

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

CONTACT PERSON: _____ TELEPHONE: _____ EMAIL ADDRESS: _____ ON BEHALF OF: _____ NAME: <u>Jacob W. Garn</u> TITLE: <u>Chair, Blanks Working Group</u> AFFILIATION: _____ ADDRESS: _____	DATE: <u>11/10/2020</u>	FOR NAIC USE ONLY
	Agenda Item # <u>2020-34BWG</u> Year <u>2021</u> Changes to Existing Reporting <input checked="" type="checkbox"/> [X] New Reporting Requirement <input type="checkbox"/> []	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT
	No Impact <input checked="" type="checkbox"/> [X] Modifies Required Disclosure <input type="checkbox"/> []	DISPOSITION
	<input type="checkbox"/> [] Rejected For Public Comment <input type="checkbox"/> [] Referred To Another NAIC Group <input checked="" type="checkbox"/> [X] Received For Public Comment <input type="checkbox"/> [] Adopted Date _____ <input type="checkbox"/> [] Rejected Date _____ <input type="checkbox"/> [] Deferred Date _____ <input type="checkbox"/> [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> [X] ANNUAL STATEMENT | <input checked="" type="checkbox"/> [X] INSTRUCTIONS | <input type="checkbox"/> [] CROSSCHECKS |
| <input type="checkbox"/> [] QUARTERLY STATEMENT | <input type="checkbox"/> [] BLANK | |
| <input type="checkbox"/> [] Life, Accident & Health/Fraternal | <input type="checkbox"/> [] Separate Accounts | <input type="checkbox"/> [] Title |
| <input checked="" type="checkbox"/> [X] 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 definitions for the Occupational Accident, Fiduciary Liability, Premises and Operations (OL&T and M&C), Professional Errors and Omissions Liability, Kidnap & Ransom Liability and Tuition Reimbursement Plans products to the appropriate Line of Business in the appendix.

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

The purpose of this proposal is to modify definitions in the Property Lines of Business Definitions section of the appendix to new product definition included in the Property Uniform Product Matrix that are not included in the definitions in the Annual Statement Instructions.

NAIC STAFF COMMENTS

Comment on Effective Reporting Date: _____

Other Comments:

** This section must be completed on all forms.

ANNUAL STATEMENT INSTRUCTIONS - PROPERTY

APPENDIX

PROPERTY AND CASUALTY LINES OF BUSINESS



Detail Eliminated to Conserve Space

Line 10 – Financial Guaranty

A surety bond, insurance policy, or when issued by an insurer, an indemnity contract and any guaranty similar to the foregoing types, under which loss is payable upon proof of occurrence of financial loss to an insured claimant, obligee or indemnitee as a result of failure to perform a financial obligation (see *Financial Guaranty Insurance Guideline* (#1626)).

Line 11 – Medical Professional Liability

Insurance coverage protecting a licensed health care provider or health care facility against legal liability resulting from the death or injury of any person due to the insured’s misconduct, negligence, or incompetence in rendering professional services. Medical Professional Liability is also known as Medical Malpractice.

Include Medical Professional Liability for:

Acupuncture, Ambulance Services, Chiropractic, Community Health Centers, Dental Hygienists, Dentists – General Practice, Dentists – Oral Surgeons, Home Care Service Agencies, Hospitals, Nurse – Anesthetists, Nurse - Licensed Practical, Nurse – Midwife, Nurse – Practitioners, Nurse – Private Duty, Nurse – Registered, Nursing Homes, Occupational Therapy, Ophthalmic Dispensing, Optometry, Osteopathy, Pharmacy, Physical Therapy, Physicians & Surgeons, Physicians Assistants, Podiatry, Psychiatry, Psychology, Speech Pathology and Assisted Living Facility

Line 12 – Earthquake

Property coverages for losses resulting from a sudden trembling or shaking of the earth, including that caused by volcanic eruption. Excluded are losses resulting from fire, explosion, flood or tidal wave following the covered event.



Detail Eliminated to Conserve Space

Line 16 – Workers’ Compensation

Insurance that covers an employer’s liability for injuries, disability or death to persons in their employment, without regard to fault, as prescribed by state or Federal workers’ compensation laws and other statutes. Includes employer’s liability coverage against the common law liability for injuries to employees (as distinguished from the liability imposed by Workers’ Compensation Laws). Excludes excess workers’ compensation.

Alternative Workers’ Compensation

Other than standard workers’ compensation coverage, employer’s liability and excess workers’ compensation (e.g., large deductible, managed care).

Employers' Liability

Employers' liability coverage for the legal liability of employers arising out of injuries to employees. This line of business should be used when coverage is issued as an endorsement, or as part of a statutory workers' compensation policy. When coverage is issued as a stand-alone policy, or as an endorsement a package policy, the appropriate "Other Liability" line of business should be used.

Standard Workers' Compensation

Insurance that covers an employer's liability for injuries, disability or death to persons in their employment, without regard to fault, as prescribed by state or federal workers' compensation laws and included within the basic policy employers' liability coverage.

Occupational Accident

Insurance that covers occupational accident to include comparable workers' compensation.

Line 17 – Other Liability

Insurance coverage protecting the insured against legal liability resulting from negligence, carelessness or a failure to act, causing property damage or personal injury to others. Typically, coverages include construction and alteration liability; contingent liability; contractual liability; elevators and escalators liability; errors and omissions liability, environmental pollution liability; excess stop loss, excess over insured or self-insured amounts and umbrella liability; liquor liability; personal injury liability; premises and operations liability; completed operations liability, nonmedical professional liability, etc. Also includes indemnification coverage provided to self-insured employers on an excess of loss basis (excess workers' compensation).

Completed Operations Liability

Premiums attributable to policies covering the liability of contractors, plumbers, electricians, repair shops and similar firms to persons who have incurred bodily injury or property damage from defective work or operations completed or abandoned by or for the insured, away from the insured's premises.

Construction and Alteration Liability

Premiums attributable to policies covering the liability of an insured to persons who have incurred bodily injury or property damage from alterations involving demolition, new construction or change in size of a structure on the insured's premises.

Contingent Liability

Premiums attributable to policies covering the liability of an insured to persons who have incurred bodily injury or property damage from work done by an independent contractor hired by the insured to perform work that was illegal, inherently dangerous, supervised too closely; or it was a situation that does not permit delegation of responsibility.

Contractual Liability

Premiums attributable to policies covering the liability of an insured that has assumed the legal liability of another party by written or oral contract. Includes coverage that names the lender/lessor as beneficiary and indemnifies the borrower/lessee for the liability of the balance due on the automobile loan/lease for an automobile that has been destroyed in an accident.

Elevators and Escalators Liability

Premiums attributable to policies covering the liability of an insured to persons who have incurred bodily injury or property damage from use of elevators or escalators operated, maintained or controlled by the insured.

Errors and Omissions Liability

Professional Liability Other Than Medical

Premiums attributable to policies covering the liability of a professional or quasi-professional insured to persons who have incurred bodily injury or property damage, or who have sustained any loss from omissions arising from the performance of services for others, errors in judgment, breaches of duty, or negligent or wrongful acts in business conduct.

Environmental Pollution Liability

Premiums attributable to policies covering the liability of an insured to persons who have incurred bodily injury or property damage from acids, fumes, smoke, toxic chemicals, waste materials or other pollutants.

Excess and Umbrella Liability

Premiums attributable to policies covering the liability of an insured above a specific amount set forth in a basic policy issued by the primary insurer; or a self-insurer for losses over a stated amount; or an insured or self-insurer for known or unknown gaps in basic coverages or self-insured retentions.

Liquor Liability

Premiums attributable to policies covering the liability of an insured to persons who have incurred bodily injury or property damage from an intoxicated person.

Personal Injury Liability

Premiums attributable to policies covering the liability of an insured to persons who have been discriminated against, falsely arrested, illegally detained, libeled, maliciously prosecuted, slandered, suffered mental anguish or alienation of affections, or have had their right of privacy violated. Includes identity theft.

Premises and Operations Liability

Premiums attributable to policies covering the liability of an insured to persons who have incurred bodily injury or property damage on an insured's premises during normal operations or routine maintenance, or from an insured's business operations either on or off of the insured's premises.

Excess Workers' Compensation

Either specific and/or aggregate excess workers' compensation insurance written above an attachment point or self-insured retention.

Commercial General Liability

Flexible and broad commercial liability coverage with two major sub-lines: premises/operations sub-line and products/completed operations sub-line.

Comprehensive Personal Liability

Comprehensive liability coverage for exposures arising out of the residence premises and activities of individuals and family members. (Non-business liability exposure protection for individuals.)

Day Care Centers

Liability coverage for day care centers.

Directors and Officers Liability

Liability coverage protecting directors or officers of a corporation from liability arising out of the performance of their professional duties on behalf of the corporation.

Employee Benefit Liability

Liability protection for an employer for claims arising from provisions in an employee benefit insurance plan provided for the economic and social welfare of employees. Examples of items covered are pension plans, group life insurance, group health insurance, group disability income insurance, and accidental death and dismemberment.

Employers' Liability

Employers' liability coverage for the legal liability of employers arising out of injuries to employees. This line of business should be used when coverage is issued as a stand-alone policy, or as an endorsement to a package policy. When this coverage is issued as an endorsement to a statutory workers' compensation policy, the "Workers' Compensation" line of business should be used.

Employment Practices Liability

Liability protection for an employer providing personal injury coverage arising out of employment-related practices, personnel policies, acts or omissions. Examples of claims such policies respond to are refusal to employ, termination, coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation and discrimination.

Fire Legal Liability

Coverage for property loss liability as the result of separate negligent acts and/or omissions of the insured that allows a spreading fire to cause bodily injury or property damage of others. An example is a tenant who, while occupying another party's property, through negligence causes fire damage to the property.

Municipal Liability

Liability coverage for the acts of a municipality.

Nuclear Energy Liability

Coverage for bodily injury and property damage liability resulting from the nuclear energy material (whether or not radioactive) on the insured business's premises or in transit.

Veterinarian

Liability coverage for the acts of a veterinarian.

Internet Liability

Liability arising out of claims for wrongful acts related to the content posted on a website by the insured or the insured's failure to maintain the security of its computer systems.

Cyber Liability

Stand-alone comprehensive coverage for liability arising out of claims related to unauthorized access to or use of personally identifiable or sensitive information due to events including, but not limited to, viruses, malicious attacks, or system errors or omissions. This coverage could also include expense coverage for business interruption, breach management and/or mitigation services. When cyber liability is provided as an endorsement or as part of a multi-peril policy, as opposed to a stand-alone policy, use the appropriate annual statement line of business of the product to which the coverage will be attached.

Fiduciary Liability

This type of insurance provides protection for fiduciaries against legal liability for claims made against them for a wrongful act (defined as a breach of fiduciary duty imposed by ERISA or similar common or statutory law). It'll respond to claims for damages arising out of improper investments, plan and employee advice, insufficient funding and failure of an insurer to perform.

Examples include failure to invest plan assets prudently or failure to select a qualified service provider for a covered plan. Some fiduciary liability policies may also provide coverage for negligent acts, as well as errors or omissions in the administration of employee benefit plans.

Premises and Operations (OL&T and M&C)

Policies covering the liability of an insured to persons who have incurred bodily injury or property damage on an insured's premises during normal operations or routine maintenance, or from an insured's business operations either on or off of the insured's premises.

Professional Errors and Omissions Liability

Coverage available to pay for liability arising out of the performance of professional or business-related duties, with coverage being tailored to the needs of the specific profession. Examples include abstractors, accountants, insurance adjusters, architects, engineers, insurance agents and brokers, lawyers, real estate agents, stockbrokers.

Line 17.1 – Other Liability Occurrence

Exclude: Excess workers' compensation included in Line 17.3.

Line 17.2 – Other Liability Claims Made

Exclude: Excess workers' compensation included in Line 17.3.

Line 17.3 – Excess Workers' Compensation

Include: Indemnification coverage provided to self-insured employers on an excess of loss basis.

Line 18 – Product Liability

Insurance coverage protecting the manufacturer, distributor, seller or lessor of a product against legal liability resulting from a defective condition causing personal injury, or damage, to any individual or entity, associated with the use of the product.



Detail Eliminated to Conserve Space

Line 25 – Glass
(1996 Annual Statement and previous)

Coverage for the costs of replacement and incidental costs of building glass due to breakage or application of chemicals to glass. NOTE: This coverage should be included in Allied Lines.

Line 26 – Burglary and Theft

Coverage for property taken or destroyed by breaking and entering the insured's premises, burglary or theft, forgery or counterfeiting, fraud, kidnap and ransom, and off-premises exposure.

Kidnap & Ransom Liability

Liability coverage up to specific limits for payments demanded by kidnappers for the release of an insured held against his or her will.

Line 27 – Boiler and Machinery

Coverage for the failure of boilers, machinery and electrical equipment. Benefits include:

- (i) property of the insured that has been directly damaged by the accident.
- (ii) Costs of temporary repairs and expediting expenses.
- (iii) Liability for damage to the property of others.



Detail Eliminated to Conserve Space

Line 34 – Details for Write-ins

Coverages not generally described above.

Involuntary Unemployment Insurance

Space

Coverage of satellites, shuttles, hull, drones and other non-standard aircraft.

Political and Natural Disaster Evacuation

Coverage of specified costs for an insured person to return to their country of residence or nearest place of safety and specified reasonable accommodation costs (if the insured person is unable to return to their country of residence), as a direct result of a covered evacuation or if a natural disaster has occurred in the country the insured person is currently in requiring their immediate evacuation to avoid the risk of bodily injury or sickness, while the insured person is on a journey covered by the policy.

War Risk Insurance/War Terrorism and Political Violence

Mortgage Interest Insurance

Money Insurance

Tuition Reimbursement Plans

Product which reimburses for the tuition expenses of students who drop out, are expelled, leave for medical reasons, etc.

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