Capital Adequacy (E) Task Force

RBC Proposal Form

[x] Capital Adequacy (E) Task Force	[ ] Health RBC (E) Working Group	[ ] Life RBC (E) Working Group
[ ] Catastrophe Risk (E) Subgroup	[ ] Investment RBC (E) Working Group	[ ] SMI RBC (E) Subgroup
[ ] C3 Phase II/ AG43 (E/A) Subgroup	[ ] P/C RBC (E) Working Group	[ ] Stress Testing (E) Subgroup

DATE: 12-3-18	**FOR NAIC USE ONLY**
CONTACT PERSON: Crystal Brown	Agenda Item # 2018-17-CA
TELEPHONE: 816-783-8146	Year 2020
EMAIL ADDRESS: cbrown@naic.org	**DISPOSITION**
ON BEHALF OF: Health RBC (E) Working Group	[x] ADOPTED TF Adopted 6/28/19
NAME: Patrick McNaughton	[ ] REJECTED
TITLE: Chief Financial Examiner/Chair	[ ] DEFERRED TO
AFFILIATION: WA Office of Insurance Commissioner	[x] REFERRED TO OTHER NAIC GROUP
ADDRESS: PO Box 40255	[x] EXPOSED May 7, 2019
Olympia, WA 98504-0255	[ ] OTHER (SPECIFY)

IDENTIFICATION OF SOURCE AND FORM(S)/INSTRUCTIONS TO BE CHANGED

[x] Health RBC Blanks	[x] Property/Casualty RBC Blanks	[ ] Life RBC Instructions
[x] Fraternal RBC Blanks	[ ] Health RBC Instructions	[ ] Property/Casualty RBC Instructions
[x] Life RBC Blanks	[ ] Fraternal RBC Instructions	[ ] OTHER

DESCRIPTION OF CHANGE(S)

Make the Capitation Tables included in the forecasting files of the Health, Life, Fraternal and P/C to be captured electronically.

REASON OR JUSTIFICATION FOR CHANGE **

Making the capitation tables electronic capture only, would allow for greater transparency and analysis of the data. It would also allow for the addition of crosschecks.

Note: These tables are not new tables and have been included in the forecasting formula to calculate Lines 19 & 22 on page XR019, Lines 2 & 5 on page PR013, and Lines 2& 5 on page LR028. The only change is to capture them electronically within the NAIC database.

Additional Staff Comments:

12-3-18 cgb The WG agreed to refer the proposal to the Capital Adequacy Task Force for exposure.
4-7-19 cgb The CADTF exposed the proposal for a 30-day comment period ending on May 7, 2019
5-7-19 cgb Comment letter received from UnitedHealth Group
5-13-19 cgb The WG received comments and modified the proposal with a friendly amendment to add the following parenthetical "(and is to be filed electronically if any data is included)" to the instructions for the Less Secured Capitations to Providers and Less Secured Capitations to Intermediaries lines for all lines of business. The WG agreed to refer the proposal with the friendly amendment to the Task Force for consideration.
06-30-19 cgb The Capital Adequacy Task Force adopted the proposal on June 28, 2019.

**** This section must be completed on all forms.** **Revised 11-2013**

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HEALTH

Credit Risk

XR019

Detail Eliminated To Conserve Space

Line (19) – Less Secured Capitations to Providers**.** Computed from the Capitations worksheet, this includes all capitations to providers that are secured by funds withheld or by acceptable letters of credit equal to 8 percent of annual claims paid to the provider. If lesser protection is provided (e.g., an acceptable letter of credit equal to 2 percent of annual claims paid to that provider), then the amount of capitation is prorated. The exemption is calculated separately for each provider and intermediary. ~~A sample~~The worksheet to calculate the exemption is shown following these instructions (and is to be filed electronically if any data is included). ~~.~~

Detail Eliminated To Conserve Space

Line (22) – Less Secured Capitations to Intermediaries**.** Computed from the Capitations worksheet, this includes all capitations to providers that are secured by funds withheld or by acceptable letters of credit equal to 16 percent of annual claims paid to the provider. If lesser protection is provided (e.g., an acceptable letter of credit equal to 5 percent of annual claims paid to that provider), then the amount of capitation is prorated. The exemption is calculated separately for each provider and intermediary. ~~A sample~~The worksheet to calculate the exemption is shown below these instructions (and is to be filed electronically if any data is included).~~.~~

Detail Eliminated To Conserve Space

LIFE

HEALTH CREDIT RISK

LR028

Detail Eliminated To Conserve Space

Line (2) - Less Secured Capitations to Providers

This includes all capitations to providers that are secured by funds withheld or by acceptable letters of credit equal to 8 percent of annual claims paid to the provider. If lesser protection is provided (e.g., an acceptable letter of credit equal to 2 percent of annual claims paid to that provider), then the amount of capitation is prorated. The exemption is calculated separately for each provider and intermediary. ~~A sample~~The worksheet to calculate the exemption is shown in Figure (14) (and is to be filed electronically if any data is included).

Detail Eliminated To Conserve Space

Line (5) - Less Secured Capitations to Intermediaries

This includes all capitations to providers that are secured by funds withheld or by acceptable letters of credit equal to 16 percent of annual claims paid to the provider. If lesser protection is provided (e.g., an acceptable letter of credit equal to 5 percent of annual claims paid to that provider), then the amount of capitation is prorated. The exemption is calculated separately for each provider and intermediary. ~~Sample~~ The worksheets to calculate the exemption are shown in Figure (15) and Figure (16) (and are to be filed electronically if any data is included).

Detail Eliminated To Conserve Space

PROPERTY

PR013 - Health Credit Risk

Detail Eliminated To Conserve Space

Line (2) – Less Secured Capitations to Providers

This includes all capitations to providers that are secured by funds withheld or by acceptable letters of credit equal to 8 percent of annual claims paid to the provider. If lesser protection is provided (e.g., an acceptable letter of credit equal to 2 percent of annual claims paid to that provider), then the amount of capitation is prorated. The exemption is calculated separately for each provider and intermediary. ~~A sample~~The worksheet to calculate the exemption is shown in Figure (1) (and is to be filed electronically if any data is included).

Detail Eliminated To Conserve Space

Line (5) – Less Secured Capitations to Intermediaries

This includes all capitations to providers that are secured by funds withheld or by acceptable letters of credit equal to 16 percent of annual claims paid to the provider. If lesser protection is provided (e.g., an acceptable letter of credit equal to 5 percent of annual claims paid to that provider), then the amount of capitation is prorated. The exemption is calculated separately for each provider and intermediary. ~~A sample~~The worksheet to calculate the exemption is shown in Figure (2) and Figure (3) (and is to be filed electronically if any data is included).

Detail Eliminated To Conserve Space

Capitations Paid Directly to Providers

No.	Name of Provider	Paid Capitations During Year	Letter of Credit Amount	Funds Withheld	Protection Percentage	Exempt Capitations
1					#VALUE!	
2					#VALUE!	
3					#VALUE!	
4					#VALUE!	
5					#VALUE!	
6					#VALUE!	
7					#VALUE!	
8					#VALUE!	
9					#VALUE!	
10					#VALUE!	
11					#VALUE!	
12					#VALUE!	
13					#VALUE!	
14					#VALUE!	
15					#VALUE!	
16					#VALUE!	
17					#VALUE!	
18					#VALUE!	
19					#VALUE!	
20					#VALUE!	
21					#VALUE!	
22					#VALUE!	
23					#VALUE!	
24					#VALUE!	
25					#VALUE!	
26					#VALUE!	
27					#VALUE!	
28					#VALUE!	
29					#VALUE!	
30					#VALUE!	
31					#VALUE!	
32					#VALUE!	
33					#VALUE!	
34					#VALUE!	
35					#VALUE!	
36					#VALUE!	
37					#VALUE!	
38					#VALUE!	
39					#VALUE!	
40					#VALUE!	
41					#VALUE!	
42					#VALUE!	
43					#VALUE!	
44					#VALUE!	
45					#VALUE!	
46					#VALUE!	
47					#VALUE!	
48					#VALUE!	
49					#VALUE!	
50					#VALUE!	
###	Total to Providers	-	XXX	XXX	XXX	-

ELECTRONIC ONLY TABLE

Go back to the beginning of page	Go to Regulated

Capitations Paid to Unregulated Intermediaries

Num	Name of Provider	Paid Capitations During Year	Letter of Credit Amount	Funds Withheld	Protection Percentage	Exempt Capitations
1					#VALUE!	
2					#VALUE!	
3					#VALUE!	
4					#VALUE!	
5					#VALUE!	
6					#VALUE!	
7					#VALUE!	
8					#VALUE!	
9					#VALUE!	
10					#VALUE!	
11					#VALUE!	
12					#VALUE!	
13					#VALUE!	
14					#VALUE!	
15					#VALUE!	
16					#VALUE!	
17					#VALUE!	
18					#VALUE!	
19					#VALUE!	
20					#VALUE!	
21					#VALUE!	
22					#VALUE!	
23					#VALUE!	
24					#VALUE!	
25					#VALUE!	
26					#VALUE!	
27					#VALUE!	
28					#VALUE!	
29					#VALUE!	
30					#VALUE!	
31					#VALUE!	
32					#VALUE!	
33					#VALUE!	
34					#VALUE!	
35					#VALUE!	
36					#VALUE!	
37					#VALUE!	
38					#VALUE!	
39					#VALUE!	
40					#VALUE!	
41					#VALUE!	
42					#VALUE!	
43					#VALUE!	
44					#VALUE!	
45					#VALUE!	
46					#VALUE!	
47					#VALUE!	
48					#VALUE!	
49					#VALUE!	
50					#VALUE!	
###	Total to Unregulated Intermediaries	-	XXXX	XXXX	XXXX	-

ELECTRONIC ONLY TABLE

Go back to the beginning of page

Capitations Paid to Regulated Intermediaries

Num	Name of Provider	Paid Capitations During Year	Domiciliary State	Exempt Capitations
1				-
2				-
3				-
4				-
5				-
6				-
7				-
8				-
9				-
10				-
11				-
12				-
13				-
14				-
15				-
16				-
17				-
18				-
19				-
20				-
21				-
22				-
23				-
24				-
25				-
26				-
27				-
28				-
29				-
30				-
31				-
32				-
33				-
34				-
35				-
36				-
37				-
38				-
39				-
40				-
41				-
42				-
43				-
44				-
45				-
46				-
47				-
48				-
49				-
50				-
###	Total to Regulated Intermediaries	-	XXX	-
###	Total	-	XXX	-

ELECTRONIC ONLY TABLE

CAPITATIONS WORKSHEETS

Company Name

Cocode: 00000

Capitations Paid Directly to Providers

	(1)	(2)	(3)	(4)	(5)	(6)
Number	Name of Provider	Paid Capitations During Year	Letter of Credit Amount	Funds Withheld	Protection Percentage	Exempt Capitations
1		$0	$0	$0	#VALUE!	
2		$0	$0	$0	#VALUE!	
3		$0	$0	$0	#VALUE!	
4		$0	$0	$0	#VALUE!	
5		$0	$0	$0	#VALUE!	
6		$0	$0	$0	#VALUE!	
7		$0	$0	$0	#VALUE!	
8		$0	$0	$0	#VALUE!	
9		$0	$0	$0	#VALUE!	
10		$0	$0	$0	#VALUE!	
11		$0	$0	$0	#VALUE!	
12		$0		$0	#VALUE!	
13		$0		$0	#VALUE!	
14		$0		$0	#VALUE!	
15		$0		$0	#VALUE!	
16				$0	#VALUE!	
17				$0	#VALUE!	
18			$0	$0	#VALUE!	
19			$0	$0	#VALUE!	
20			$0	$0	#VALUE!	
21		$0	$0	$0	#VALUE!	
22		$0	$0	$0	#VALUE!	
23		$0	$0	$0	#VALUE!	
24		$0	$0	$0	#VALUE!	
25		$0	$0	$0	#VALUE!	
26		$0	$0	$0	#VALUE!	
27		$0	$0	$0	#VALUE!	
28		$0	$0	$0	#VALUE!	
29		$0	$0	$0	#VALUE!	
30		$0	$0	$0	#VALUE!	
31		$0	$0	$0	#VALUE!	
32		$0	$0	$0	#VALUE!	
33		$0	$0	$0	#VALUE!	
34		$0	$0	$0	#VALUE!	
35		$0	$0	$0	#VALUE!	
36		$0	$0	$0	#VALUE!	
37		$0	$0	$0	#VALUE!	
38		$0	$0	$0	#VALUE!	
39		$0	$0	$0	#VALUE!	
40		$0	$0	$0	#VALUE!	
41		$0	$0	$0	#VALUE!	
42		$0	$0	$0	#VALUE!	
43		$0	$0	$0	#VALUE!	
44		$0	$0	$0	#VALUE!	
45		$0	$0	$0	#VALUE!	
46		$0	$0	$0	#VALUE!	
47		$0	$0	$0	#VALUE!	
48		$0	$0	$0	#VALUE!	
49		$0	$0	$0	#VALUE!	
50		$0	$0	$0	#VALUE!	
1999999	Total to Providers	-	XXXX	XXXX	XXXX	-

ELECTRONIC ONLY TABLE

Capitations Paid to Unregulated Intermediaries

Number	(1) Name of Provider	(2) Paid Capitations During Year	(3) Letter of Credit **Amount**	(4) Funds Withheld	(5) Protection Percentage	(6) Exempt Capitations
1		$0	$0	$0	#VALUE!	
2		$0	$0	$0	#VALUE!	
3		$0	$0	$0	#VALUE!	
4		$0	$0	$0	#VALUE!	
5		$0	$0	$0	#VALUE!	
6		$0	$0	$0	#VALUE!	
7		$0	$0	$0	#VALUE!	
8		$0	$0	$0	#VALUE!	
9		$0	$0	$0	#VALUE!	
10		$0	$0	$0	#VALUE!	
11		$0	$0	$0	#VALUE!	
12		$0	$0	$0	#VALUE!	
13		$0	$0	$0	#VALUE!	
14		$0		$0	#VALUE!	
15		$0		$0	#VALUE!	
16				$0	#VALUE!	
17				$0	#VALUE!	
18			$0	$0	#VALUE!	
19			$0	$0	#VALUE!	
20			$0	$0	#VALUE!	
21			$0	$0	#VALUE!	
22		$0	$0	$0	#VALUE!	
23		$0	$0	$0	#VALUE!	
24		$0	$0	$0	#VALUE!	
25		$0	$0	$0	#VALUE!	
26		$0	$0	$0	#VALUE!	
27		$0	$0	$0	#VALUE!	
28		$0	$0	$0	#VALUE!	
29		$0	$0	$0	#VALUE!	
30		$0	$0	$0	#VALUE!	
31		$0	$0	$0	#VALUE!	
32		$0	$0	$0	#VALUE!	
33		$0	$0	$0	#VALUE!	
34		$0	$0	$0	#VALUE!	
35		$0	$0	$0	#VALUE!	
36		$0	$0	$0	#VALUE!	
37		$0	$0	$0	#VALUE!	
38		$0	$0	$0	#VALUE!	
39		$0	$0	$0	#VALUE!	
40		$0	$0	$0	#VALUE!	
41		$0	$0	$0	#VALUE!	
42		$0	$0	$0	#VALUE!	
43		$0	$0	$0	#VALUE!	
44		$0	$0	$0	#VALUE!	
45		$0	$0	$0	#VALUE!	
46		$0	$0	$0	#VALUE!	
47		$0	$0	$0	#VALUE!	
48		$0	$0	$0	#VALUE!	
49		$0	$0	$0	#VALUE!	
50		$0	$0	$0	#VALUE!	
2999999	Total to Unregulated Intermediaries	-	XXXX	XXXX	XXXX	-

ELECTRONIC ONLY TABLE

Capitations Paid to Regulated Intermediaries

	(1)	(2)	(3)	(4)
Number	Name of Provider	Paid Capitations During Year	Domiciliary State	Exempt Capitations
1		$0		-
2		$0		-
3		$0		-
4		$0		-
5		$0		-
6		$0		-
7		$0		-
8		$0		-
9		$0		-
10		$0		-
11		$0		-
12		$0		-
13				-
14				-
15				-
16				-
17				-
18			$0	-
19			$0	-
20			$0	-
21			$0	-
22			$0	-
23			$0	-
24			$0	-
25			$0	-
26			$0	-
27			$0	-
28			$0	-
29			$0	-
30			$0	-
31			$0	-
32			$0	-
33			$0	-
34			$0	-
35			$0	-
36			$0	-
37			$0	-
38			$0	-
39			$0	-
40			$0	-
41			$0	-
42			$0	-
43			$0	-
44			$0	-
45			$0	-
46			$0	-
47			$0	-
48			$0	-
49			$0	-
50			$0	-
3999999	Total to Regulated Intermediaries	-	XXXX	-
9999999	Total	-	XXXX	-

ELECTRONIC ONLY TABLE

CAPITATIONS PRCPT

Capitations Paid Directly to Providers

Number	(1) Name of Provider	(2) Paid Capitations During Year	(3) Letter of Credit Amount	(4) Funds Withheld	(5) Protection Percentage	(6) Exempt Capitations
1		$0	$0	$0	#VALUE!	
2		$0	$0	$0	#VALUE!	
3		$0	$0	$0	#VALUE!	
4		$0	$0	$0	#VALUE!	
5		$0	$0	$0	#VALUE!	
6		$0	$0	$0	#VALUE!	
7		$0	$0	$0	#VALUE!	
8		$0	$0	$0	#VALUE!	
9		$0	$0	$0	#VALUE!	
10		$0	$0	$0	#VALUE!	
11		$0	$0	$0	#VALUE!	
12		$0	$0	$0	#VALUE!	
13		$0	$0	$0	#VALUE!	
14		$0	$0	$0	#VALUE!	
15		$0	$0	$0	#VALUE!	
16		$0	0	$0	#VALUE!	
17		$0		$0	#VALUE!	
18		$0		$0	#VALUE!	
19				$0	#VALUE!	
20				$0	#VALUE!	
21			$0	$0	#VALUE!	
22			$0	$0	#VALUE!	
23			$0	$0	#VALUE!	
24		0	$0	$0	#VALUE!	
25		$0	$0	$0	#VALUE!	
26		$0	$0	$0	#VALUE!	
27		$0	$0	$0	#VALUE!	
28		$0	$0	$0	#VALUE!	
29		$0	$0	$0	#VALUE!	
30		$0	$0	$0	#VALUE!	
31		$0	$0	$0	#VALUE!	
32		$0	$0	$0	#VALUE!	
33		$0	$0	$0	#VALUE!	
34		$0	$0	$0	#VALUE!	
35		$0	$0	$0	#VALUE!	
36		$0	$0	$0	#VALUE!	
37		$0	$0	$0	#VALUE!	
38		$0	$0	$0	#VALUE!	
39		$0	$0	$0	#VALUE!	
40		$0	$0	$0	#VALUE!	
41		$0	$0	$0	#VALUE!	
42		$0	$0	$0	#VALUE!	
43		$0	$0	$0	#VALUE!	
44		$0	$0	$0	#VALUE!	
45		$0	$0	$0	#VALUE!	
46		$0	$0	$0	#VALUE!	
47		$0	$0	$0	#VALUE!	
48		$0	$0	$0	#VALUE!	
49		$0	$0	$0	#VALUE!	
50		$0	$0	$0	#VALUE!	
1999999	Total to Providers	-	XXXX	XXXX	XXXX	-

ELECTRONIC ONLY TABLE

Capitations Paid to Unregulated Intermediaries

	(1)	(2)	(3)	(4)	(5)	(6)
		Paid Capitations	Letter of Credit	Funds	Protection	Exempt
Number	Name of Provider	During Year	**Amount**	Withheld	Percentage	Capitations
1		$0	$0	$0	#VALUE!	
2		$0	$0	$0	#VALUE!	
3		$0	$0	$0	#VALUE!	
4		$0	$0	$0	#VALUE!	
5		$0	$0	$0	#VALUE!	
6		$0	$0	$0	#VALUE!	
7		$0	$0	$0	#VALUE!	
8		$0	$0	$0	#VALUE!	
9		$0	$0	$0	#VALUE!	
10		$0	$0	$0	#VALUE!	
11		$0	$0	$0	#VALUE!	
12		$0	$0	$0	#VALUE!	
13		$0	$0	$0	#VALUE!	
14		$0	$0	$0	#VALUE!	
15		$0	$0	$0	#VALUE!	
16		$0	$0	$0	#VALUE!	
17		$0	$0	$0	#VALUE!	
18		$0	$0	$0	#VALUE!	
19		$0	$0	$0	#VALUE!	
20		$0	$0	$0	#VALUE!	
21		$0	$0	$0	#VALUE!	
22		$0	$0	$0	#VALUE!	
23		$0	$0	$0	#VALUE!	
24		$0	$0	$0	#VALUE!	
25		$0	$0	$0	#VALUE!	
26		$0	$0	$0	#VALUE!	
27		$0	$0	$0	#VALUE!	
28		$0	$0	$0	#VALUE!	
29		$0	$0	$0	#VALUE!	
30		$0	$0	$0	#VALUE!	
31		$0	$0	$0	#VALUE!	
32		$0	$0	$0	#VALUE!	
33		$0	$0	$0	#VALUE!	
34		$0	$0	$0	#VALUE!	
35		$0	$0	$0	#VALUE!	
36		$0	$0	$0	#VALUE!	
37		$0	$0	$0	#VALUE!	
38		$0	$0	$0	#VALUE!	
39		$0	$0	$0	#VALUE!	
40		$0	$0	$0	#VALUE!	
41		$0	$0	$0	#VALUE!	
42		$0	$0	$0	#VALUE!	
43		$0	$0	$0	#VALUE!	
44		$0	$0	$0	#VALUE!	
45		$0	$0	$0	#VALUE!	
46		$0	$0	$0	#VALUE!	
47		$0	$0	$0	#VALUE!	
48		$0	$0	$0	#VALUE!	
49		$0	$0	$0	#VALUE!	
50		$0	$0	$0	#VALUE!	
2999999	Total to Unregulated Intermediaries	-	XXXX	XXXX	XXXX	-

ELECTRONIC ONLY TABLE

Capitations Paid to Regulated Intermediaries

	(1)	(2)	(3)	(4)
		Paid Capitations		Exempt
Number	Name of Provider	During Year	Domiciliary State	Capitations
1		$0		-
2		$0		-
3		$0		-
4		$0		-
5		$0		-
6		$0		-
7		$0		-
8		$0		-
9		$0		-
10		$0		-
11		$0		-
12		$0		-
13				-
14				-
15				-
16				-
17				-
18				-
19		$0		-
20		$0		-
21		$0		-
22		$0		-
23		$0		-
24		$0		-
25		$0		-
26		$0		-
27		$0		-
28		$0		-
29		$0		-
30		$0		-
31		$0		-
32		$0		-
33		$0		-
34		$0		-
35		$0		-
36		$0		-
37		$0		-
38		$0		-
39		$0		-
40		$0		-
41		$0		-
42		$0		-
43		$0		-
44		$0		-
45		$0		-
46		$0		-
47		$0		-
48		$0		-
49		$0		-
50		$0		-
3999999	Total to Regulated Intermediaries	-	XXXX	-
9999999	Total	-	XXXX	-

ELECTRONIC ONLY TABLE