2024 Adopted Charges:

1. Recommend changes to the market analysis framework based on results over the past five years, including the current set of Level 1 and Level 2 questions.

2. In accordance with the second recommendation of the adopted *Review of Artificial Intelligence Techniques in Market Analysis*, assess currently available market analysis data to identify needed improvements in the effectiveness of the data for market analysis and the predictive abilities of the market scoring systems utilizing the data.

3. Discuss other market data collection issues and make recommendations, as necessary.

4. Consider recommendations for new lines of business for the Market Conduct Annual Statement (MCAS).

2024 Market Conduct Annual Statement Ratios

2024

Ratio 18. Inadequate documentation - closed without payments to total claims closed without payment

$$\left(\frac{[\text{\# of claims closed during the period without payment due to inadequate documentation } (3-104)]}{[\text{\# of claims closed during the period without payment } (3\text{-}77)]} \right)$$

Ratio 19. Hereditary disorder exclusion - closed without payments to total claims closed without payment

$$\left([\text{\# of claims closed during the period without payment due to hereditary disorder exclusion } (3 \qquad \text{to} \quad \text{to} \quad \text{to} \quad \text{to} \right.$$

Ratio 24. Maximum benefit limit - closed with partial payments to total claims closed with partial payment

$$\left(\frac{[\text{\# of claims closed during the period with partial payment due to maximum benefit limit } (3-109)]}{[\text{\# of claims closed during the period with partial payment } (3-72)]} \right)$$

Ratio 25. Other reasons - closed with partial payments to total claims closed with partial payment

$$\left(\frac{[\text{\#} \qquad\qquad\qquad (-)]}{[\text{\# cZ`W`U] a g`W`cgYX`} \qquad \text{`k]h\`dUfh]U`dUm a Ybh`fl'!+\&)}]} \right)$$

Ratio 26. Percentage of policies in-force during the period that provided accident-only coverage

$$\left(\frac{[\text{\# of policy/certificates in-force during the period that included accident-only coverage } (2\text{-}28 + 2\text{-}29)]}{[\text{\# of policies/certificates in force during the period } (\quad (2\text{-}28 \text{ through } 2\text{-}37)]} \right)$$

Ratio 27. Percentage of policies in-force during the period that provided illness-only coverage

$$\left(\frac{[\text{\# of policy/certificates in-force during the period that provided illness-only coverage } (2\text{-}30 + 2\text{-}31)]}{[\text{\# of policies/certificates in force during the period } (\quad (2\text{-}28 \text{ through } 2\text{-}37)]} \right)$$

Ratio 28. Percentage of policies in-force during the period that included accident and illness coverage

$$\left(\frac{[\text{\# of policy/certificates in-force during the period that included accident and illness coverage } (2\text{-}32 + 2\text{-}33)]}{[\text{\# of policies/certificates in force during the period } (\quad (2\text{-}28 \text{ through } 2\text{-} \qquad 5}\right.$$

Ratio 30. Percentage of policies in-force during the period that included wellness as an insurance benefit (and did not cover accident and/or illness)

$$\left(\frac{[\# \text{ qh "rqnke\{l certificates "kp/hqteg" during the period "vjcv" kpenwfgf" ygnnpguu" cu "cp" kpuwtcpeg" dgpghkv" *4/58" - "4/59+]}}{[\# \text{ qh "rqnkekgu"egtvkhkecvgu "kp "hqteg" fwtkpi "vjg" rgtkqf" *Û" *4/4: "vjtqwij "4/59+]}} \right)$$

Ratio 31.

2024 Market Conduct Annual Statement Ratios

Ratios To Be Dropped

Ratio 23. Loss ratio

$$\left(\frac{\left[\substack{\text{Dollar amount of paid claims closed with full payment during the period (3-70)} \\ \text{+ Dollar amount of claims closed with partial payment during the period (3-74)}} \right]}{[\text{Direct earned premium during the period (2-58)}]} \right)$$

Ratio 3. Percentage of claims closed with full payment beyond 60 days (combined 3&4 for all claims)

$$\left(\frac{[\text{total \# of claims closed during the period with full payment beyond 60 days (3-83 through 3-86)}]}{[\text{total \# of claims during the period with full payment closed over all durations (3-81 through 3-86) }]} \right)$$

Ratio 4. Percentage of claims closed with partial payment beyond 60 days (combined 3&4 for all claims)

$$\left(\frac{[\text{total \# of claims closed during the period with partial payment beyond 60 days (Û 3-89 through 3-92)}]}{[\text{total \# of claims closed during the period with partial payment over all durations (Û 3-87 through 3-92) }]} \right)$$

Ratio 13. Percentage paid on partial payments of the amount requested on partial payments

$$\left(\frac{[\text{Dollar amount of claims closed with partial payment during the period (3-74)}]}{[\text{Dollar amount requested for claims closed with partial payment during the period (3-73)}]} \right)$$