum of the amounts reported for each NAIC Designation Category in the footnote should equal Line 2509999999.

**SCHEDULE D – PART 2 – SECTION 1**

**PREFERRED STOCKS OWNED DECEMBER 31 OF CURRENT YEAR**

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**Detail Eliminated to Conserve Space**  
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\*\* Columns 22 through ~~27~~28 will be electronic only. \*\*

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**Detail Eliminated to Conserve Space**  
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Column 28 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

NAIC Designation Category Footnote:

Provide the total book/adjusted carrying value amount by NAIC Designation Category that represents the amount reported in Column 8.

The sum of the amounts reported for each NAIC Designation Category in the footnote should equal the sum of Lines 401999999 and 402999999.

**SCHEDULE D – PART 2 – SECTION 2**

**COMMON STOCKS OWNED DECEMBER 31 OF CURRENT YEAR**

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**Detail Eliminated to Conserve Space**  
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\*\* Columns 19 through [24-25](#) will be electronic only. \*\*

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**Detail Eliminated to Conserve Space**  
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Column 25 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

NAIC Designation Category Footnote:

Provide the total book/adjusted carrying value amount by NAIC Designation Category that represents the amount reported in Column 6.

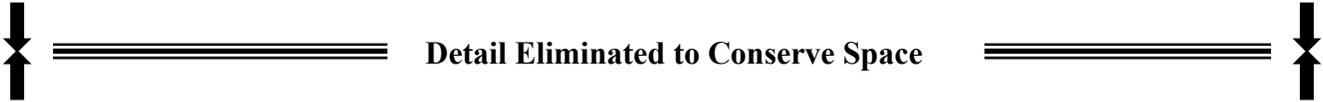
**SCHEDULE D – PART 3**

**LONG-TERM BONDS AND STOCKS ACQUIRED DURING CURRENT YEAR**



**Detail Eliminated to Conserve Space**

\*\* Columns 10 through ~~14~~15 will be electronic only. \*\*



**Detail Eliminated to Conserve Space**

Column 14 – ISIN Identification

The International Securities Identification Numbering (ISIN) system is an international standard set up by the International Organization for Standardization (ISO). It is used for numbering specific securities, such as stocks, bonds, options and futures. ISIN numbers are administered by a National Numbering Agency (NNA) in each of their respective countries, and they work just like serial numbers for those securities. Record the ISIN number only if no valid CUSIP, CINS or PPN exists to report in Column 1.

Column 15 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

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3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE D – PART 4**

**LONG-TERM BONDS AND STOCKS SOLD, REDEEMED OR OTHERWISE DISPOSED OF  
DURING CURRENT YEAR**

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Detail Eliminated to Conserve Space  
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\*\* Columns 22 through ~~26~~27 will be electronic only. \*\*

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Detail Eliminated to Conserve Space  
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Column 26 – ISIN Identification

The International Securities Identification Numbering (ISIN) system is an international standard set up by the International Organization for Standardization (ISO). It is used for numbering specific securities, such as stocks, bonds, options and futures. ISIN numbers are administered by a National Numbering Agency (NNA) in each of their respective countries, and they work just like serial numbers for those securities. Record the ISIN number only if no valid CUSIP, CINS or PPN exists to report in Column 1.

Column 27 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

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3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE D – PART 5**

**LONG-TERM BONDS AND STOCKS ACQUIRED DURING THE YEAR AND FULLY DISPOSED OF  
DURING CURRENT YEAR**

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Detail Eliminated to Conserve Space  
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\*\* Columns 22 through ~~26~~27 will be electronic only. \*\*

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Detail Eliminated to Conserve Space  
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Column 26 – ISIN Identification

The International Securities Identification Numbering (ISIN) system is an international standard set up by the International Organization for Standardization (ISO). It is used for numbering specific securities, such as stocks, bonds, options and futures. ISIN numbers are administered by a National Numbering Agency (NNA) in each of their respective countries, and they work just like serial numbers for those securities. Record the ISIN number only if no valid CUSIP, CINS or PPN exists to report in Column 1.

Column 27 – Investments Involving Related Parties

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4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.



**SCHEDULE DL – PART 1**

**SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned December 31 Current Year  
(Securities lending collateral assets reported in aggregate on Line 10 of the asset page  
and not included on Schedules A, B, BA, D, DB and E.)

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\*\* Columns 8 through ~~11~~12 will be electronic only. \*\*

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Column 12 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
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4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

The code reported for this column should be determined in a manner consistent with the instructions of other schedules for the lines shown below:

<u>Lines 0019999999 through 2509999999 .....</u>	<u>Schedule D, Part 1, Column 35</u>
<u>Lines 4019999999 through 4509999999 .....</u>	<u>Schedule D, Part 2, Section 1, Column 28</u>
<u>Lines 5019999999 through 5989999999 .....</u>	<u>Schedule D, Part 2, Section 2, Column 25</u>
<u>Line 9309999999 .....</u>	<u>Schedule B, Part 1, Column 20</u>
<u>Line 9409999999 .....</u>	<u>Schedule BA, Part 1, Column 27</u>
<u>Line 9509999999 .....</u>	<u>Schedule DA, Part 1, Column 23</u>
<u>Line 9709999999 .....</u>	<u>Schedule E, Part 2, Column 12</u>

The column should be left blank for the following lines:

<u>Real Estate (Schedule A type) .....</u>	<u>9209999999</u>
<u>Cash (Schedule E, Part 1 type).....</u>	<u>9609999999</u>
<u>Other Assets.....</u>	<u>9809999999</u>

General Interrogatories:

1. The total activity for the year represents the net increase (decrease) from the prior year-end to the current year-end.
2. The average balance for the year is the average daily balance.

Average daily balance: Total of daily balances divided by the number of days. Always calculate based on a 365/366 day year. If data is missing for a given date (e.g., weekend, holiday), count the previous day's value multiple times. The actual day count for the year (365/366) would serve as the denominator in the average calculation.

3. NAIC Designation Category:

Provide the total book/adjusted carrying value amount by NAIC Designation Category that represents the amount reported in Column 6.

**SCHEDULE DL – PART 2**

**SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned December 31 Current Year  
(Securities lending collateral assets included on Schedules A, B, BA, D, DB and E  
and not reported in aggregate on Line 10 of the asset page.)

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\*\* Columns 8 through ~~11~~12 will be electronic only. \*\*

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=====** **Detail Eliminated to Conserve Space** **=====  
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Column 12 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

The code reported for this column should be same for the security as reported in other schedules for the lines shown below:

Lines 0019999999 through 2509999999 ..... Schedule D, Part 1, Column 35  
Lines 4019999999 through 4509999999 ..... Schedule D, Part 2, Section 1, Column 28  
Lines 5019999999 through 5989999999 ..... Schedule D, Part 2, Section 2, Column 25  
Line 9309999999 ..... Schedule B, Part 1, Column 20  
Line 9409999999 ..... Schedule BA, Part 1, Column 27  
Line 9509999999 ..... Schedule DA, Part 1, Column 23  
Line 9709999999 ..... Schedule E, Part 2, Column 12

The column should be left blank for the following lines:

Real Estate (Schedule A) ..... 9209999999  
Cash (Schedule E, Part 1) ..... 9609999999  
Other Assets ..... 9809999999

General Interrogatories:

1. The total activity for the year represents the net increase (decrease) from the prior year-end to the current year-end.
2. The average balance for the year is the average daily balance.

Average daily balance: Total of daily balances divided by the number of days. Always calculate based on a 365/366 day year. If data is missing for a given date (e.g., weekend, holiday), count the previous day's value multiple times. The actual day count for the year (365/366) would serve as the denominator in the average calculation.

**SCHEDULE E – PART 2 – CASH EQUIVALENTS**

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Detail Eliminated to Conserve Space  
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\*\* Columns 10 ~~and through 11-12~~ will be electronic only. \*\*

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Detail Eliminated to Conserve Space  
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Column 12 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

NAIC Designation Category Equivalent Footnote:

Provide the total book/adjusted carrying value amount by NAIC Designation Category Equivalent that represents the amount reported in Column 7.

The sum of the amounts reported for each NAIC Designation Category Equivalent in the footnote should equal Line 2509999999.

**SCHEDULE B – PART 1**

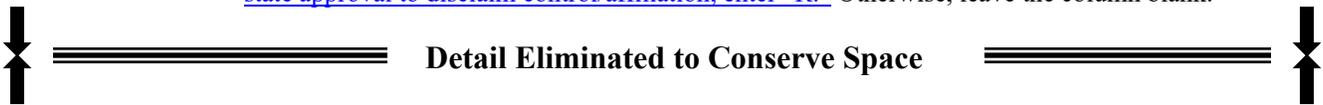
**MORTGAGE LOANS OWNED DECEMBER 31 OF CURRENT YEAR**



**Detail Eliminated to Conserve Space**

Column 5 – Loan Type

If the loan was made to an officer or director of the reporting entity/subsidiary/affiliate, enter “E”. If the loan was made directly to a subsidiary or affiliate enter “S.” [If the loan was made directly to a related party that doesn’t meet the affiliate definition or the reporting entity has received domiciliary state approval to disclaim control/affiliation, enter “R.”](#) Otherwise, leave the column blank.



**Detail Eliminated to Conserve Space**

**\*\* Columns 16 through ~~19~~20 will be electronic only. \*\***



**Detail Eliminated to Conserve Space**

Column 19 – Maturity Date

State the date the mortgage loan matures.

[Column 20 – Investments Involving Related Parties](#)

[Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.](#)

[Enter one of the following codes to identify the role of the related party in the investment.](#)

- [1. Direct loan or direct investment \(excluding securitizations\) in a related party, for which the related party represents a direct credit exposure.](#)
- [2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.](#)
- [3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% \(including 0%\) of the underlying collateral represents investments in or direct credit exposure to related parties.](#)
- [4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.](#)
- [5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.](#)
- [6. The investment does not involve a related party.](#)

**SCHEDULE B – PART 2**

**MORTGAGE LOANS ACQUIRED AND ADDITIONS MADE DURING YEAR**



**Detail Eliminated to Conserve Space**

Column 4 – Loan Type

If the loan was made to an officer or director of the reporting entity/subsidiary/affiliate, enter “E”. If the loan was made directly to a subsidiary or affiliate, enter “S.” [If the loan was made directly to a related party that doesn’t meet the affiliate definition or the reporting entity has received domiciliary state approval to disclaim control/affiliation, enter “R.”](#) Otherwise, leave the column blank.



**Detail Eliminated to Conserve Space**

\*\* Columns 10 through ~~13~~[14](#) will be electronic only. \*\*



**Detail Eliminated to Conserve Space**

Column 13 – Maturity Date

State the date the mortgage loan matures.

[Column 14 – Investments Involving Related Parties](#)

[Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.](#)

[Enter one of the following codes to identify the role of the related party in the investment.](#)

- [1. Direct loan or direct investment \(excluding securitizations\) in a related party, for which the related party represents a direct credit exposure.](#)
- [2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.](#)
- [3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% \(including 0%\) of the underlying collateral represents investments in or direct credit exposure to related parties.](#)
- [4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.](#)
- [5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.](#)
- [6. The investment does not involve a related party.](#)

**SCHEDULE B – PART 3**

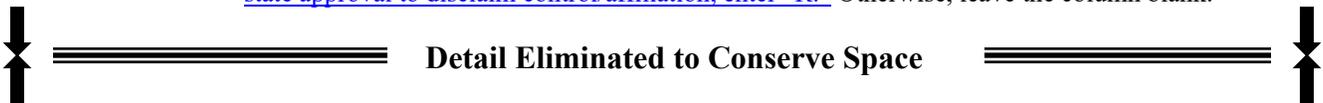
**MORTGAGE LOANS DISPOSED, TRANSFERRED OR REPAID DURING THE YEAR**



**Detail Eliminated to Conserve Space**

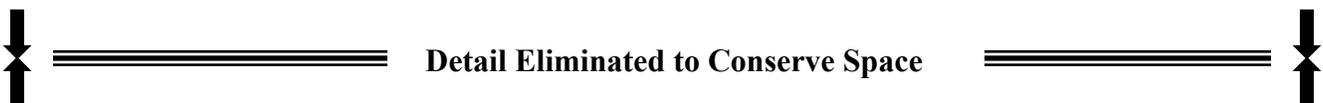
Column 4 – Loan Type

If the loan was made to an officer or director of the reporting entity/subsidiary/affiliate, enter “E.”  
If the loan was made directly to a subsidiary or affiliate enter “S.” [If the loan was made directly to a related party that doesn’t meet the affiliate definition or the reporting entity has received domiciliary state approval to disclaim control/affiliation, enter “R.”](#) Otherwise, leave the column blank.



**Detail Eliminated to Conserve Space**

\*\* Columns 19 through ~~22~~[23](#) will be electronic only. \*\*



**Detail Eliminated to Conserve Space**

Column 22 – Maturity Date

State the date the mortgage loan matures.

[Column 23 – Investments Involving Related Parties](#)

[Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.](#)

[Enter one of the following codes to identify the role of the related party in the investment.](#)

- [1. Direct loan or direct investment \(excluding securitizations\) in a related party, for which the related party represents a direct credit exposure.](#)
- [2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.](#)
- [3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% \(including 0%\) of the underlying collateral represents investments in or direct credit exposure to related parties.](#)
- [4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.](#)
- [5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.](#)
- [6. The investment does not involve a related party.](#)

**SCHEDULE DB – PART A – SECTION 1**

**OPTIONS, CAPS, FLOORS, COLLARS, SWAPS AND FORWARDS OPEN**  
**DECEMBER 31 OF CURRENT YEAR**



**Detail Eliminated to Conserve Space**



\*\* Columns 24 through ~~32~~33 will be electronic only. \*\*



**Detail Eliminated to Conserve Space**



Column 32 – CDHS Identifier

Provide a unique identifier for each Clearly Defined Hedging Strategy (CDHS) applying the provisions of SSAP No. 108 reported on this schedule (e.g., 001, 002, etc.). This identifier will also be used for reporting of the CDHS in Column 1 of Schedule DB, Part E.

This column should only be used for the following line numbers:

Purchased Options	Lines 0089999999 through 0139999999
Written Options	Lines 0579999999 through 0629999999
Swaps	Lines 1059999999 through 1099999999
Forwards	Line 1429999999

Column 33 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE DB – PART A – SECTION 2**

**OPTIONS, CAPS, FLOORS, COLLARS, SWAPS AND FORWARDS TERMINATED  
DURING CURRENT YEAR**

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\*\* Column 26 through ~~31~~32 will be electronic only. \*\*

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Column 31 – CDHS Identifier

Provide a unique identifier for each Clearly Defined Hedging Strategy (CDHS) applying the provisions of SSAP No. 108 reported on this schedule (e.g., 001, 002, etc.). This identifier will also be used for reporting of the CDHS in Column 1 of Schedule DB, Part E.

This column should only be used for the following line numbers:

Purchased Options	Lines 0089999999 through 0139999999
Written Options	Lines 0579999999 through 0629999999
Swaps	Lines 1059999999 through 1099999999
Forwards	Line 1429999999

Column 32 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE DB – PART B – SECTION 1**

**FUTURES CONTRACTS OPEN**  
**DECEMBER 31 OF CURRENT YEAR**

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**Detail Eliminated to Conserve Space**

**\*\* Columns 23 through ~~30~~31 will be electronic only. \*\***

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✕

**Detail Eliminated to Conserve Space**

Column 30 – CDHS Identifier

Provide a unique identifier for each Clearly Defined Hedging Strategy (CDHS) applying the provisions of SSAP No. 108 reported on this schedule (e.g., 001, 002, etc.). This identifier will also be used for reporting of the CDHS in Column 1 of Schedule DB, Part E.

This column should only be used for the following line numbers:

Long Futures	Line 1529999999
Short Futures	Line 1599999999

Column 31 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE DB – PART B – SECTION 2**

**FUTURES CONTRACTS TERMINATED  
DURING CURRENT YEAR**

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**Detail Eliminated to Conserve Space**  
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\*\* Column 21 through ~~26~~27 will be electronic only. \*\*

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**Detail Eliminated to Conserve Space**  
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Column 26 – CDHS Identifier

Provide a unique identifier for each Clearly Defined Hedging Strategy (CDHS) applying the provisions of SSAP No. 108 reported on this schedule (e.g., 001, 002, etc.). This identifier will also be used for reporting of the CDHS in Column 1 of Schedule DB, Part E.

This column should only be used for the following line numbers:

Long Futures	Line 1529999999
Short Futures	Line 1599999999

Column 27 – Investments Involving Related Parties

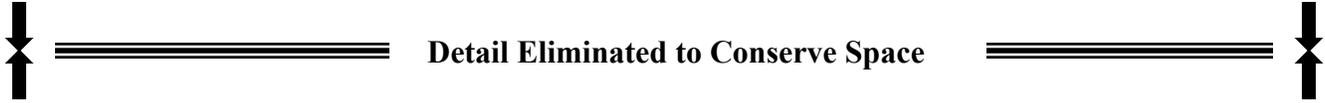
Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE DB – PART D – SECTION 1**

**COUNTERPARTY EXPOSURE FOR DERIVATIVE INSTRUMENTS OPEN**  
**DECEMBER 31 OF CURRENT YEAR**



**\*\* Columns 14 and 15 will be electronic only. \*\***

Column 14 – Legal Entity Identifier (LEI)

Provide the 20-character Legal Entity Identifier (LEI) for any counterparty as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.

Column 15 – Investments Involving Related Parties

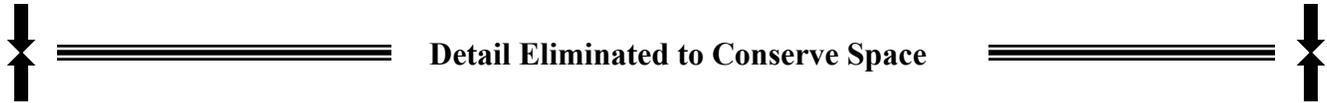
Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

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2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE DB – PART D – SECTION 2**

**COLLATERAL FOR DERIVATIVE INSTRUMENTS OPEN**  
**DECEMBER 31 OF CURRENT YEAR**



**\*\* Columns [10](#) and [11](#) will be electronic only. \*\***

Column 10 – Legal Entity Identifier (LEI)

Provide the 20-character Legal Entity Identifier (LEI) for counterparty as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.

[Column 11](#) – [Investments Involving Related Parties](#)

[Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.](#)

[Enter one of the following codes to identify the role of the related party in the investment.](#)

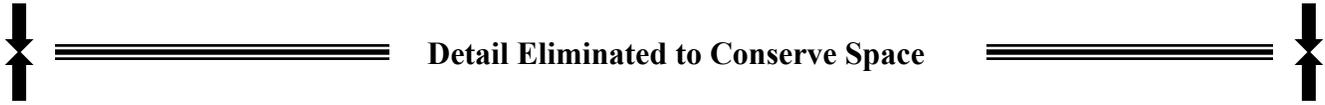
- [1. Direct loan or direct investment \(excluding securitizations\) in a related party, for which the related party represents a direct credit exposure.](#)
- [2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.](#)
- [3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% \(including 0%\) of the underlying collateral represents investments in or direct credit exposure to related parties.](#)
- [4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.](#)
- [5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.](#)
- [6. The investment does not involve a related party.](#)

**SCHEDULE DB – PART E**

**DERIVATIVES HEDGING VARIABLE ANNUITY GUARANTEES AS OF DECEMBER 31 OF CURRENT YEAR**

(This schedule is specific for the derivatives and the hedging programs captured in SSAP No. 108.)

See *SSAP No. 108—Derivatives Hedging Variable Annuities Guarantees* for additional accounting guidance.



**Detail Eliminated to Conserve Space**

Column 19 – Ending Deferred Balance

Specific CDHS Deferred Liability (Asset) balance at end of current reporting period.

**\*\* Column 20 will be electronic only. \*\***

Column 20 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE DB – PART C – SECTION 1**

**REPLICATION (SYNTHETIC ASSET) TRANSACTIONS (RSATs) OPEN  
ON DECEMBER 31 OF CURRENT YEAR**



**Detail Eliminated to Conserve Space**



Column 16 – Fair Value of Cash Instrument(s) Held

Enter the fair value of cash instrument(s) used in the RSAT.

**\*\* Column 17 will be electronic only. \*\***

Column 17 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**QUARTERLY STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY AND TITLE**  
**SCHEDULE BA – PART 2**

**OTHER LONG-TERM INVESTED ASSETS ACQUIRED  
AND ADDITIONS MADE DURING THE CURRENT QUARTER**

=====**Detail Eliminated to Conserve Space**=====

\*\* Columns 14 through ~~17~~ 18 will be electronic only. \*\*

=====**Detail Eliminated to Conserve Space**=====

Column 17 – Maturity Date

Use only for securities included in the following subtotal lines.

Non-Registered Private Funds with Underlying Assets Having Characteristics of:

Mortgage Loans

Unaffiliated..... 1199999

Affiliated..... 1299999

State the date the mortgage loan matures.

Column 18 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE BA – PART 3**

**OTHER LONG-TERM INVESTED ASSETS DISPOSED, TRANSFERRED OR REPAID  
DURING THE CURRENT QUARTER**

↓	<b>Detail Eliminated to Conserve Space</b>	↓
↓	<b>Detail Eliminated to Conserve Space</b>	↓

\*\* Columns 21 through 24-25 will be electronic only. \*\*

Column 24 – Maturity Date

Use only for securities included in the following subtotal lines.

Non-Registered Private Funds with Underlying Assets Having Characteristics of:

Mortgage Loans

Unaffiliated.....	1199999
Affiliated.....	1299999

State the date the mortgage loan matures.

Column 25 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE D – PART 3**

**LONG-TERM BONDS AND STOCKS ACQUIRED DURING THE CURRENT QUARTER**

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**Detail Eliminated to Conserve Space**  
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\*\* Columns 11 through ~~15~~16 will be electronic only. \*\*

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**Detail Eliminated to Conserve Space**  
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Column 15 – ISIN Identification

The International Securities Identification Numbering (ISIN) system is an international standard set up by the International Organization for Standardization (ISO). It is used for numbering specific securities, such as stocks, bonds, options and futures. ISIN numbers are administered by a National Numbering Agency (NNA) in each of their respective countries, and they work just like serial numbers for those securities. Record the ISIN number only if no valid CUSIP, CINS or PPN exists to report in Column 1.

Column 16 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE D – PART 4**

**LONG-TERM BONDS AND STOCKS SOLD, REDEEMED OR OTHERWISE  
DISPOSED OF DURING THE CURRENT QUARTER**

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**Detail Eliminated to Conserve Space**  
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\*\* Columns 23 through ~~27~~28 will be electronic only. \*\*

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**Detail Eliminated to Conserve Space**  
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Column 27 – ISIN Identification

The International Securities Identification Numbering (ISIN) system is an international standard set up by the International Organization for Standardization (ISO). It is used for numbering specific securities, such as stocks, bonds, options and futures. ISIN numbers are administered by a National Numbering Agency (NNA) in each of their respective countries, and they work just like serial numbers for those securities. Record the ISIN number only if no valid CUSIP, CINS or PPN exists to report in Column 1.

Column 28 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE DL – PART 1**

**SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned Current Statement Date  
(Securities lending collateral assets reported in aggregate on Line 10 of the asset page  
and not included on Schedules A, B, BA, D, DB and E.)

↓  
===== **Detail Eliminated to Conserve Space** =====  
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\*\* Columns 8 ~~and~~ through 9-10 will be electronic only. \*\*

↓  
===== **Detail Eliminated to Conserve Space** =====  
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Column 10 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

The code reported for this column should be determined in a manner consistent with the instructions of other schedules for the lines shown below:

<u>Lines 0019999999 through 2509999999 .....</u>	<u>Schedule D, Part 1, Column 35</u>
<u>Lines 4019999999 through 4509999999 .....</u>	<u>Schedule D, Part 2, Section 1, Column 28</u>
<u>Lines 5019999999 through 5989999999 .....</u>	<u>Schedule D, Part 2, Section 2, Column 25</u>
<u>Line 9309999999 .....</u>	<u>Schedule B, Part 1, Column 20</u>
<u>Line 9409999999 .....</u>	<u>Schedule BA, Part 1, Column 27</u>
<u>Line 9509999999 .....</u>	<u>Schedule DA, Part 1, Column 23</u>
<u>Line 9709999999 .....</u>	<u>Schedule E, Part 2, Column 12</u>

The column should be left blank for the following lines:

<u>Real Estate (Schedule A type) .....</u>	<u>9209999999</u>
<u>Cash (Schedule E, Part 1 type).....</u>	<u>9609999999</u>
<u>Other Assets.....</u>	<u>9809999999</u>

General Interrogatories:

1. The total activity for the year to date represents the net increase (decrease) from the prior year-end to the current statement date.
2. The average balance for the year to date is the average daily balance.

Average daily balance: Total of daily balances divided by the number of days that have passed in the year as of the reporting date. If data is missing for a given date (e.g., weekend, holiday), count the previous day's value multiple times. The actual day count for the year to date would serve as the denominator in the average calculation.

**SCHEDULE DL – PART 2**

**SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned Current Statement Date  
(Securities lending collateral assets included on Schedules A, B, BA, D, DB and E  
and not reported in aggregate on Line 10 of the asset page.)

↓ **====** Detail Eliminated to Conserve Space **====** ↓

\*\* Columns 8 ~~and~~ through 9-10 will be electronic only. \*\*

↓ **====** Detail Eliminated to Conserve Space **====** ↓

Column 10 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

The code reported for this column should be same for the security as reported in other schedules for the lines shown below:

<u>Lines 0019999999 through 2509999999 .....</u>	<u>Schedule D, Part 1, Column 35</u>
<u>Lines 4019999999 through 4509999999 .....</u>	<u>Schedule D, Part 2, Section 1, Column 28</u>
<u>Lines 5019999999 through 5989999999 .....</u>	<u>Schedule D, Part 2, Section 2, Column 25</u>
<u>Line 9309999999 .....</u>	<u>Schedule B, Part 1, Column 20</u>
<u>Line 9409999999 .....</u>	<u>Schedule BA, Part 1, Column 27</u>
<u>Line 9509999999 .....</u>	<u>Schedule DA, Part 1, Column 23</u>
<u>Line 9709999999 .....</u>	<u>Schedule E, Part 2, Column 12</u>

The column should be left blank for the following lines:

<u>Real Estate (Schedule A) .....</u>	<u>9209999999</u>
<u>Cash (Schedule E, Part 1) .....</u>	<u>9609999999</u>
<u>Other Assets .....</u>	<u>9809999999</u>

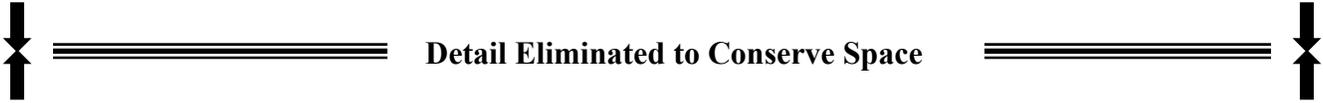
General Interrogatories:

1. The total activity for the year to date represents the net increase (decrease) from the prior year-end to the current statement date.
2. The average balance for the year to date is the average daily balance.

Average daily balance: Total of daily balances divided by the number of days that have passed in the year as of the reporting date. If data is missing for a given date (e.g., weekend, holiday), count the previous day's value multiple times. The actual day count for the year to date would serve as the denominator in the average calculation.

**SCHEDULE E – PART 2 – CASH EQUIVALENTS**

**INVESTMENTS OWNED END OF CURRENT QUARTER**



**\*\* Columns 10 and 11 will be electronic only. \*\***

Column 10 – Legal Entity Identifier (LEI)

Provide the 20-character Legal Entity Identifier (LEI) for any issuer as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.

Column 11 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE B – PART 2**

**MORTGAGE LOANS ACQUIRED AND ADDITONS MADE DURING THE CURRENT QUARTER**

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**Detail Eliminated to Conserve Space**

Column 4 – Loan Type

If the loan was made to an officer or director of the reporting entity/subsidiary/affiliate, enter “E.” If the loan was made directly to a subsidiary or affiliate, enter “S.” [If the loan was made directly to a related party that doesn’t meet the affiliate definition or the reporting entity has received domiciliary state approval to disclaim control/affiliation, enter “R.”](#) Otherwise, leave the column blank.

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**Detail Eliminated to Conserve Space**

\*\* Columns 10 through ~~13~~ 14 will be electronic only. \*\*

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**Detail Eliminated to Conserve Space**

Column 13 – Maturity Date

State the date the mortgage loan matures.

[Column 14 – Investments Involving Related Parties](#)

[Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.](#)

[Enter one of the following codes to identify the role of the related party in the investment.](#)

- [1. Direct loan or direct investment \(excluding securitizations\) in a related party, for which the related party represents a direct credit exposure.](#)
- [2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.](#)
- [3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% \(including 0%\) of the underlying collateral represents investments in or direct credit exposure to related parties.](#)
- [4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.](#)
- [5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.](#)
- [6. The investment does not involve a related party.](#)

**SCHEDULE B – PART 3**

**MORTGAGE LOANS DISPOSED, TRANSFERRED OR REPAID DURING THE CURRENT QUARTER**

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**Detail Eliminated to Conserve Space**

Column 4 – Loan Type

If the loan was made to an officer or director of the reporting entity/subsidiary/affiliate, enter “E.” If the loan was made directly to a subsidiary or affiliate, enter “S.” [If the loan was made directly to a related party that doesn’t meet the affiliate definition or the reporting entity has received domiciliary state approval to disclaim control/affiliation, enter “R.”](#) Otherwise, leave the column blank.

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**Detail Eliminated to Conserve Space**

**\*\* Columns 19 through ~~22~~23 will be electronic only. \*\***

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**Detail Eliminated to Conserve Space**

Column 22 – Maturity Date

State the date the mortgage loan matures.

[Column 23 – Investments Involving Related Parties](#)

[Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.](#)

[Enter one of the following codes to identify the role of the related party in the investment.](#)

- [1. Direct loan or direct investment \(excluding securitizations\) in a related party, for which the related party represents a direct credit exposure.](#)
- [2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.](#)
- [3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% \(including 0%\) of the underlying collateral represents investments in or direct credit exposure to related parties.](#)
- [4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.](#)
- [5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.](#)
- [6. The investment does not involve a related party.](#)

**SCHEDULE DB – PART A – SECTION 1**

**OPTIONS, CAPS, FLOORS, COLLARS, SWAPS AND FORWARDS OPEN**

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=====**Detail Eliminated to Conserve Space**=====

\*\* Columns 24 through ~~32~~33 will be electronic only. \*\*

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=====**Detail Eliminated to Conserve Space**=====

Column 32 – CDHS Identifier

Provide a unique identifier for each Clearly Defined Hedging Strategy (CDHS) reported on this schedule (e.g., 001, 002, etc.). This identifier will also be used for reporting of the CDHS in Column 1 of Schedule DB, Part E.

This column should only be used for the following line numbers:

Purchased Options	Lines 0089999999 through 0139999999
Written Options	Lines 0579999999 through 0629999999
Swaps	Lines 1059999999 through 1099999999
Forwards	Lines 1429999999

Column 33 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE DB – PART B – SECTION 1**

**FUTURES CONTRACTS OPEN**



\*\* Column 23 through [28-29](#) will be electronic only. \*\*



Column 28 – CDHS Identifier

Provide a unique identifier for each Clearly Defined Hedging Strategy (CDHS) reported on this schedule (e.g., 001, 002, etc.). This identifier will also be used for reporting of the CDHS in Column 1 of Schedule DB, Part E.

This column should only be used for the following line numbers:

Long Futures	Line 1529999999
Short Futures	Line 1599999999

[Column 29 – Investments Involving Related Parties](#)

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

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3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE DB – PART D – SECTION 1**

**COUNTERPARTY EXPOSURE FOR DERIVATIVE INSTRUMENTS OPEN  
AS OF CURRENT STATEMENT DATE**



**Detail Eliminated to Conserve Space**



**\*\* Columns 14 and 15 will be electronic only. \*\***

Column 14 – Legal Entity Identifier (LEI)

Provide the 20-character Legal Entity Identifier (LEI) for counterparty as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.

Column 15 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE DB – PART D – SECTION 2**

**COLLATERAL FOR DERIVATIVE INSTRUMENTS OPEN  
AS OF CURRENT STATEMENT DATE**

**Detail Eliminated to Conserve Space**

**\*\* Columns 10 and 11 will be electronic only.\*\***

Column 10 – Legal Entity Identifier (LEI)

Provide the 20-character Legal Entity Identifier (LEI) for counterparty as assigned by a designated Local Operating Unit. If no LEI number has been assigned, leave blank.

Column 11 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE DB – PART E**

**DERIVATIVES HEDGING VARIABLE ANNUITY GUARANTEES AS OF CURRENT QUARTER**

This schedule is specific for the derivatives and the hedging programs captured in SSAP No. 108.

See *SSAP No. 108—Derivatives Hedging Variable Annuities Guarantees* for additional accounting guidance.



Column 19 – Ending Deferred Balance

Specific CDHS Deferred Liability (Asset) balance at end of current reporting period.

**\*\* Column 20 will be electronic only.\*\***

Column 20 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

**SCHEDULE DB – PART C – SECTION 1**

**REPLICATION (SYNTHETIC ASSET) TRANSACTIONS (RSATs) OPEN AT CURRENT STATEMENT DATE**



Column 16 – Fair Value of Cash Instrument(s) Held

Enter the fair value of cash instrument(s) used in the RSAT.

**\*\* Column 17 will be electronic only.\*\***

Column 17 – Investments Involving Related Parties

Required for all investments involving related parties including, but not limited to, those captured as affiliate investments. This disclosure intends to capture information on investments held that reflect interactions involving related parties, regardless of whether the related party meets the affiliate definition, or the reporting entity has received domiciliary state approval to disclaim control/affiliation.

Enter one of the following codes to identify the role of the related party in the investment.

1. Direct loan or direct investment (excluding securitizations) in a related party, for which the related party represents a direct credit exposure.
2. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer, or other similar influential role and for which 50% or more of the underlying collateral represents investments in or direct credit exposure to related parties.
3. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies involving a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role and for which less than 50% (including 0%) of the underlying collateral represents investments in or direct credit exposure to related parties.
4. Securitization or similar investment vehicles such as mutual funds, limited partnerships and limited liability companies in which the structure reflects an in-substance related party transaction but does not involve a relationship with a related party as sponsor, originator, manager, servicer or other similar influential role.
5. The investment is identified as related party, but the role of the related party represents a different arrangement than the options provided in choices 1-4.
6. The investment does not involve a related party.

[https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member Meetings/2022 NAIC Meetings/Spring National Meeting/Committee Meetings/FINANCIAL CONDITION \(E\) COMMITTEE/Accounting Practices and Procedures \(E\) TF/BWG/Att2G\\_2021-22BWG\\_Modified.docx](https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member%20Meetings/2022%20NAIC%20Meetings/Spring%20National%20Meeting/Committee%20Meetings/FINANCIAL%20CONDITION%20(E)%20COMMITTEE/Accounting%20Practices%20and%20Procedures%20(E)%20TF/BWG/Att2G_2021-22BWG_Modified.docx)

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<p style="text-align: right;">DATE: <u>12/16/2021</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Dale Bruggeman / Carrie Mears</u></p> <p>TITLE: <u>Chair / Vice Chair SAPWG</u></p> <p>AFFILIATION: <u>OH and IA Dept of Insurance</u></p> <p>ADDRESS: _____</p>	<p style="text-align: center;"><b><u>FOR NAIC USE ONLY</u></b></p> <p>Agenda Item # <u>2021-23BWG MOD</u></p> <p>Year <u>2022</u></p> <p>Changes to Existing Reporting [ X ]</p> <p>New Reporting Requirement [ ]</p> <hr/> <p style="text-align: center;"><b><u>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</u></b></p> <p>No Impact [ X ]</p> <p>Modifies Required Disclosure [ ]</p> <hr/> <p style="text-align: center;"><b><u>DISPOSITION</u></b></p> <p>[ ] Rejected For Public Comment</p> <p>[ ] Referred To Another NAIC Group</p> <p>[ X ] Received For Public Comment</p> <p>[ ] Adopted Date _____</p> <p>[ ] Rejected Date _____</p> <p>[ ] Deferred Date _____</p> <p>[ ] Other (Specify) _____</p>
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**BLANK(S) TO WHICH PROPOSAL APPLIES**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> INSTRUCTIONS      | <input checked="" type="checkbox"/> CROSSCHECKS |
| <input type="checkbox"/> QUARTERLY STATEMENT                          | <input checked="" type="checkbox"/> BLANK             |   |
| <input checked="" type="checkbox"/> Life, Accident & Health/Fraternal | <input checked="" type="checkbox"/> Separate Accounts | <input type="checkbox"/> Title                  |
| <input type="checkbox"/> Property/Casualty                            | <input type="checkbox"/> Protected Cell               | <input type="checkbox"/> Other _____            |
| <input type="checkbox"/> Health                                       | <input type="checkbox"/> Health (Life Supplement)     |   |

Anticipated Effective Date: Annual 2022

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Added a group of lines for Residual Tranches or Interests in the Asset Valuation Reserve Equity and Other Invested Asset Component blank and renumber lines below them. Modify instructions as appropriate for the added lines.

**REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE\*\***

With the new reporting lines proposed for residuals in Schedule BA, additional revisions are needed to map those reporting lines to the AVR schedule. The proposed revisions will separately capture these items in a new category within AVR as they are items that are not comparable to other investments. As defined in the AP&P Manual, residuals reflect loss layers without contractual interest or principal payments. Payments to holders of these investments occur after contractual interest and principal payments have been made to other tranches or interests and are based on the remaining available funds. Although payments to holders can occur throughout an investment's duration (and not just at maturity), such instances still reflect the residual amount permitted to be distributed after other holders have received contractual interest and principal payments.

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: The 2022 effective date will match the Schedule BA changes and the effective date for reporting on Schedule BA in the AP&P Manual.

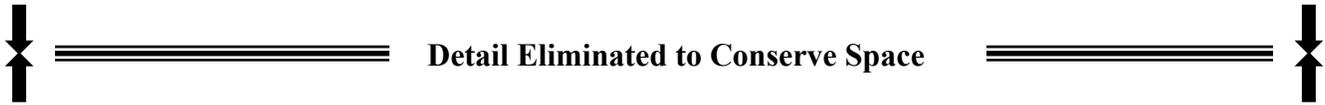
Other Comments: This proposal assumes adoption of 2021-21BWG

\*\* This section must be completed on all forms.

Revised 7/18/2018

ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL

**EQUITY AND OTHER INVESTED ASSET COMPONENT –  
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**



**Detail Eliminated to Conserve Space**

Lines 75 through 80 – Low-Income Housing Tax Credit Investments

Report Column 1 in accordance with *SSAP No. 93—Low-Income Housing Tax Credit Property Investments*.

For Line 75, report guaranteed low-income housing tax credit (LIHTC) investments. There must be an all-inclusive guarantee from a CRP-rated entity that guarantees the yield on the investment. Line 75 should equal Schedule BA, Part 1, Column 12, Line 3599999 + Line 3699999.

For Line 76, report non-guaranteed LIHTC investments with the following risk mitigation factors:

- I. A level of leverage below 50%. For LIHTC Fund, the level of leverage is measured at the fund level.
- II. There is a Tax Credit Guarantee Agreement from General Partner or managing member. This agreement requires the General Partner or managing member to reimburse investors for any shortfalls in tax credits due to errors of compliance, for the life of the partnership. For an LIHTC Fund, a Tax Credit Guarantee is required from the developers of the lower tier LIHTC properties to the upper tier partnership.
- III. There are sufficient operating reserves, capital replacement reserves and/or operating deficit guarantees present to mitigate foreseeable foreclosure risk at the time of the investment.

Line 76 should equal Schedule BA, Part 1, Column 12, Line 3799999 + Line 3899999.

Only federal low-income housing tax credit investments can be reported on Lines 75 and 76. State low-income housing tax credit investments that meet the requirements of SSAP No. 93 and that, at a minimum, meet the requirements for federal guaranteed programs should be reported on Line 77. Line 77 should equal Schedule BA, Part 1, Column 12, Line 3999999 + Line 4099999.

State low-income housing tax credit investments that do not meet the requirements of SSAP No. 93 and that do not, at a minimum, meet the requirements for federal non-guaranteed programs should be reported on Line 78. Line 78 should equal Schedule BA, Part 1, Column 12, Line 4199999 + Line 4299999.

Any other low-income housing tax credit investments that meet the requirements of SSAP No. 93 and cannot be reported on Lines 75 through 78 should be reported on Line 79. Line 79 should equal Schedule BA, Part 1, Column 12, Line 4399999 + Line 4499999.

Multiply the amount in Column 4 for each category by the reserve factors for Page 34, Columns 5, 7 and 9, Lines 75 through 79. Report the products by category in Columns 6, 8 and 10, respectively.

[Lines 81 through 91](#) – [Residual Tranches or Interests](#)

[Line 81](#) – [Fixed Income Instruments – Unaffiliated](#)

[Report the book/adjusted carrying value of all Schedule BA assets in Line 4699999 in Columns 1 and 4. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7 and 9 and report](#)

~~the products in Columns 6, 8 and 10, respectively. For Lines 66 through 69, multiply the amounts in Column 4 by the reserve factors provided in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively.~~

Line 82 – Fixed Income Instruments – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4799999 in Columns 1 and 4. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively. ~~For Lines 66 through 69, multiply the amounts in Column 4 by the reserve factors provided in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively.~~

Line 83 – Common Stock – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4899999 in Columns 1 and 4. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively. ~~For Lines 66 through 69, multiply the amounts in Column 4 by the reserve factors provided in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively.~~

Line 84 – Common Stock – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 4999999 in Columns 1 and 4. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively. ~~For Lines 66 through 69, multiply the amounts in Column 4 by the reserve factors provided in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively.~~

Line 85 – Preferred Stock – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 5099999 in Columns 1 and 4. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively.

Line 86 – Preferred Stock – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line 5199999 in Columns 1 and 4. Multiply the amount in Column 4 by the calculated reserve factors in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively.

Line ~~8587~~ – Real Estate – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line ~~5052~~99999 in Column 1, any related encumbrances on these assets in Column 2, and any third-party encumbrances on these assets in Column 3. Report the sum of Columns 1, 2, and 3 in Column 4. Column 4 may not be less than zero. Multiply the amount in Column 4 by the reserve factors provided in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively.

Line ~~8688~~ – Real Estate – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line ~~5153~~99999 in Column 1, any related encumbrances on these assets in Column 2, and any third-party encumbrances on these assets in Column 3. Report the sum of Columns 1, 2, and 3 in Column 4. Column 4 may not be less than zero. Multiply the amount in Column 4 by the reserve factors provided in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively.

Line ~~8789~~ – Mortgage Loans – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line ~~52549999~~ in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~8890~~ – Mortgage Loans – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line ~~53559999~~ in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~8991~~ – Other – Unaffiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line ~~54569999~~ in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~9092~~ – Other – Affiliated

Report the book/adjusted carrying value of all Schedule BA assets in Line ~~55579999~~ in Columns 1 and 4. Multiply the amount in Column 4 by the reserve factors in Columns 5, 7 and 9. Report the products in Columns 6, 8 and 10, respectively.

Line ~~819294 & 829395~~ – Working Capital Finance Investments

Report the book/adjusted carrying value of all working capital finance investments owned (Schedule BA, Part 1, Line 4599999) in Columns 1 and 4. Categorize the working capital finance investments into NAIC designations 1 or 2 as directed by the *Purposes and Procedures Manual of the NAIC Investment Analysis Office*. Multiply the amount in Column 4 for each designation by the reserve factors provided in Columns 5, 7 and 9, and report the products by designation in Columns 6, 8 and 10, respectively.

Line ~~839496~~ – Other Invested Assets – Schedule BA

Report the book/adjusted carrying value of all other Schedule BA investments owned that cannot be classified into one of the above categories (Lines 0199999, 0299999, 0399999, 0499999, 0599999, 0699999, 0999999, 1099999, 1799999, 1899999, 2599999, 2699999, 2799999, 2899999, 3399999, 3499999, ~~4699999~~ ~~56589999~~ and ~~4799999~~ ~~57599999~~) in Column 1 and any encumbrances on these assets in Column 3. Schedule DL, Part 1 investments reported on Line 9409999999 would be included in this total if not classified in one of the above categories. Collateral loans (Lines 2999999 and 3099999) have been intentionally excluded from this total. For surplus debentures and capital notes, the amount to report in Column 1 is to be calculated based upon the accounting prescribed in *SSAP No. 41—Surplus Notes*. Report the sum of Columns 1 and 3 in Column 4. Column 4 may not be less than zero. Note that ALL surplus debentures and capital notes should be included here in Line ~~839496~~, EXCEPT those with a CRP rating equivalent to an NAIC 1 or NAIC 2 designation (which are reported in Lines 30 and 31 of this schedule). Multiply the amount in Column 4 by the reserve factors provided in Columns 5, 7 and 9, and report the products in Columns 6, 8 and 10, respectively.

Exclude: All surplus debentures and capital notes that possess a CRP rating equivalent to an NAIC 1 or NAIC 2 designation. These surplus debentures are to be reported in Line 30 and 31 (Other Invested Assets with Underlying Characteristics of Preferred Stocks) of this schedule.

Line ~~849597~~ – Other Short-Term Invested Assets – Schedule DA

Report the book/adjusted carrying value of all other Schedule DA (Lines 7029999999 and 7509999999) and Schedule DL, Part 1 (Line 9509999999) assets owned that cannot be classified into one of the above categories in Column 1 and any encumbrances on these assets in Column 3. Report the sum of Columns 1 and 3 in Column 4. Multiply the amount on Column 4 by the reserve factors provided in Columns 5, 7 and 9 and report the products in Columns 6, 8 and 10, respectively.

Line ~~869798~~ – Total Other Invested Assets – Schedules BA & DA

The Columns 6, 8 and 10 amounts must be combined with Columns 6, 8 and 10, Line 21 amounts and reported on the Asset Valuation Reserve Page, Column 5, Lines 7, 10 and 9, respectively.

NOTE: Other invested asset reserves will be calculated based on the nature of the underlying investments related to the Schedule BA and Schedule DA assets. Assets should be categorized as if the company owned the underlying investment. For example:

- Mortgage participation certificates and similar holdings should be classified as fixed income assets.
- Gas and oil production and mineral rights have potential variability of return and should be categorized as equity investments.
- Partnership investments should be classified as fixed or equity investments or as equity real estate, depending on the purpose of the partnership. The maximum AVR factor would be that appropriate for the asset classification.
- A “look through” approach should be taken for any Schedule BA and Schedule DA assets not specifically listed, so as to reflect in the AVR calculation the essential nature of the investments.

**REPLICATION (SYNTHETIC) ASSETS –  
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**

**Detail Eliminated to Conserve Space**

**Basic Contribution:**

G/A Page 29, Line 7, Column 1 =	G/A	[P31, L34, C6]	+ G/A	[P36, L0199999, C7]
	+ S/A	[P16, L34, C6]	+ S/A	[P21, L0199999, C7]
G/A Page 29, Line 7, Column 2 =	G/A	[P32, L60, C6]	+ G/A	[P36, L0299999, C7]
	+ S/A	[P17, L60, C6]	+ S/A	[P21, L0299999, C7]
G/A Page 29, Line 7, Column 4 =	G/A	[P33, L17, C6]	+ G/A	[P36, L0399999, C7]
	+ S/A	[P18, L17, C6]	+ S/A	[P21, L0399999, C7]
G/A Page 29, Line 7, Column 5 =	G/A	[P33, L21, C6 + P35, <del>L978699</del> , C6]	+ G/A	[P36, L0499999, C7]
	+ S/A	[P18, L21, C6 + P20, <del>L978699</del> , C6]	+ S/A	[P21, L0499999, C7]

**Reserve Objective:**

G/A Page 29, Line 10, Column 1 =	G/A	[P31, L34, C8]	+ G/A	[P36, L0199999, C8]
	+ S/A	[P16, L34, C8]	+ S/A	[P21, L0199999, C8]
G/A Page 29, Line 10, Column 2 =	G/A	[P32, L60, C8]	+ G/A	[P36, L0299999, C8]
	+ S/A	[P17, L60, C8]	+ S/A	[P21, L0299999, C8]
G/A Page 29, Line 10, Column 4 =	G/A	[P33, L17, C8]	+ G/A	[P36, L0399999, C8]
	+ S/A	[P18, L17, C8]	+ S/A	[P21, L0399999, C8]
G/A Page 29, Line 10, Column 5 =	G/A	[P33, L21, C8 + P35, <del>L978699</del> , C8]	+ G/A	[P36, L0499999, C8]
	+ S/A	[P18, L21, C8 + P20, <del>L978699</del> , C8]	+ S/A	[P21, L0499999, C8]

**Maximum Reserve:**

G/A Page 29, Line 9, Column 1 =	G/A	[P30, L34, C10]	+ G/A	[P36, L0199999, C9]
	+ S/A	[P15, L34, C10]	+ S/A	[P21, L0199999, C9]
G/A Page 29, Line 9, Column 2 =	G/A	[P33, L60, C10]	+ G/A	[P36, L0299999, C9]
	+ S/A	[P18, L60, C10]	+ S/A	[P21, L0299999, C9]
G/A Page 29, Line 9, Column 4 =	G/A	[P33, L17, C10]	+ G/A	[P36, L0399999, C9]
	+ S/A	[P18, L17, C10]	+ S/A	[P21, L0399999, C9]
G/A Page 29, Line 9, Column 5 =	G/A	[P33, L21, C10 + P34, <del>L978699</del> , C10]	+ G/A	[P36, L0499999, C9]
	+ S/A	[P18, L21, C10 + P19, <del>L978699</del> , C10]	+ S/A	[P21, L0499999, C9]

**Detail Eliminated to Conserve Space**

**ASSET VALUATION RESERVE**

**Detail Eliminated to Conserve Space**

Line 7 – Basic Contribution (includes separate accounts assets, if applicable)

Report the basic contribution amount for each asset category as calculated on Pages 30 through 35 (General Account) and Pages 15 through 20 (Separate Accounts).

Column 1: Report the total bonds, preferred stock, short-term investments and derivative instruments from Page 30, Line 34, Column 6 (General Account) and Page 15, Line 34, Col. 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page 35, Line 0199999, Column 7 (General Account) and Page 20, Line 0199999, Column 7 (Separate Accounts).

Column 2: Report the total mortgage loans from Page 31, Line 60, Column 6 (General Account) and Page 16, Line 60, Col. 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page 35, Line 0299999, Column 7 (General Account) and Page 20, Line 0299999, Column 7 (Separate Accounts).

Column 4: Report the total common stock from Page 32, Line 17, Column 6 (General Account) and Page 17, Line 17, Col. 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page 35, Line 0399999, Column 7 (General Account) and Page 20, Line 0399999, Column 7 (Separate Accounts).

Column 5: Report the total real estate from Page 32, Line 21, Column 6 (General Account) and from Page 17, Line 21, Column 6 (Separate Accounts), if applicable, plus the total other invested assets from Page 34, Line ~~869799~~, Column 6 (General Account) and from Page 19, Line ~~869799~~, Column 6 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page 35, Line 0499999, Column 7 (General Account) and Page 20, Line 0499999, Column 7 (Separate Accounts).

Line 9 – Maximum Reserve (includes separate accounts assets, if applicable)

Report the maximum reserve for each asset category as calculated on Pages 30 through 35 (General Account) and Pages 15 through 20 (Separate Accounts).

Column 1: Report the total bonds, preferred stock, short-term investments and derivative instruments from Page 30, Line 34, Column 10 (General Account) and Page 15, Line 34, Col. 10 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 35, Line 0199999, Column 9 (General Account) and Page 20, Line 0199999, Column 9 (Separate Accounts).

Column 2: Report the total mortgage loans from Page 31, Line 60, Column 10 (General Account) and Page 16, Line 60, Col. 10 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 35, Line 0299999, Column 9 (General Account) and Page 20, Line 0299999, Column 9 (Separate Accounts).

Column 4: Report the total common stock from Page 32, Line 17, Column 10 (General Account) and Page 17, Line 17, Col. 10 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 35, Line 0399999, Column 9 (General Account) and Page 20, Line 0399999, Column 9 (Separate Accounts).

Column 5: Report the total real estate from Page 32, Line 21, Column 10 (General Account) and from Page 17, Line 21, Column 10 (Separate Accounts), if applicable, plus the total other invested assets from Page 34, Line 869799, Column 10 (General Account) and from Page 19, Line 86, Column 10 (Separate Accounts), if applicable; and the total for replication (synthetic asset) transactions contained on Page 35, Line 0499999, Column 9 (General Account) and Page 20, Line 0499999, Column 9 (Separate Accounts).

Line 10 – Reserve Objective (includes separate accounts assets, if applicable)

Report the reserve objective amount for each asset category as calculated on Pages 30 through 35 (General Account) and Pages 15 through 20 (Separate Accounts).

Column 1: Report the total bonds, preferred stock, short-term investments and derivative instruments from Page 30, Line 34, Column 8 (General Account) and Page 15, Line 34, Column 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 35, Line 0199999, Column 8 (General Account) and Page 20, Line 0199999, Column 8 (Separate Accounts).

Column 2: Report the total mortgage loans from Page 31, Line 60, Column 8 (General Account) and Page 16, Line 60, Col. 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 35, Line 0299999, Column 8 (General Account) and Page 20, Line 0299999, Column 8 (Separate Accounts).

Column 4: Report the total common stock from Page 32, Line 17, Column 8 (General Account) and Page 17, Line 17, Col. 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 35, Line 0399999, Column 8 (General Account) and Page 20, Line 0399999, Column 8 (Separate Accounts).

Column 5: Report the total real estate from Page 32, Line 21, Column 8 (General Account) and from Page 17, Line 21, Column 8 (Separate Accounts), if applicable; plus the total other invested assets from Page 34, Line 869799, Column 8 (General Account) and from Page 19, Line 869799, Column 8 (Separate Accounts), if applicable and the total for replication (synthetic asset) transactions contained on Page 35, Line 0499999, Column 8 (General Account) and Page 20, Line 0499999, Column 8 (Separate Accounts).

**Detail Eliminated to Conserve Space**

**ANNUAL STATEMENT BLANK – LIFE/FRATERNAL AND SEPARATE ACCOUNTS**

**ASSET VALUATION RESERVE (Continued)  
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS  
EQUITY AND OTHER INVESTED ASSET COMPONENT**

Line Number	NAIC Designation	Description	1 Book/ Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1+2+3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols. 4x5)	7 Factor	8 Amount (Cols. 4x7)	9 Factor	10 Amount (Cols. 4x9)
<b>INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK</b>												
65		Unaffiliated Public .....		XXX	XXX	.....	0.0000	.....	0.1580(a)	.....	0.1580(a)	.....
66		Unaffiliated Private .....		XXX	XXX	.....	0.0000	.....	0.1945	.....	0.1945	.....
67		Affiliated Life with AVR .....		XXX	XXX	.....	0.0000	.....	0.0000	.....	0.0000	.....
68		Affiliated Certain Other (See SVO Purposes & Procedures Manual) .....		XXX	XXX	.....	0.0000	.....	0.1580	.....	0.1580	.....
69		Affiliated Other - All Other .....		XXX	XXX	.....	0.0000	.....	0.1945	.....	0.1945	.....
70		Total with Common Stock Characteristics (Sum of Lines 65 through 69)		XXX	XXX	.....	XXX	.....	XXX	.....	XXX	.....
<b>INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE</b>												
71		Home Office Property (General Account only) .....				.....	0.0000	.....	0.0912	.....	0.0912	.....
72		Investment Properties .....				.....	0.0000	.....	0.0912	.....	0.0912	.....
73		Properties Acquired in Satisfaction of Debt .....				.....	0.0000	.....	0.1337	.....	0.1337	.....
74		Total with Real Estate Characteristics (Sum of Lines 71 through 73)				.....	XXX	.....	XXX	.....	XXX	.....
<b>LOW INCOME HOUSING TAX CREDIT INVESTMENTS</b>												
75		Guaranteed Federal Low-Income Housing Tax Credit .....				.....	0.0003	.....	0.0006	.....	0.0010	.....
76		Non-guaranteed Federal Low-Income Housing Tax Credit .....				.....	0.0063	.....	0.0120	.....	0.0190	.....
77		Guaranteed State Low Income Housing Tax Credit .....				.....	0.0003	.....	0.0006	.....	0.0010	.....
78		Non-guaranteed State Low Income Housing Tax Credit .....				.....	0.0063	.....	0.0120	.....	0.0190	.....
79		All Other Low-Income Housing Tax Credit .....				.....	0.0273	.....	0.0600	.....	0.0975	.....
80		Total LIHTC (Sum of Lines 75 through 79)				.....	XXX	.....	XXX	.....	XXX	.....
<b>RESIDUAL TRanches OR INTERESTS</b>												
81		Fixed Income Instruments – Unaffiliated .....		XXX	XXX	.....	0.0000	.....	0.1580	.....	0.1580	.....
82		Fixed Income Instruments – Affiliated .....		XXX	XXX	.....	0.0000	.....	0.1580	.....	0.1580	.....
83		Common Stock – Unaffiliated .....		XXX	XXX	.....	0.0000	.....	0.1580	.....	0.1580	.....
84		Common Stock – Affiliated .....		XXX	XXX	.....	0.0000	.....	0.1580	.....	0.1580	.....
85		Preferred Stock – Unaffiliated .....		XXX	XXX	.....	0.0000	.....	0.1580	.....	0.1580	.....
86		Preferred Stock – Affiliated .....		XXX	XXX	.....	0.0000	.....	0.1580	.....	0.1580	.....
8587		Real Estate – Unaffiliated .....				.....	0.0000	.....	0.1580	.....	0.1580	.....
8688		Real Estate – Affiliated .....				.....	0.0000	.....	0.1580	.....	0.1580	.....
8789		Mortgage Loans – Unaffiliated .....		XXX	XXX	.....	0.0000	.....	0.1580	.....	0.1580	.....
8890		Mortgage Loans – Affiliated .....		XXX	XXX	.....	0.0000	.....	0.1580	.....	0.1580	.....
8991		Other – Unaffiliated .....		XXX	XXX	.....	0.0000	.....	0.1580	.....	0.1580	.....
9092		Other – Affiliated .....		XXX	XXX	.....	0.0000	.....	0.1580	.....	0.1580	.....
9193		Total Residual Tranches or Interests (Sum of Lines 81 through 9092)				.....		.....		.....		.....
<b>ALL OTHER INVESTMENTS</b>												
819294		NAIC 1 Working Capital Finance Investments .....		XXX		.....	0.0000	.....	0.0042	.....	0.0042	.....
829295		NAIC 2 Working Capital Finance Investments .....		XXX		.....	0.0000	.....	0.0137	.....	0.0137	.....
830496		Other Invested Assets - Schedule BA .....		XXX		.....	0.0000	.....	0.1580	.....	0.1580	.....
840597		Other Short-Term Invested Assets - Schedule DA .....		XXX		.....	0.0000	.....	0.1580	.....	0.1580	.....
850698		Total All Other (Sum of Lines 819294, 829295, 83-9496 and 849597) .....		XXX		.....	XXX	.....	XXX	.....	XXX	.....
869299		Total Other Invested Assets - Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, 80, 8192 and 850698)				.....	XXX	.....	XXX	.....	XXX	.....

(a) Times the company's weighted average portfolio beta (Minimum .1215, Maximum .2431).  
 (b) Determined using same factors and breakdowns used for directly owned real estate.  
 (c) This will be the factor associated with the risk category determined in the company generated worksheet.

**Blanks (E) Working Group**  
**Editorial Revisions to the Blanks and Instructions**  
*(presented at the March 29, 2022, Meeting)*

Statement Type:

H = Health; L/F = Life/Fraternal Combined; P/C = Property/Casualty; SA = Separate Accounts; T = Title

Effective	Table Name	Description	Statement Type	Filing Type
2022	Supplemental Investment Risk Interrogatories	<p><b>CHANGE TO BLANK</b></p> <p>Change description on line 3 for preferred stocks. P/RP is no longer used by SVO.</p> <p style="padding-left: 40px;"><u>Preferred Stocks</u></p> <p style="padding-left: 40px;">NAIC 1</p> <p style="padding-left: 40px;">NAIC 2</p> <p style="padding-left: 40px;">NAIC 3</p> <p style="padding-left: 40px;">NAIC 4</p> <p style="padding-left: 40px;">NAIC 5</p> <p style="padding-left: 40px;">NAIC 6</p>	L/F, H, P/C, T	Annual
2022	Underwriting and Investment Exhibit, Part 2A	<p><b>CHANGE TO BLANK</b></p> <p>Modify footnote “(a)” to reflect the changes to Lines 13 and 15 by 2020-33BWG that expanded the line detail.</p> <p>(a) Including \$.....for present value of life indemnity claims reported <u>in Lines 13 and 15.</u></p>	P/C	Annual
2022	General Interrogatories, Part 1	<p><b>CHANGE TO BLANK</b></p> <p>Modify the question as shown below to clarify subsidiary response to question.</p> <p>8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the <u>depository institution holding company reporting entity</u>?</p>	L/F, H, P/C, T	Annual
2022	Analysis of Increase in Reserves During the Year – Group Life Insurance	<p><b>CHANGE TO BLANK</b></p> <p>Reverse order of Columns 4 and 5 to be consistent with individual life page.</p> <p>Switch Columns 4 (Variable Life) and 5 (Universal Life) to Columns 4 (Universal Life) and 5 (Life Variable).</p>	L/F, SA	Annual

Effective	Table Name	Description	Statement Type	Filing Type						
2022	Analysis of Operations by Lines of Business – Accident and Health	<p><b>CHANGE TO BLANK</b></p> <p>Add wording “Hospital &amp; Medical) to the Column 2 and Column 3 header as shown below.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td colspan="2" style="text-align: center;">Comprehensive (Hospital &amp; Medical)</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> </tr> <tr> <td style="text-align: center;">Individual</td> <td style="text-align: center;">Group</td> </tr> </table>	Comprehensive (Hospital & Medical)		2	3	Individual	Group	L/F, SA	Annual
Comprehensive (Hospital & Medical)										
2	3									
Individual	Group									
2022	Cybersecurity and Identity Theft Insurance Coverage Supplement	<p><b>CHANGE TO BLANK</b></p> <p>Add the following sentence to clarify the supplement is reported on a calendar year basis.</p> <p>This supplement should be completed by those reporting entities including surplus line insurers and Risk Retention Groups that provide cybersecurity insurance and identity theft insurance in a stand-alone policy or as part of a package policy. If the reporting entity’s answer to Questions 1, 2, 4 and 5 of Part 1 would be “no,” the reporting entity should not complete the supplement. If the reporting entity answers “yes” to any of those questions, the supplement should be completed. The supplement should be reported on a direct basis (before assumed and ceded reinsurance).</p> <p><u>The supplement is to be reported on a calendar year basis.</u></p> <p><b><u>Cybersecurity Insurance</u></b></p>	P/C	Annual						
2022	Schedule BA – General Instructions	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Joint Venture, Partnership or Limited Liability Company Interests <del>for which the</del> <u>with</u> Underlying Assets <del>Have</del> <u>Having</u> the Characteristics of:</p>	L/F, H, P/C, T	Annual						

Effective	Table Name	Description	Statement Type	Filing Type
2022	Schedule BA – General Instructions	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Joint Venture, Partnership or Limited Liability Company Interests <del>for which the</del> <u>with</u> Underlying Assets <del>Have</del> <u>Having</u> the Characteristics of:</p>	L/F, H, P/C, T	Quarterly
2022	Schedule BA, Part 1	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Remove the second paragraph from the instructions for Column 12. The list no longer exists.</p> <p>Column 12 – Book/Adjusted Carrying Value Less Encumbrances</p> <p>Report the balance at December 31, of the current year. It should contain the amounts included in Column 10 after any encumbrances have been subtracted. Include all changes in value during the year.</p> <p><del>For surplus (and capital) notes, consider where appropriate the statement factor provided by the Securities Valuation Office and published on the Schedule BA Surplus Note List on the Securities Valuation Office website. (See accounting requirements for surplus notes held in the <i>Accounting Practices and Procedures Manual</i>.)</del></p> <p>Deduct: Any write-downs for a decline in the fair value of a long-term invested asset that is other-than-temporary.</p> <p>Exclude: Valuation allowance.</p>	L/F, H, P/C, T	Annual
2023	Notes to Financial Statements	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Add formulas to the illustration for Note 5D(2) to clarify calculation of totals.</p> <p style="padding-left: 40px;">D. Loan-Backed Securities</p> <p style="padding-left: 80px;">(2)</p> <p style="padding-left: 120px;">OTTI recognized 1<sup>st</sup> Quarter</p> <p style="padding-left: 160px;">a. Intent to sell</p> <p style="padding-left: 160px;">b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis</p>	L/F, H, P/C, T	Quarterly

Effective	Table Name	Description	Statement Type	Filing Type
		<p>c. Total 1<sup>st</sup> Quarter <u>(a+b)</u></p> <p>OTTI recognized 2<sup>nd</sup> Quarter</p> <p>d. Intent to sell</p> <p>e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis</p> <p>f. Total 2<sup>nd</sup> Quarter <u>(d+e)</u></p> <p>OTTI recognized 3<sup>rd</sup> Quarter</p> <p>g. Intent to sell</p> <p>h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis</p> <p>i. Total 3<sup>rd</sup> Quarter <u>(g+h)</u></p> <p>OTTI recognized 4<sup>th</sup> Quarter</p> <p>j. Intent to sell</p> <p>k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis</p> <p>l. Total 4<sup>th</sup> Quarter <u>(j+k)</u></p> <p>m. Annual Aggregate Total <u>(c+f+i+l)</u></p>		
2023	Notes to Financial Statements	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Add formula to the illustration for Note 5M(2) to clarify calculation of totals.</p> <p style="padding-left: 40px;">M. Working Capital Finance Investments</p> <p style="padding-left: 40px;">(2) Aggregate Maturity Distribution on the Underlying Working Capital Finance Programs:</p>	L/F, H, P/C, T	Quarterly

Effective	Table Name	Description	Statement Type	Filing Type
		a. Up to 180 Days b. 181 Days to 365 Days c. Total <u>(a+b)</u>		
2023	Notes to Financial Statements	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Add formula to the illustration for Note 8A(8) to clarify calculation of total.</p> <p style="margin-left: 40px;">A. Derivatives under <i>SSAP No. 86—Derivatives</i></p> <p style="margin-left: 80px;">(8)</p> <p style="margin-left: 120px;">a.</p> <p style="margin-left: 160px; text-align: center;"><u>Fiscal Year</u></p> <ol style="list-style-type: none"> <li>1. 2023</li> <li>2. 2024</li> <li>3. 2025</li> <li>4. 2026</li> <li>5. Thereafter</li> <li>6. Total Future Settled Premiums (<u>Sum of 1 through 5</u>)</li> </ol>	L/F, H, P/C, T	Quarterly
2023	Notes to Financial Statements	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Add formula to the illustration for Note 8B(2) to clarify calculation of total.</p> <p style="margin-left: 40px;">B. Derivatives under <i>SSAP No. 108—Derivative Hedging Variable Annuity Guarantees</i></p> <p style="margin-left: 80px;">(2) Recognition of gains/losses and deferred assets and liabilities</p> <p style="margin-left: 120px;">a. Scheduled Amortization</p> <p style="margin-left: 160px; text-align: center;"> <span style="border: 1px solid black; padding: 2px;">Amortization Year</span> </p> <ol style="list-style-type: none"> <li>1. 2023</li> <li>2. 2024</li> <li>3. 2025</li> <li>4. 2026</li> <li>5. 2027</li> <li>6. 2028</li> </ol>	L/F, H, P/C, T	Quarterly

Effective	Table Name	Description	Statement Type	Filing Type
		7. 2029 8. 2030 9. 2031 10. 2032 11. Total (Sum of 1 through 10)		
2023	Notes to Financial Statements	<p><b>CHANGE TO INSTRUCTION</b></p> <p>Add formulas to the illustration for Note 36B to clarify calculation of totals.</p> <p style="padding-left: 40px;">B. Schedule of insured financial obligations at the end of the period</p> <p style="padding-left: 80px;">1. Number of policies</p> <p style="padding-left: 80px;">2. Remaining weighted-average contract period (in years)</p> <p style="padding-left: 40px;">Insured contractual payments outstanding:</p> <p style="padding-left: 80px;">3a. Principal</p> <p style="padding-left: 80px;">3b. Interest</p> <p style="padding-left: 120px;">3c. Total (3a+3b)</p> <p style="padding-left: 80px;">4. Gross claim liability</p> <p style="padding-left: 40px;">Less:</p> <p style="padding-left: 80px;">5a. Gross potential recoveries</p> <p style="padding-left: 80px;">5b. Discount, net</p> <p style="padding-left: 80px;">6. Net claim liability (4-5a-5b)</p> <p style="padding-left: 80px;">7. Unearned premium revenue</p> <p style="padding-left: 80px;">8. Reinsurance recoverables</p>	P/C	Quarterly

[https://naiconline.sharepoint.com/sites/naicsupportstaffhub/member-meetings/2022-naic-meetings/spring-national-meeting/committee-meetings/financial-condition-\(e\)-committee/accounting-practices-and-procedures-\(e\)-tf/bwg/att2i\\_bwg-editorial-changes-3.2022.docx](https://naiconline.sharepoint.com/sites/naicsupportstaffhub/member-meetings/2022-naic-meetings/spring-national-meeting/committee-meetings/financial-condition-(e)-committee/accounting-practices-and-procedures-(e)-tf/bwg/att2i_bwg-editorial-changes-3.2022.docx)

To: Pat Gosselin, Chair of the Blanks (E) Working Group  
 From: Dale Bruggeman, Chair of the Statutory Accounting Principles (E) Working Group  
 Re: Year-End 2021 Disclosures / Instructional Revisions  
 Date: February 2, 2022

The purpose of this memo is for the Statutory Accounting Principles (E) Working Group to notify the Blanks (E) Working Group of revisions to the “Notes to the Financial Statements” that have been adopted for year-end 2021 reporting. As these agenda items have already been adopted within the Statements of Statutory Accounting Principles (SSAPs), which represents the highest level of authoritative guidance as promulgated by the Preamble, these additions to the financial statement notes do not require approval from the Blanks (E) Working Group.

It is recommended that this memo, detailing instructional revisions and changes to existing disclosure requirements, be posted to the NAIC website. If deemed necessary, specific proposals, if not yet submitted, will be submitted to the Blanks (E) Working Group to formalize the instruction revisions. This is consistent with the *NAIC Policy Statement on Coordination of the Accounting Practices and Procedures Manual and the Annual Statement Blank* located within the *Accounting Practices & Procedures Manual*. It is requested that this information be included in the next update to the Annual Statement Instructions.

- Agenda Item 2019-04: Investment Classification Project – Revisions update the definitions, measurement, and impairment guidance for investments in preferred stock. The agenda item, substantively revised *SSAP No. 32—Preferred Stock* effective Jan. 1, 2021. One of the changes included revisions to the valuation method of perpetual preferred stock. Perpetual preferred stock is required to be reported at fair value, not to exceed any currently effective call price. (The Working Group defined “currently effective call price” in agenda item *2021-10: Clarification of Effective Call Price* and clarified that the valuation ceiling of an effective call price, for all instruments within scope of SSAP No. 32R, shall only apply if the call is currently exercisable by the issuer, or if the issuer has announced that the instrument will be redeemed/called.) Accordingly, a year-end review identified that the instructions in Schedule D, Part 2 on preferred stock need to be updated to be consistent with the SSAP No. 32R revision, because the valuation of perpetual preferred stock is no longer based on the NAIC designation. Below are proposed revisions to the applicable blank’s instructions:

For reporting entities maintaining an AVR:

**Redeemable Preferred**

NAIC Designation 1 – 3            Enter book value.  
 NAIC Designation 4 – 6            Enter the lower of book value or fair value.

**Perpetual Preferred**

NAIC Designation 1 – ~~36~~        Enter ~~book-fair~~ value not to exceed any currently effective call price.  
~~NAIC Designation 4 – 6~~ Enter the lower of book value or fair value.

For reporting entities not maintaining an AVR:

**Redeemable Preferred**

NAIC Designation 1 – 2            Enter book value.  
 NAIC Designation 3 – 6            Enter the lower of book value or fair value.

## Perpetual Preferred

NAIC Designations 1 – ~~26~~ Enter fair value not to exceed any currently effective call price.  
~~NAIC Designations 3 – 6~~ Enter the lower of book value or fair value.

- Agenda Item 2021-31: Life Reinsurance Disclosure Clarifications – Revisions clarify disclosure requirements in *SSAP No. 61R—Life and Health Reinsurance* which were initially effective in 2020. Among various other minor edits, the primary revisions clarify 1) that the disclosures required in paragraphs 79-84 may be included in the notes to the financial statements or in supplemental reporting schedules, 2) that the disclosures will reside in the supplementary schedules unless no such contracts subject to the disclosures were identified, in which case, the information that no such contracts were identified can be in either the audited note or the supplementary schedules, and 3) that if the reporting entity does not prepare U.S. GAAP financial statements or its financial statements are not part of upstream U.S. GAAP financial statements, that the disclosure can be answered “not applicable.” The revisions make clearer where to place the audited information and what is included in the disclosures. No new disclosure elements were added. The revisions are effective December 31, 2021, and are shown below. It is recommended that the revisions be reflected in the reinsurance note as applicable.

78. Disclosures for paragraphs 79-84 apply to reinsurance contracts in effect for the current period covered by the statement and are required to be included with the annual audit report financial statements beginning with the period ended December 31, 2020, regarding reinsurance contracts. The disclosures required within paragraphs 79-84 shall be included in accompanying supplemental schedules of the annual audit report beginning in year-end 2020. If the disclosures are not applicable, an affirmative statement that no such contracts were identified is acceptable in the notes to the financial statements or the supplemental schedules. These disclosures shall be limited to reinsurance contracts entered into, renewed or amended on or after January 1, 1996. This limitation applies to the annual audit report only and does not apply to the statutory annual statement interrogatories and the property and casualty reinsurance summary supplemental filing.

79. Disclose any ceded reinsurance contracts (or multiple contracts with the same reinsurer or its affiliates) subject to A-791 that includes a provision, which limits the reinsurer’s assumption of significant risks identified as in A-791. Examples of risk-limiting features include provisions such as a deductible, a loss ratio corridor, a loss cap, an aggregate limit or similar effect. If true, indicate the number of reinsurance contracts to which such provisions apply. For contracts subject to A-791, indicate if deposit accounting was applied for all contracts, which limit significant risks.

80. Disclose any ceded reinsurance contracts (or multiple contracts with the same reinsurer or its affiliates) not subject to A-791, for which reinsurance accounting was applied and includes a provision that limits the reinsurer’s assumption of risk. Examples of risk-limiting features include provisions such as a deductible, a loss ratio corridor, a loss cap, an aggregate limit or similar effect. Note that a stop loss or excess of loss reinsurance agreement with deductibles or loss caps which apply to the entire contract and are not adjustable based on other features, do not require disclosure under this paragraph. If true, indicate the number of reinsurance contracts to which such provisions apply. If affirmative, indicate if the reinsurance credit was reduced for the risk-limiting features.

81. Disclose if any ceded reinsurance contracts contain features (except reinsurance contracts with a federal or state facility) described below which result in delays in payment in form or in fact:

- a. Provisions which permit the reporting of losses, or settlements are made, less frequently than quarterly or payments due from the reinsurer are not made in cash within ninety (90) days of the settlement date (unless there is no activity during the period).
- b. Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.

82. Disclose if the reporting entity has reflected reinsurance accounting credit for any contracts not subject to Appendix A-791 and not yearly renewable term, which meet the risk-transfer requirements of SSAP No. 61R and identify the type of contracts and the reinsurance contracts.

a. Assumption Reinsurance – as discussed in paragraph 60, which are new for the reporting period.

~~b. ——— Non-proportional reinsurance, which does not result in significant surplus relief. If yes, indicate if the insured event(s) triggering contract coverage has been recognized.~~

83. Disclose if the reporting entity ceded any risk which is not subject to A-791 and not yearly renewable term reinsurance, under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:

a. Accounted for that contract as reinsurance under statutory accounting principles (SAP) and as a deposit under U.S. generally accepted accounting principles (GAAP); or

b. Accounted for that contract as reinsurance under U.S. GAAP and as a deposit under SAP.

If the reporting entity does not prepare U.S. GAAP financial statements or its financial statements are not part of upstream U.S. GAAP financial statements, this disclosure can be answered not applicable.

84. If affirmative disclosure is required for paragraph 83, explain why the contract(s) is treated differently for GAAP and SAP.

Please contact NAIC staff Julie Gann ([jgann@naic.org](mailto:jgann@naic.org)), Robin Marcotte ([rmarcotte@naic.org](mailto:rmarcotte@naic.org)), Jim Pinegar ([jpinegar@naic.org](mailto:jpinegar@naic.org)), Jake Stultz ([jstultz@naic.org](mailto:jstultz@naic.org)) or Jason Farr ([jfarr@naic.org](mailto:jfarr@naic.org)) if you have any questions.

Cc: Mary Caswell, Calvin Ferguson, Julie Gann, Robin Marcotte, Jim Pinegar, Jake Stultz, Jason Farr

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