

REACAP

Review of Electronic Application Coordination and Processing

Companies may file NAIC Uniform Certificate of Authority Applications (UCAA) under the REACAP program upon application to and acceptance by the National Treatment and Coordination (E) Working Group (NTC(E)WG). Applications that are accepted into the REACAP program will have the timing, technology and substantive processing monitored, and issues encountered reported to the Working Group. The applicant will be encouraged to provide feedback to the Working Group about the process. UCAA electronic applications are encouraged and acceptance into the REACAP Program is an option, not a requirement, when submitting an electronic application.

To apply for REACAP, companies should send to the co-chairs of the NTC(E)WG and the NAIC coordinator http://www.naic.org/industry_ucaa.htm an explanatory letter setting forth the basis for their application that meets the criteria for acceptance into the REACAP program. Companies should be aware that other factors such as regulatory work load may impact acceptance into the Program.

For an expansion application, the explanatory letter must include all of the following for consideration for acceptance into the REACAP program:

1. a commitment to file application electronically and to work with the NTC(E)WG,
2. a commitment letter (attached) from the Domestic regulator indicating their willingness to work with the NTC(E)WG should the REACAP application be accepted,
3. whether the application will serve a national or regional market need and quantification of that need,
4. the number and name of states to which the expansion application will be submitted,
5. a description of the current affiliations with insurers licensed in one or more states,
6. the basic financial condition of the applicant (e.g. capital, surplus, RBC) and the as of date of the most recent financial exam,
7. whether the company is a start up company,
8. the nature and extent of any parental guarantees,
9. experience of the management team with the lines of business being applied for, and
10. a brief description of all regulatory compliance enforcement actions by state for the last five years.

For a corporate amendment application the explanatory letter must include all of the following for consideration for acceptance into the REACAP program:

1. a commitment to file application electronically and to work with the NTC(E)WG,
2. a commitment letter (attached) from the Domestic regulator indicating their willingness to work with the NTC(E)WG should the REACAP application be accepted,
3. the number and name of states to which the corporate amendment application will be submitted,

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4. If adding line(s) of business or merger:
 - a. whether the application will serve a national or regional market need and quantification of that need,
 - b. a description of the current affiliations with insurers licensed in one or more states,
 - c. the basic financial condition of the applicant (e.g. capital, surplus, RBC) and the as of date of the most recent financial exam,
 - d. experience of the management team with the lines of business being applied for, and
 - e. indicate if the transaction is date specific.

5. If a name change, merger, redomestication, etc.:
 - a. indicate national or regional impact, including marketing and quantification of that impact,
 - b. provide a description of the affiliations with already licensed insurers involved in the transaction,
 - c. indicate if the transaction is date specific, and

6. a brief description of all regulatory compliance enforcement actions by state for the last five years.

Review of Electronic Application Coordination and Processing (REACAP) expedited review guidelines:

Some applicants may request expedited review of a REACAP application. If so, the applicant will need to clearly state, in writing, that request and the basis for it. The NTC(E)WG will consider the request for expedited review with the request for acceptance into the REACAP program, including substantiation of market need, urgent circumstances, as well as the regulators' other work load. Requests for expedited treatment may result in a REACAP request being denied. Further, applicants should be aware that state regulators can not be compelled by the NAIC NTC(E)WG to complete an expedited review.