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Delivered via Electronic Mail – erica.veyhenmeyer@illinois.gov

Erica Weyhenmeyer,
Chair, Market Conduct Annual Blanks Statement Working Group
Illinois Department of Insurance
320 W. Washington St., 4th Floor
Springfield, IL 62767-0001

RE: NAPHIA Comments on Pet MCAS Draft

Dear Ms. Weyhenmeyer;

The North American Pet Health Insurance Association (NAPHIA) is pleased to offer comments regarding the draft pet Market Conduct Annual Statement (MCAS). First, we would like to thank the subject matter expert regulators for their time and effort in preparing the draft pet MCAS. We believe the process was thorough and included substantial input from all interested parties.

NAPHIA is committed to working towards a final report that provides meaningful and valuable data for market conduct review. Therefore, we have no additional comments or concerns with the draft before the working group. However, we would like to provide comments on future work to be completed by the MCAS Blanks Working Group. Our suggestions are outlined below:

- 1. Ratio Development** –We have shared that looking at data across companies may reflect uncertain outcomes making it challenging to compare and aggregate data in meaningful ways. Given that, NAPHIA welcomes the opportunity to provide additional comments and guidance as regulators develop these ratios.
- 2. Review Pet MCAS Data Call Reporting for Usefulness** – NAPHIA encourages the MCAS Blanks Working Group to re-evaluate the pet MCAS regularly to determine the usefulness of the data reporting. When data proves little value for market conduct review, we ask that regulators consider removing those interrogatories.
- 3. Limit Changes or Additions for the Initial Period of Data Collection**
We recommend regulators limit any changes or additions at a minimum for the first two years of data collection. Should regulators seek to change or add additional interrogatories, we ask that a reasonable amount of time be considered to adjust IT systems and reporting structures.

NAPHIA remains committed to working with you and your colleagues on the pet MCAS data call. Please do not hesitate to contact us should you have any questions.

Sincerely,

Cari Lee

Cari L. Lee
Director of Government Affairs and Public Policy
Steptoe and Johnson, LLP
On behalf of the North American Pet Health Insurance Association