

Draft date: 6/16/26

*Virtual Meeting*

**REINSURANCE (E) TASK FORCE**

Monday, June 22, 2026

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

**ROLL CALL**

**NAIC Member**

Ricardo Lara, Chair  
 Angela L. Nelson, Vice Chair  
 Mark Fowler  
 Heather Carpenter  
 Peter M. Fuimaono  
 Michael Conway  
 Joshua Hershman  
 Trinidad Navarro  
 Michael Yaworsky  
 John F. King  
 Michelle B. Santos  
 Ann Gillespie  
 Doug Ommen  
 Vicki Schmidt  
 Sharon P. Clark  
 Timothy J. Temple  
 Michael T. Caljouw  
 Grace Arnold  
 Eric Dunning  
 Ned Gaines  
 Susan Ochs  
 Kaitlin Asrow  
 Mike Causey  
 Jon Godfread  
 Remedio C. Mafnas  
 Judith L. French  
 Glen Mulready  
 TK Keen  
 Michael Humphreys  
 Suzette M. Del Valle  
 Carter Lawrence  
 Amanda Crawford  
 Tregenza A. Roach  
 Scott A. White

**Representative**

Monica Macaluso  
 John F. Rehagen  
 Sheila Travis  
 David Phifer  
 Elizabeth Perri  
 Rolf Kaumann  
 Wanchin Chou  
 Nicole Brittingham  
 Bradley Trim  
 Martin R. Sullivan  
 Michelle B. Santos  
 Ann Gillespie  
 Kim Cross  
 Tish Becker  
 Rodney Hugle  
 Tom Travis  
 Christopher Joyce  
 Ben Slutsker  
 Andrea Johnson  
 Diana Branciforte  
 Susan Ochs  
 Michael Campanelli  
 Jacqueline Obusek  
 Matt Fischer  
 Charlette C. Borja  
 Cameron Piatt  
 Eli Snowbarger  
 Paul Throckmorton  
 Diana Sherman  
 Glorimar Santiago  
 Trey Hancock  
 Jamie Walker  
 Glendina Matthew  
 Doug Stolte

**State/Territory**

California  
 Missouri  
 Alabama  
 Alaska  
 American Samoa  
 Colorado  
 Connecticut  
 Delaware  
 Florida  
 Georgia  
 Guam  
 Illinois  
 Iowa  
 Kansas  
 Kentucky  
 Louisiana  
 Massachusetts  
 Minnesota  
 Nebraska  
 Nevada  
 New Jersey  
 New York  
 North Carolina  
 North Dakota  
 North Mariana Islands  
 Ohio  
 Oklahoma  
 Oregon  
 Pennsylvania  
 Puerto Rico  
 Tennessee  
 Texas  
 U.S. Virgin Islands  
 Virginia

**NAIC Member**

Allan L. McVey  
Nathan Houdek

**Representative**

Justin E. Parr  
Mark McNabb

**State/Territory**

West Virginia  
Wisconsin

NAIC Committee Support: Jake Stultz/Dan Schelp

**AGENDA**

1. Discuss Response to Statutory Accounting Principles (E) Working Group  
Regarding Derecognized IMR Impact to Reinsurance Collateral  
—*Monica Macaluso (CA)*
  - A. Draft Response to the Statutory Accounting Principles (E) Working Group Attachment A
2. Discuss Any Other Matters Brought Before the Task Force  
—*Monica Macaluso (CA)*
3. Adjournment

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To: Kevin Clark, Chair of the Statutory Accounting Principles (E) Working Group  
Dale Bruggeman, Vice Chair of the Statutory Accounting Principles (E) Working Group

From: Monica Macaluso, Chair of the Reinsurance (E) Task Force  
John Rehagen, Vice Chair of the Reinsurance (E) Task Force

Re: Response to SAPWG Regarding Derecognized IMR Impact to Reinsurance Collateral (Ref #2025-22)

Date: June 22, 2026

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On Dec. 18, 2025, the Statutory Accounting Principles (E) Working Group requested comments on agenda item *2025-22: IMR Impact to Reinsurance Collateral*, which was publicly exposed until Feb. 13, 2026, by the Working Group. Interest Maintenance Reserve (IMR) is a statutory accounting mechanism used by life insurers to defer recognition of realized capital gains and losses from interest rate changes, with recent NAIC guidance allowing limited admittance of net negative IMR balances not to exceed 10% of the current period unadjusted capital and surplus.

The agenda item addresses how negative IMR shall be considered within the *Credit for Reinsurance Model Law* (#785) collateral requirements for Life, Accident and Health reinsurance. In summary, existing provisions in *SSAP No. 61—Life, Deposit-Type and Accident and Health Reinsurance* require derecognized net positive IMR (realized gains) to be captured as an increase in the reinsurance collateral required for applicable unauthorized or certified reinsurers. However, there is no current mention in SSAP No. 61 for derecognized net negative IMR (realized losses) and whether those derecognized amounts should decrease applicable reinsurance collateral requirements. (IMR is eliminated [derecognized] by the cedent in accordance with reinsurance transactions as the block of business associated with recognized IMR has been eliminated. U.S. assuming entities are required to recognize a corresponding amount of IMR for statutory accounting purposes as part of the reinsurance transaction. IMR is not recognized by offshore assuming entities, as the concept of IMR does not reflect an asset or liability under U.S. GAAP or other accounting regimes.) The Statutory Accounting Principles (E) Working Group, with exposure of the agenda item, directed a referral to the Reinsurance (E) Task Force for input.

The question from the Working Group was whether the treatment of derecognized net negative IMR should reduce collateral requirements in a manner that would be symmetrical to collateral increases caused by derecognized positive IMR, or if the treatment should be asymmetrical, whereas derecognized net negative IMR does not reduce collateral requirements. The exposed agenda item proposes asymmetrical treatment.

At the Task Force’s March 2 meeting, the Task Force heard public comments from the American Council of Life Insurers and the American Academy of Actuaries, who have also provided comments to the Working Group in response to agenda item exposure. The comments from these groups advocated for the symmetrical approach.

It is the view of the Task Force that the ultimate decision on the treatment of derecognized net negative IMR rests with Statutory Accounting Principles (E) Working Group as this is a highly technical issue dealing with reserves and is outside the charges of this Task Force. However, given the existing limit of the admittance of net negative (disallowed) IMR to not exceed 10% of the current period unadjusted capital and surplus, it appears that, at this time, the asymmetrical approach is the best approach in this scenario.

Please contact NAIC staff Jake Stultz ([jstultz@naic.org](mailto:jstultz@naic.org)) if you have any questions.

Cc: Jake Stultz, Dan Schelp, Julie Gann, Robin Marcotte, Jason Farr and Wil Oden