

2021 #	Owner	2021 Priority	Expected Completion Date	Working Agenda Item	Source	Comments	Date Added to Agenda
<b>Ongoing Items – Life RBC</b>							
1	Life RBC WG	Ongoing	Ongoing	Make technical corrections to Life RBC instructions, blank and /or methods to provide for consistent treatment among asset types and among the various components of the RBC calculations for a single asset type.			
2	Life RBC WG	1	2021 or later	1. Monitor the impact of the changes to the variable annuities reserve framework and risk-based capital (RBC) calculation and determine if additional revisions need to be made. 2. Develop and recommend appropriate changes including those to improve accuracy and clarity of variable annuity (VA) capital and reserve requirements.	CATF	Being addressed by the Variable Annuities Capital and Reserve (E/A) Subgroup	
3	Life RBC WG	1	2021 or later	Provide recommendations for the appropriate treatment of longevity risk transfers by the new longevity factors.	New Jersey	Being addressed by the Longevity (E/A) Subgroup	
<b>Carry-Over Items Currently being Addressed – Life RBC</b>							
4	Life RBC WG	1	2021 or later	Update the current C-3 Phase I or C-3 Phase II methodology to include indexed annuities with consideration of contingent deferred annuities as well	AAA		
5	Life RBC WG	1	2021 or later	Work with the Life Actuarial (A) Task Force and Conning to develop the economic scenario generator for implementation.			
<b>New Items – Life</b>							
6	Life RBC WG	1	2021	Develop guidance for regulators as it relates to the potential impact of the bond factor changes on 2021 RBC results and the trend test			
7	Life RBC WG	1	2021 or later	Review companies at action levels, including previous years, to determine what drivers of the events are and consider whether changes to the RBC statistics are warranted.			
<b>Carry-Over Items Currently being Addressed – P&amp;C RBC</b>							
8	Cat Risk SG	1		Continue development of RBC formula revisions to include a risk charge based on catastrophe model output:			
			Year-end 2022 or later	a) Evaluate other catastrophe risks for possible inclusion in the charge - determine whether to recommend developing charges for any additional perils, and which perils or perils those should be.	Referral from the Climate and Resiliency Task Force. March 2021	4/26/21 - The SG expose the referral for a 30-day exposure period. 6/1/21 - The SG forwarded the response to the Climate and Resiliency Task Force.	4/26/2021
9	P&C RBC WG	1	Year-end 2020 or later	Evaluate a) the current growth risk methodology whether it is adequately reflects both operational risk and underwriting risk; b) the premium and reserve based growth risk factors either as a stand-alone task or in conjunction with the ongoing underwriting risk factor review with consideration of the operational risk component of excessive growth; c) whether the application of the growth factors to NET proxies adequately accounts for growth risk that is ceded to reinsurers that do not trigger growth risk in their own right.	Refer from Operational Risk Subgroup	1) Sent a referral to the Academy on 6/14/18 conference call.	1/25/2018

**CAPITAL ADEQUACY (E) TASK FORCE  
 WORKING AGENDA ITEMS FOR CALENDAR YEAR 2021**

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10	P&C RBC WG	1	2020 Summer Meeting or later	Continue development of RBC formula revisions based on the Covered Agreement: consider whether the factor for uncollateralized, unrated reinsurers, runoff and captive companies should be adjusted		12/5/19 - The WG exposed Proposal 2018-19-P (Vulnerable 6 or unrated risk charge) for a 30-day exposure period. 2/3/20 - The WG adopted Proposal 2018-19-P. However, the WG intended to evaluate the data annually until reaching any agreed upon change to the factor and the structure. 3/15/21 - The WG exposed Proposal 2021-03-P (Credit Risk Instruction Modification) for a 30-day exposure period. 4/27/21 - The WG adopted proposal 2021-03-P. 6/30/21- The CADTF adopted this proposal.	8/4/2018
11	P&C RBC WG	1	Year-end 2021 or later	Evaluate the proposed changes from the Affiliated Investment Ad Hoc Group related to P/C RBC Affiliated Investments			6/10/2019
12	P&C RBC WG	1	2021 Summer Meeting or later	Continue working with the Academy to review the methodology and revise the underwriting (Investment Income Adjustment, Loss Concentration, LOB UW risk) charges in the PRBC formula as appropriate.			6/10/2019
13	Cat Risk SG	1	Year-end 2022 or later	Evaluate the possibility of allowing additional third party models or adjustments to the vendor models to calculate the cat model losses		7/15/21 - The SG is continue evaluating this item.	12/6/2019
14	P&C RBC WG	1	2022 Spring Meeting	Evaluate if changes should be made to the P/C formula to better assess companies in runoff.		1/29/20 - received a referral from the Restructuring Mechanisms (E) WG 4/27/21 - The WG forwarded a response to the Restructuring Mechanism (E) WG.	2/3/2020
15	P&C RBC WG	1	2022 Summer Meeting	Evaluate the Underwriting Risk Line 1 Factors in the P/C formula.			7/30/2020
16	Cat Risk SG	1	2021 Spring Meeting	Modify instructions to PR027 Interrogatories that clarify how insurers with no gross exposure to earthquake or hurricane should complete the interrogatories		10/27/20 - expose the proposal for 30 day comment period 3/8/21 - The SG adopted the proposal 2020-08-CR at the Spring National Meeting. 3/15/21 - The WG adopted this proposal. 3/23/21 - The CADTF adopted this proposal.	10/19/2020
17	P&C RBC WG	1	2022 Summer Meeting	Evaluate R3 Adjustment for Operational Risk Charge			10/27/2020

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18	Cat Risk SG	1	2022 Spring Meeting or later	Implement Wildfire Peril in the Rcat component (For Informational Purpose Only)		7/15/21 - The SG is continue studying this item.	3/8/2021
<b>Ongoing Items – Health RBC</b>							
19	Health RBC WG	3	Year-end 2022 RBC or later	Evaluate the impact of Federal Health Care Law on the Health RBC Formulas	4/13/2010 CATF Call	Adopted 2014-01H Adopted 2014-02H Adopted 2014-05H Adopted 2014-06H Adopted 2014-24H Adopted 2014-25H Adopted 2016-01-H Adopted 2017-09-CA Adopted 2017-10-H The Working Group will continually evaluate any changes to the health formula as a result of ongoing federal discussions and legislation.	
20	Health RBC WG	3	Year-end 2022 RBC or later	Discuss and monitor the development of federal level programs and actions and the potential impact of these changes to the HRBC formula: - Development of the state reinsurance programs; - Association Health Plans; - Cross-border sales	HRBCWG	Discuss and monitor the development of federal level programs and the potential impact on the HRBC formula.	1/11/2018
<b>Carry-Over Items Currently being Addressed – Health RBC</b>							
21	Health RBC WG	3	Year-End 2023 RBC or Later	Consider changes for stop-loss insurance or reinsurance.	AAA Report at Dec. 2006 Meeting	(Based on Academy report expected to be received at YE-2016) 2016-17-CA	
22	Health RBC WG	2	Year-end 2023 RBC or later	Review the individual factors for each health care receivables line within the Credit Risk H3 component of the RBC formula.	HRBC WG	Adopted 2016-06-H Rejected 2019-04-H Annual Statement Guidance (Year-End 2020) and Annual Statement Blanks Proposal (Year-End 2021) referred to the <u>Blanks (E) Working Group</u>	
23	Health RBC WG	1	Year-end 2022 or later	Establish an Ad Hoc Group to review the Health Test and annual statement changes for reporting health business in the Life and P/C Blanks	HRBCWG	Evaluate the applicability of the current Health Test in the Annual Statement instructions in today's health insurance market. Discuss ways to gather additional information for health business reported in other blanks.	8/4/2018
24	Health RBC WG	1	Year-end 2022 RBC or later	Review the Managed Care Credit calculation in the Health RBC formula - specifically Category 2a and 2b.  Review Managed Care Credit across formulas.	HRBCWG	Review the Managed Care Category and the credit calculated, more specifically the credit calculated when moving from Category 0 & 1 to 2a and 2b.	12/3/2018
25	Health RBC WG	1	Year-end 2022 or later	Review referral letter from the Operational Risk (E) Subgroup on the excessive growth charge and the development of an Ad Hoc group to charge.	HRBCWG	Review if changes are required to the Health RBC Formula	4/7/2019

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26	Health RBC WG	1	Year-End 2022 or later	Consider impact of COVID-19 and pandemic risk in the Health RBC formula.	HRBCWG		7/30/2020
27	Health RBC WG	1	Year-End 2021 or later	Work with the Academy to evaluate incorporating and including investment income in the Underwriting Risk component of the Health RBC formula. * Develop a process for reviewing investment income in the underwriting risk factors. * Determine the frequency for which the adjustment should be updated. * Determine if other lines of business should include investment income.	HRBCWG	Referral Letter was sent to the Academy on Sept 21. - Adopted 5/25/21 by the WG	8/18/2020
28	Health RBC WG	1	2021	Discuss and determine the bond factors for the 20 designations.	Referral from Investment RBC July/2020	Working Group will use two- and five-year time horizon factors in 2020 impact analysis. Proposal 2021-09-H - Adopted 5/25/21 by the WG	9/11/2020
<b>New Items – Health RBC</b>							
29	Health RBC WG	1	Year-End 2022 or later	Work with the Academy to perform a comprehensive review of the H2 - Underwriting Risk component of the Health RBC formula including the Managed Care Credit review (Item 18 above)	HRBCWG		4/23/2021
<b>New Items – Task Force</b>							
<b>Ongoing Items – Task Force</b>							
30	CADTF	2	2022	Affiliated Investment Subsidiaries Referral Ad Hoc group formed Sept. 2016	Ad Hoc Group		
<b>Carry-Over Items not Currently being Addressed – Task Force</b>							
31	CADTF	2	2022 or Later	Supplementary Investment Risks Interrogatories (SIRI)	Referral from Blackrock and IL DOI	The Task Force received the referral on Oct. 27. This referral will be tabled until the bond factors have been adopted and the TF will conduct a holistic review all investment referrals.	11/19/2020
32	CADTF	3	2021	Receivable for Securities factor		Consider evaluating the factor every 3 years. (2021, 2024, 2027, etc.)  <b>Factors are exposed for comment. Comments due May 28, 2021 for consideration on June 30th.</b> Factors Adopted for 2021	
33	CADTF	2	2022 or Later	NAIC Designation for Schedule D, Part 2 Section 2 - Common Stocks Equity investments that have an underlying bond characteristic should have a lower RBC charge? Similar to existing guidance for SVO-identified ETFs reported on Schedule D-1, are treated as bonds.	Referral from SAPWG 8/13/2018	10/8/19 - Exposed for a 30-day Comment period ending 11/8/2019 3-22-20 - Tabled discussion pending adoption of the bond structure and factors.	10/11/2018

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34	CADTF	2	2022 or Later	Structured Notes - defined as an investment that is structured to resemble a debt instrument, where the contractual amount of the instrument to be paid at maturity is at risk for other than the failure of the borrower to pay the contractual amount due. Structured notes reflect derivative instruments (i.e. put option or forward contract) that are wrapped by a debt structure.	Referral from SAPWG April 16, 2019	10/8/19 - Exposed for a 30-day Comment period ending 11/8/2019 3-22-20 - Tabled discussion pending adoption of the bond structure and factors.	8/4/2019
35	CADTF	2	2022 or Later	Comprehensive Fund Review for investments reported on Schedule D Pt 2 Sn2	Referral from VOSTF 9/21/2018	Discussed during Spring Mtg. NAIC staff to do analysis. 10/8/19 - Exposed for a 30-day comment period ending 11/8/19 3-22-20 - Tabled discussion pending adoption of the bond structure and factors.	11/16/2018

**Carry-Over Items Currently being Addressed – Task Force**

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