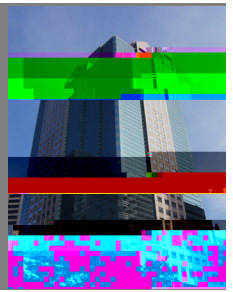


# NAIC Property and Casualty Risk Based Capital Newsletter

August 2020

Volume 24.1



**What RBC Pages Should Be Submitted?**

## New Industry Average Risk Factors – Annual Update

On its June 30 conference call, the Capital Adequacy (E) Task Force adopted the annual update of industry average development factors:

PR017 Underwriting Risk – Reserves			
Line (1), Industry Average Development Factors			
Col.	Line of Business	2020 Factor	2019 Factor
(1)	H/F	<b>0.993</b>	0.989
(2)	PPA	<b>1.035</b>	1.026
(3)	CA	<b>1.078</b>	1.087
(4)	WC	<b>0.916</b>	0.955
(5)	CMP	<b>1.016</b>	0.992
(6)	MPL Occurrence	<b>0.861</b>	0.864
(7)	MPL Claims Made	<b>0.940</b>	0.907
(8)	SL	<b>0.963</b>	0.938
(9)	OL	<b>0.968</b>	0.971
(10)	Fidelity/Surety	<b>0.907</b>	0.995
(11)	Special Property	<b>0.977</b>	0.972
(12)	Auto Physical Damage	<b>0.993</b>	0.996
(13)	Other (Credit A&H)	<b>0.971</b>	0.973
(14)	Financial/Mortgage Guaranty	<b>0.682</b>	0.788
(15)	INTL	<b>1.162</b>	1.037
(16)	REIN. P&F Lines	<b>0.886</b>	0.872
(17)	REIN. Liability	<b>0.985</b>	0.955
(18)	PL	<b>0.900</b>	0.913
(19)	Warranty	<b>1.013</b>	1.017

PR018 Underwriting Risk – Net Written Premiums			
Line (1), Industry Average Loss and Expense Ratios			
Col.	Line of Business	2020 Factor	2019 Factor
(1) *	H/F	<b>0.678</b>	0.681
(2)	PPA	0.810	0.810
(3)	CA	<b>0.759</b>	0.737
(4)	WC	<b>0.705</b>	0.726
(5) *	CMP	<b>0.672</b>	0.666
(6)	MPL Occurrence	<b>0.726</b>	0.730
(7)	MPL Claims Made	<b>0.797</b>	0.768
(8) *	SL	<b>0.603</b>	0.593
(9)	OL	<b>0.639</b>	0.638
(10)	Fidelity/Surety	<b>0.384</b>	0.399
(11) *	Special Property	<b>0.553</b>	0.554
(12)	Auto Physical Damage	<b>0.732</b>	0.730
(13)	Other (Credit A&H)	<b>0.684</b>	0.682
(14)	Financial/Mortgage Guaranty	<b>0.513</b>	0.811
(15) *	INTL	<b>0.758</b>	0.795
(16) *	REIN. P&F Lines	<b>0.534</b>	0.522
(17) *	REIN. Liability	<b>0.708</b>	0.679
(18)	PL	<b>0.645</b>	0.656
(19)	Warranty	<b>0.691</b>	0.695

\* Cat Lines

## RBC Forecasting and Instructions

The P/C RBC forecasting spreadsheet calculates RBC using the same formula presented in the *2020 NAIC Property & Casualty Risk-Based Capital Report Including Overview & Instructions for Companies*. The entire RBC publication, including the Forecasting spreadsheet, is available to download from [NAIC Account Manager](#) or is available in hard-copy through the NAIC Publications Department. The User Guide is no longer included in the RBC publications.

**WARNING:** The RBC forecasting spreadsheet CANNOT be used to meet the year-end RBC electronic filing requirement. RBC filing software from an annual financial statement software vendor should be used to create the electronic filing. If the forecasting worksheet is sent instead of an electronic filing, it will not be accepted, and the RBC will not have been filed.

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Property and Casualty Risk-Based Capital Newsletter  
Volume 22.1. Published annually or whenever needed by  
the NAIC for insurance regulators, professionals and  
consumers.

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