

Accreditation Program Manual  
Review Team Guidelines | Part C

NAIC FINANCIAL REGULATION STANDARDS  
AND ACCREDITATION PROGRAM

REVIEW TEAM GUIDELINES

...

Part C: Organizational and Personnel Practices

...

d. Use of Contract Personnel

**Standard:** A department that utilizes contract personnel to assist in financial surveillance and regulation should ensure that those hired in the capacity of a contractor are subject to standards that are comparable to or exceed those standards applicable to employees of the state, including disclosure of any conflicts of interest and agreeing to maintain confidentiality of financial records, proprietary data and other sensitive information they may be exposed to while under contract.

Results-Oriented Guidelines:

1. The department should assess contractors used in performing financial surveillance and regulation activities to ensure the work being performed is commensurate with the department's processes and procedures.

Process-Oriented Guidelines:

1. The department should have a process in place to consider qualifications, training and professional development of contractors performing financial surveillance and regulation activities.
2. The department should have the authority to terminate a contract for services related to financial surveillance and regulation on the basis of poor performance.
3. The department should have a process in place to consider any potential conflicts of interest among the contract personnel.
4. The department should have a process in place to ensure the contract personnel will protect confidential information like financial records, proprietary data and other sensitive information they may be exposed to while under contract.

## Accreditation Program Manual

### SEG/IAR Form | Part C

#### PART C: ORGANIZATIONAL AND PERSONNEL PRACTICES

*Accreditation focuses primarily on a state's regulation of its domestic multi-state insurance companies. However, there may be states that do not have any domestic multi-state insurers that would like to be accredited. In those instances, the Part C: Organizational and Personnel Practices standards would apply to that state's domestic insurers as applicable. (See Policy on Accrediting a State with No Multi-State Insurers.)*

...

*Organizational and Personnel Practices – continued*

#### d) Use of Contract Personnel

A department that utilizes contract personnel to assist in financial surveillance and regulation should ensure that those hired in the capacity of a contractor are subject to standards that are comparable to or exceed those standards applicable to employees of the state, including disclosure of any conflicts of interest and agreeing to maintain confidentiality of financial records, proprietary data and other sensitive information they may be exposed to while under contract.

	YES	NO
1. Does the department have a process in place to consider qualifications, training and professional development of contractors performing financial surveillance and regulation activities on behalf of the department?	_____	_____
2. Does the department have the authority to terminate a contract for services related to financial surveillance and regulation on the basis of poor performance?	_____	_____
3. <u>Does the department have a process in place to consider any potential conflicts of interest among the contract personnel?</u>	_____	_____
4. <u>Does the department have a process in place to ensure the contract personnel will protect confidential information like financial records, proprietary data and other sensitive information they may be exposed to while under contract?</u>	_____	_____
35. As a separate attachment, please briefly discuss the department's consideration for use of contractors to perform financial surveillance and regulation activities, such as the factors considered when selecting a contractor and how contractor performance is evaluated. <i>*If this is an interim annual review, only provide the department's consideration for use of contractors if there has been a change from the previous submission of this information, otherwise indicate "no changes".</i>		

**2026<sup>5</sup> SELF-EVALUATION GUIDE | INTERIM ANNUAL REVIEW FORM**

**FINANCIAL REGULATION STANDARDS  
AND ACCREDITATION PROGRAM**

Check One:

☐

**Self-Evaluation Guide**

☐

**Interim Annual Review**

---

Jurisdiction \_\_\_\_\_

Prepared by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Commissioner's Approval \_\_\_\_\_ Date \_\_\_\_\_

**Accreditation Program Manual**  
**SEG/IAR Form**

**PART B1: FINANCIAL ANALYSIS**

**a) Sufficient Qualified Staff and Resources**

The department should have the appropriate staff and resources to effectively and timely review the financial condition of all domestic insurers.

...

*Financial Analysis – continued*

**YES**

**NO**

5. As a separate attachment, provide a list of all domestic multi-state insurers at year end, including RRGs licensed as captives. This listing should include the following:

- Company name,
  - Type of insurer (L&H, P&C, etc.),
  - Company code
  - Group code ~~(full review only)~~,
  - The number of states in which the company is licensed, operates, registered, qualified and/or eligible,
  - The analyst and/or contractor assigned to the company,
  - The analyst's supervisor and/or contract supervisor,
  - The date the preliminary analysis was completed for the annual statement (if applicable),
  - The date that the initial analysis was completed for the annual statement,
  - The date all supervisory review was completed for the annual statement,
  - The date the department designee review of the IPS was completed for the annual statement (if applicable).
  - The priority of the company,
- When completing in preparation for a full accreditation review, also include the following:
- Total assets ~~(full review only)~~,
  - Total capital and surplus ~~(full review only)~~,
  - Total direct written premiums ~~(full review only)~~,
  - Whether the insurer has been designated as financially troubled within the last five years ~~(full review only)~~, and
  - Whether the insurer has been insolvent or placed into receivership within the last five years ~~(full review only)~~.

**PART B3: DEPARTMENT PROCEDURES AND OVERSIGHT**

...

*Department Procedures and Oversight – continued*

**b) Procedures for Troubled Companies**

The department should generally follow and observe the procedures set forth in the NAIC *Troubled Insurance Company Handbook*. Appropriate variations in application of procedures and regulatory requirements should be commensurate with the identified financial concerns and operational problems of the insurer.

**Accreditation Program Manual**  
**SEG/IAR Form**

3. Provide a schedule that separately lists those multi-state companies, including any RRGs licensed as captives, identified as financially troubled ([priority 1](#), as designated by the state) and those multi-state companies, including any RRGs licensed as captives, that are insolvent and subject to receivership procedures within the last five years. For each company listed, briefly document the following:
- Is the company considered nationally significant?
  - When the company was originally designated as financially troubled, including when appropriate department staff members were notified of the determination as to the financial condition of the company
  - Were specialists utilized to assist the department in its evaluation of the company?
  - Did the state enter orders and/or take action to monitor/control the company after it was identified as financially troubled (ex., more frequent reporting, RBC or corrective action plan)? Please discuss on a company-by-company basis.
  - Whether the department has performed an examination, limited or full scope, more frequently than once every five years, as outlined in the NAIC Model Law on Examinations. If not, please discuss why no such examination was deemed necessary.
  - Discuss whether/how the department has proactively communicated in a timely manner with other state insurance regulators where the insurance company is licensed, has a significant amount of written, assumed or ceded insurance business, has a significant market share, has an affiliate domiciled in that state, has pooled companies, or utilizes fronting entities, or where the domestic state is aware the company is either seeking to write business or is seeking a license.
  - [Is the company still financially troubled \(priority 1\) and if not, when did the priority change occur?](#)

**PART C: ORGANIZATIONAL AND PERSONNEL PRACTICES**

...

*Organizational and Personnel Practices – continued*

**c) Retention of Personnel**

The department should have the ability to attract and retain qualified personnel for those positions involved with financial surveillance and regulation.

4. In a separate attachment, discuss the [staffing fluctuations](#)~~level of turnover~~ that occurred during the past year. [Include the following information:](#)
- [Name and position of staff no longer with the financial solvency monitoring areas \(analysis, exams, financial solvency senior management, licensing, etc.\).](#)
  - ~~and the~~ [The reason for the turnover, within the financial solvency monitoring staff, including the financial solvency senior management.](#)
  - [How long they were with the department.](#)
  - [Name and position of interdepartmental moves \(promotions, new positions, etc.\), and](#)
  - [Name and position of any new hires.](#)

Accreditation Program Manual  
SEG/IAR Form

**PART D: PRIMARY LICENSING, REDOMESTICATIONS AND CHANGE OF CONTROL**

...

**a) Sufficient Qualified Staff and Resources**

The department should have the appropriate staff and resources to effectively and timely review applications for primary licensure of new companies and redomestications and Form A filings for all domestic insurers.

4. As a separate attachment, provide a listing of any L/H and P/C primary licensure applications and any multi-state L/H and P/C [redomestication applications and](#) Form A filings (whether approved or denied) received since the department's last full review. ~~Also include any multi-state L/H and P/C primary redomestication applications received Jan. 1, 2020 and after.~~ With that list, please include the following:
  - Name of person responsible for reviewing the filing,
  - Type of filing,
  - Date the filing was received,
  - Date the filing was reviewed for completeness,
  - Date the company was informed of licensure, approval/denial of the filing.
  - Whether the filing review was completed timely per department procedures, and
  - If the review was not completed timely, provide the reason.