



March 22, 2024

Delivered via Electronic Mail

Jo LeDuc
Chair, NAIC Market Analysis Procedures Working Group
PO Box 690
Jefferson City, MO 65102-0690

RE: NAPHIA Comments on Pet MCAS Ratios

Dear Ms. LeDuc:

The North American Pet Health Insurance Association (NAPHIA) supports adoption of the draft Market Conduct Annual Statement (MCAS) ratios for pet insurance (the Ratios).

We would like to thank the subject matter expert regulators for their time and effort in preparing the draft Ratios, and for the opportunity and consideration they provided to NAPHIA representatives and members and all stakeholders in the development of the Ratios. The process was thorough and included substantial input from all parties.

We particularly appreciate the SME group's decision to recommend 8 public Ratios, which is in keeping with the number of MCAS ratios for other lines of coverage, and provide an additional 27 non-public Ratios for regulatory use. This will provide regulators with the information regulators need to fully analyze pet insurers and the industry. Moreover, we support the group's proposal to draft an FAQ document to clarify the terms used in the Ratios. We look forward to working with you and your colleagues in the development of the FAQs.

Thank you, again, for the work you and your colleagues are doing on the Ratios. Please do not hesitate to contact us should you have any questions.

Sincerely,

Rick Faucher
President, NAPHIA.org