

**Market Conduct Annual Statement (MCAS)
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Updated – 01/03/2012**

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1. Who has to complete the MCAS?

MCAS is collected on the state level. A company needs to file MCAS data to a participating state if it meets the following criteria in that particular state:

- **Life/Annuity:** The company is licensed and reports at least \$50,000 of individual life insurance premium (excluding credit life) for the data year or at least \$50,000 of individual annuity consideration for the data year in that participating state. If the company meets the threshold for either individual life insurance or individual annuities in a state, but does not meet the threshold for the other line of business, reporting to the state should be made only for the one line of business that meets the threshold
- **Property/Casualty:** The company is licensed and reports at least \$50,000 in private passenger automobile insurance premium for the data year; or \$50,000 in homeowners insurance premium for the data year; or both for that participating state. If the company meets the threshold for either private passenger automobile or homeowners insurance in a state, but does not the other, reporting to the state should be made only for the one line of business that meets the threshold.
- The company is automatically exempt from filing in a particular participating state if:
 - The company is not licensed to do business in that state; or
 - The company reported less than \$50,000 in premium or consideration in individual life, individual annuity, private passenger auto and homeowners insurance.

See [Participation Requirements](#).

2. What data element changes will there be this year?

A listing of data element changes can be found on the MCAS webpage. See [Data Element Changes](#).

3. What is the MCAS filing due date?

The Market Information Systems (D) Task Force (MISTF) voted to combine the due date for all lines of business and gradually move the due date to April 30 by 2013. The due date for 2011 data will be May 31, 2012, and the due date for 2012 data will be April 30, 2013.

4. Do companies in a group file separately or as a group?

Each company in a holding company system must file separately for each state in which it meets the minimum threshold of \$50,000. Data for the members of a group or insurance holding company cannot be combined into a single filing.

See [Participation Requirements](#).

5. Who do we contact if the company did not receive a call letter?

If your company did not receive a call letter and you believe that your company should have been included based on business written, you should contact mcas@naic.org.

See [Participation Requirements](#).

6. How do I request a waiver or an extension?

To request a waiver or an extension, you must log into the online MCAS submission tool. Within the tool there is a section for requesting waivers and extensions. You will be able to make your request to one or more states. Requests should be made as early as possible. Do not wait until the data is due.

7. I received a waiver last year. Do I have to request a waiver again this year?

Companies exempt from filing in previous years are not automatically exempt from filing the current year. You must request a waiver each year.

See [Participation Requirements](#).

8. Which jurisdictions participate in the MCAS?

45 jurisdictions are currently participating in MCAS. For a complete listing, please refer to the [Participating States](#) link.

9. What is the role of the Market Conduct Contact?

The Market Conduct Company Contact is provided by the company on the Jurat page of the quarterly and annual Financial Statements. The Market Conduct Contact is the person that state regulators contact for all market conduct matters with the company; therefore, the Market Conduct Contact is also the first person assigned an MCAS login for the company. That means that the Market Conduct Contact is the default MCAS Administrator for the company. Once signed onto the application, the Market Conduct Contact designates which individuals will be able to view, enter and edit data for their company. The Market Conduct Contact will also designate who the company **MCAS Contact** will be for questions specific to the company's MCAS responses.

10. How do I assign users to input MCAS data for my company?

The MCAS Administrator will need to log in > From the drop down list, select the company and click "continue" > click on the "User Assignments" tab > then enter the MCAS ID for the person to be added. The newly assigned user will now be able to enter and edit MCAS data for the company(s) that they are assigned to.

11. I want to assign a user for my company but the individual does not have a User ID. How does this individual obtain a User ID?

On the MCAS website, individuals can obtain a User ID and temporary password to log into the MCAS application. However, the user will be unable to view, edit or update data for any specific company until the MCAS Administrator has assigned them as a user for the company.

12. Our Market Conduct Contact has changed. Whom do we notify so we can login to the MCAS application?

The Market Conduct Contact change will be made at the NAIC when the revised annual or quarterly Financial Statement is received. To make the change sooner, please send a request to change the Market Conduct Contact to mcas@naic.org.

13. What is the role of the MCAS Contact?

Before a submission will be accepted, the company must designate an MCAS Contact. This person will be the one that jurisdictions will contact if there are questions about the filing. It can be the same as the Market Conduct Contact specified on the Financial Statement, but it can also be someone else.

14. When is the latest date I can submit changes to my MCAS filings?

The last day to login to the MCAS system and submit data is the last business day in January of the following year. For example January 31, 2012 is the cutoff for the 2010 MCAS data. The system will stop accepting filings for the prior year's filing because it will be preparing to take the next data year filing.

When the system becomes available for accepting the next year's filings, you will again be able to make changes to your prior year data. However, before you are able to make any changes to any prior MCAS filing, you must get written approval from the state to which the MCAS was originally submitted. State contacts can be located at this link (http://www.naic.org/industry_mcas_states.htm).

15. What is the Attestation?

Before any filing will be accepted for submission, the company must provide the name of a person authorized to attest on behalf of the company that the data is complete and accurate. The attestation will be made by clicking a checkbox entitled "I attest". This checkbox is located immediately below the attestation wording. It is not necessary that the attester be the **Market Conduct Contact** or the **MCAS Contact**.

16. The data we are providing in MCAS may raise some additional questions. Whom should we contact?

Contact the jurisdiction to which the information is being provided. The contact information can be found on the **Participating Jurisdictions** link. You are also provided with a comment box for each section of the MCAS. Be sure to use the comment boxes for any explanations of the data you are submitting. Comments about specific data elements can be made on the page where the data is entered. General comments about the company or the company data, as a whole, can be made on the Attestation page of MCAS.

17. Do we provide jurisdiction specific or national data to each participating jurisdiction?

Provide the jurisdiction specific data that applies to each jurisdiction to which you are providing information, for example, only provide California information to California, and Ohio information to Ohio.

18. Where do I find data definitions reporting guidelines?

The data definitions and reporting guidelines can be found on the MCAS webpage under the (blue) Resources section.

19. What if we reinstate a cancelled policy? Do we still need to report it as a cancellation?

If the cancellation is remedied and does not result in any lapse of coverage, do not count it as a cancellation. If the reinstatement resulted in any lapse of coverage, it should be counted as a cancellation.

20. Should confirmed third party claims be included in automobile or homeowners claims?

Yes, third party claims should be included for either automobile or homeowners claims.

21. What types of complaints should be reported?

All complaints received directly from a consumer during the reporting year should be included, even if it remains an open issue.

22. What types of coverage should be included in the report?

The MCAS filed by your company should be consistent with the information reported by the company in the financial annual statement filing. In order to accurately report, you should determine what is included in the lines of the financial annual statement:

Example:

For Homeowners:

Determine what lines of coverage are included in Line 4 of the Homeowners Multi-Peril Financial Annual Statement filed by your company annually. All business reported as Homeowners Multi-Peril should be included in the scope for the market conduct annual statement. Any scheduled benefits attached to a policy reported in Line 4 should also be included.

There may be a difference between the premium reported to MCAS and the premium reported in the Financial Statement because some coverages are not reported in MCAS. If the difference between the MCAS and the Financial Statement is greater than 20%, you should provide an explanation in the comments box for the coverage.

If Dwelling policies are also reported on Line 1 and/or Line 17 of the Financial Annual Statement, you should only report that premium if you are able to segregate it from the other coverages reported on those lines of the Financial Annual Statement.

Please refer to the *Data Call and Definitions* for [Life and Annuity](#), [Private Passenger Auto](#) and [Homeowners](#).

23. Within the “Homeowners Underwriting Activity” data request, what does the data element, “Dwellings with policies in force at the end of the period” mean? How does this data element differ from “Policies in force at the end of period”?

If your company covers only one dwelling on each policy written, the numbers reported for both fields would be the same. If your company writes policies that can insure multiple dwellings on the same policy, there would be a higher number of dwellings than policies.

24. The MCAS application returned a warning message about the company data. The data is correct. How do I submit the data?

There are two types of data validation messages – errors and warnings.

A warning message means that the data appears unusual and may be incorrect. If, in spite of the warning, the data is correct as reported, you will be allowed the option to submit the data with warnings. It is suggested that before submitting data with a warning message, you provide an explanation in the comment box addressing the warning.

An error message means the data is incorrect or incomplete and cannot be submitted as entered. You are not able to submit data with error.

25. Can I use a data upload file instead of manually entering all of the data?

Yes. There is a data upload feature. This feature allows the use of a comma delimited .csv file.

26. Where can I find the specifications for the data upload file?

The [Data File Instruction Guide](#) can be found on the MCAS webpage.

27. What if I upload incorrect data?

The data that you upload is not submitted to the regulators until you click on the Submit button for each of the states to which you wish to submit data. Therefore, you are able to upload the data as many times as you wish and make corrections until you are satisfied with the results.

28. I am receiving error messages when trying to upload my data file. What am I doing wrong?

Here are some things that you can check for:

- Open your csv upload file in Notepad. This will show you the true layout of your file.
- Remove all extra commas. When you save an excel file as a .csv it will try to determine how many fields you want in each record. Since the comment records in your upload file contain less fields than the other records, you often need to delete the extra commas.
- Remove all extra spaces. For example: for the State field, you should only have two characters with no extra spaces.
- If you continue to have problems, you can try creating separate upload files; one for Claims and another for Underwriting. This can be done for the Private Passenger Auto and Homeowners lines of business.