

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

CONTACT PERSON: _____ TELEPHONE: _____ EMAIL ADDRESS: _____ ON BEHALF OF: _____ NAME: <u>Health Risk-Based Capital (E) Working Group</u> TITLE: <u>Steve Drutz, Chair</u> AFFILIATION: _____ ADDRESS: _____	DATE: <u>12/18/2020</u>	FOR NAIC USE ONLY	
	Agenda Item # <u>2021-01BWG MOD</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		

- [] Rejected For Public Comment
- [] Referred To Another NAIC Group
- [] Received For Public Comment
- [X] Adopted Date 05/26/2021
- [] Rejected Date _____
- [] Deferred Date _____
- [] 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 checked="" type="checkbox"/> [X] QUARTERLY STATEMENT | <input checked="" type="checkbox"/> [X] BLANK | |
| <input checked="" type="checkbox"/> [X] Life, Accident & Health/Fraternal | <input type="checkbox"/> [] Separate Accounts | <input checked="" type="checkbox"/> [X] Title |
| <input checked="" type="checkbox"/> [X] Property/Casualty | <input type="checkbox"/> [] Protected Cell | <input type="checkbox"/> [] Other _____ |
| <input checked="" type="checkbox"/> [X] Health | <input type="checkbox"/> [] Health (Life Supplement) | |

Anticipated Effective Date: Annual 2021

IDENTIFICATION OF ITEM(S) TO CHANGE

Add reference to health care receivables to Line 24 – Health Care and Other Amounts Receivable on the Asset Page, change description of Line 0699999 to read Other Health Care Receivables on Exhibit 3 and modify column headers for Exhibit 3A.

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

The purpose of the proposal is to add clarifying language to Exhibit 3, Exhibit 3A and Assets page for health care receivables.

NAIC STAFF COMMENTS

Comment on Effective Reporting Date: _____

Other Comments:

Updates to the Health Care Receivable Guidance would be needed to the headers of Exhibit 3A if the proposal is adopted.

** This section must be completed on all forms.

ANNUAL STATEMENT INSTRUCTIONS – HEALTH AND LIFE\FRATERNAL (HEALTH CARE RECEIVABLES SUPPLEMENT)

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:

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

Column 7 – Admitted

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

ASSETS



Line 24 – Health Care and Other Amounts Receivable

Include: Bills Receivable – Report any unsecured amounts due from outside sources or receivables secured by assets that do not qualify as investments.

Amounts due resulting from advances to agents or brokers – Refer to *SSAP No. 6—Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers* for accounting guidance.

Health Care Receivables – Include pharmaceutical rebate receivables, claim overpayment receivables, loans and advances to providers, capitation arrangement receivables, ~~and~~ risk sharing receivables and other health care receivables from affiliated and non-affiliated entities. Refer to *SSAP No. 84—Health Care and Government Insured Plan Receivables* for accounting guidance.

Other amounts receivable that originate from the government under government insured plans, including **undisputed** amounts over 90 days due that qualify as accident and health contracts are admitted assets. Refer to *SSAP No. 84—Health Care and Government Insured Plans Receivables* and *SSAP No. 50—Classifications of Insurance or Managed Care Contracts* for accounting guidance.

Exclude: Pharmaceutical rebates relating to uninsured plans that represent an administrative fee and that are retained by the reporting entity and earned in excess of the amounts to be remitted to the uninsured plan. These amounts should be reported on Line 17.

Premiums receivable for government insured plans reported on Lines 15.1, 15.2 or 15.3.



ANNUAL STATEMENT BLANK – HEALTH AND LIFE/FRATERNAL (HEALTH CARE RECEIVABLES SUPPLEMENT)

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

Type of Health Care Receivable	Health Care Receivables Collected or Offset During the Year		Health Care Receivables Accrued as of December 31 of Current Year		5	6
	1 On Amounts Accrued Prior to January 1 of Current Year	2 On Amounts Accrued During the Year	3 On Amounts Accrued December 31 of Prior Year	4 On Amounts Accrued During the Year	Health Care Receivables in <u>from</u> 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.

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