

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<b>CONTACT PERSON:</b> _____ <b>TELEPHONE:</b> _____ <b>EMAIL ADDRESS:</b> _____ <b>ON BEHALF OF:</b> _____ <b>NAME:</b> <u>Jacob W. Garn</u> <b>TITLE:</b> <u>Chair, Blanks Working Group</u> <b>AFFILIATION:</b> _____ <b>ADDRESS:</b> _____	<b>DATE:</b> <u>11/03/2020</u>	<b>FOR NAIC USE ONLY</b>
	Agenda Item # <u>2020-32BWG</u> Year <u>2021</u> Changes to Existing Reporting [ X ] New Reporting Requirement [ ]	<b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b>
	No Impact [ X ] Modifies Required Disclosure [ ]	<b>DISPOSITION</b>
	[ ] 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**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT                  | <input checked="" type="checkbox"/> INSTRUCTIONS  | <input checked="" type="checkbox"/> CROSSCHECKS |
| <input type="checkbox"/> QUARTERLY STATEMENT                          | <input checked="" type="checkbox"/> BLANK         |   |
| <input checked="" type="checkbox"/> Life, Accident & Health/Fraternal | <input type="checkbox"/> Separate Accounts        | <input type="checkbox"/> Title                  |
| <input type="checkbox"/> Property/Casualty                            | <input type="checkbox"/> Protected Cell           | <input type="checkbox"/> Other _____            |
| <input type="checkbox"/> Health                                       | <input type="checkbox"/> Health (Life Supplement) |   |

Anticipated Effective Date: Annual 2021

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

Add a new Health Care Receivables Supplement to the Life\Fraternal Annual Statement that adds Exhibits 3 and 3A from the Health Annual Statement to the to the Life\Fraternal annual filings. Add guidance document reference to Exhibit 3A of the Health Annual Statement.

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

The purpose of the proposal is to allow for more consistency of reporting between the life and health blanks with regards to health care receivables. The addition is intended to provide regulators with detailed health care receivables information from life companies that write a large amount of health business to allow for analysis at the nationwide level.

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

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

**ANNUAL STATEMENT INSTRUCTIONS – HEALTH**

**EXHIBIT 3A – ANALYSIS OF HEALTH CARE RECEIVABLES**

The purpose of this exhibit is to analyze health care receivables collected and accrued for the current year compared to the prior year.

This exhibit is based on the gross health care receivable, not just the admitted portion.

Report the total asset (health care receivable) in this exhibit not just the admitted portion. Amounts are gross of reinsurance.

Refer to *SSAP No. 84—Health Care and Government Insured Plan Receivables* for accounting guidance. (See reporting guidance at **[\*\*INSERT WEB ADDRESS WHEN GUIDANCE POSTED\*\*]**).

In this exhibit, the term “accrued” is analogous to the term “incurred” on the U&I Exhibit, Part 2B. Accrued pertains to the health care receivable asset, whereas incurred pertains to the claim liability.

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

**HEALTH CARE RECEIVABLES SUPPLEMENT**

The Health Care Receivables Supplement shall be completed by those companies reporting accident and health business.

This supplement is required to be filed no later than March 1.

**EXHIBIT 3 – HEALTH CARE RECEIVABLES**

Individually list the greater of any account balances greater than \$10,000 or those that are 10% of gross health care receivables. Use Lines 0100001 through 0699996, as needed. Report gross amounts for insured plans although these amounts may be offset against corresponding liabilities on the balance sheet. Report the aggregate of amounts not individually listed on Lines 0199998 through 0699998. The subtotal and grand total amounts should be reported on the following lines:

Category	Line Number
Pharmaceutical Rebate Receivables.....	0199999
Claim Overpayment Receivables.....	0299999
Loans and Advances to Providers .....	0399999
Capitation Arrangement Receivables.....	0499999
Risk sharing Receivables .....	0599999
Other Receivables .....	0699999
Gross Health Care Receivables.....	0799999

Column 7 – Admitted

Total line should equal the inset amount on Line 24 of the Asset Page.

### EXHIBIT 3A – ANALYSIS OF HEALTH CARE RECEIVABLES

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This exhibit is based on the gross health care receivable, not just the admitted portion.

Report the total asset (health care receivable) in this exhibit not just the admitted portion. Amounts are gross of reinsurance.

Refer to *SSAP No. 84—Health Care and Government Insured Plan Receivables* for accounting guidance. (See reporting guidance at **[\*\*INSERT WEB ADDRESS WHEN GUIDANCE POSTED\*\*]**).

#### Columns 1 and 2:

Enter separately in Columns 1 and 2, Lines 1 through 6, all amounts collected or offset during the year accrued prior to the current year and accrued during the current year. Record only those amounts actually collected including offsets, that meet the offset conditions of *SSAP No. 64—Offsetting and Netting of Assets and Liabilities*.

Line 3 includes amounts charged against those gross health care receivables, such as loans or advances to non-related party hospitals, established as prepaid assets that are not expensed until the related claims have been received from the provider as the claims have not been paid as of the statement date.

All amounts collected, including offsets, related to prior year receivables accrued should be reported in Column 1. All amounts collected, including offsets, related to current year receivables accrued should be reported in Column 2.

#### Columns 3 and 4:

Enter separately in Columns 3 and 4 the gross health care receivables accrual amount between those accrued prior to the current year and those accrued during the year. All amounts accrued related to prior year receivables accrued should be reported in Column 3. All amounts accrued related to current year receivables accrued should be reported in Column 4.

For each of Lines 1 through 7, the sum of Columns 3 through 4 should agree to Exhibit 3 Health Care Receivables, sum of Columns 6 and 7, for each type of health care receivable and in total.

#### Column 5:

Enter the sum of Columns 1 and 3. This is the amount collected or offset during the current year on health care receivables that were accrued prior to the current year, plus amounts still accrued at the end of the current year, related to the health care receivable accrued at the end of the prior year.

#### Column 6:

Column 6 reports the amounts of prior year-end accounting accrual for gross health care receivables.

The comparison between Columns 5 and 6 is to the total receivables, not just the portion that is an admitted asset.



**HEALTH CARE RECEIVABLES SUPPLEMENT**

**EXHIBIT 3A – ANALYSIS OF HEALTH CARE RECEIVABLES COLLECTED AND ACCRUED**

Type of Health Care Receivable	Health Care Receivables Collected During the Year		Health Care Receivables Accrued as of December 31 of Current Year		<u>5</u>	<u>6</u>
	<u>1</u> On Amounts Accrued Prior to January 1 of Current Year	<u>2</u> On Amounts Accrued During the Year	<u>3</u> On Amounts Accrued December 31 of Prior Year	<u>4</u> On Amounts Accrued During the Year	Health Care Receivables in Prior Years (Cols. 1 + 3)	Estimated Health Care Receivables Accrued as of December 31 of Prior Year
1. Pharmaceutical rebate receivables .....	.....	.....	.....	.....	.....	.....
2. Claim overpayment receivables .....	.....	.....	.....	.....	.....	.....
3. Loans and advances to providers .....	.....	.....	.....	.....	.....	.....
4. Capitation arrangement receivables .....	.....	.....	.....	.....	.....	.....
5. Risk sharing receivables.....	.....	.....	.....	.....	.....	.....
6. Other health care receivables .....	.....	.....	.....	.....	.....	.....
7. Totals (Lines 1 through 6)	.....	.....	.....	.....	.....	.....

Note that the accrued amounts in Columns 3, 4 and 6 are the total health care receivables, not just the admitted portion.

**SUPPLEMENTAL EXHIBITS AND SCHEDULES  
INTERROGATORIES**

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of **WAIVED** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

Responses

**MARCH FILING**


**Detail Eliminated to Conserve Space**


The following supplemental reports are required to be filed as part of your annual statement filing **if your company is engaged in the type of business covered by the supplement. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below.** If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

**MARCH FILING**


**Detail Eliminated to Conserve Space**


25. Will the C-3 RBC Certifications required under C-3 Phase 1 be filed with the state of domicile and electronically with the NAIC by March 1? .....

**SUPPLEMENTAL EXHIBITS AND SCHEDULES  
INTERROGATORIES**


**Detail Eliminated to Conserve Space**


36. Will the VM-20 Reserves Supplement be filed with the state of domicile and the NAIC by March 1? .....

37. Will the Health Care Receivables Supplement be filed with the state of domicile and the NAIC by March 1? .....

**APRIL FILING**

3738. Will the confidential Regulatory Asset Adequacy Issues Summary (RAAIS) required by the Valuation Manual be filed with the state of domicile by April 1? .....

3839. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1? .....

3940. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1? (Not applicable to fraternal benefit societies) .....

4041. Will the Accident and Health Policy Experience Exhibit be filed by April 1? .....

4442. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1? .....

4243. Will the regulator only (non-public) Supplemental Health Care Exhibit's Allocation Report be filed with the state of domicile and the NAIC by April 1? .....

4344. Will the confidential Actuarial Memorandum required by Actuarial Guideline XXXVIII 8D be filed with the state of domicile by April 30? .....

4445. Will the Supplemental Term and Universal Life Insurance Reinsurance Exhibit be filed with the state of domicile and the NAIC by April 1? .....

4546. Will the Variable Annuities Supplement be filed with the state of domicile and the NAIC by April 1? .....

4647. Will the confidential Executive Summary of the PBR Actuarial Report be filed with the state of domicile by April 1? .....

4748. Will the confidential Life Summary of the PBR Actuarial Report be filed with the state of domicile by April 1? .....

4849. Will the confidential Variable Annuities Summary of the PBR Actuarial Report be filed with the state of domicile by April 1? .....

**AUGUST FILING**

4950. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? .....

**Explanation:**

**Bar code:**