NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

DATE: 02/28/2022	**FOR NAIC USE ONLY**
CONTACT PERSON: Crystal Brown	Agenda Item # 2022-06BWG MOD
TELEPHONE: 816-783-8146	Year 2022
EMAIL ADDRESS: cbrown@naic.org	Changes to Existing Reporting [X]
ON BEHALF OF: Health Risk-Based Capital (E) WG	New Reporting Requirement [ ]
NAME: Steve Drutz	**REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT**
TITLE: Chair	No Impact [X]
AFFILIATION: WA Office of the Insurance Commissioner	Modifies Required Disclosure [ ]
ADDRESS:	**DISPOSITION**
	[ ] Rejected For Public Comment
	[ ] Referred To Another NAIC Group
	[ ] Received For Public Comment
	[X] Adopted Date 05/25/2022
	[ ] Rejected Date
	[ ] Deferred Date
	[ ] Other (Specify)

BLANK(S) TO WHICH PROPOSAL APPLIES

[X] **ANNUAL STATEMENT**	[X] **INSTRUCTIONS**	[ ] **CROSSCHECKS**
[ ] **QUARTERLY STATEMENT**	[ ] **BLANK**	
[X] Life, Accident & Health/Fraternal	[ ] Separate Accounts	[ ] Title
[X] Property/Casualty	[ ] Protected Cell	[ ] Other
[X] Health	[ ] Health (Life Supplement)	

Anticipated Effective Date: Annual 2022

IDENTIFICATION OF ITEM(S) TO CHANGE

Revise the Health Annual Statement Test language

REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE**

The purpose of the change is to move those filers who write predominantly health business and file on the life blank to begin filing on the health blank.

NAIC STAFF COMMENTS

Comment on Effective Reporting Date:

Other Comments:

The Health Test Ad Hoc Group of the Health Risk-Based Capital (E) Working Group continues to discuss and review any potential modifications to premium and reserve ratios. The group will continue to evaluate if there should be changes and if so, will propose this to the Blanks (E) Working Group in a separate proposal for consideration in future years.

The references to the Life & Property & Casualty General Interrogatories were changed from pulling from RBC to instead pull from the Analysis of Operations By Lines of Business – Accident and Health and Underwriting & Investment Exhibit, Part 1B, respectively. The life General Interrogatory references will be further updated if proposal 2021-17BWG is adopted.

12-16-21 – Exposed to the Health and Life Risk-Based Capital (E) Working Groups for 40 days.
1-5-22 – Revised Health Annual Statement Instructions – General Interrogatories – Line 2.1 – Premium Numerator for additional clarity.
1-27-22 – Revised the Life and P/C Annual Statement Instructions – General Interrogatories for the Reserve Numerator.
1-28-22 – Two comment letters received. Re-exposed to the Health and Life Risk-Based Capital (E) Working Groups for changes to the Reserve Numerator for 15 days. Comments due 2-14-22.
2-14-22 – No comments were received.
2-25-22 – Health Risk-Based Capital Working Group agreed to refer the proposal to the Blanks (E) Working Group for exposure and consideration.

**** This section must be completed on all forms.** **Revised 7/18/2018**

INSTRUCTIONS

For Completing Health Annual Statement Blank

Detail Eliminated to Conserve Space

GENERAL

The annual statement is to be completed in accordance with the *Annual Statement Instructions* and *Accounting Practices and Procedures Manual* except to the extent that state law, rules or regulations are in conflict with these publications. In cases of conflict, the health annual statement will be filed pursuant to such state's filing requirements. The domiciliary state's insurance regulatory authority shall maintain full discretion in determining which NAIC annual statement blank must be filed. The annual statement blank filed with the domiciliary state shall be the blank submitted to, and maintained by, the NAIC, and barring conflict as described above, should be filed with all jurisdictions in which the reporting entity is licensed.

1. **Health Statement Test:**

If a reporting entity completes the health annual statement for the reporting year, the reporting entity must complete the Health Statement Test.

The Health Statement Test is designed to determine whether a reporting entity reports predominantly health lines of business. Health lines include hospital or medical policies or certificates, comprehensive major medical expense insurance and managed care contracts and exclude other health coverage such as credit insurance, disability income coverage, automobile medical coverage, workers' compensation, accidental death and dismemberment policies and long-term care policies.

Passing the Test:

A reporting entity is deemed to have passed the Health Statement Test if the values for the premium and reserve ratios in the Health Statement Test equal or exceed 95% for both the reporting and prior year and will continue to report on the Health Statement.

Failing the Test:

If a reporting entity, licensed as a life, accident and health or property and casualty insurer in its domiciliary state, is required to file the health annual statement for the reporting year and does not pass the Health Statement Test in the reporting year, it will revert to the annual statement form and risk-based capital report associated with the type of license held in its domestic state in the first quarter of the second year following the reporting year. If a reporting entity, licensed as a health insurer in its domiciliary state, is required to file the health annual statement for the reporting year and does not pass the Health Statement Test in the reporting year, it should continue to file the health annual statement.

Variances from following these instructions:

If a reporting entity's domestic regulator requires the reporting entity to complete an annual statement form and risk-based capital report that differs from these instructions, the domestic regulator shall notify the reporting entity in writing by June 1 of the year following the reporting year in which a Health Statement Test is submitted.

Detail Eliminated to Conserve Space

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

Detail Eliminated to Conserve Space

PART 2 – HEALTH INTERROGATORIES

Detail Eliminated to Conserve Space

2. This General Interrogatory is designed to determine whether a reporting entity reports predominantly health lines of business. Health lines include hospital or medical policies or certificates, comprehensive major medical expense insurance and managed care contracts and exclude other health coverage such as credit insurance, disability income coverage, automobile medical coverage, workers' compensation, accidental death and dismemberment policies and long-term care policies.

All reporting entities should file the test.

Premium and reserve information is obtained from the annual statement sources referenced on the form or from the related risk-based capital report for the corresponding premium descriptions relating to the current and prior reporting periods.

Item	Description	Reporting Year Annual Statement Data	Prior Year Annual Statement Data
2.1	Premium Numerator	Health Premium values listed in the Analysis of Operations by Lines of Business ~~(Gain and Loss Exhibit)~~, Line 1, Column ~~21~~ through Column ~~89~~ plus Line 1, Column 9 in part (~~in part~~excluding ~~for~~ credit A&H and dread disease coverage, LTC, Disability Income)~~, Column 10 of the reporting year's annual statement.~~of the reporting year's annual statement.	Health Premium values listed in the Analysis of Operations by Lines of Business ~~(Gain and Loss Exhibit)~~, Line 1, Column ~~21~~ through Column 8 plus Line 1, Column 9 in part~~9~~ (excluding~~in part for~~ credit A&H and dread disease coverage, LTC, Disability Income) ~~Column 10 of the reporting year's annual statement.~~of the reporting year's annual statement.
2.2	Premium Denominator	Net Premium Income~~Premium and Annuity Considerations~~ (Page 4, Line 2, Column 2) of the reporting year's annual statement.	~~Premium and Annuity Considerations~~Net Premium Income (Page 4, Line 2, Column 2) of the prior year's annual statement.

2.3	Premium Ratio	**2.1/2.2**	**2.1/2.2**
2.4 (a)	Reserve Numerator	Health Reserve – Underwriting and Investment Exhibit, Part 2B (Column 3 + 4, Line 13 minus Line 11) exclude Line 10 health care receivables, dread disease coverage, and credit A&H + Part 2D (Line 8, Column 1 minus Column 9) include stand-alone health care related plans only (i.e. stand-alone prescription drug plans, etc.), exclude dread disease coverage, credit A&H, LTC, Disability Income, etc. of the reporting year's annual statement.	Health Reserve – Underwriting and Investment Exhibit, Part 2B (Column 3 + 4, Line 13 minus Line 11) exclude Line 10 health care receivables, dread disease coverage, and credit A&H + Part 2D (Line 8, Column 1 minus Column 9) include stand-alone health care related plans only (i.e. stand-alone prescription drug plans, etc.), exclude dread disease coverage, credit A&H, LTC, Disability Income, etc. of the reporting year's annual statement.
2.5	Reserve Denominator	Claims Unpaid and Aggregate Reserves (Page 3, Column 3, Lines 1 + 2 + 4 + 7) of the reporting year's annual statement.	Claims Unpaid and Aggregate Reserves (Page 3, Column 3, Lines 1 + 2 + 4 + 7) of the prior year's annual statement.
2.6	Reserve Ratio	**2.4/2.5**	**2.4/2.5**

(a) Alternative Reserve Numerator – Alternative Reserve Numerator – Company records may be used to adjust the reserve numerator to provide consistency between the values reported in the reserve numerator (2.4) and the premium numerator (2.1).

DRAFTING NOTE: The Prior Year Annual Statement Data column will go in to affect Annual 2023

Detail Eliminated to Conserve Space

ANNUAL STATEMENT INSTRUCTIONS – LIFE\FRATERNAL

INSTRUCTIONS

For Completing Life, Accident and Health Companies/Fraternal Benefit Societies Annual Statement Blank

FOREWORD

Detail Eliminated to Conserve Space

GENERAL

The annual statement is to be completed in accordance with the *Annual Statement Instructions* and *Accounting Practices and Procedures Manual* except to the extent that state law, rules or regulations are in conflict with these publications. In cases of conflict, the life, accident and health annual statement will be filed pursuant to such state's filing requirements. The domiciliary state's insurance regulatory authority shall maintain full discretion in determining which NAIC annual statement blank must be filed. The annual statement blank filed with the domiciliary state shall be the blank submitted to, and maintained by, the NAIC, and barring conflict as described above, should be filed with all jurisdictions in which the reporting entity is licensed.

1. **Health Statement Test:**

If a reporting entity is licensed as a life and health insurer and completes the life, accident and health annual statement for the reporting year, the reporting entity must complete the Health Statement Test. However, a reporting entity that is required to also file the Separate Accounts Statement is not subject to the results of the Health Statement Test, and should continue to complete the life, accident and health/fraternal blank.

The Health Statement Test is designed to determine whether a reporting entity reports predominantly health lines of business. Health lines include hospital or medical policies or certificates, comprehensive major medical expense insurance and managed care contracts and exclude other health coverage such as credit insurance, disability income coverage, automobile medical coverage, workers' compensation, accidental death and dismemberment policies and long-term care policies.

Passing the Test:

A reporting entity is deemed to have passed the Health Statement Test if:

The values for the premium and reserve ratios in the Health Statement Test equal or exceed 95% for both the reporting and prior year.

~~AND~~

~~The entity passing Health Statement Test is licensed and actively issuing and/or renewing business in five states or less.~~

~~AND~~

~~At least seventy-five percent (75%) of the entity's current year premiums are written in its domiciliary state~~.

~~OR~~

~~The values for the premium and reserve ratios in the Health Statement Test equal 100% for both the reporting and prior year, regardless of the number of states in which the entity is licensed.~~

If a reporting entity is a) licensed as a life and health insurer; b) completes the Life, Accident and Health annual statement for the reporting year; and c) passes the Health Statement Test (as described above), the reporting entity must complete the health statement beginning with the first quarter's statement for the second year following the reporting year in which the reporting entity passes the Health Statement Test and must also file the corresponding risk-based capital report and the life supplements for that year-end.

Variances from following these instructions:

If a reporting entity's domestic regulator requires the reporting entity to complete an annual statement form and risk-based capital report that differs from these instructions, the domestic regulator shall notify the reporting entity in writing by June 1 of the year following the reporting year in which a Health Statement Test is submitted.

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

PART 2 – LIFE ACCIDENT HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES

2. This General Interrogatory is designed to determine whether a reporting entity reports predominantly health lines of business. Health lines include hospital or medical policies or certificates, comprehensive major medical expense insurance and managed care contracts and exclude other health coverage such as credit insurance, disability income coverage, automobile medical coverage, workers compensation, accidental death and dismemberment policies and long-term care policies.

   All reporting entities should file the test; however, a reporting entity that is required to also file the Separate Accounts Statement is not subject to the results of the Health Statement Test, and should continue to complete the life, accident and health/fraternal blank.

   Premium and reserve information is obtained from the annual statement sources referenced on the form or from the related risk-based capital report for the corresponding premium descriptions relating to the current and prior reporting periods.

Item	Description	Reporting Year Annual Statement Data	Prior Year Annual Statement Data
2.1	Premium Numerator	**Health Premium** values listed in the~~the~~ Analysis of Operations By Lines of Business – Accident and Health: ~~statement value column (Column 1) of the reporting year's Life RBC report~~: ~~Individual Lines:~~ ~~Usual and Customary Major Medical and Hospital~~~~Comprehensive (Individual & Group) (Columns 1 & 2, Line 1)~~ ~~Medicare Supplement (Column 4, Line 1)~~ ~~Medicare Part D (Column 13 (in part), Line 1)~~ ~~Dental and Vision (Columns 5 & 6, Line 1)~~ ~~Medicare (Column 8, Line 1)~~ ~~Medicaid (including Medicaid Pass-Through Payments Reported as Premium) (Column 9, Line 1)~~ ~~Group Lines:~~ ~~Usual and Customary Major Medical and Hospital~~ ~~Medicare Supplement~~ ~~Medicare Part D~~ ~~Stop Loss and Minimum Premium (Column 13 (in part), Line 1)~~ ~~Dental and Vision~~ ~~Federal Employee Health and Benefit Plan (Column 7, Line 1)~~ Line 1, Columns 2-9 (Column 9 Medicaid should include Medicaid Pass-Through Payments Reported as Premium) Line 1, Column 13 in part (include only Medicare Part D and Stop Loss and Minimum Premium)	**Health Premium** values listed in the ~~statement value column (Column 1) of the reporting year's Life RBC report~~Analysis of Operations By Lines of Business – Accident and Health: ~~Individual Lines:~~ ~~Comprehensive (Individual & Group) (Columns 1 & 2, Line 1)~~Usual and Customary Major Medical and Hospital ~~Medicare Supplement (Column 4, Line 1)~~ ~~Medicare Part D (Column 13 (in part), Line 1)~~ ~~Dental and Vision (Columns 5 & 6, Line 1)~~ ~~Medicare (Column 8, Line 1)~~ ~~Medicaid (including Medicaid Pass-Through Payments Reported as Premium) (Column 9, Line 1)~~ ~~Group Lines:~~ ~~Usual and Customary Major Medical and Hospital~~ ~~Medicare Supplement~~ ~~Medicare Part D~~ ~~Stop Loss and Minimum Premium (Column 13 (in part), Line 1)~~ ~~Dental and Vision~~ ~~Federal Employee Health and Benefit Plan (Column 7, Line 1)~~ Line 1, Columns 2-9 (Column 9 Medicaid should include Medicaid Pass-Through Payments Reported as Premium) Line 1, Column 13 in part (include only Medicare Part D and Stop Loss and Minimum Premium)
2.2	Premium Denominator	Premium and Annuity Considerations (Page 4, Line 1) of the reporting year's annual statement	Premium and Annuity Considerations (Page 4, Line 1) of the prior year's annual statement
2.3	Premium Ratio	**2.1/2.2**	**2.1/2.2**
2.4(a)	Reserve Numerator	Net A&H Policy and Contract Claims without Credit Health (Exhibit 8, Part 1, Line 4.4, Columns 9 and Column ~~–~~11 (excluding Dread Disease, Disability Income and Long-Term Care)) plus Aggregate Reserves for A&H Policies without Credit Health (Exhibit 6, Column 1 less Columns 10, 11, 12 and Dread Disease included in Column 13) for Unearned Premiums (Line 1) and Future Contingent Benefits (Line 4)	Net A&H Policy and Contract Claims without Credit Health (Exhibit 8, Part 1, Line 4.4, Columns 9 and Column 11 (excluding Dread Disease, Disability Income, and Long-Term Care) plus Aggregate Reserves for A&H Policies without Credit Health (Exhibit 6, Column 1 less Column ~~3~~s 10, 11, 12 and Dread Disease included in Column 13) for Unearned Premiums (Line 1) and Future Contingent Benefits (Line 4)
2.5	Reserve Denominator	Aggregate Reserve (Page 3, Column 1, Lines 1+2+4.1+4.2) minus additional actuarial reserves (Exhibit 6, Column 1, Lines 3+11 plus Exhibit 5, Misc. Reserves Section, Line 0799999)	Aggregate Reserve (Page 3, Column 1, Lines 1+2+4.1+4.2) minus additional actuarial reserves (Exhibit 6, Column 1, Lines 3+11 plus Exhibit 5, Misc. Reserves Section, Line 0799999)
2.6	Reserve Ratio	**2.4/2.5**	**2.4/2.5**

(a) Alternative Reserve Numerator – Company records may be used to adjust the reserve numerator to provide consistency between the values reported in the reserve numerator (2.4) and the premium numerator (2.1).

DRAFTING NOTE: The Prior Year Annual Statement Data column will go in to affect Annual 2023

ANNUAL STATEMENT INSTRUCTIONS – PROPERTY

INSTRUCTIONS

For Completing Property and Casualty Annual Statement Blank

FOREWORD

Detail Eliminated to Conserve Space

GENERAL

The annual statement is to be completed in accordance with the *Annual Statement Instructions* and *Accounting Practices and Procedures Manual* except to the extent that state law, rules or regulations are in conflict with these publications. In cases of conflict, the property and casualty annual statement will be filed pursuant to such state's filing requirements. The domiciliary state's insurance regulatory authority shall maintain full discretion in determining which NAIC annual statement blank must be filed. The annual statement blank filed with the domiciliary state shall be the blank submitted to, and maintained by, the NAIC, and barring conflict as described above, should be filed with all jurisdictions in which the reporting entity is licensed.

1. **Health Statement Test:**

   If a reporting entity is licensed as a property and casualty insurer and completes the property and casualty annual statement for the reporting year, the reporting entity must complete the Health Statement Test. However, a reporting entity that is required to also file the Protected Cell Statement is not subject to the results of the Health Statement Test and should continue to complete the property blank.

   The Health Statement Test is designed to determine whether a reporting entity reports predominantly health lines of business. Health lines include hospital or medical policies or certificates, comprehensive major medical expense insurance and managed care contracts and exclude other health coverage such as credit insurance, disability income coverage, automobile medical coverage, workers' compensation, accidental death and dismemberment policies and long-term care policies.

   Passing the Test:

   A reporting entity is deemed to have passed the Health Statement Test if:

   The values for the premium and reserve ratios in the Health Statement Test equal or exceed 95% for both the reporting and prior year.

   ~~AND~~

   ~~The entity passing Health Statement Test is licensed and actively issuing and/or renewing business in five states or less.~~

   ~~AND~~

   ~~At least seventy-five percent (75%) of the entity's current year premiums are written in its domiciliary state.~~

   ~~OR~~

   ~~The values for the premium and reserve ratios in the Health Statement Test equal 100% for both the reporting and prior year, regardless of the number of states in which the entity is licensed.~~

If a reporting entity is a) licensed as a property and casualty insurer; b) completes the property and casualty annual statement for the reporting year; and c) passes the Health Statement Test (as described above), the reporting entity must complete the health statement beginning with the first quarter's statement for the second year following the reporting year in which the reporting entity passes the Health Statement Test and must also file the corresponding risk-based capital report and the property/casualty supplements for that year-end.

Variances from following these instructions:

If a reporting entity's domestic regulator requires the reporting entity to complete an annual statement form and risk-based capital report that differs from these instructions, the domestic regulator shall notify the reporting entity in writing by June 1 of the year following the reporting year in which a Health Statement Test is submitted.

Detail Eliminated to Conserve Space

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

Detail Eliminated to Conserve Space

PART 2 – PROPERTY AND CASUALTY INTERROGATORIES

Detail Eliminated to Conserve Space

2. This General Interrogatory is designed to determine whether a reporting entity reports predominantly health lines of business. Health lines include hospital or medical policies or certificates, comprehensive major medical expense insurance and managed care contracts and exclude other health coverage such as credit insurance, disability income coverage, automobile medical coverage, workers compensation, accidental death and dismemberment policies and long-term care policies.

   All reporting entities should file the test; however, a reporting entity that is required to also file the Protected Cell Statement is not subject to the results of the Health Statement Test, and should continue to complete the property blank.

   Premium and reserve information is obtained from the annual statement sources referenced on the form or from the related risk-based capital report for the corresponding premium descriptions relating to the current and prior reporting periods.

Item	Description	Reporting Year Annual Statement Data	Prior Year Annual Statement Data
2.1	Premium Numerator	**Health Premium** values listed in the ~~statement value~~ Net Premiums Written ceolumn (Column ~~1~~46) of the reporting year's ~~P&C RBC report~~U&I Part 1B: ~~Individual Lines:~~ ~~Usual and Customary Major Medical and Hospital~~Comprehensive (hospital and medical) (individual and group) (Lines 13.1 and 13.2) ~~Medicare Supplement (Line 15.4)~~ ~~Medicare Part D (Line 15.9, in part)~~ ~~Dental and Vision (Lines 15.1 and 15.2)~~ ~~Medicare (Line 15.6)~~ ~~Medicaid (including Medicaid Pass-Through Payments Reported as Premium) (Line 15.5)~~ ~~Group Lines:~~ ~~Usual and Customary Major Medical and Hospital~~ ~~Medicare Supplement~~ ~~Medicare Part D~~ ~~Stop Loss and Minimum Premium (Line 15.9, in part)~~ ~~Dental and Vision~~ ~~Federal Employee Health and Benefit Plan (Line 15.8)~~ Lines 13.1 and 13.2 Lines 15.1, 15.2, 15.4, 15.6, and 15.8 Line 15.5 (should include Medicare Pass-Through Payments Reported as Premium) Line 15.9 in part (include only Medicare Part D and Stop Loss and Minimum Premium)	**Health Premium** values as listed in the statement value column (Column 1) of the prior year's P&C RBC report: ~~Individual Lines~~ ~~Usual and Customary Major Medical and Hospital~~ ~~Medicare Supplement~~ ~~Medicare Part D~~ ~~Dental and Vision~~ ~~Group Lines~~ ~~Usual and Customary Major Medical and Hospital~~ ~~Medicare Supplement~~ ~~Medicare Part D~~ ~~Stop Loss and Minimum Premium~~ ~~Dental and Vision~~ ~~Federal Employee Health and Benefit Plan~~ Lines 13.1 and 13.2 Lines 15.1, 15.2, 15.4, 15.6, and 15.8 Line 15.5 (should include Medicare Pass-Through Payments Reported as Premium) Line 15.9 in part (include only Medicare Part D and Stop Loss and Minimum Premium)
2.2	Premium Denominator	Premiums Earned (Page 4, Line 1) of the reporting year's annual statement	Premium Earned (Page 4, Line 1) of the prior year's annual statement
2.3	Premium Ratio	**2.1/2.2**	**2.1/2.2**
2.4(a)	Reserve Numerator	Part 2A, Unpaid Losses and Loss Adjustment Expenses (Columns 8+9, Lines 13+15 (excluding Line 15.3 Disability Income, Line 15.7 Long-Term Care), Line 15.9 ~~Other Health - Dread Disease only~~in part (include only Medicare Part D and Stop Loss and Minimum Premium)) plus Part 1A, Recapitulation of all Premiums (Columns 1+2, Lines 13+15 (excluding Line 15.3 Disability Income, Line 15.7 Long-Term Care), Line 15.9 ~~Other Health – Dread Disease only~~in part (include only Medicare Part D and Stop Loss and Minimum Premium)) of the reporting year's annual statement.	Part 2A, Unpaid Losses and Loss Adjustment Expenses (Columns 8+9, Lines 13+15 (excluding Line 15.3 Disability Income, Line 15.7 Long-Term Care), Line 15.9 ~~Other Health - Dread Disease only~~in part (include only Medicare Part D and Stop Loss and Minimum Premium)) plus Part 1A, Recapitulation of all Premiums (Columns 1+2, Lines 13+15 (excluding Line 15.3 Disability Income, Line 15.7 Long-Term Care), Line 15.9 ~~Other Health - Dread Disease only~~in part (include only Medicare Part D and Stop Loss and Minimum Premium)) of the prior year's annual statement.
2.5	Reserve Denominator	Unpaid Loss and LAE (Page 3, Column 1, Lines 1+2+3) plus Part 1A, Recapitulation of all Premiums (Line 35, Columns 1+2) of the reporting year's annual statement.	Unpaid Loss and LAE (Page 3, Column 1, Lines 1+2+3) plus Part 1A, Recapitulation of all Premiums (Line 35, Columns 1+2) of the prior year's annual statement.
2.6	Reserve Ratio	**2.4/2.5**	**2.4/2.5**

(a) Alternative Reserve Numerator – Company records may be used to adjust the reserve numerator to provide consistency between the values reported in the reserve numerator (2.4) and the premium numerator (2.1).

DRAFTING NOTE: The Prior Year Annual Statement Data column will go in to affect Annual 2023

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