

# Market Conduct Annual Statement 2023 Data Year Filings

## *Private Flood Data Elements and Validations*

**NAIC**  
NATIONAL ASSOCIATION OF  
INSURANCE COMMISSIONERS

**MCAS**  
Market Conduct Annual Statement

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# Market Conduct Annual Statement

## *Private Flood Data Elements*



In this handout, we will be reviewing the data elements that must be provided for the Private Flood MCAS.

## MCAS Resources

Visit the MCAS Web page at:  
<https://content.naic.org/mcas-2023.htm>

- Important Dates
- Participation Requirements
- Frequently Asked Questions
- Reporting Blanks
- Data Call and Definitions
- Copy of the Call Letter
- MCAS User Guide
- CSV Data Upload Instructions

Many MCAS related resources are available to you on the MCAS web page. I encourage you to visit the page frequently to find the latest reporting information.

The available resources include:

- A Listing of Important Dates
- Participation Requirements
- Frequently Asked Questions
- Reporting Blanks
- Data Call and Definitions
- Copy of the Call Letter
- MCAS User Guide
- And CSV Data Upload Instructions

You may find it helpful to pull up the Disability Income Insurance Data call and Definitions and Data Collection Worksheets or blanks documents on the MCAS web page to refer to as we go through this tutorial.

# Remember

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The filing deadline is  
**April 30, 2024**

Before we begin, please be sure to remember that the current data year filing deadline is April 30<sup>th</sup>.

# Private Flood Data Call & Definitions

## Private Flood Insurance:

- Coverage that insures residential property against the peril of flood.



Private Flood MCAS reporting began with the 2020 data year.

Private Flood Insurance is defined as coverage that insures residential property against the peril of flood.

## Private Flood Data Call & Definitions

- Includes:
  - Mobile/manufactured homes intended for use as a dwelling
  - Individual unit condo coverage
  - Stand-alone policies
  - Endorsements or riders to residential property insurance policies
  - First dollar and excess policies
- Excludes:
  - NFIP policies
  - Commercial policies
  - Condo Master policies
  - Lender-placed or creditor-placed policies
  - Private flood written on a surplus lines basis

Private Flood Insurance includes: mobile or manufactured homes intended for use as a dwelling, individual unit condo coverage, stand-alone policies, endorsements or riders to residential property insurance policies, and first dollar and excess policies.

Private Flood Insurance does NOT include: National Flood Insurance Program (NFIP) policies, commercial policies, condo master policies, lender-placed or creditor-placed policies, and private flood written on a surplus lines basis.



## Remember

### MCAS Threshold:

- \$50,000 in direct written premium
- Aggregate total
  - Applies to all Private Flood premium
  - Includes all individual sub lines

The Private Flood MCAS reporting threshold for all jurisdictions is \$50,000. This amount applies to all Private Flood premium and is an aggregate total, so it includes all individual sub-lines that were developed for the Private Flood MCAS blanks.

Experience for Private Flood should be reported regardless of whether the coverage is provided as a stand-alone policy or endorsement or rider to another residential property insurance policy, **and** regardless of the line of business in the statutory annual statement in which the experience is reported, **and** regardless of whether the coverage is first dollar or excess.



# Private Flood Coverages

- Stand-Alone Policies
  - First Dollar Coverage
  - Excess Coverage
- Endorsements to a Homeowners Policy
  - First Dollar Coverage
  - Excess Coverage
- Endorsements to a Policy Other than Homeowners
  - First Dollar Coverage
  - Excess Coverage

There are six coverages for the Private Flood MCAS: Stand-Alone Policies (First Dollar Coverage), Stand-Alone Policies (Excess Coverage), Endorsements to a Homeowners Policy (First Dollar Coverage), Endorsements to a Homeowners Policy (Excess Coverage), Endorsements to a Policy Other than Homeowners (First Dollar Coverage) and Endorsements to a Policy Other than Homeowners (Excess Coverage).

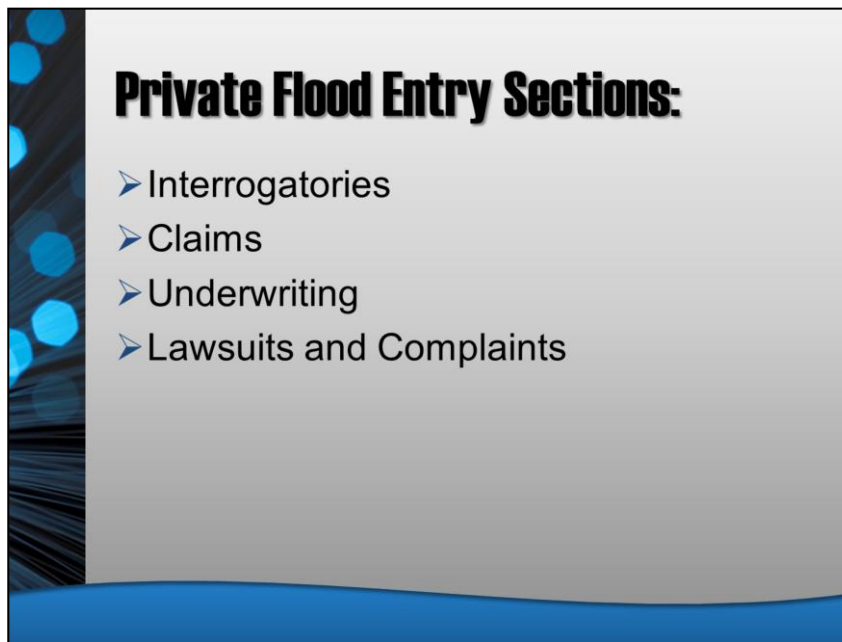


## Private Flood Coverages


- **First Dollar Coverage** - provides payment for covered losses up to the specified policy limit without use of deductibles
- **Excess Coverage** – provides payment for covered losses above the maximum amount available on first dollar policies

We will review the definitions of the private flood coverages later in the tutorial, but let's briefly review the difference between first dollar coverage and excess coverage here.

First dollar private flood insurance provides payment for covered losses up to the specified policy limit without use of deductibles, while excess private flood insurance policies provides payment on covered losses above the maximum amount available on first dollar policies.



Once you are in the data entry area of the MCAS, you will see that the Private Flood data elements are divided into four sections: Interrogatories, Claims, Underwriting, and Lawsuits and Complaints.



# Interrogatories

## Private Flood Interrogatories

Interrogatories - General	Yes No Response	Explanation
01 Does the reporting company write private flood policies or endorsements? (Y/N)	--	--
02 Were private flood policies or endorsements in force during the reporting period? (Y/N)	--	--
03 In which annual statement lines of business on the state page of the statutory annual statement does the company report private flood experience?	--	--
04 Were there private flood policies or endorsements in force during the reporting period that provided Personal Property coverage? (Y/N)	--	--
05 Were there private flood policies or endorsements in force during the reporting period that provided Loss of Use coverage? (Y/N)	--	--
06 Was the company still actively writing private flood coverage in the state at year end? (Y/N)	--	--
07 How does company treat subsequent supplemental payments on previously closed claims (or additional payments on a previously reported claim)? Re-open original claim/open new claim. If re-open original claim, report 1. If open new claim, report 2. If other, report 3.	--	--
<b>Interrogatories - Private Flood Stand-Alone (first dollar coverage)</b>		
08 Does the reporting company have stand-alone (first dollar coverage) to report? (Y/N)	--	--
09 If Yes, has the company had a significant event/business strategy that would affect stand-alone (first dollar coverage) data for this reporting period? (Y/N)	--	--
10 If Yes, explain.	--	--
11 If Yes, has the stand-alone (first dollar coverage) block of business or part of this block of business been sold, closed or moved to another company during the year? Y/N	--	--
12 If Yes, explain.	--	--
13 If Yes, does the number of stand-alone (first dollar coverage) policies in force at the beginning of the reporting period in this report match the number of policies or endorsements in force at the end of the reporting period for the first prior year report? (Y/N)	--	--
14 If No, explain the difference.	--	--

The interrogatories provide one location for all comments and questions that require a text response.

The wording of the questions for interrogatories takes into consideration that some companies need to report underwriting data for Private Flood but have no claims data to report. Companies can indicate the coverage or coverages for which their in-force policies provide coverage, and they can enter all zeros in the claims sections for these coverages if there were no claims, and only underwriting data needs to be reported.

# Interrogatories - General

## Interrogatories - General

- 01 Does the reporting company write private flood policies or endorsements? (Y/N)
- 02 Were private flood policies or endorsements in force during the reporting period? (Y/N)
- 03 In which annual statement lines of business on the state page of the statutory annual statement does the company report private flood experience?
- 04 Were there private flood policies or endorsements in force during the reporting period that provided Personal Property coverage? (Y/N)
- 05 Were there private flood policies or endorsements in force during the reporting period that provided Loss of Use coverage? (Y/N)
- 06 Was the company still actively writing private flood coverage in the state at year end? (Y/N)
- 07 How does company treat subsequent supplemental payments on previously closed claims (or additional payments on a previously reported claim)? Re-open original claim/open new claim. If re-open original claim, report 1. If open new claim, report 2. If other, report 3.

The first two interrogatory questions ask if the company writes private flood policies or endorsements, and if there were policies in force during the reporting period.

# Interrogatories - General

## Interrogatories - General

- 01 Does the reporting company write private flood policies or endorsements? (Y/N)
- 02 Were private flood policies or endorsements in force during the reporting period? (Y/N)
- 03 In which annual statement lines of business on the state page of the statutory annual statement does the company report private flood experience?
- 04 Were there private flood policies or endorsements in force during the reporting period that provided Personal Property coverage? (Y/N)
- 05 Were there private flood policies or endorsements in force during the reporting period that provided Loss of Use coverage? (Y/N)
- 06 Was the company still actively writing private flood coverage in the state at year end? (Y/N)
- 07 How does company treat subsequent supplemental payments on previously closed claims (or additional payments on a previously reported claim)? Re-open original claim/open new claim. If re-open original claim, report 1. If open new claim, report 2. If other, report 3.

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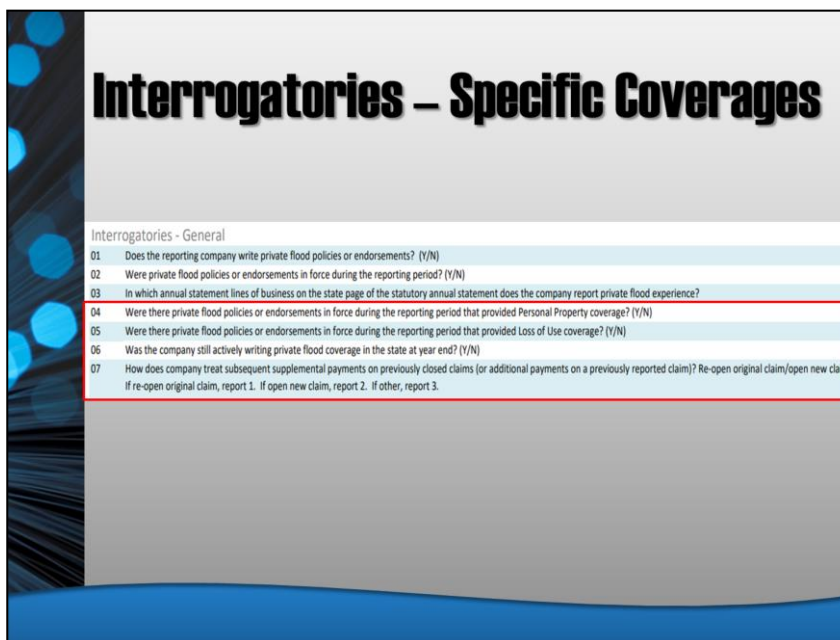
**EXHIBIT OF PREMIUMS AND LOSSES (Statutory Page 14)**

NAIC Group Code \_\_\_\_\_ BUSINESS IN THE STATE OF \_\_\_\_\_ DURING THE YEAR \_\_\_\_\_ NAIC Company Code \_\_\_\_\_

Line of Business	Gross Premiums, including Policy and Endorsement Fees, Less Foreign Premiums and Reimburse on Policies and Claims		Dividends Paid or Credited to Policyholders on Direct Business	Direct Unearned Premium Reserves	Direct Losses Paid (including salvage)	Direct Losses Incurred	Direct Losses Unpaid	Direct Defense and Cost Commitment Expense Paid	Direct Defense and Cost Commitment Expense Incurred	Direct Defense and Cost Commitment Expense Unpaid	Commissions and Brokerage Expense	Taxes, Licenses and Fees
	Direct Premiums Written	Direct Premiums Earned										
1. Fee												
2. Auto Liability												
2.1 Multiple Peril Corp												
2.2 Private Flood												
2.3 Private Corp												
2.4 Private Flood												
3. Firestorm Multiple Peril												
4. Homeowners Multiple Peril												
5. Commercial Multiple Peril (Non-Liability Part)												
6. Commercial Multiple Peril (Liability Part)												
7. Multiple Occurrence												
8. Direct Losses												
9. Direct Salvage												

The 3<sup>rd</sup> question asks the company to list which annual statement lines of business on the state page of the statutory annual statement, the company reports private flood experience.

For example, the line of business number for Private Flood is 2.5, but it is possible your company reports Private Flood experience under a different line of business on the annual statement.



The next two interrogatories (questions 4 & 5) ask if there were private flood policies or endorsements in force during the reporting period that provided Personal Property Coverage or Loss of Use coverage.

Question 6 asks if your company was still actively writing private flood coverage in the state at the end of the year, and the last general question asks how your company treats subsequent supplemental payments on previously closed claims (or additional payments on a previously reported claim).

The purpose of question 7 is to help regulators better understand your reported claim counts. For example, is a new claim opened or is the original claim re-opened. It is important that these questions be answered fully, to allow regulators to have an understanding of your company's status and reporting methods.

# Interrogatories – Specific Coverages

## Interrogatories - Private Flood Stand-Alone (first dollar coverage)

- 08 Does the reporting company have stand-alone (first dollar coverage) to report? (Y/N)
- 09 If Yes, has the company had a significant event/business strategy that would affect stand-alone (first dollar coverage) data for this reporting period? (Y/N)
- 10 If Yes, explain.
- 11 If Yes, has the stand-alone (first dollar coverage) block of business or part of this block of business been sold, closed or moved to another company during the year? Y/N
- 12 If Yes, explain.
- 13 If Yes, does the number of stand-alone (first dollar coverage) policies in force at the beginning of the reporting period in this report match the number of policies or endorsements in force at the end of the reporting period for the first prior year report? (Y/N)
- 14 If No, explain the difference.

## Interrogatories - Private Flood Stand-Alone (excess coverage)

- 15 Does the reporting company have stand-alone (excess coverage) to report? (Y/N)
- 16 If Yes, has the company had a significant event/business strategy that would affect stand-alone (excess coverage) data for this reporting period? (Y/N)
- 17 If Yes, explain.
- 18 If Yes, has the stand-alone (excess coverage) block of business or part of this block of business been sold, closed or moved to another company during the year? Y/N
- 19 If Yes, explain.
- 20 If Yes, does the number of stand-alone (excess coverage) policies in force at the beginning of the reporting period in this report match the number of policies or endorsements in force at the end of the reporting period for the first prior year report? (Y/N)
- 21 If No, explain the difference.

After the general interrogatories, there are additional questions for the six different Private Flood coverages which were listed earlier.

The first question asks if your company is reporting data for that particular coverage.



# Interrogatories – Specific Coverages

Interrogatories - Private Flood Stand-Alone (first dollar coverage)

08 Does the reporting company have stand-alone (first dollar coverage) to report? (Y/N) **Y**

09 If Yes, has the company had a significant event/business strategy that would affect stand-alone (first dollar coverage) data for this reporting period? (Y/N)

10 If Yes, explain.

11 If Yes, has the stand-alone (first dollar coverage) block of business or part of this block of business been sold, closed or moved to another company during the year? Y/N

12 If Yes, explain.

13 If Yes, does the number of stand-alone (first dollar coverage) policies in force at the beginning of the reporting period in this report match the number of policies or endorsements in force at the end of the reporting period for the first prior year report? (Y/N)

14 If No, explain the difference.

Interrogatories - Private Flood Stand-Alone (excess coverage)

15 Does the reporting company have stand-alone (excess coverage) to report? (Y/N) **Y**

16 If Yes, has the company had a significant event/business strategy that would affect stand-alone (excess coverage) data for this reporting period? (Y/N)

17 If Yes, explain.

18 If Yes, has the stand-alone (excess coverage) block of business or part of this block of business been sold, closed or moved to another company during the year? Y/N

19 If Yes, explain.

20 If Yes, does the number of stand-alone (excess coverage) policies in force at the beginning of the reporting period in this report match the number of policies or endorsements in force at the end of the reporting period for the first prior year report? (Y/N)

21 If No, explain the difference.

If you respond yes, the questions that follow are the same under each coverage.

First you are asked if your company had a significant event/business strategy that would affect the coverage data for the reporting period. If you respond yes, you are asked to explain.

Next you are asked if the block of business for that coverage or part of that block of business has been sold, closed or moved to another company during the year. Again, an explanation will need to be provided if you answer yes.

The last question if you are reporting a particular private flood coverage, asks if the policies in force at the beginning of the reporting period in this report match the number of policies or endorsements in force at the end of the reporting period for the first prior year report. If the answer to this question is no, the difference must also be explained.

# Interrogatories – Specific Coverages

## Interrogatories - Private Flood Stand-Alone (first dollar coverage)

- 08  Does the reporting company have stand-alone (first dollar coverage) to report? (Y/N) **N**
- 09 If Yes, has the company had a significant event/business strategy that would affect stand-alone (first dollar coverage) data for this reporting period? (Y/N)
- 10 If Yes, explain.
- 11 If Yes, has the stand-alone (first dollar coverage) block of business or part of this block of business been sold, closed or moved to another company during the year? Y/N
- 12 If Yes, explain.
- 13 If Yes, does the number of stand-alone (first dollar coverage) policies in force at the beginning of the reporting period in this report match the number of policies or endorsements in force at the end of the reporting period for the first prior year report? (Y/N)
- 14 If No, explain the difference.

## Interrogatories - Private Flood Stand-Alone (excess coverage)

- 15  Does the reporting company have stand-alone (excess coverage) to report? (Y/N) **N**
- 16 If Yes, has the company had a significant event/business strategy that would affect stand-alone (excess coverage) data for this reporting period? (Y/N)
- 17 If Yes, explain.
- 18 If Yes, has the stand-alone (excess coverage) block of business or part of this block of business been sold, closed or moved to another company during the year? Y/N
- 19 If Yes, explain.
- 20 If Yes, does the number of stand-alone (excess coverage) policies in force at the beginning of the reporting period in this report match the number of policies or endorsements in force at the end of the reporting period for the first prior year report? (Y/N)
- 21 If No, explain the difference.

**NOTE:** If you respond **no** when asked if reporting a particular coverage, leave all response boxes blank for the corresponding coverage types.

If you respond “NO” when asked if you are reporting a particular coverage, you must leave all the response boxes blank for the corresponding coverage types.

You should only provide data for coverage types where you have indicated that “YES”, the company has coverage to report.

# Interrogatories – Additional Comments

	Yes	No	
	Response	Response	Explanation
<b>Interrogatories - Private Flood Endorsements to a Policy other than Homeowners (excess coverage)</b>			
43			Does the reporting company have endorsements to a policy other than homeowners (excess coverage) to report? (Y/N)
44			If Yes, has the company had a significant event/business strategy that would affect endorsements to a policy other than homeowners (excess coverage) data for this reporting period? (Y/N)
45			If Yes, explain.
46			If Yes, has the endorsements to a policy other than homeowners (excess coverage) block of business or part of this block of business been sold, closed or moved to another company during the year? (Y/N)
47			If Yes, explain.
48			If Yes, does the number of endorsements to a policy other than homeowners (excess coverage) in force at the beginning of the reporting period in this report match the number of endorsements in force at the end of the reporting period for the first prior year report? (Y/N)
49			If No, explain the difference.
<b>Interrogatories - Private Flood Additional Comments</b>			
50			Additional state specific claims comments (optional).
51			Additional state specific underwriting comments (optional).

The final two interrogatory lines provide comment boxes where you may enter any state specific claims and underwriting comments. Any areas of your data that may cause questions, or that generated a warning message when validating your data, should be explained fully in these comment areas. At the end of this tutorial, we will discuss the MCAS validations in more detail, along with the importance of using the comments sections.

## **Private Flood Claims Data Elements**



Next, we'll review the Private Flood Claims Data Elements.

# Private Flood Claims Information

## Private Flood Claims Information

	Stand-alone policies		Endorsement to a Homeowners Policy		Endorsement to a Policy Other than Homeowners	
	First dollar coverage	Excess Coverage	First dollar coverage	Excess Coverage	First dollar coverage	Excess Coverage
52	Number of claims open at the beginning of the period.					
53	Number of claims opened during the period.					
54	Number of claims closed during the period, with payment.					
55	Number of claims closed during the period, without payment.					
56	Number of claims open at the end of the period.					
57	Median days to final payment.					
58	Number of claims closed with payment within 0-30 days.					
59	Number of claims closed with payment within 31-60 days.					
60	Number of claims closed with payment within 61-90 days.					
61	Number of claims closed with payment within 91-180 days.					
62	Number of claims closed with payment within 181-365 days.					
63	Number of claims closed with payment beyond 365 days.					
64	Number of claims closed without payment within 0-30 days.					
65	Number of claims closed without payment within 31-60 days.					
66	Number of claims closed without payment within 61-90 days.					
67	Number of claims closed without payment within 91-180 days.					
68	Number of claims closed without payment within 181-365 days.					
69	Number of claims closed without payment beyond 365 days.					

The Claims section data elements are also divided into the several types of Private Flood coverages, and you are expected to provide claims data at that level of detail.

# Private Flood Claims Information

Private Flood Claims Information		Stand-alone policies		Endorsement to a Homeowners Policy		Endorsement to a Policy Other than Homeowners	
		First dollar coverage	Excess Coverage	First dollar coverage	Excess Coverage	First dollar coverage	Excess Coverage
52	Number of claims open at the beginning of the period.						
53	Number of claims opened during the period.						
54	Number of claims closed during the period, with payment.						
55	Number of claims closed during the period, without payment.						
56	Number of claims open at the end of the period.						
57	Median days to final payment.						
58	Number of claims closed with payment within 0-30 days.						
59	Number of claims closed with payment within 31-60 days.						
60	Number of claims closed with payment within 61-90 days.						
61	Number of claims closed with payment within 91-180 days.						
62	Number of claims closed with payment within 181-365 days.						
63	Number of claims closed with payment beyond 365 days.						
64	Number of claims closed without payment within 0-30 days.						
65	Number of claims closed without payment within 31-60 days.						
66	Number of claims closed without payment within 61-90 days.						
67	Number of claims closed without payment within 91-180 days.						
68	Number of claims closed without payment within 181-365 days.						
69	Number of claims closed without payment beyond 365 days.						

Stand-alone private flood insurance policies only provide coverage for the peril of flood.

The first type of Private Flood coverage shown to enter claims information for is Stand-alone policies.

Per the data call and definitions, stand-alone private flood, is private flood insurance provided through a policy providing only coverage for the peril of flood.

# Private Flood Claims Information

Private Flood Claims Information		Stand-alone policies		Endorsement to a Homeowners Policy		Endorsement to a Policy Other than Homeowners	
		First dollar coverage	Excess Coverage	First dollar coverage	Excess Coverage	First dollar coverage	Excess Coverage
52	Number of claims open at the beginning of the period.						
53	Number of claims opened during the period.						
54	Number of claims closed during the period, with payment.						
55	Number of claims closed during the period, without payment.						
56	Number of claims open at the end of the period.						
57	Median days to final payment.						
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66	Number of claims closed without payment within 61-90 days.						
67	Number of claims closed without payment within 91-180 days.						
68	Number of claims closed without payment within 181-365 days.						
69	Number of claims closed without payment beyond 365 days.						

The offer of private flood through *an addition* to a homeowners policy through endorsement, rider, amendment or any other means.

The next Private Flood coverage data is collected for, is Endorsement to a Homeowners Policy.

Endorsement to a Homeowners Policy means the offer of private flood through an addition to a homeowners policy through endorsement, rider, amendment or any other means.

# Private Flood Claims Information

Private Flood Claims Information		Stand-alone policies		Endorsement to a Homeowners Policy		Endorsement to a Policy Other than Homeowners	
		First dollar coverage	Excess Coverage	First dollar coverage	Excess Coverage	First dollar coverage	Excess Coverage
52	Number of claims open at the beginning of the period.						
53	Number of claims opened during the period.						
54	Number of claims closed during the period, with payment.						
55	Number of claims closed during the period, without payment.						
56	Number of claims open at the end of the period.						
57	Median days to final payment.						
58	Number of claims closed with payment within 0-30 days.						
59	Number of claims closed with payment within 31-60 days.						
60	Number of claims closed with payment within 61-90 days.						
61	Number of claims closed with payment within 91-180 days.						
62	Number of claims closed with payment within 181-365 days.						
63	Number of claims closed with payment beyond 365 days.						
64	Number of claims closed without payment within 0-30 days.						
65	Number of claims closed without payment within 31-60 days.						
66	Number of claims closed without payment within 61-90 days.						
67	Number of claims closed without payment within 91-180 days.						
68	Number of claims closed without payment within 181-365 days.						
69	Number of claims closed without payment beyond 365 days.						

The offer of private flood through *an addition* to a property insurance policy *other than a homeowners policy* through endorsement, rider, amendment or any other means.

The final Private Flood coverage part that data is collected for is endorsement to a Policy Other than Homeowners.

Endorsement to a Property Insurance Policy Other than Homeowners means the offer of private flood through an addition to a property insurance policy other than a homeowners policy through endorsement, rider, amendment or any other means.





When providing data on the claims data elements, you must remember to split the responses among the coverage parts. For example, do not mix stand-alone private flood claims with endorsements to a Homeowners policy claims, or Endorsements to a Homeowners Policy claims with stand-alone claims. Data for each coverage part must be reported separately.

## Opened & Closed Claims

52	Number of claims open at the beginning of the period.
53	Number of claims opened during the period.
54	Number of claims closed during the period, with payment.
55	Number of claims closed during the period, without payment.
56	Number of claims open at the end of the period.

**January 1, 2023 – December 31, 2023**

The claims questions begin by asking for the number of claims opened and closed throughout the current reporting period. The current reporting period is January 1<sup>st</sup> to December 31<sup>st</sup>.

You are asked to indicate the number of claims open at the beginning of the period, the number of claims opened during the period, the number of claims closed during the period **WITH** payment, the number of claims closed during the period **WITHOUT** payment, and the number of claims remaining open at the end of the period. Now let's review the definitions for this section.



## Private Flood Data Call & Definitions

**Claim** - A request or demand for payment of a loss that may be included within the terms of coverage of an insurance policy or endorsement. Each insured reporting a loss is counted separately. Each reserve opened is counted separately; a single event may result in multiple private flood claims if there are multiple coverages provided in the policy or endorsement.

**Exclude:**

- An event reported for “information only”
- An inquiry of coverage if a claim has not actually been presented (opened) for payment.
- A potential claimant if that individual has not made a claim nor had a claim made on his/her behalf.

Per the Data Call and Definitions, a claim is: a request or demand for payment of a loss that may be included within the terms of coverage of an insurance policy or endorsement. Each insured reporting a loss is counted separately. Each reserve opened is counted separately; a single event may result in multiple private flood claims if there are multiple coverages provided in the policy or endorsement.

It is important to remember that the following are **excluded** from the definition of a claim:

- an event reported for “information only”,
- an inquiry of coverage if a claim has not actually been presented (or opened) for payment, and
- a potential claimant if that individual has not made a claim nor had a claim made on his or her behalf.

## Private Flood Data Call & Definitions

**Claims Closed With Payment** – Claims closed with payment where the claim was closed during the reporting period regardless of the date of loss or when the claim was received. The number of days to closure, however, should be measured as the difference between the date of the final payment and the date the claim was reported or between the date of the final payment and the request for supplemental payment was received. See also “Date of Final Payment”.



“Claims Closed WITH Payment” should include only those claims where the claim was **closed** during the reporting period. It doesn’t matter if the claim may have been opened in a prior period; if it is closed in the company’s claims system during the reporting period and a payment was made, it is counted as a Claim Closed WITH Payment.

The number of days to closure, however, should be measured as the difference between the date of the final payment and the date the claim was reported, or between the date of the final payment and the request for supplemental payment was received. The date of final payment is the date final payment was issued to the insured/claimant.

**Private Flood Data Call & Definitions**

**Final Claim Payment made December 20, 2023**

**Claim closed in company's claims system  
January 5, 2024**

**Report as Open at  
end of 2023**

**Report as Closed With  
Payment in 2024**

For example, if the final claim payment is made on December 20, during the reporting period, and the claim is closed in the company's claims system on January 5, of the next reporting period, The claim would not be reported as closed with payment until the next MCAS data year is reported.

# Private Flood Data Call & Definitions

## Claims Closed With Payment Clarifications:

- If a claim is reopened for the sole purpose of refunding the insured's deductible do not count it as a paid claim.
- For claims where the net payment is \$0 due to subrogation recoveries, report the number of claims in which any amount was paid to the insured; do not net the payment with subrogation recoveries when counting the number of paid claims.
- For each coverage identifier, the sum of the claims closed with payment across each closing time interval should equal the total number of claims closed with payment during the reporting period.

There are a few clarifications you should keep in mind regarding claims closed with payment:

- If a claim is reopened for the sole purpose of refunding the insured's deductible do not count it as a paid claim,
- For claims where the net payment is \$0 due to subrogation recoveries, report the number of claims in which any amount was paid to the insured; do not net the payment with subrogation recoveries when counting the number of paid claims, and
- For each coverage identifier, the sum of the claims closed with payment across each closing time interval should equal the total number of claims closed with payment during the reporting period.

Total Payment to Insured = \$50,000  
Subrogation Recovered = \$50,000  
Net Loss = 0

1025

DATE \_\_\_\_\_

PAY TO THE ORDER OF \_\_\_\_\_ \$ \_\_\_\_\_

MEMO \_\_\_\_\_

•0000000000• •0000000000• 1025

Closed with payment

So, if you made a payment to the insured, but were able to subrogate the entire amount and the net payment was zero, it would still be counted as a claim closed WITH payment.

## Private Flood Data Call & Definitions

### Claims Closed With Payment Excludes:

- Claims where payment was made for company loss adjustment expenses if no payment was made to an insured/claimant.
- Claims that are closed because the amount claimed is below the insured's deductible.

Please also keep in mind the types of claims that should be excluded from claims closed with payment. You should exclude:

- Claims where payment was made for company loss adjustment expenses if no payment was made to an insured/claimant, and
- Claims that are closed because the amount claimed is below the insured's deductible.





## Private Flood Data Call & Definitions

**Claims Closed Without Payment** – Claims closed with no payment made to an insured. The number of days to closure is the difference between the date the claim was closed and the date the claim was reported and/or reopened.

**Calculation Clarification:**

- For each coverage identifier, the sum of the claims closed without payment across each closing time interval should equal the total number of claims closed without payment during the reporting period.

“Claims Closed WITHOUT Payment” is defined as claims closed with no payment to an insured. The number of days to closure is the difference between the date the claim was closed and the date the claim was reported and/or reopened.

As with claims closed WITH payment, for each coverage identifier, the sum of claims closed without payment across each closing time interval should equal the total number of claims closed without payment during the reporting period. Let’s review some examples on the next few slides.

## Private Flood Data Call & Definitions

### Claims Closed WITHOUT Payment –

Include:

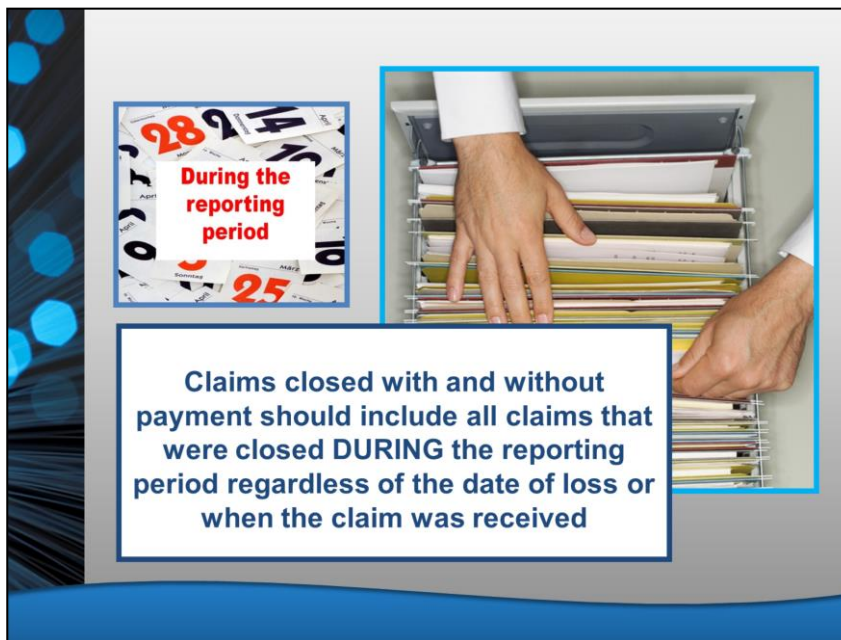
- Claims that are closed because the amount claimed is below the insured's deductible.



Claims that are closed because the amount claimed was below the insured's deductible, should be included in the count of "Claims Closed WITHOUT Payment."



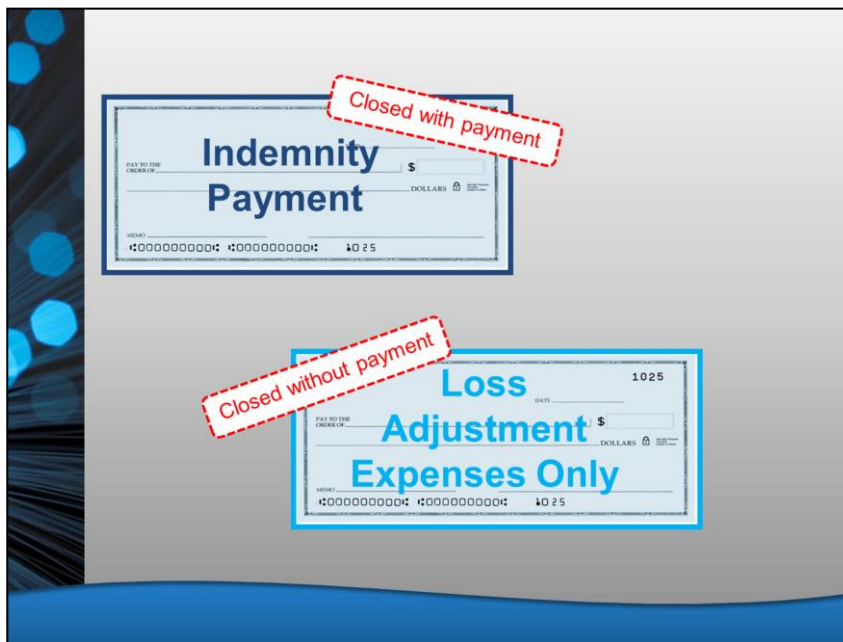
In addition to claims closed below the deductible, other types of claims that should be reported as “closed **without** payment” are those where the only payments made on the claim were loss adjusting expenses, OR if a claim is made, a claim file is set up and investigated, and it is then determined that no policy was in-force at the time of loss.



**During the reporting period**

**Claims closed with and without payment should include all claims that were closed DURING the reporting period regardless of the date of loss or when the claim was received**

As with the “claims closed **with** payment”, “claims closed **without** payment” includes all claims that were closed without payment during the reporting period regardless of the date of loss or when the claim was received.



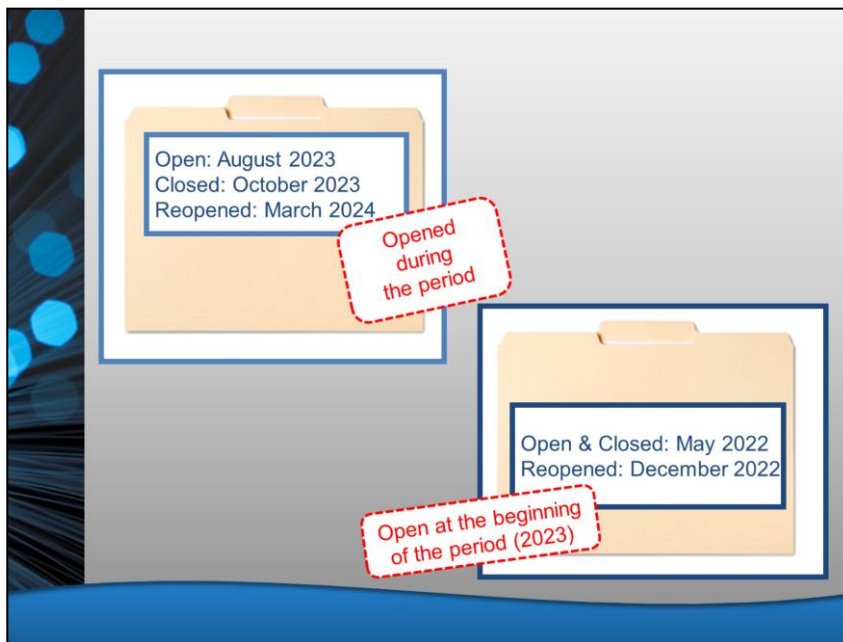
The basic thought to keep in mind when determining whether a claim was closed with or without payment, is that any claim that has an indemnity payment, regardless of subrogation, is considered as closed “with payment” and any claim that had no indemnity payment, even if it had loss adjusting expenses, is considered as closed “without payment”.



## Reopened Claims

If a claim is closed and is later re-opened, the re-opened claim should be counted as a new and distinct claim.

Let's talk a little bit about re-opened claims. If the claim has been closed and is later re-opened, the re-opened claim should be counted as a new and distinct claim.



So, if a claim is re-opened during the current period, it would be counted among the “claims opened during the period”, and if the claim had been re-opened in a prior period, but not yet closed, it would be counted among the “claims open at the beginning of the period”.

## Reopened Claims

- Closed With Payment or Closed Without Payment



Since the re-opened claim is its own distinct claim and counted separately as a new claim, it must also be recorded as “closed with payment” or “closed without payment” when it is finally closed.



**Deductible Reimbursement**

1025

PAY TO THE ORDER OF \$

1025

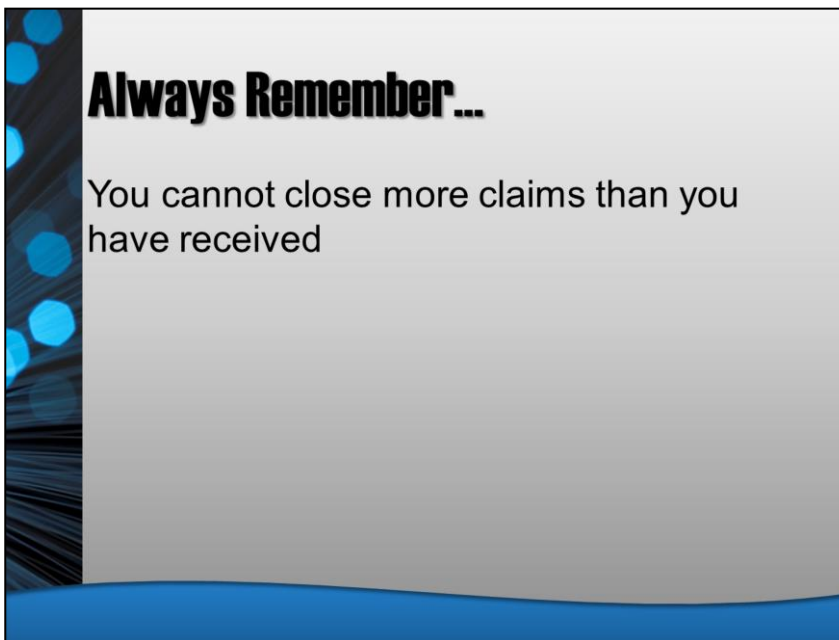
1025

**Do not report a claim as opened and closed:**

- If the claim is reopened to reimburse an insured's deductible
- or to process a subrogation recovery

**Subrogation Recovery**

However, if a claim was re-opened just so an insured's deductible can be reimbursed, or a subrogation recovery can be processed, or for another similar reason, it does not need to be reported as opened and closed.



Always remember that in all cases, the number of claims closed with payment plus the number of claims closed without payment will never be greater than the number of claims open at the beginning and opened during the year. That is, you cannot close more claims than you have received.

# Speed of Claim Settlements

57	Median days to final payment.
58	Number of claims closed with payment within 0-30 days.
59	Number of claims closed with payment within 31-60 days.
60	Number of claims closed with payment within 61-90 days.
61	Number of claims closed with payment within 91-180 days.
62	Number of claims closed with payment within 181-365 days.
63	Number of claims closed with payment beyond 365 days.
64	Number of claims closed without payment within 0-30 days.
65	Number of claims closed without payment within 31-60 days.
66	Number of claims closed without payment within 61-90 days.
67	Number of claims closed without payment within 91-180 days.
68	Number of claims closed without payment within 181-365 days.
69	Number of claims closed without payment beyond 365 days.

After the questions regarding claims you have received and paid, you are asked a series of questions pertaining to the speed of claim settlements.

# Median Days

57	Median days to final payment.
58	Number of claims closed with payment within 0-30 days.
59	Number of claims closed with payment within 31-60 days.
60	Number of claims closed with payment within 61-90 days.
61	Number of claims closed with payment within 91-180 days.
62	Number of claims closed with payment within 181-365 days.
63	Number of claims closed with payment beyond 365 days.
64	Number of claims closed without payment within 0-30 days.
65	Number of claims closed without payment within 31-60 days.
66	Number of claims closed without payment within 61-90 days.
67	Number of claims closed without payment within 91-180 days.
68	Number of claims closed without payment within 181-365 days.
69	Number of claims closed without payment beyond 365 days.

The first of these questions asks you to provide the median days to final payment. The date of final payment is the date final payment was issued to the insured or claimant.

## Private Flood Data Call & Definitions

**Median Days to Final Payment** – The median value for all claims closed with payment during the period.

Calculation for losses with one final payment date during the reporting period:

- Date the loss was reported to the company to the date of final payment.

Calculation for losses with multiple final payment dates during the reporting period:

- Date the request for supplemental payment received to the date of final payment (for each different final payment date.)

Exclude:

- Subrogation payments should not be included.

Calculation Clarification / Example:

- To determine the Median Days to Final Payment you must first determine the number of days it took to settle each claim. This is the difference between the date the loss was reported to the company, or the date the request for supplemental payment was received, to the date of final payment. The Median Days to Final Payment is the median value of the number of days it took to settle all claims closed with payment during the period.

The Data Call and Definitions provides a good discussion on what a median is and how to calculate the median number of days. If you are unfamiliar with what a “median” is, please take some to review the definition and this section of the data call and definitions.



**SPEED OF CLAIM SETTLEMENT**

The median is the value above which and below which there are an equal number of values.

30 days to settlement  
45 days to settlement  
60 days to settlement

Briefly, the median is the value above which and below which there are an equal number of values. For example, if you have “days to settlement” of 30, 45 and 60, the median is 45 days.

So, to find your median days to settlement, you will need to know the number of days to settlement for each claim closed. Organize them from the most days to the fewest days, and find the “days to settlement” value that falls right in the middle of all those values, and enter that amount.

## Number of days to settlement

- The number of days from when the claim was reported



**Reported**

Remember, the number of days to settlement is the number of days from when the claim was REPORTED (not opened or reserved), to the date the final payment was made.

## **Aging on supplemental payments**

- The time the request for supplemental payment was received to the date of payment of the supplement



The aging on re-opened claims (that is, on supplemental payments) should be calculated using the time between when the request for supplemental payment was received and the date the final payment was made.

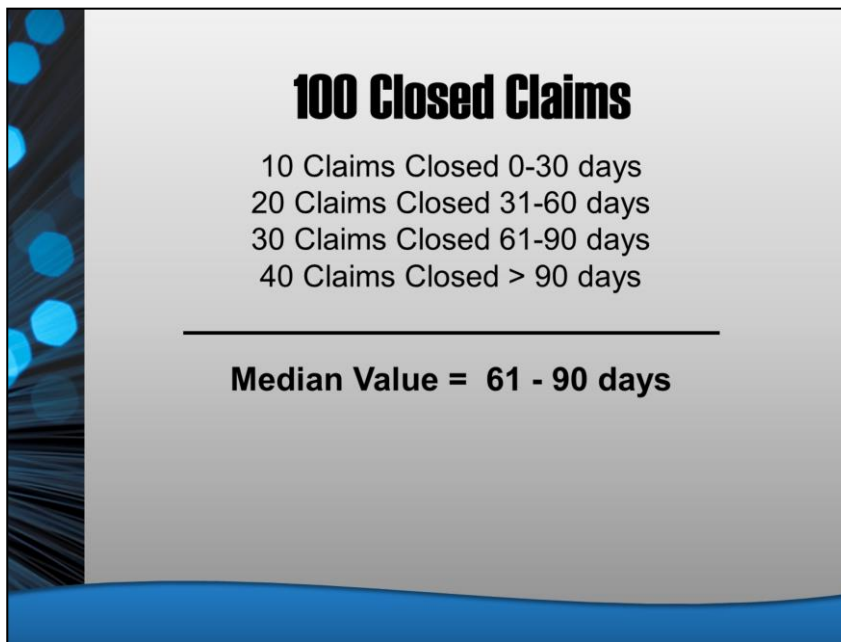


# Subrogation claims

- Should be removed from set of claims used to calculate median



A special note regarding subrogation claims – they should be removed from the set of claims used to calculate your median days to settlement, even though you would include them in your count of claims closed with payment. They should be excluded from the median days calculation because they tend to take longer to settle than claims settled directly with the claimant.



To double check your work regarding the median days to settlement, you can divide your total closed count in half and find in which category that value would fall. For example, if you have 100 closed claims and

10 are in 0-30 days,  
20 are in 31- 60 days,  
30 are in 61 to 90 days, and  
40 are in greater than 90 days,

you know that counting up 50 from the “0-30”, puts the median value somewhere in the 61-90 category. So, your median should be a value of between 61 and 90.

## 95 Closed Claims

15 Claims Closed 0-30 days  
25 Claims Closed 31-60 days  
30 Claims Closed 61-90 days  
25 claims closed >90 days

---

**Median Value = 61 - 90 days**

As another example for an odd number of claims, if we have 95 total closed claims, the median claim is the 48th claim which puts the median in the 61-90 days value.

# Claims Closed With & Without Payment

57	Median days to final payment.
58	Number of claims closed with payment within 0-30 days.
59	Number of claims closed with payment within 31-60 days.
60	Number of claims closed with payment within 61-90 days.
61	Number of claims closed with payment within 91-180 days.
62	Number of claims closed with payment within 181-365 days.
63	Number of claims closed with payment beyond 365 days.
64	Number of claims closed without payment within 0-30 days.
65	Number of claims closed without payment within 31-60 days.
66	Number of claims closed without payment within 61-90 days.
67	Number of claims closed without payment within 91-180 days.
68	Number of claims closed without payment within 181-365 days.
69	Number of claims closed without payment beyond 365 days.

The next 12 data elements in the claims section ask you to provide the number of claims that were settled WITH payment and WITHOUT payment within “0-30 days”, “31-60 days”, “61-90 days”, “91-180 days”, “181-365 days” and finally the number that were settled beyond 365 days.

# Claims Closed With & Without Payment

57	Median days to final payment.
58	Number of claims closed with payment within 0-30 days.
59	Number of claims closed with payment within 31-60 days.
60	Number of claims closed with payment within 61-90 days.
61	Number of claims closed with payment within 91-180 days.
62	Number of claims closed with payment within 181-365 days.
63	Number of claims closed with payment beyond 365 days.
64	Number of claims closed without payment within 0-30 days.
65	Number of claims closed without payment within 31-60 days.
66	Number of claims closed without payment within 61-90 days.
67	Number of claims closed without payment within 91-180 days.
68	Number of claims closed without payment within 181-365 days.
69	Number of claims closed without payment beyond 365 days.

**January 1, 2023 – December 31, 2023**

As with the previous data elements, the claims settled questions in MCAS are only asking for counts of claims settled DURING the January 1 to December 31 reporting period.

# Claims Closed With & Without Payment

52	Number of claims open at the beginning of the period.
53	Number of claims opened during the period.
54	Number of claims closed during the period, with payment
55	Number of claims closed during the period, without payment
56	Number of claims open at the end of the period.
57	Median days to final payment.
58	Number of claims closed with payment within 0-30 days.
59	Number of claims closed with payment within 31-60 days.
60	Number of claims closed with payment within 61-90 days.
61	Number of claims closed with payment within 91-180 days.
62	Number of claims closed with payment within 181-365 days.
63	Number of claims closed with payment beyond 365 days.
64	Number of claims closed without payment within 0-30 days.
65	Number of claims closed without payment within 31-60 days.
66	Number of claims closed without payment within 61-90 days.
67	Number of claims closed without payment within 91-180 days.
68	Number of claims closed without payment within 181-365 days.
69	Number of claims closed without payment beyond 365 days.

Number of claims closed with payment during the period

Number of claims closed without payment during the period

Remember, that earlier you were asked to provide the number of claims that were closed with payment and without payment during the reporting period. The total of all the claims closed with payment in the 6 different time categories must match the number of claims that you reported as closed with payment. Likewise, the total of all claims closed without payment in the 6 different time categories must match the number of claims that you reported as closed without payment.

# Private Flood Underwriting Data Elements



That concludes the claims information review. Now let's take a look at the Underwriting data elements.

Private Flood Underwriting		Stand-alone policies		Endorsement to a		Endorsement to a Policy Other	
		First dollar coverage	Excess Coverage	First dollar coverage	Excess Coverage	First dollar coverage	Excess Coverage
70	Number of private flood policies or endorsements in force at end of reporting period in the first prior year report.						
71	Number of private flood policies or endorsements in force at the beginning of the reporting period.						
72	Number of private flood policies or endorsements written during the reporting period.						
73	Number of private flood policies or endorsements in force at the end of the reporting period.						
74	The number of private flood policies or endorsements in force at the beginning of the reporting period in this report minus the number of policies or endorsements in force at the end of the reporting period for the first prior year report.						
75	Dollar amount of direct premium written during the reporting period for private flood policies or endorsements.						
76	Number of company-initiated non-renewals during the period for private flood policies.						
77	Number of cancellations for non-pay or non-sufficient funds for private flood policies or endorsements.						
78	Number of cancellations at the insured's request for private flood policies or endorsements.						
79	Number of company-initiated cancellations that occur in the first 59 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.						
80	Number of company-initiated cancellations that occur 60 to 90 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.						
81	Number of company-initiated cancellations that occur greater than 90 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.						

**January 1, 2023 – December 31, 2023**

The underwriting questions request information on each private flood coverage.



Private Flood Underwriting		Stand-alone policies	Endorsement to a	Endorsement to a Policy Other	
		First dollar coverage	Excess Coverage	First dollar coverage	Excess Coverage
70	Number of private flood policies or endorsements in force at end of reporting period in the first prior year report.				
71	Number of private flood policies or endorsements in force at the beginning of the reporting period.				
72	Number of private flood policies or endorsements written during the reporting period.				
73	Number of private flood policies or endorsements in force at the end of the reporting period.				
74	The number of private flood policies or endorsements in force at the beginning of the reporting period in this report minus the number of policies or endorsements in force at the end of the reporting period for the first prior year report.				
					Note: the answer to Q74, is Q71 minus Q70.
75	Dollar amount of direct premium written during the reporting period for private flood policies or endorsements.				
76	Number of company-initiated non-renewals during the period for private flood policies.				
77	Number of cancellations for non-pay or non-sufficient funds for private flood policies or endorsements.				
78	Number of cancellations at the insured's request for private flood policies or endorsements.				
79	Number of company-initiated cancellations that occur in the first 59 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.				
80	Number of company-initiated cancellations that occur 60 to 90 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.				
81	Number of company-initiated cancellations that occur greater than 90 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.				

**January 1, 2023 – December 31, 2023**

The first question asks you to provide the number of private flood policies or endorsements in force at the end of the reporting period in the first prior year report.

The second question asks you to provide the number of private flood policies or endorsements in force at the beginning of the reporting period.

Please note that question 74, is the difference between these two questions. So, to answer question 74, you will subtract the number entered for question 71, from the number entered for question 70.

Now let's review the definition of policies or endorsements in-force.



## **Policies or Endorsements In-Force**

- Coverage, through the relevant policy or endorsement, was in effect at some point in time during the specified time frame.
- Time frames used in the Private Flood MCAS:
  - ✓ at the end of the prior reporting period,
  - ✓ at the beginning of the current reporting period,
  - ✓ at any point during the current reporting period, and
  - ✓ at the end of the current reporting period.

Policies or endorsements in-force, means coverage, through the relevant policy or endorsement, was in effect at some point in time during the specified time frame. Time frames used in the private flood MCAS includes at the end of the prior reporting period, at the beginning of the current reporting period, at any point during the current reporting period, and at the end of the current reporting period.

Private Flood Underwriting		Stand-alone policies		Endorsement to a		Endorsement to a Policy Other	
		First dollar	Excess	First dollar	Excess	First dollar	Excess
		coverage	Coverage	coverage	Coverage	coverage	Coverage
70	Number of private flood policies or endorsements in force at end of reporting period in the first prior year report.						
71	Number of private flood policies or endorsements in force at the beginning of the reporting period.						
72	Number of private flood policies or endorsements written during the reporting period.						
73	Number of private flood policies or endorsements in force at the end of the reporting period.						
74	The number of private flood policies or endorsements in force at the beginning of the reporting period in this report minus the number of policies or endorsements in force at the end of the reporting period for the first prior year report.						
75	Dollar amount of direct premium written during the reporting period for private flood policies or endorsements.						
76	Number of company-initiated non-renewals during the period for private flood policies.						
77	Number of cancellations for non-pay or non-sufficient funds for private flood policies or endorsements.						
78	Number of cancellations at the insured's request for private flood policies or endorsements.						
79	Number of company-initiated cancellations that occur in the first 59 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.						
80	Number of company-initiated cancellations that occur 60 to 90 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.						
81	Number of company-initiated cancellations that occur greater than 90 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.						

**January 1, 2023 – December 31, 2023**

The next two questions ask for the number of private flood policies or endorsements written during the period and the number of private flood policies or endorsements in force at the end of the reporting period. **During** the period means policies or endorsements written between January 1 and December 31.



## Private Flood Data Call & Definitions

**New Business Policy Written** – A newly written agreement that puts insurance coverage into effect during the reporting period.

Exclude:

- 'Re-written' policies unless there was a lapse in coverage.

“New Business policies written” puts insurance coverage into effect during the reporting period and excludes re-written policies unless there was a lapse in coverage.

Private Flood Underwriting		Stand-alone policies	Excess	Endorsement to a	Endorsement to a Policy Other
		First dollar	Coverage	First dollar	Excess
		coverage		coverage	Coverage
				First dollar	Excess
				coverage	Coverage
70	Number of private flood policies or endorsements in force at end of reporting period in the first prior year report.				
71	Number of private flood policies or endorsements in force at the beginning of the reporting period.				
72	Number of private flood policies or endorsements written during the reporting period.				
73	Number of private flood policies or endorsements in force at the end of the reporting period.				
74	The number of private flood policies or endorsements in force at the beginning of the reporting period in this report minus the number of policies or endorsements in force at the end of the reporting period for the first prior year report.				
75	Dollar amount of direct premium written during the reporting period for private flood policies or endorsements.				
76	Number of company-initiated non-renewals during the period for private flood policies.				
77	Number of cancellations for non-pay or non-sufficient funds for private flood policies or endorsements.				
78	Number of cancellations at the insured's request for private flood policies or endorsements.				
79	Number of company-initiated cancellations that occur in the first 59 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.				
80	Number of company-initiated cancellations that occur 60 to 90 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.				
81	Number of company-initiated cancellations that occur greater than 90 days after effective date, excluding rewrites to an affiliated company for flood policies or endorsements.				

**January 1, 2023 – December 31, 2023**

After answering the various questions for policies or endorsements in force and written, you are asked for the dollar amount of direct premium written during the reporting period for private flood policies or endorsements.



## Private Flood Data Call & Definitions

**Direct Written Premium** – The total amount of direct written premium for all policies covered by the market conduct annual statement (new and renewal) written during the reporting period.

- Determine premium amounts in same manner as used for the financial annual statement state page exhibit.

Direct written premium is defined as the total amount of direct written premium for all policies covered by the market conduct annual statement (new and renewal) written during the reporting period.

Premium amounts should be determined in the same manner as used for the financial annual statement state page exhibit.




## Calculation Clarifications

- If premium is refunded or additional premium is written during the reporting period (regardless of the policy effective date), the net effect should be reported.
- A difference of 20% or more between Direct Written Premium for stand-alone private flood reported for MCAS and direct written premium reported on financial annual statement page exhibit line 2.5 must be explained.
- Reporting should not include premiums received from or losses paid to other carriers on account of reinsurance assumed by the reporting carrier, nor should deductions be made by the reporting carrier for premiums added to or losses recovered from other carriers on account of reinsurance ceded.

Let's review some additional calculation clarifications for direct written premium. If premium is refunded or additional premium is written during the reporting period (regardless of the applicable policy effective date), the net effect should be reported.

If there's a difference of 20% or more between the Direct Written Premium for stand-alone private flood reported for market conduct annual statement and the direct written premium reported on the financial annual statement page exhibit line 2.5, you must provide an explanation for the difference when filing the MCAS to avoid inquiries from the regulator receiving the MCAS filing.

Reporting should not include premiums received from, or losses paid to other carriers on account of reinsurance assumed by the reporting carrier, nor shall any deductions be made by the reporting carrier for premiums added to, or for losses recovered from other carriers on account of reinsurance ceded.



# Non-Renewed and Cancelled Policies

76	Number of company-initiated non-renewals during the period for private flood policies.
77	Number of cancellations for non-pay or non-sufficient funds for private flood policies or endorsements.
78	Number of cancellations at the insured's request for private flood policies or endorsements.
79	Number of company-initiated cancellations that occur in the first 59 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.
80	Number of company-initiated cancellations that occur 60 to 90 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.
81	Number of company-initiated cancellations that occur greater than 90 days after effective date, excluding rewrites to an affiliated company for flood policies or endorsements.

In the remaining underwriting questions, MCAS asks for counts of policies or endorsements non-renewed and cancelled.

A non-renewal is defined as a policy for which the insurer elected not to renew the coverage for circumstances allowed under the “non-renewal” clause of the policy.



# Non-Renewals



Company Initiated



Insured's Request

So, for non-renewals MCAS is only interested in the count of the policies that were non-renewed at the company's initiative, within the reporting period. If a renewal offer was made but rejected, or if the insured requested the non-renewal, do not count it as a non-renewal.

# Non-Renewals




Company Initiated



Insured's Request

Be sure to only count policies, not the number of dwellings. So, if a private flood policy with 2 dwellings is non-renewed, this counts as just 1 non-renewal.



# Cancellations

76	Number of company-initiated non-renewals during the period for private flood policies.
77	Number of cancellations for non-pay or non-sufficient funds for private flood policies or endorsements.
78	Number of cancellations at the insured's request for private flood policies or endorsements.
79	Number of company-initiated cancellations that occur in the first 59 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.
80	Number of company-initiated cancellations that occur 60 to 90 days after effective date, excluding rewrites to an affiliated company for private flood policies or endorsements.
81	Number of company-initiated cancellations that occur greater than 90 days after effective date, excluding rewrites to an affiliated company for flood policies or endorsements.

After reporting non-renewals, the next two questions are to report cancellations for non-pay or non-sufficient funds, and cancellations at the insured's request.

Cancellations include all cancellations of the policies where the cancellation effective date is during the reporting year. The number of cancellations should be reported on a policy basis, regardless of the number of dwellings insured under the policy. This is similar to what we just reviewed regarding how non-renewals are counted.

## **Cancellations- Non-Payment, Non-Sufficient Funds, Insured's Request**



Non-Pay/  
Non-Sufficient Funds



Insured's Request

Although the reporting has been broken into two separate lines on the MCAS, these cancellations should still be reported **every** time a policy cancels for non-payment of premium, non-sufficient funds or at the insured's request.

# Cancellations



**3 Cancellations**  
January - non-pay  
April - non-pay  
November - non-pay

So, if a policy cancels for non-pay three times in a policy period and is reinstated each time, each cancellation should be counted.

# Cancellations-

## Non-Payment, Non-Sufficient Funds, Insured's Request



Non-Pay/  
Non-Sufficient Funds



Insured's Request



Company Initiated

These lines are not where you report cancellations that were initiated by the company. These questions are only interested in cancellations that were the result of the consumer's actions.

## Cancellations - Company Initiated



Company Initiated



The **next few** cancellation questions ask for the cancellations that are company-initiated. These are to be reported in the same manner as non-renewals. They must be company initiated to be counted for these questions.

## Cancellations - Company Initiated



Company Initiated



If a policy was cancelled just to be re-written and there is no lapse in coverage, it does not need to be reported. Also, if a policy is reinstated without any lapse in coverage, it should not be counted as a cancellation.



## Cancellations - Company Initiated



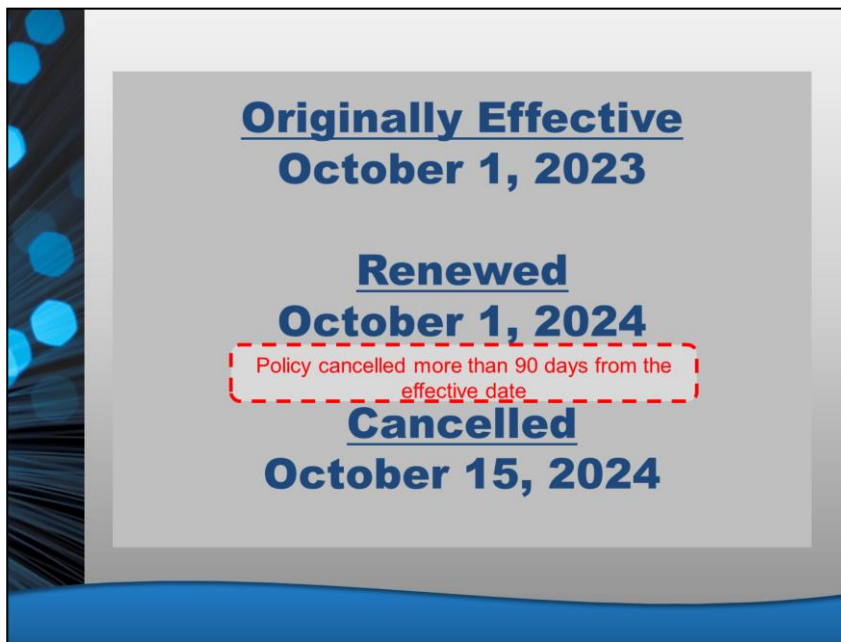
Company Initiated



Cancelled:  
< 60 days  
60 – 90 Days  
> 90 days



Additionally, cancellations are reported by those cancelled within 59 days of the effective date of the policy, those cancelled 60-90 days from the effective date of the policy, and those cancelled more than 90 days from the effective date of the policy.



Even if there is a renewal of the policy, you must count from the ***original*** effective date, not the renewal date. So, if a policy is originally effective on October 1<sup>st</sup> of the previous reporting period, and is renewed on October 1st during the reporting period, and then cancelled 15 days after the renewal during the reporting period, it would be reported as a policy cancelled more than 90 days from the effective date.

## Cancellations - Company Initiated



Determines Year to Report the Cancellation in MCAS



Determines which category of cancellations it should be reported in (first 59 days, 60-90 days or > 90 days)

The effective date of the cancellation is used to determine which year the cancellation is reported in, while the date that the cancellation notice was mailed to the insured determines which category of cancellation it should be reported in (first 59 days, 60-90 days or greater than 90 days).

## **Cancellations - Company Initiated**

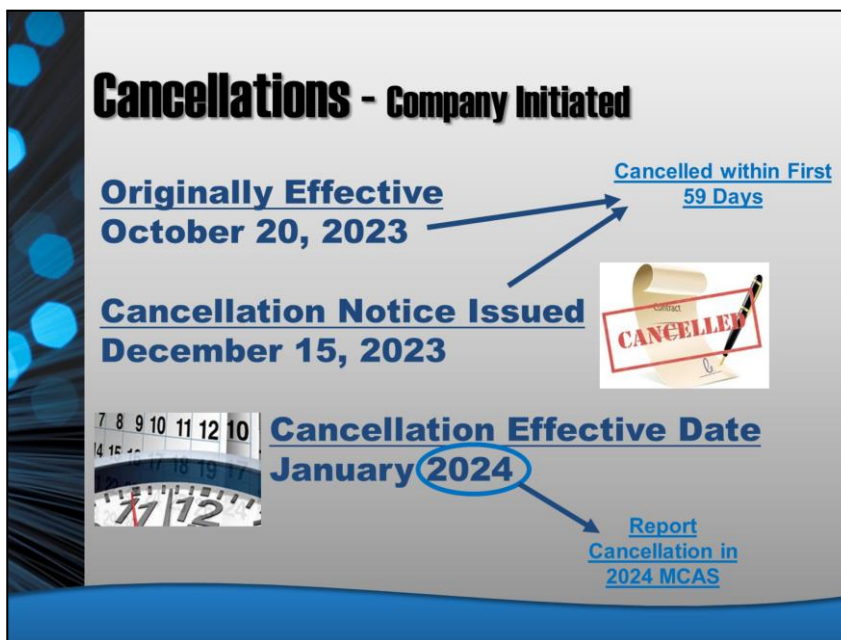
**Originally Effective**  
**October 20, 2023**

**Cancellation Notice Issued**  
**December 15, 2023**

**Cancellation Effective Date**  
**January 2024**

**Cancelled within First 59 Days**

**Report Cancellation in 2024 MCAS**



For example, if a policy is originally effective October 20<sup>th</sup>, during the reporting period, and a cancellation notice is mailed on December 15<sup>th</sup>, also during the reporting period, with an effective cancellation date in January of the next reporting period, then you would report the cancellation in the next reporting period as cancelled within the first 59 days.

If your underwriting system does not capture the actual mailing date of the cancellation, you can use the date that the cancellation was processed. Please note in the comment section if you are using the processed date rather than the mailing date.

# Private Flood Lawsuits and Complaints

## Private Flood Lawsuits and Complaints

82	Number of lawsuits open at beginning of the period.
83	Number of lawsuits opened during the period.
84	Number of lawsuits closed during the period.
85	Number of lawsuits closed during the period with consideration for the consumer.
86	Number of lawsuits open at end of period.
87	Number of complaints received directly from any person or entity other than the DOI.

The last set of questions for the Private Flood MCAS collects data on lawsuits and complaints.

You must provide the number of lawsuits that are open at the beginning of the reporting period, the number of lawsuits opened during the period, the number of lawsuits closed during the period, the number of lawsuits closed during the period with consideration for the consumer, and the number of suits open at the end of the period.

## Private Flood Data Call & Definitions

**Lawsuit** – An action brought in a court of law in which one party, the plaintiff, claims to have incurred a loss as a result of the action of another party, the defendant.

**Lawsuits Closed During the Period with Consideration for the Consumer** – A lawsuit closed during the reporting period in which a court order, jury verdict, or settlement resulted in payment, benefits, or other thing of value, i.e., consideration, to the applicant policyholder, or beneficiary in an amount greater than offered by the reporting company before the lawsuit was brought.



The MCAS definition of a lawsuit can be found in the Data Call and Definitions. Lawsuits Closed During the Period with Consideration for the Consumer is also defined there. This category is for lawsuits closed during the reporting period where a court order, jury verdict, or settlement resulted in payment, benefits, or other thing of value (in other words consideration), to the applicant, policyholder, or beneficiary in an amount greater than offered by the reporting company before the lawsuit was brought.

## Private Flood Data Call & Definitions

### For purposes of reporting lawsuits in the MCAS blanks:

- Include only lawsuits brought by an applicant for insurance, a policyholder or a beneficiary as a plaintiff against the reporting insurer or its agent as a defendant.
- Include all lawsuits, whether or not a hearing or proceeding before the court occurred.

When reporting lawsuits in the MCAS blanks, you should include only lawsuits brought by an applicant for insurance, a policyholder or a beneficiary as a plaintiff against the reporting insurer or its agent as a defendant. All lawsuits must be included, whether or not a hearing or proceeding before the court occurred.

# Lawsuit Reporting



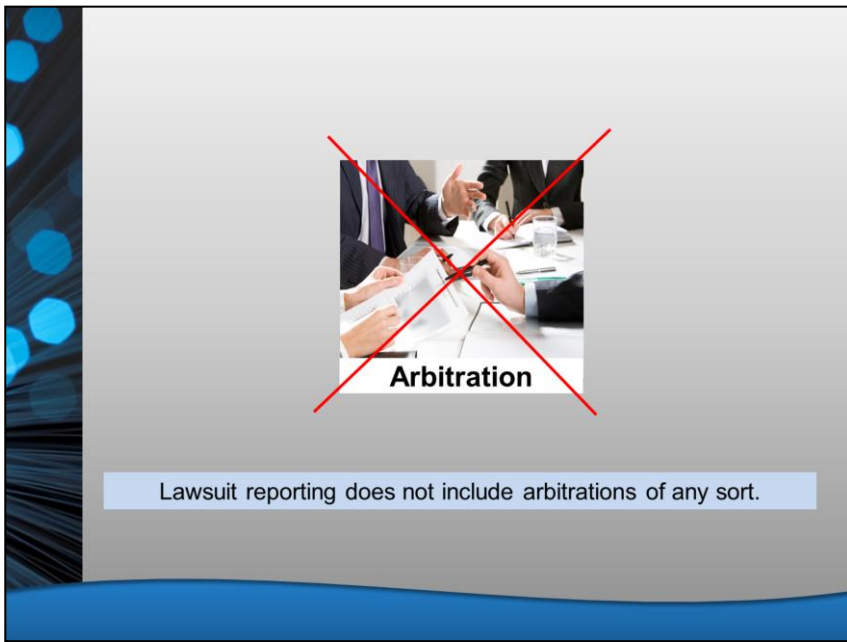
If one lawsuit seeks damages under two or more policies, count the number of policies involved as the number of lawsuits. For example, if one lawsuit seeks damages under two policies, count the action as two lawsuits.



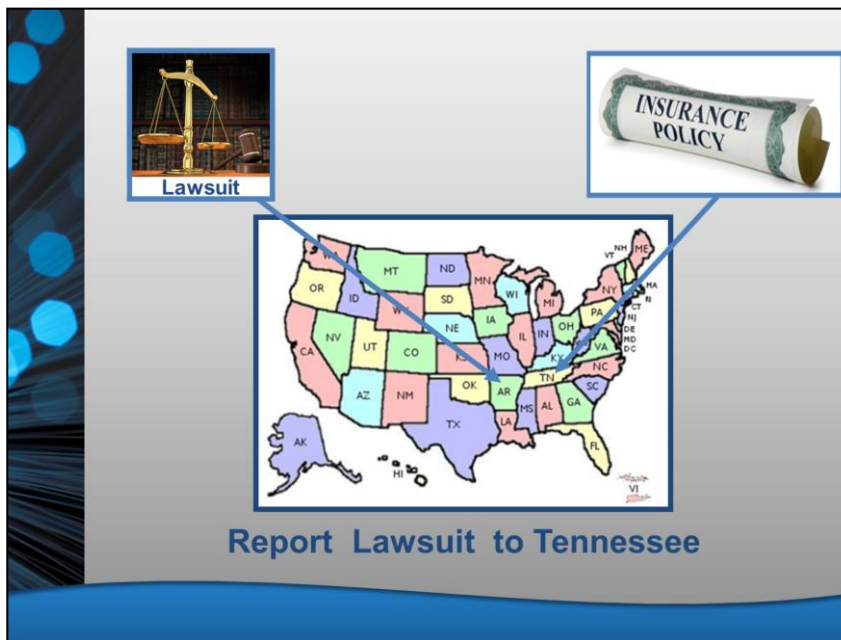


If one lawsuit has two or more complainants, you will report the number of complainants as the number of lawsuits, since each complainant can possibly receive a recovery. For example, if one lawsuit has five complainants, you will report five lawsuits.

When reporting class action lawsuits, you are to report the opening and closing of a class action lawsuit once in each state in which a potential class member resides. You are then asked to include an explanatory note with your submission and state the number of class action lawsuits included in the data and the general cause of the action.



Do not include arbitrations of any sort when reporting lawsuits in the Private Flood MCAS blanks.



Lawsuits must be reported in the jurisdiction in which the policy was issued, with the exception of class action lawsuits.

So, if a policy is issued in Tennessee, but the lawsuit related to the policy is filed in Arkansas, you would report the lawsuit to Tennessee.

# Complaints

## Private Flood Lawsuits and Complaints

82	Number of lawsuits open at beginning of the period.
83	Number of lawsuits opened during the period.
84	Number of lawsuits closed during the period.
85	Number of lawsuits closed during the period with consideration for the consumer.
86	Number of lawsuits open at end of period.
87	Number of complaints received directly from any person or entity other than the DOI.



The final MCAS data element is for the reporting of complaints. You are asked to report the number of complaints received directly from any person or entity other than the Department of Insurance.



## Private Flood Data Call & Definitions

**Complaint** – any written communication that expresses dissatisfaction with a specific person or entity subject to regulation under the state's insurance laws. An oral communication, which is subsequently converted to a written form in order to be analyzed and acted upon, will meet the definition of a complaint for this purpose.

A **complaint** is defined as any written communication that expresses dissatisfaction with a specific person or entity subject to regulation under the state's insurance laws. An oral communication, which is subsequently converted to a written form in order to be analyzed and acted upon, will meet the definition of a complaint for this purpose.



## Private Flood Data Call & Definitions

### Complaints Include:

- Any complaint regardless of the subject of the complaint (claims, underwriting, marketing, etc.)
- Complaints received from third parties

Complaints include any complaint regardless of the subject of the complaint. So, whether it is regarding claims, underwriting, marketing, or another area, it should be included. You should also include complaints received from third parties.



**Concludes  
Market Conduct Annual Statement  
2023 Data Year Filings**

*Private Flood  
Data Elements*

