

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

CONTACT PERSON: _____ TELEPHONE: _____ EMAIL ADDRESS: _____ ON BEHALF OF: _____ NAME: <u>Dale Bruggeman</u> TITLE: <u>Chair SAPWG</u> AFFILIATION: <u>Ohio Department of Insurance</u> ADDRESS: <u>50W. Town St., 3rd Fl., Ste. 300</u> <u>Columbus, OH 43215</u>	DATE: <u>03/13/2017</u>	FOR NAIC USE ONLY
	Agenda Item # <u>2017-14BWG MOD</u> Year <u>2017</u> Changes to Existing Reporting <input checked="" type="checkbox"/> [X] New Reporting Requirement <input type="checkbox"/> []	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT
	No Impact <input checked="" type="checkbox"/> [X] Modifies Required Disclosure <input type="checkbox"/> []	DISPOSITION
	<input type="checkbox"/> [] Rejected For Public Comment <input type="checkbox"/> [] Referred To Another NAIC Group <input type="checkbox"/> [] Received For Public Comment <input checked="" type="checkbox"/> [X] Adopted Date <u>06/14/2017</u> <input type="checkbox"/> [] Rejected Date _____ <input type="checkbox"/> [] Deferred Date _____ <input type="checkbox"/> [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | |
|--|---|
| <input checked="" type="checkbox"/> [X] ANNUAL STATEMENT | <input type="checkbox"/> [] QUARTERLY STATEMENT |
| <input checked="" type="checkbox"/> [X] INSTRUCTIONS | <input type="checkbox"/> [] CROSSCHECKS |
| <input type="checkbox"/> [] Life and Accident & Health | <input checked="" type="checkbox"/> [X] Property/Casualty |
| <input type="checkbox"/> [] Separate Accounts | <input type="checkbox"/> [] Fraternal |
| <input type="checkbox"/> [] Other Specify | <input type="checkbox"/> [] Health |
| | <input type="checkbox"/> [] Title |

Anticipated Effective Date: Annual 2017

IDENTIFICATION OF ITEM(S) TO CHANGE

Expand the instructions for Note 31, High Deductibles to reflect disclosure changes being added for *SSAP No. 65—Property and Casualty Contracts*. The existing illustration will be replaced with new illustrations that will be data captured.

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

The purpose of this proposal is to add the additional disclosure elements being added to *SSAP No. 65—Property and Casualty Contracts* and data capture the disclosure elements to allow regulators the ability to query the data.

NAIC STAFF COMMENTS

Comment on Effective Reporting Date: _____

Other Comments:

This proposal is a simultaneous exposure with Statutory Accounting Principles Working Group.

** This section must be completed on all forms.

Revised 6/13/2009

NOTES TO FINANCIAL STATEMENTS

Detail Eliminated To Conserve Space

31. High Deductibles

Instruction

~~Disclose the amount of reserve credit that has been recorded for high deductibles on unpaid claims and the amounts that have been billed and are recoverable.~~

A. ~~The financial statements shall disclose the following related to high deductible policies by line of business:~~

- ~~• Gross (of high deductible) amount of loss reserves, both paid and unpaid by line of business.~~
 - ~~• The amount of reserve credit for aggregate deductibles that has been recorded for high deductible on unpaid claims and the amounts that have been billed and are recoverable on paid claims, by line of business and the total of these two numbers.~~
 - ~~• Related to The amounts that have been billed and are recoverable on paid claims.~~
 - ~~❖ Paid recoverable amounts that are over 90-days overdue and~~
 - ~~❖ The amounts nonadmitted (per paragraph 37).~~
 - ~~• Total collateral pledged to the reporting entity related to deductible and paid recoverables.~~
 - ~~❖ The amount of collateral on balance sheet and~~
 - ~~❖ The amount of collateral off balance sheet.~~
 - ~~• The total amount of unsecured high deductible amounts related to for unpaid claims and for paid recoverables and the total percentage that is unsecured.~~
 - ~~• Highest ten unsecured high deductible amounts by counterparty ranking. Note that the counterparty does not have to be named, just amount by counterparty 1, counterparty 2 etc. For this purpose, a group of entities under common control shall be regarded as a single customer.~~
- ~~Deductible amounts for the highest ten high deductible policies gross of collateral and the name of the obligor~~

B. ~~Unsecured High Deductible Recoverables: If the individual obligor is part of a group under the same management or control, such as a professional employer organization (PEO), list the individual obligors, each of its related group members, and the total unsecured aggregate recoverables on high deductible policies for the entire group which are greater than 1% of capital and surplus. For this purpose, a group of entities under common control shall be regarded as a single customer.~~

Illustration:

~~As of December 31, 20___, the amount of reserve credit recorded for high deductibles on unpaid claims was \$_____ and the amount billed and recoverable on paid claims was \$_____.~~

THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR THE TABLES BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

A. Reserve Credit Recorded on Unpaid Claims and Amount Billed and Recoverable on Paid Claims for High Deductibles

(1) Counter Party Exposure Recorded on Unpaid Claims and Billed Recoverables on Paid Claims

Annual Statement Line of Business	Gross (of High Deductible) Loss Reserves	Reserve Credit for Aggregate-High Deductibles	Billed Recoverables on Paid Claims Collateral On Balance Sheet	Collateral Off Balance Sheet	Total High Unsecured Deductibles and Billed Recoverables
.....
.....
.....
.....
.....

(2) Unsecured Amounts of High Deductibles Billed and Recoverable on Paid Claims

a. Total high deductibles and billed recoverables on paid claims	\$
b. Collateral on balance sheet	\$
c. Collateral off balance sheet	\$
d. Total unsecured deductibles and billed recoverables on paid claims	\$
e. Percentage unsecured%

Annual Statement Line of Business	1 Amount of overdue nonadmitted (either due to aging or collateral)	2 Total Over 90 Days Overdue Admitted	3 Total Overdue (1+2)
.....	\$	\$	\$
.....	\$	\$	\$
.....	\$	\$	\$
.....	\$	\$	\$
.....	\$	\$	\$
.....	\$	\$	\$

(3) High Deductible Recoverables Amounts on Paid Claims

a. Amount of overdue nonadmitted (either due to aging or collateral)	\$
b. Total over 90 days overdue admitted	\$
c. Total overdue (a+b)	\$

Annual Statement Line of Business	1 Amount of overdue nonadmitted (either due to aging or collateral)	2 Total Over 90 Days Overdue Admitted	3 Total Overdue (1+2)
.....	\$	\$	\$
.....	\$	\$	\$
.....	\$	\$	\$
.....	\$	\$	\$
.....	\$	\$	\$
.....	\$	\$	\$

(4) The Deductible Amounts for the Highest Ten Unsecured High Deductible Policies Gross of Collateral

<u>Counterparty Ranking Policy Obligor</u>	<u>Annual Statement Line of business</u>	<u>Top Ten Unsecured High Deductibles Amounts</u>
Counterparty 1.....	\$
Counterparty 2.....	\$
Counterparty 3.....	\$
Counterparty 4.....	\$
Counterparty 5.....	\$
Counterparty 6.....	\$
Counterparty 7.....	\$
Counterparty 8.....	\$
Counterparty 9.....	\$
Counterparty 10.....	\$

Note: The counterparty is not named, just amount by counterparty 1, counterparty 2 etc. For this purpose, a group of entities under common control shall be regarded as a single customer.

B. Unsecured High Deductible Recoverables for Individual Obligor Part of a Group Under the Same Management or Control Which Are Greater Than 1% of Capital and Surplus. For this purpose, a group of entities under common control shall be regarded as a single customer.

(1) Total Group Unsecured Aggregate Recoverable

<u>Group Name</u>	<u>Total Unsecured Aggregate Recoverable</u>
.....	\$
.....	\$
.....	\$
.....	\$
.....	\$

(2) Obligors and Related Members in the Group

<u>Group Name</u>	<u>Obligors and Related Group Members</u>
.....
.....
.....
.....


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Detail Eliminated To Conserve Space
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