

2017 Market Conduct Annual Statement Participation Requirements and General Information

The Market Conduct Annual Statement (MCAS) is a mandatory filing that collects data on a state-specific, industry wide basis. Data is collected for the following lines of business:

Life/Annuity MCAS

- Individual Life Cash Value Products
- Individual Life Non-Cash Value Products
- Individual Fixed Annuities
- Individual Variable Annuities

Long-Term Care MCAS

- Individual Stand-Alone
- Individual Life Hybrid
- Individual Annuity Hybrid

Property/Casualty MCAS

- Private Passenger Auto
- Homeowners

Health MCAS

- In-Exchange Health Products
- Out-of-Exchange Health Products

Companies must participate in this project and report data to each of the following participating states in which the company writes one or more of the lines of business noted above.

Alabama	Kansas	North Carolina
Alaska	Kentucky	Ohio
Arizona	Louisiana	Oklahoma
Arkansas	Maine	Oregon
California	Maryland	Pennsylvania
Colorado	Massachusetts	Rhode Island
Connecticut	Michigan	South Carolina
Delaware	Minnesota	South Dakota
District of Columbia	Mississippi	Tennessee
Florida	Missouri	Texas
Georgia	Montana	Utah
Hawaii	Nebraska	Vermont
Idaho	Nevada	Virginia
Illinois	New Hampshire	Washington
Indiana	New Jersey	West Virginia
Iowa	New Mexico	Wisconsin
		Wyoming

On behalf of the 2017 participating states, the NAIC will send a call letter to each company that may be required to file an MCAS in one or more participating states. To determine whether a company must file MCAS data for a particular participating state, the following should be considered:

Life/Annuity MCAS

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 a particular 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 MCAS

The company is licensed and reports at least \$50,000 in private passenger auto 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 auto or homeowners insurance 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.

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Long-Term Care (LTC) MCAS

The company is licensed and has any in-force individual LTC Stand-Alone, individual Life LTC Hybrid or individual Annuity LTC Hybrid business in any of the participating states. (Note: for Arkansas, there is a premium threshold of \$50,000 for each of the LTC coverage types. Reporting to the state should be made only for the line(s) of business that meets the threshold.)

Health MCAS

All companies licensed and reporting at least \$50,000 of health earned premium for all coverages reportable in MCAS (includes both in-exchange and out-of-exchange) within any of the participating MCAS states. (Note: For Tennessee, submission of health MCAS data is voluntary as the Commissioner does not have authority to promulgate rules requiring companies that write accident and health insurance to file an annual statement concerning its market conduct. Tenn. Code Ann. § 56-8-107(c)(1).)

Each company in a holding company system must file separately for each state in which it does business. Data for the members of a group or insurance holding company cannot be combined into a single filing for the purposes of this project. Data must be reported separately for each group member unless it involves only inter-company arbitration.

If your company received a call letter but is currently inactive in all of the states requesting data, you are still required to participate if there is business in force for the state(s) and lines requested. If you have questions about your company's status with a participating state, contact the [state MCAS Contact](#) to determine your participation status.

Companies waived from filing in previous years are not automatically waived from filing this year. To request a waiver, you must submit your request using the 2017 Waiver and Extension Request form within the MCAS Submission Tool, once it is available to accept MCAS filings for the 2017 data year. You must advise each state of the reason you are requesting an exemption. Requests for exemption should be made as early as possible. Do not wait until the data is due.

If two or more companies merged during the reporting period, the companies should report under the corporate structure that is in effect as of the last day of the reporting period. If the merger was effective before or during the review period, then the surviving company should do the combined reporting. Any of the non-surviving companies that received a call letter should contact the state that sent the letter and inform them of the change. If the merger will be effective after the reporting period, the companies involved should file separate reports.

If your company received a call letter and the company is in rehabilitation, the company is not required to participate. However, you must contact the participating state that sent the call letter to request a waiver.

If your company received a call letter and the company is under an Order of Supervision, you may request a waiver from each participating state that sent the company a letter. Waivers will be determined on an individual state basis and may consider items such as whether the company is continuing to write new business, premium volume, etc.

Companies that wish to request a waiver based on an Order of Supervision are encouraged to provide the name of the state that issued the order when submitting their waiver request and should include a list of all states where a waiver is being requested.