VM-22 Subgroup Discussion Topics

Remaining Tier 2 Comments

- What to determine as the minimum error on the new index credit hedging program breakage expense? (page 19)
  - Continue prior discussion

- Longevity Reinsurance (page 8)
  - Overview of longevity reinsurance contracts
    - Academy presentation
  - Why are longevity reinsurance agreements not applicable to SSAP 61R not in scope of VM-22, and does this imply longevity swaps are not part of VM-22?
    - ACLI comments
  - Addressing future premiums
    - NJ comments

- Granularity of Disclosures (page 13)
  - Require disclosures for FIAs vs. FDAs vs. SPIAs vs. PRT vs. DIAs & GLBs vs. no GLBs
    - TDI comments
  - Separate category for longevity reinsurance?
    - NJ comments

- Allow SPIAs to be optional without exclusion test? (page 14)
  - ACLI comments

- Allow PRT to undergo certification method (rather than being ineligible) (page 33)
  - ACLI comments

- Exclusion Test Grouping (page 14)
  - Group with risks with significantly different profiles?
  - Same grouping as general PBR modeling or not?
    - ACLI comments
    - TDI comments

- Denominator for SERT (page 34)
  - Only benefits are also future premiums?
  - ACLI comments
  - TDI comments

- Deterministic Exclusion Test Criteria (page 38)
  - Does the company need to A) only disclose or B) pass the results of the 16 scenarios from the exclusion ratio test to be eligible for the deterministic reserve?
  - TDI comments
• Reinsurance Modeling (page 29)
  o Reflect contractual/other characteristics for considering reinsurance modeling?
  o TDI comments

• Include fair value certification? (page 45)
  o CA OPBR comments
  o TDI comments

• Permit PRT mortality with no or less than full credibility to follow a table from a third-party data provider instead of an industry table if available? (pages 58 & 60)
  o ACLI comments

• Allocation: method 1 or 2? (page 67)
  o ACLI comments

• Floor for contracts without cash surrender value (pages 21-22)
  o Working reserve concept, similar to a requirement in VM-21?
  o Include a floor for the deterministic-type reserve concept?
  o Academy comments
  o TDI comments