

**NAIC BLANKS (E) WORKING GROUP**

**Blanks Agenda Item Submission Form**

<b>CONTACT PERSON:</b> _____ <b>TELEPHONE:</b> _____ <b>EMAIL ADDRESS:</b> _____ <b>ON BEHALF OF:</b> _____ <b>NAME:</b> <u>Justin C. Schrader</u> <b>TITLE:</b> <u>Chief Financial Examiner</u> <b>AFFILIATION:</b> <u>Nebraska Department of Insurance</u> <b>ADDRESS:</b> <u>941 O St. Ste. 400</u> <u>Lincoln, NE 68501-2089</u>	<b>DATE:</b> <u>02/28/2017</u>	<b>FOR NAIC USE ONLY</b>		
	Agenda Item # <u>2017-06BWG MOD</u> Year <u>2017</u> Changes to Existing Reporting <input checked="" type="checkbox"/> [ X ] New Reporting Requirement <input type="checkbox"/> [ ]			
	<b>REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</b>			
	No Impact <input checked="" type="checkbox"/> [ X ] Modifies Required Disclosure <input type="checkbox"/> [ ]			
	<b>DISPOSITION</b>		<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"/> [ ] BLANK  |
| <input type="checkbox"/> [ ] Life and Accident & Health    | <input checked="" type="checkbox"/> [ X ] Property/Casualty | <input type="checkbox"/> [ ] Health |
| <input type="checkbox"/> [ ] Separate Accounts             | <input type="checkbox"/> [ ] Fraternal                      | <input type="checkbox"/> [ ] Title  |
| <input type="checkbox"/> [ ] Other Specify                 |   |                                     |

Anticipated Effective Date: Annual 2017

**IDENTIFICATION OF ITEM(S) TO CHANGE**

Add additional definitions to the property line of business definitions in the appendix of the instructions for Annual Statement Lines 9, 15 17 and 34.

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

The purpose of this proposal is to bring additional definitions into the instructions for the sub-lines for Other Accident and Health, products found on the P&C Uniform Product Code Matrix not defined in the annual statement instructions and products from company inquiries on proper annual statement line reporting of the product.

**NAIC STAFF COMMENTS**

Comment on Effective Reporting Date: \_\_\_\_\_

Other Comments:

\*\* This section must be completed on all forms.

ANNUAL STATEMENT INSTRUCTIONS - PROPERTY

APPENDIX

PROPERTY AND CASUALTY LINES OF BUSINESS



Line 9 – Inland Marine

Coverage for property that may be in transit, held by a bailee, at a fixed location, a movable good that is often at different locations (e.g., off-road construction equipment) or scheduled property (e.g., Homeowners Personal Property Floater), including items such as live animals, property with antique or collector’s value, etc. This line also includes instrumentalities of transportation and communication, such as bridges, tunnels, piers, wharves, docks, pipelines, power and phone lines, and radio and television towers.

Animal Mortality

Coverage that provides a death benefit to the owner of a policy in the event of the death of the insured livestock.



Travel Coverage

Covers financial loss due to trip cancellation/interruption; lost or damaged baggage; trip or baggage delays; missed connections and/or changes in itinerary; and casualty losses due to rental vehicle damage.

Vehicle Excess Waiver

Coverage of rental excess or personal excess due to the vehicle being involved in an accident while under the control of the insured or rental vehicle is damaged or stolen.

Boatowners/Personal Watercraft

Covers damage to pleasure boats, motors, trailers, boating equipment and personal watercraft, as well as bodily injury and property damage liability to others.

Other Commercial Inland Marine

All other inland marine coverage that is sold to commercial ventures, including coverage on property rented/leased by the named insured to others.

Other Personal Inland Marine

All other inland marine coverage that is sold for personal, family or household purposes.

Cash and Cash in Transit Insurance

Coverage of the transport, processing and storage of currency, securities, precious metals and diamonds. (Armored carriers, courier operations, check cashers and ATM servicers)

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Line 15 – Other Accident and Health

Accident and health coverages not otherwise properly classified as Group Accident and Health or Credit Accident and Health (e.g., collectively renewable and individual non-cancelable, guaranteed renewable, non-renewable for stated reasons only, etc.). Include all Medicare Part D Prescription Drug Coverage, whether sold on a stand-alone basis or through a Medicare Advantage product and whether sold directly to an individual or through a group.

Line 15.1 – Collectively Renewable A&H

Include: Amounts pertaining to policies which are made available to groups of persons under a plan sponsored by an employer, or an association or a union or affiliated associations or unions or a group of individuals supplying materials to a central point of collection or handling a common product or commodity, under which the reporting entity has agreed with respect to such policies that renewal will not be refused, subject to any specified age limit, while the insured remains a member of the group specified in the agreement unless the reporting entity simultaneously refuses renewal to all other policies in the same group. A sponsored plan shall not include any arrangement where a reporting entity's customary individual policies are made available without special underwriting considerations and where the employer's participation is limited to arranging for salary allotment premium payments with or without contribution by the employer. Such plans are sometimes referred to as payroll budget or salary allotment plans. A sponsored plan may be administered by an agent or trustee.

Amounts pertaining to policies issued by a company or group of companies under a plan, other than a group insurance plan, authorized by special legislation for the exclusive benefit of the aged through mass enrollment.

Amounts pertaining to policies issued under mass enrollment procedures to older people, such as those age 65 and over, in some geographic region or regions under which the reporting entity has agreed with respect to such policies that renewal will not be refused unless the reporting entity simultaneously refuses renewal to all other policies specified in the agreement.

Line 15.2 – Non-Cancelable A&H

Include: Amounts pertaining to policies, which are guaranteed renewable for life or to a specified age, such as 60 or 65, at guaranteed premium rates.

Line 15.3 – Guaranteed Renewable A&H

Include: Amounts pertaining to policies that are guaranteed renewable for life or to a specified age, such as 60 or 65, but under which the reporting entity reserves the right to change the scale of premium rates.

Line 15.4 – Non-Renewable for Stated Reasons Only

Include: Amounts pertaining to policies in which the reporting entity has reserved the right to cancel or refuse renewal for one or more stated reasons, but has agreed implicitly or explicitly that, prior to a specified time or age, it will not cancel or decline renewal solely because of deterioration of health after issue.

Line 15.5 – Other Accident Only

Include: Policies that provide coverage, singly or in combination, for death, dismemberment, disability, or hospital and medical care caused by or necessitated as a result of accident or specified kinds of accidents not included in Annual Statement lines 13, 14, 15.1 through 15.4, 15.6 and 15.8. Types of coverage include student accident, sports accident, travel accident, blanket accident, specific accident or accidental death and dismemberment (AD&D).

Line 15.5 – All Other A&H

Include: Any other accident and health coverages not specifically required in Annual Statement lines 13, 14, 15.1 through 15.4 and 15.6 through 15.8.

Line 15.6 – Medicare Title XVIII Exempt from State Taxes or Fees

Report Medicare Title XVIII premiums that are exempted from state taxes or other fees by Section 1854(g) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. This includes, but is not limited to, premiums written under a Medicare Advantage product, a Medicare PPO product or a stand-alone Medicare Part D product.

Line 15.7 – All Other A&H

Include: Any other accident and health coverages not specifically required in Annual Statement lines 13, 14, 15.1 through 15.6 and 15.8.

Line 15.7 – Other Accident Only

Include: Policies that provide coverage, singly or in combination, for death, dismemberment, disability, or hospital and medical care caused by or necessitated as a result of accident or specified kinds of accidents not included in Annual Statement lines 13, 14, 15.1 through 15.6 and 15.8. Types of coverage include student accident, sports accident, travel accident, blanket accident, specific accident or accidental death and dismemberment (AD&D).

Line 15.8 – Federal Employees Health Benefits Plan Premium

Include: Premiums, dividends and losses allocable to the Federal Employees Health Benefits Plan that are exempted from state taxes or other fees by Section 8909(f)(1) of Title 5 of the U.S. Code.

**Detail Eliminated To Conserve Space**

Line 17 – Other Liability

Insurance coverage protecting the insured against legal liability resulting from negligence, carelessness or a failure to act, causing property damage or personal injury to others. Typically, coverages include construction and alteration liability; contingent liability; contractual liability; elevators and escalators liability; errors and omissions liability, environmental pollution liability; excess stop loss, excess over insured or self-insured amounts and umbrella liability; liquor liability; personal injury liability; premises and operations liability; completed operations liability, nonmedical professional liability, etc. Also includes indemnification coverage provided to self-insured employers on an excess of loss basis (excess workers' compensation).

**Detail Eliminated To Conserve Space**

Internet Liability

Liability arising out of claims for wrongful acts related to the content posted on a website by the insured or the insured's failure to maintain the security of its computer systems.

Cyber Liability

Stand-alone comprehensive coverage for liability arising out of claims related to unauthorized access to or use of personally identifiable or sensitive information due to events including but not limited to viruses, malicious attacks or system errors or omissions. This coverage could also include expense coverage for business interruption, breach management and/or mitigation services. When cyber liability is provided as an endorsement or as part of a multi-peril policy, as opposed to a stand-alone policy, use the appropriate annual statement line of business of the product to which the coverage will be attached.

Line 17.1 – Other Liability Occurrence

Exclude: Excess workers' compensation included in Line 17.3.

Line 17.2 – Other Liability Claims Made

Exclude: Excess workers' compensation included in Line 17.3.

Line 17.3 – Excess Workers' Compensation

Include: Indemnification coverage provided to self-insured employers on an excess of loss basis.

↓ **Detail Eliminated To Conserve Space** ↓

Line 33 – Nonproportional assumed  
Reinsurance – Financial Lines

Nonproportional Assumed Reinsurance – Financial Lines in the following lines: mortgage guaranty, financial guaranty, fidelity, surety, credit and international (of the foregoing).

Line 34 – Details for Write-ins

Coverages not generally described above (e.g., ~~Involuntary Unemployment Insurance~~).

Involuntary Unemployment Insurance

Space

Coverage of satellites, shuttles, hull, drones and other non-standard aircraft.

Political and Natural Disaster Evacuation

Coverage of specified costs for an insured person to return to their country of residence or nearest place of safety and specified reasonable accommodation costs (if the insured person is unable to return to their country of residence), as a direct result of a covered evacuation or if a natural disaster has occurred in the country the insured person is currently in requiring their immediate evacuation to avoid the risk of bodily injury or sickness, while the insured person is on a journey covered by the policy

War Risk Insurance/War Terrorism and Political Violence

Mortgage Interest Insurance

Money Insurance

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