

Required to File (RTF) Options: Below is a listing of options for deciding whether a company should be indicated as required to file each MCAS line of business. There may be other options not currently listed.

1. Show all filings applicable to an insurer's financial annual statement (FAS) type as RTF.

Advantages:

- No RTFs will be missed.
- Each insurer would be responsible for determining whether it is required to file and to submit waiver requests if they did not meet the reporting premium threshold for a line of business within each participating jurisdiction.

Disadvantages:

- Some Lines of Business will be incorrectly indicated as RTF.
- State regulators would need to decide whether to approve or deny each requested waiver request.

MCAS Lines of Business RTF according to the FAS type that is submitted

Line of Business	Life/ Fraternal	Property/ Casualty	Health
Annuity	X		
Disability Income	X	X	X
Health	X	X	X
Homeowners		X	
LPI Home & Auto		X	
Life	X		X
Long-Term Care	X	X	X
Other Health	X	X	X
Pet		X	
Private Flood		X	
Private Passenger Auto		X	
Short-Term Limited Duration	X	X	X
Travel		X	

2. Use financial premium references from the FAS to determine insurers' RTF status.

Advantages:

- Original method of determining the RTF. It is familiar and intuitive.

Disadvantages:

- The premium threshold can be triggered due to premium reported on the FAS that is not applicable to MCAS.
 - Antique autos.
 - Lender placed home and auto included on the property state page lines.
- The premium threshold may not be triggered due to FAS reporting:
 - MCAS applicable premium is reported in an unexpected place on the FAS.
 - Insurer does not report premium on the A&H Policy Experience Exhibit.
 - Premium is only reported on national basis, and not by state.

3. Continue using the MCAS Premium Exhibit reported with the FAS.

Advantages:

- This is the current process. No changes would need to be made.
- Puts responsibility on the insurer who knows its business best.

Disadvantages:

- The same issues currently seen will continue.
- Company employees responsible for FAS reporting may not communicate with those responsible for MCAS reporting.
- No penalties associated with not filing the exhibit.

4. Continue to use the MCAS Premium Exhibit reported with the FAS but add a requirement to report the amount of MCAS reportable premium within the exhibit by jurisdiction and line of business.

Advantages:

- Forces the company to put more consideration into their response.
- Provides a cross-check with the reported MCAS premium.

Disadvantages:

- Insurers may not accurately report on the exhibit.
- More time-consuming for companies.

- Provides no additional benefit in determining RTF.

5. Require states to identify company/jurisdiction/line of business level required to file data based on their review of available information.

Advantages:

- Could provide greater assurance of accurate RTF indicators.

Disadvantages:

- Substantial investment of state resources and time would be needed.
- States would have varied levels of resources available which would lead to varied levels of RTF accuracy.

6. States consistently fine insurers that fail to submit required MCAS filings.

Advantages:

- Insurers feel greater need to report MCAS data.
- Encourages greater accuracy

Disadvantages:

- Substantial investment of state resources and time would be needed.

7. After choosing a method of populating the RTF indicators, assign responsibilities to state regulators and/or NAIC staff to review/analyze available information to identify companies that should possibly be reporting, but are not identified as RTF.

Advantages:

- Could provide greater assurance of accurate RTF indicators.

Disadvantages:

- Substantial state and/or NAIC staff resources would be needed to develop the process and also to implement it.

Notes:

- If the Working Group approves a change to the process for determining required to file indicators, an implementation period will be required. It may not be possible to implement the changes for the collection of 2025 MCAS data.

- The NAIC is beginning work to update the way data is collected for the financial annual statement and MCAS. This will not impact reporting of required to file information for states, but may impact the way companies are able to view their required to file indicators. Implementation of the new collection process is currently planned to complete for collection of 2028 data in 2029.