Summary of Revision Requests and Final Playbook Approach

At a Glance

Across all materials, the final Playbook draft reflects a balanced compromise. The drafting group incorporated many comments that improved accuracy, structure, usability, and market context, but did not adopt edits that would narrow the Playbook too much, remove consumer-impact content, or make the document read like a position paper. The comment review teams met individually with commenters to ensure they understood highest priority feedback and made additional revisions based on those meetings.

1. Purpose, Framing, and "How to Use This Document"

Revision requests

Several commenters asked the drafting group to clarify the intent of the Playbook

Final Playbook draft treatment

The Playbook has always been intended primarily as a regulator and policymaker-facing resource and starting point, not a directive. To clarify this, the Executive Summary now states that the document is a menu of policy options and implementation considerations, not recommendations or endorsements. It also tells jurisdictions to evaluate legal authority, market context, operational requirements, funding needs, consumer impacts, and tradeoffs before deciding whether to proceed. It further states that the Playbook may be updated as states add information, markets evolve, and new tools or approaches develop.

2. Organization, Length, Usability, TOC, Index, and Structure

Revision requests

Several commenters requested structural changes for ease of navigation, including a detailed table of contents, index, and key terms. Organizational suggestions included condensing and reducing repetition, reordering natural catastrophes and reinsurance in Part 1, and folding the shorter emerging protection gaps section into the peril-specific section.

Final Playbook draft treatment

The usability improvements were largely implemented. The final Playbook draft has a detailed table of contents, key terms, an index, a clearer five-part structure, and a separate cross-peril strategies section. It also moves detailed state legislation/regulation summaries into an appendix.

The issue of length was only able to be partly resolved because the Playbook includes material from many different jurisdictions to cover a wide array of state actions, instead of offering a brief summary. Although there is some repetition in the 'by peril by state' section, its structure enables users to directly access the specific peril they wish to focus on, enhancing usability. State sections are shaped by contributing jurisdictions, which naturally limit the drafting group's ability to standardize or omit content.

3. Menu of Options Versus Proven/Evaluated Programs

Revision requests

Some commenters wanted the Playbook to distinguish between programs with outcomes data, recently enacted programs, pilots, proposals, and unevaluated concepts. A couple wanted the unpassed legislation removed. One suggested more discussion of what worked, what did not work, and the unintended consequences.

Final Playbook draft treatment

The Executive Summary now clarifies that the Playbook is a menu of options, not an endorsement of specific options over others, and that states should evaluate context and tradeoffs. Some examples include status language, such as noting that some parametric proposals were not enacted or that some initiatives are pilots/newly enacted.

The remaining revision suggestions were not incorporated because the Playbook aims to document a wide range of current state actions and considerations, rather than just showcase mature best practices. Waiting for outcome data on newly started programs could make the document outdated. Furthermore, the state sections contain jurisdiction-specific information, and their discretion in selecting what to include was maintained.

4. Reinsurance Framing

Revision requests

Several commenters preferred framing reinsurance as a risk-transfer and capital-management mechanism that enhances solvency and capacity, rather than as the root cause of increased costs. Additionally, they asked for the inclusion of reinsurance cyclicality and recent market easing or stabilization.

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Final Playbook draft treatment

The final Playbook draft adds balancing context by opening the reinsurance section with a description of reinsurance as a risk-transfer tool that helps insurers manage capital, absorb catastrophe losses, support solvency, and maintain market capacity. It also includes recent content from Aon and Moody's indicating, signs of market stabilization and moderating pricing.

5. Loss-Cost Drivers, Inflation, Construction Costs, and External Cost Inputs Revision requests

Some commenters suggested the Playbook should emphasize genuine loss and cost drivers instead of insurer conduct, noting many drivers stem from outside the insurance sector and necessitate broader public and private actions. One suggested adding international geopolitical factors influencing cost inputs.

Final Playbook draft treatment

The final Playbook draft addresses these concerns by expanding discussions to improve accuracy and balance.

6. Insurer Solvency, Capital, Capacity, and Risk-Based Pricing

Revision requests
A few commenters highlighted solvency as a key regulatory responsibility and called for clearer framing of insurer capital adequacy, admitted-market capacity, underwriting appetite, and risk-based pricing.

Final Playbook draft treatment
The final Playbook draft now includes the suggested edits to clarify that premiums and market pullbacks are tied to actuarial science, losses, and solvency—not to arbitrary insurer choices. The Executive Summary states that regulators must achieve risk-based insurance rates and insurer solvency through responsive regulatory actions that protect consumers.

7. Consumer Impact, Protection Gaps, and Underinsurance

Revision requests
Revision requests emphasized the importance of a more consumer-centric discussion around issues such as claim-filing fears, flood coverage misunderstandings, scams, junk plans, percentage deductibles, ACV/RCV, and surplus lines. Suggestions included increasing outreach, highlighting the consumer perspective, and exercising caution regarding underinsurance. Some respondents recommended that underinsurance be either removed or addressed separately due to its potential outside the scope of affordability and availability. There was also a call for different descriptions of underinsurance and replacement cost tools, avoiding portrayals of these tools as causal factors in demand surge or underinsurance. Additionally, a few requested that coverage design changes be presented as consumer options rather than mere erosion of coverage.

Final Playbook draft treatment
The final Playbook draft retains discussion of consumer impact as central to the Playbook's purpose. The underinsurance section was softened and balanced by adding data limitations and a neutral explanation of replacement cost estimate tools. Objective language about replacement cost tools was used.

8. Replacement Cost Tools and Underinsurance Data

Revision requests
One commenter asked for a clearer, more neutral explanation of replacement-cost tools that aren't linked to any particular product. They expressed concerns that some terms might imply these tools cause underinsurance or demand surges, and they called for a balanced perspective. Another commenter raised issues about language concerning insurer-held data and confidentiality, stressing the need to protect trade secrets.

Final Playbook draft treatment

The final Playbook draft adds a neutral description noting that replacement cost estimate tools have evolved from manual, high-level products to modern software that uses detailed property attributes and cost data. It also states that these tools are intended to provide representative estimates aligned with regional costs. Stronger claims that the tools produce better, faster, or more consistent estimates were omitted because those claims are contested.

The draft retains Kenneth Klein's analysis, as he is an NAIC consumer representative, and the Playbook aims to present a spectrum of perspectives. It adds caveats that underinsurance may be driven by flawed estimation tools, consumer behavior, or other factors, and that data limitations make definitive conclusions difficult.

9. Deductibles, Percentage Deductibles, ACV/RCV, Depreciation, Exclusions, and Sublimits

Revision requests

Comments from regulators supported the discussion on percentage deductibles and emphasized the importance of consumer caution and proposed combining the depreciation and ACV/RCV sections. Industry groups prioritized framing these tools as elements of coverage flexibility that help maintain affordability and availability. One opposing viewpoint objected to language implying that ACV diminishes the value of insurance. Additionally, consumer-oriented comments emphasized the need for clearer explanations for consumers.

Final Playbook draft treatment

The final draft of the Playbook incorporates more balanced language by highlighting that higher deductibles can lead to lower premiums and greater flexibility, while percentage deductibles help insurers manage catastrophe exposure and maintain more affordable premiums. It clarifies that ACV and RCV represent different ways of allocating risk and emphasizes the need for consumer education on these tradeoffs. Language about consumer impacts was retained.

10. Surplus Lines and Residual Markets

Revision requests

Industry commenters requested that surplus lines be separated from residual markets. They objected to language suggesting that surplus lines operate outside state regulation and asked that surplus lines be recognized as a private-market option that can provide flexibility, speed, capacity, risk-based pricing, and specialized underwriting for high-risk, unique, or emerging exposures. They also asked that consumer protection differences be contextualized.

Final Playbook draft treatment

The final Playbook draft separates residual markets and surplus lines. It now states that surplus lines operate in a different regulatory environment than admitted carriers, rather than outside regulation. It recognizes that surplus lines can provide access to coverage for high-risk, unique, or emerging exposures where admitted carriers are unwilling or unable to write. The Playbook retains consumer tradeoff language, including the lack of guaranty fund protection and fewer consumer protections.

11. Catastrophe Funds, Reinsurance Backstops, FAIR Plans, and Public Risk Mechanisms

Revision requests

Industry commenters warned that state or federal reinsurance backstops and catastrophe funds should not be presented as universal solutions. Statements included that catastrophe funds shift risk onto state policyholders or taxpayers, while backstops should serve as last-resort tools rather than replacements for private market strategies.

Final Playbook draft treatment

The final Playbook draft retains catastrophe funds and backstops as menu options and adds caveats that such tools may be appropriate in limited circumstances and should be considered alongside sound rates, mitigation, exposure management, and private market capacity.

12. Litigation, Tort Reform, and Legal System Costs

Revision requests

Some industry commenters requested stronger recognition of litigation and legal-system costs as premium drivers. This included distinguishing tort reform from litigation reform. Consumer-oriented comments suggested softening the statement that Florida's 2023 reforms had "already proven significant," and supported preserving cautions about impairing meritorious claims.

Final Playbook draft treatment

The final Playbook draft expands the litigation discussion, adds Florida assignment-of-benefits data, references excessive litigation cost estimates, and discusses Florida's 2023 reforms. It retains comments by Kenneth Klein.

13. Proprietary Models, Wildfire Risk Tools, PPC, "Black Box," and Redlining Language

Revision requests

Some industry commenters objected to language suggesting proprietary models may redline vulnerable communities and wanted more balanced language around "black box." A technical correction was requested: ISO's PPC is a structure-fire-protection classification, not a wildfire risk evaluation tool. It was also suggested that the Playbook distinguish PPC from wildfire catastrophe models and use "wildfire risk tools" rather than "wildfire maps."

Final Playbook draft treatment

The final Playbook draft removed or softened the strongest "redlining" language and now focuses on regulatory review, model variation, and lack of common benchmarks.

14. Flood Mapping and Flood Coverage Confusion

Revision requests

Regulatory comments asked the Playbook to note that flood maps can create a false sense of security for consumers just outside high-risk zones and that many consumers misunderstand flood coverage. One industry commenter requested a more accurate flood-mapping description focused on the divergence between private tools and federal maps. Another questioned whether flood should be included because standard homeowners policies exclude it.

Final Playbook draft treatment

The final Playbook draft explains flood mapping in context to private proprietary tools and federal flood maps. It explains that many consumers outside high-risk zones underestimate risk, that nearly one-third of NFIP claims originated outside high-risk zones, and that standard homeowners policies exclude flood losses. Flood was retained for broader protection-gap framing.

15. Mitigation, IBHS Standards, Discounts, and Incentives

Revision requests

Nearly all commenters supported mitigation but emphasized different aspects. Regulatory comments included a desire for more detail on mitigation grant funding and outreach. APCIA emphasized mitigation as loss reduction and said discounts alone cannot finance mitigation. NAMIC and APCIA cautioned about mandatory or benchmark discounts and actuarial support. RAA strongly supported mitigation, resilience, adaptation, and risk management as long-term solutions. Verisk requested holistic Wildfire Prepared Home language. Consumer-oriented comments supported outreach and consumer education around mitigation.

Final Playbook draft treatment

The final Playbook draft substantially expands the discussion of mitigation efforts and of mitigation as a long-term solution that supports primary and reinsurance capacity. Wildfire Prepared Home language was implemented.

16. Mitigation Financing

Revision requests

One industry commenter raised private mitigation financing as an emerging issue, and one regulator asked for more information on how state mitigation grants are funded.

Final Playbook draft treatment

The Playbook discusses grants, discounts, catastrophe savings accounts, and some state and local gap funding. Private-sector financing discussion is limited as concrete homeowners-insurance-specific examples are still emerging, and to avoid appearing to recommend specific financing products.

17. Consumer Education and Outreach

Revision requests

Regulator and consumer advocate suggestions included more practical DOI outreach tactics, having outreach mentioned in the Executive Summary, and clarifying in the Playbook that not all departments answer general consumer questions. APCIA wanted insurers to be recognized as education and resilience partners.

Final Playbook draft treatment

The final Playbook draft includes stronger language on consumer education, outreach, and partnerships. It softens DOI consumer-service language to “typically” or “may.” It includes state examples of consumer outreach, disaster recovery centers, pop-up offices, apps, guides, premium comparison tools, and resources for insurers, agents, and consumer representatives. It also recognizes insurer-supported organizations and insurer roles in resilience education.

18. Data Transparency, Data Calls, Market Monitoring, and NAIC Resources

Revision requests

One regulatory commenter wanted more details on regulatory data tools and the Homeowners Market Data Call. Industry commenters cautioned about compliance burdens, confidentiality concerns, and the costs of data mandates. Verisk requested different treatment of data and modeling tools. RAA supported continued access to NOAA and FEMA data. Several wanted better sourcing.

Final Playbook draft treatment

The final Playbook draft expands references to the Homeowners Market Data Call, NAIC CAT COE, state data calls, event-driven data collection, market intelligence reports, NOAA and FEMA data access, catastrophe model review, and public and private model resources. It also includes some confidentiality and capacity caveats, but retains data transparency as a core regulatory tool, as it is central to regulatory oversight.

19. AI and Technology

Revision requests

NAMIC and APCIA wanted AI and modeling claims softened and objected to statements about discriminatory impacts, nonrenewals, or coverage denials. Verisk supported the inclusion of public-facing private models in a moderated way. Commenters wanted recognition that technology can improve efficiency, but also requires oversight.

Final Playbook draft treatment

The final AI section is concise and balanced. It notes that AI may improve claims handling and fraud detection but also raises oversight concerns. It references the NAIC Big Data and AI Working Group tool. The catastrophe model section includes First Street and private model language in a moderated, non-endorsing form.

20. State Examples, Updates, and Jurisdiction-Specific Content

Revision requests

Regulatory comments included more consumer outreach details, state sections should be consistently written in the third person, and Part 3 should absorb emerging protection gaps. Industry comments requested that unpassed bills be removed or labeled. Several commenters wanted updated state information.

Final Playbook draft treatment

The final draft adds Louisiana, updates Mississippi's Strengthen Mississippi Homes status, updates Minnesota's task force and bulletin discussion, expands California and Colorado content, adds state-specific headings in Part 5, and improves third person and standardized presentation in some places. State sections are controlled by contributing jurisdictions, and drafters did not impose a uniform taxonomy of evidence status.

21. Scope of Perils and Protection Gaps

Revision requests

NAMIC objected to including flood, earthquake, and extreme heat because they are not typically covered by standard homeowners policies. Consumer- and regulator-oriented comments supported discussing protection gaps broadly.

Final Playbook draft treatment

The final Playbook draft frames flood, earthquake, and extreme heat as protection gaps or emerging risks connected to affordability, availability, resilience, and consumer exposure.

22. Sources, Citations, and Unsupported Claims

Revision requests

Brenda Cude asked for sources on several factual claims. NAMIC preferred NAIC data and objected to consumer-advocate or dated sources. APCIA and Verisk proposed edits with some industry data or tool-specific claims. Regulators wanted sourced information and were cautious about unsupported factual claims.

Final Playbook draft treatment

The final draft adds and improves many citations, including consumer education citations and state, federal, and NAIC sources.