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August 7, 2026

Commissioner Michael Conway (CO), Chair
Property and Casualty Insurance (C) Committee
National Association of Insurance Commissioners
via email: Aaron Brandenburg, abrandenburg@naic.org

RE: Comments on Proposed Affordability/Availability Playbook – July 20, 2026 version

Commissioner Conway:

The National Association of Mutual Insurance Companies (NAMIC) appreciates the opportunity to share its revised comments with the NAIC regarding the proposed Affordability/Availability Playbook ("Playbook"). We previously provided comments to the March and May 2026 versions of the Playbook.

First and foremost, we commend the NAIC's work on this most current version. The July 2026 version reflects several significant improvements over the May version; we are grateful to see those. We also appreciate the NAIC's outreach to discuss our concerns and share regulators' insights.

We will honor the NAIC's request to refrain from providing a redline version of the Playbook. However, there are changes in the draft requiring comment. We urge the NAIC to consider these comments ahead of the upcoming Summer National Meeting.

We also note on page 32 this assertion:

> A review of the NAIC U.S. surplus lines market share reports shows that surplus lines premiums grew at an average rate of about 18.5% per year from 2018 to 2023, rising from about $50 billion to more than $116 billion over that period. This expansion and growth of surplus lines carriers reflect shifts within the homeowners insurance system, driven by affordability and availability challenges.

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The vast majority of surplus lines premiums – as much as 90% - are for commercial policies, not homeowners. The NAIC should break out the portion of surplus lines from these figures or clarify the composition of those premiums.

Page 35 contains assertions regarding parametric coverage we believe the NAIC should reconsider:

> As a result, dedicated regulatory frameworks for parametric insurance in property lines remain limited and differ across states, reflecting variation in how jurisdictions address non-indemnity insurance designs

We do not believe the NAIC has previously taken the position that parametric insurance is not an indemnity product. NAMIC urges the NAIC to rethink this assertion.

Page 37 omits a critical piece of wildfire mitigation best practices – the need for community level mitigation. The assertion that "the effectiveness of the standard depends on fully adopting these measures; partial or piecemeal implementation by a homeowner may significantly reduce the intended risk-mitigation benefits" should include a mention of the critical need for a community based approach to wildfire mitigation.

Page 43 asserts aerial imagery "can also be used to restrict access to coverage," which is incorrect. The technology does not restrict access to coverage; rather, it helps identify conditions that might affect coverage. NAMIC urges the NAIC rethink this assertion.

At the top of page 44, we note the NAIC asserts "[the FPHLM] often cited as an example for states evaluating whether and how to integrate catastrophe modeling into their insurance oversight," yet no citations are provided to support this. As the NAIC moves more into modeling activities of its own accord, we think providing the citations referenced here would be helpful.

Finally, NAMIC reiterates its concerns about referencing "extreme heat" in the Playbook, beginning on page 97. While extreme heat creates significant problems in several ways, insurers view it as a loss amplifier of traditional perils rather than a standalone peril. There are several challenges with classifying extreme heat as a peril – primarily the challenge in distinguishing heat damage from wear and tear, and distinguishing a single extreme heat incident from a series of extreme heat incidents. If the NAIC elects not to remove this section, we urge clarifying language to clearly signal to readers extreme heat is not considered a peril in the industry.

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We appreciate the opportunity to share these comments and our redline version. Please do not hesitate to contact us if you'd like to discuss further.

Sincerely,

Paul Martin
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Erica Weyhenmeyer, CPCU, AIE, MCM, WCP
Sr. Policy Vice President, Market Regulation & Workers' Compensation