### Blanks Agenda Item Submission Form

**DATE:** 09/24/2019

**ON BEHALF OF:**
- **NAME:** Tracy Snow
- **TITLE:** Chief, Captive Insurance
- **AFFILIATION:** Ohio Department of Insurance
- **ADDRESS:** 50 W Town St, 3rd Fl, Ste 300, Columbus, OH 43215

#### Agenda Item # 2019-25BWG MOD

**FOR NAIC USE ONLY**
- **Year:** 2020
- **Changes to Existing Reporting:** [X]
- **New Reporting Requirement:** [ ]

**REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT**
- **No Impact:** [X]
- **Modifies Required Disclosure:** [ ]

**DISPOSITION**
- [ ] Rejected For Public Comment
- [ ] Referred To Another NAIC Group
- [X] Received For Public Comment
- [ ] Adopted Date ________________
- [ ] Rejected Date ________________
- [ ] Deferred Date ________________
- [ ] Other (Specify) ________________

#### BLANK(S) TO WHICH PROPOSAL APPLIES

- [X] ANNUAL STATEMENT
- [X] INSTRUCTIONS
- [X] CROSSCHECKS
- [ ] QUARTERLY STATEMENT
- [ ] BLANK
- [X] Life, Accident & Health/FRATERNAL
- [X] Property/Casualty
- [ ] Health
- [ ] Separate Accounts
- [ ] Protected Cell
- [ ] Health (Life Supplement)
- [ ] Title
- [ ] Other ______________________

**Anticipated Effective Date:** Annual 2020

#### IDENTIFICATION OF ITEM(S) TO CHANGE

Modify the instruction for Column 10 (Schedule F, Part 3 – Property and Schedule F, Part 2 – Life/Fraternal Workers’ Compensation Carve-out supplement) to remove instruction to exclude adjusting and other reserves from the column and add instruction include along with the defense and cost containment reserves. Add a new instruction for Column 12 for the same schedules. Add crosschecks to Schedule P, Part 1.

#### REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE**

The purpose of this proposal is ensure adjusting other and defense and cost containment reserves are reported properly as Known Case LAE Reserves or IBNR LAE Reserves.

#### NAIC STAFF COMMENTS

Comment on Effective Reporting Date:_____________________

Other Comments:

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**This section must be completed on all forms.**

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### ANNUAL STATEMENT INSTRUCTIONS – PROPERTY

#### SCHEDULE F – PART 3

**CEDED REINSURANCE**
**AS OF DECEMBER 31, CURRENT YEAR**

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**Detail Eliminated to Conserve Space**

<table>
<thead>
<tr>
<th>Column</th>
<th>Description</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Known Case Loss Reserves</td>
<td>Total multiplied by 1000 should agree with Underwriting and Investment Exhibit, Part 2A, Line 35, Column 3.</td>
</tr>
<tr>
<td>10</td>
<td>Known Case LAE Reserves</td>
<td>Include: Defense and Cost Containment from Schedule P, Part 1, Columns 18 Adjusting and Other from Schedule P, Part 1, Column 22, in part</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The sum of Schedule F, Part 3, Columns 10 and 12 should equal the sum of Schedule P, Part 1, Columns 18, 20 and 22. <strong>(Note: This crosscheck doesn’t apply to those companies participating in inter-company pooling participation arrangements where the participation percentage in Schedule P, Part 1, Column 34 is not equal to zero.)</strong> Exclude: Adjusting &amp; Other Expense Reserves.</td>
</tr>
<tr>
<td>11</td>
<td>IBNR Loss Reserves</td>
<td>Total multiplied by 1000 should agree with Underwriting and Investment Exhibit, Part 2A, Line 35, Column 7.</td>
</tr>
<tr>
<td>12</td>
<td>IBNR LAE Reserves</td>
<td>Include: Defense and Cost Containment from Schedule P, Part 1, Columns 20 Adjusting and Other from Schedule P, Part 1, Column 22, in part</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Column</th>
<th>Description</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>Unearned Premiums</td>
<td>Total multiplied by 1000 should equal Page 3, Line 9 parenthetical amount.</td>
</tr>
</tbody>
</table>

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**Detail Eliminated to Conserve Space**
ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL

WORKERS’ COMPENSATION CARVE-OUT SUPPLEMENT

SCHEDULE F – PART 2

CEDED REINSURANCE

Column 9 – Known Case Loss Reserves

Total multiplied by 1000 should agree with Underwriting and Investment Exhibit, Part 4, Column 2.

Column 10 – Known Case LAE Reserves

Include: Defense and Cost Containment from Schedule P, Part 1, Columns 18

Adjusting and Other from Schedule P, Part 1, Column 22, in part

The sum of Schedule F, Part 2, Columns 10 and 12 should equal the sum of Schedule P, Part 1, Columns 18, 20 and 22. (Note: This crosscheck doesn’t apply to those companies participating in inter-company pooling participation arrangements where participation the percentage in Schedule P, Part 1, Column 34 is not equal to zero.)

Exclude: Adjusting and other Expense reserves.

Column 11 – IBNR Loss Reserves

Total multiplied by 1000 should agree with Underwriting and Investment Exhibit, Part 4, Column 5.

Column 12 – IBNR LAE Reserves

Include: Defense and Cost Containment from Schedule P, Part 1, Columns 20

Adjusting and Other from Schedule P, Part 1, Column 22, in part

Column 14 – Contingent Commissions

Include: Contingent commissions receivable from a reinsurer. Regular commissions should be netted with ceded balances payable in Column 16.

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