Catastrophe Modeling Center of Excellence (COE) National Association of Insurance Commissioners

May 2023

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Center of Excellence – National Association of Insurance Commissioners



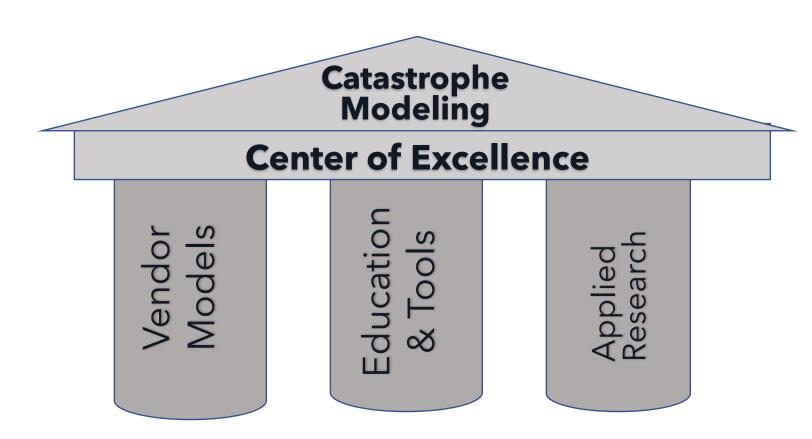
Key Points:

- CAT Model Center of Excellence (COE) fully operational and staffed with CAT risk modeling and resilience subject matter experts
 - ☐ Broader and different mandate than the NAIC model rate review team
- Integrated and aligned well with the CAT modeling community
- Regulator oriented tools, training, and research are all well underway
- Engaged with individual state departments and NAIC committees



MISSION STATEMENT

The purpose of the NAIC Catastrophe Modeling Center of Excellence (COE) is to provide state insurance regulators with the necessary technical expertise, tools, and information to effectively regulate their markets.





Regulator Access to Catastrophe Modeling Information - CAT COE SharePoint





Climate Risk









Severe Connective Storms





Repository of model documentation, training materials, research papers and other tools for regulators.

 Access is restricted through a permissioned site and all regulators who wish to obtain access must sign a data use agreement.

SharePoint Access Statistics

- Signed contracts with 7 catastrophe model vendors and added available technical documentation to the Sharepoint site
- Shared with 200 (+) identified regulators
- 27 States/Territories have obtained access to the site

Regulators who would like access to the material should send an email to Amy Lopez at alopez@naic.org requesting a link to sign the COE data use agreement.



EDUCATION AND TRAINING

Cat Model Basics Training

NAIC developed training and debuted in Spring 2023 with planned in person and virtual options

Access to International Society of Cat Managers training

Cat Model Vendor Training

Work with individual states on specific peril model inquiries - developing knowledge database

300+ regulators from 30+ states have participated in virtual trainings with model vendors regarding specific peril models

Six cat model vendors conducted in person training in South Carolina to discuss Severe Convective Storm models and potential regulatory use cases

Insurance Summit 2021 sessions on climate scenario analysis and liability modeling. In 2022, sessions on flood modeling and history of cat models

Tools

Peril Model Cards providing high-level summary of models by vendor

Compendium of regulatory interaction and requirements regarding catastrophe models

Risk assessment by peril to inform research, market intelligence and legislative policy

Market Intelligence & Resilience Initiatives

SE Zone training including Risk Rating 2.0 flood price impacts, flood and hurricane model overview, homeowner market data and opportunities for resilience

Continued engagement and collaboration with the Insurance Institute for Business and Home Safety (IBHS)

Insurance Summit 2021 sessions on wind and hail resilience. In 2022, sessions on commercial building resilience and state insurance department resilience action

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State Insurance Departments Focus on Improving Market Stability through Building Resilience

Reinsurance Association of America Cat Risk Management Conference

2022 & 2023

Federal Alliance for Safe Homes National Disaster Resilience Conference

2022

July 2022

Educational tours of the Insurance Institute for Business and Home Safety (IBHS) in July 2022, February 2023, and upcoming July 2023 Jan. 2023

South-East Zone Technical Training January 2023

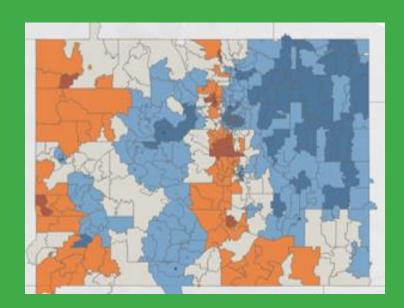






Colorado Wildfire Probabilistic Risk Assessment

The CIPR CAT COE aims to provide insight to the Colorado Division of Insurance on the wildfire risk in Colorado by working with RMS.







NEXT STEPS

Cat Model Basics Training

NAIC developed training debuted in Spring 2023 with planned in person and virtual options

Ongoing interaction with the International Society of Cat Managers training

Cat Model Vendor Training

Cat Model Primer with Catastrophe Insurance (C) Working Group

Insurance Summit 2023 sessions on catastrophe models

Tools

Peril Model Cards providing high-level summary of models by vendor

Compendium of regulatory interaction and requirements regarding catastrophe models

Market Intelligence & Resilience Initiatives

Continued engagement and collaboration with the Insurance Institute for Business and Home Safety (IBHS)

Insurance Summit 2023 sessions on wildfire

Lot's more work to be done - we look forward to continued interaction & guidance



Catastrophe Modeling Center of Excellence

Providing regulators with technical expertise, tools, and information to effectively regulate their markets.

https://content.naic.org/research/centerof-excellence

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