



Virtual Meeting

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

HEALTH RISK-BASED CAPITAL (E) WORKING GROUP

Thursday, July 21, 2022

1:00 – 2:00 p.m. ET / 12:00 – 1:00 p.m. CT / 11:00 a.m. – 12:00 p.m. MT / 10:00 – 11:00 a.m. PT

Meeting Summary Report

The Health Risk-Based Capital (E) Working Group met July 21, 2022. During this meeting, the Working Group:

1. Adopted its May 11, May 4, and April 20 minutes, which included the following action:
 - A. Heard presentations from the American Academy of Actuaries (Academy) on the methodologies considered in the H2 – Underwriting Risk component, and from AM Best on Best’s Capital Adequacy Ratio (BCAR).
 - B. Adopted its Spring National Meeting minutes.
 - C. Exposed the health affiliated investment instructions and blank for a 61-day public comment period ending July 5.
 - D. Received an update on the Health Test Ad Hoc Group and the Excessive Growth Charge Ad Hoc Group.
2. Adopted its revised 2022 working agenda to include the “review of affiliated investments.”
3. Adopted its 2022 newsletter for adopted proposal and editorial changes to the 2022 health risk-based capital (RBC) formula.
4. Adopted the 2021 health RBC statistics.
5. Referred the health affiliated investment instructions and blanks to the Capital Adequacy (E) Task Force for discussion.
6. Exposed the Academy’s response letter on its recommendation and timeline for the H2 - Underwriting Risk review for a 31-day comment period ending Aug. 22.