

NAIC MARKET CONDUCT ANNUAL STATEMENT BLANKS (D) WORKING GROUP
Changes/Additions to Approved Blanks and Data Call and Definitions
Proposal Submission Form

NAIC USE ONLY:

Proposal Submission Date: 5/25/2020	
Proposed Effective Data Year for Reporting: 2022	
Proposed <input checked="" type="checkbox"/> Substantive Change <input type="checkbox"/> Non-Substantive Change/Clarification	
Proposal Number	2020.2
Proposal Status	<u>All Submissions</u> <input checked="" type="checkbox"/> Received – Date 5/25/2020 <input checked="" type="checkbox"/> Accepted <input type="checkbox"/> Rejected by MCAS Blanks WG Chair <input checked="" type="checkbox"/> Posted to Web Page for Public Exposure/Comment – Date 3/18/2021 <input type="checkbox"/> Referred to Another NAIC Group – Date Click or tap to enter a date. – Name of Group Click or tap here to enter text. <input type="checkbox"/> Adopted <input type="checkbox"/> Modified <input type="checkbox"/> Rejected <input type="checkbox"/> Deferred by WG – Date Click or tap to enter a date. <u>Substantive Revisions</u> <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by D Committee – Date Click or tap to enter a date. <input type="checkbox"/> Adopted <input type="checkbox"/> Rejected by EX/Plenary – Date Click or tap to enter a date. <input type="checkbox"/> Other – Date Click or tap to enter a date. Specify Click or tap here to enter text.
NAIC Staff Input	This proposal was submitted prior to implementation of the MCAS Proposal Form. It has been entered into the form and the form was posted on the web page on 3/18/2021

Proposal Contact Information

Name of Contact Person	Birny Birnbaum
Name of Organization	Center for Economic Justice
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Affiliation Type	<input type="checkbox"/> State Regulator <input type="checkbox"/> NAIC Staff <input type="checkbox"/> Other Regulator <input type="checkbox"/> Reporting Company <input type="checkbox"/> Industry Trade Association <input checked="" type="checkbox"/> Consumer Representative <input type="checkbox"/> Other

PROPOSAL IS FOR: Data Element Data Definitions Data Validation

APPLICABLE LINE(S) OF BUSINESS:

- | | | |
|--|--|--|
| <input type="checkbox"/> Annuity | <input checked="" type="checkbox"/> Homeowners | <input type="checkbox"/> Long-Term Care |
| <input type="checkbox"/> Disability Income | <input type="checkbox"/> Lender Placed Auto and Home | <input type="checkbox"/> Private Flood |
| <input type="checkbox"/> Health | <input type="checkbox"/> Life | <input checked="" type="checkbox"/> Private Passenger Auto |

PROVIDE A CONCISE STATEMENT OF THE PROPOSED CHANGE:

Definition:

Digital Claim Settlement means a claim involving a loss appraisal utilizing digital information only with no human on-site visual inspection or appraisal by the insurance company or independent adjuster of the vehicle or property. Examples of digital claim settlement include, but are not limited to, claim settlements based on photos taken by a claimant or insured or photos taken by a plane or drone or data provided by in-vehicle or in-property sensors with no in-person inspection or appraisal by the insurance company or independent adjuster.

Other Than Digital Claims Settlement means any claim other than a Digital Claim Settlement claim

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Data Elements: The proposed change can be accommodated by creating two claims experience columns each for Dwelling and Personal Property coverages only for the claims activity data elements 2-17 through 2-34.

PROVIDE THE REASON FOR THE CHANGE:

CEJ recommends splitting claims data experience between digital claims settlement and other than digital claims settlement. Digital claims settlement, sometimes referred to as virtual claims handling, refers to loss appraisal not involving a human on-site inspection of the property, but based on digital information, including, for example, photos taken by the insured or claimant or photos taken by a plane or drone or information provided by sensors or cameras within or near the property. We propose this additional break-out of claims only the dwelling and personal property coverages.

The purposes of segregating digital-only from human-involved claims settlements are, one, to assess the outcomes for consumers from digital-only claims settlement; and, two, to ensure that significant differences between digital-only and other than digital-only claim settlements are not masked by aggregate reporting. For example, one of the advertised benefits of digital claims settlement is speed of settlement. If digital claims settlements are significantly faster than other-than-digital-only claims settlements, the aggregated claims data would mask these differences.

IF ADDITIONAL DOCUMENTS CONTAIN DEFINITIONS, BLANK MOCK-UPS, ETC, PROVIDE A LISTING OF THESE DOCUMENTS BELOW. SEND THE LISTED DOCUMENTS TO NAIC STAFF ALONG WITH THE COMPLETED FORM:

Cej_comments_mcaswg_200225_auto_ho_revisions.pdf