



Market Conduct Annual Statement - 2021

Reporting Changes

The following is a summary of changes related to the changes found in the data call and definitions and blanks.

All MCAS Lines of Business Instead, the Attestor information and additional comments will be provided within a separate schedule reported for each MCAS line of business the MCAS Blanks and Data Call and Definitions for further guidance on this reporting.

Private Passenger Auto and Homeowners

Interrogatories:

- New questions: Does the company use Managing General Agents (MGAs)? If yes, list the names of the MGAs.
- New questions: Does the company use Third Party Administrators (TPAs)? If yes, list the names of the TPAs.

Claims:

- Updated suit related questions wording to use “lawsuits” vs. “suits”
- New question: Number of lawsuits closed with consideration for the consumer.

Definitions:

- The “Lawsuit” definition was updated as follows:
Lawsuit—A court proceeding to recover a right to a claim, including lawsuits for arbitration cases.

Exclude:

- Subrogation claims where lawsuit is filed by the company against the tortfeasor.
- Non-lawsuit legal activity or litigation filed by an insurer, including, but not limited to: request to



Market Conduct Annual Statement - 2021

Reporting Changes

submission state the number of class action lawsuits included in the data and the general cause of the action.

- **New Definition: Lawsuits Closed During the Period with Consideration for the Consumer**—A lawsuit closed during the reporting period in which a court order, jury verdict, or settlement resulted in payment, benefits, or other thing of value, i.e., consideration, to claimant in an amount greater than offered by the reporting insurer before the lawsuit was brought.
- **New Definition: Tenant/Renters/Condo Policies** – Policies that provide coverage for the personal property of tenants, renters, condominium and cooperative unit owners. Include policies typically written on the HO-4 and HO-6 policy forms.

Private Passenger Auto Only

Interrogatories:

- Wording change to question 16: Has this block of business or part of this block of business been sold, closed or moved to another company during the ~~year~~ **reporting period**?
- New question: Does the company use telematics or usage-based data?

Claims:

- New question: Number of claims closed during the period, without payment, because the amount claimed is below the insured's deductible.

Definitions:

- **New Definition: Telematics and Usage-Based Data** – Data which is collected through devices installed in a vehicle, through mobile applications, or other method. These devices then transmit the data in real time back to insurers. Examples of usage-based data collected via telematics includes - but is not limited to - miles driven, time of day, where the vehicle is driven (Global Positioning System or GPS), rapid acceleration, hard braking, hard cornering and air bag deployment.

Homeowners only

Interrogatories

- Wording change to question 12: Has this block of business or part of this block of business been sold,



Market Conduct Annual Statement - 2021

Reporting Changes

The following clarification related to new data elements in the underwriting section is pending adoption by the Market Regulation and Consumer Affairs (D) Committee

Please note: In the Underwriting Section there are questions asking for policies in-force by type of policy. These are asking for a count of the policies in-force that meet the specifications to be included on the MCAS. Please use the following as a guide to determine which policy types should be reported for each question:

- (3-45) Number of dwelling fire policies in force at the end of the period.
Include dwelling policies that meet the definition of a dwelling policy as defined within this document. This would typically include policies written on forms DP-1, DP-2 and DP-3.
- (3-46) Number of homeowner policies in force at the end of the period.
Include homeowner policies that meet the definition of a homeowner policy as defined within this document. This would typically include policies written on forms HO-1, HO-2, HO-3, HO-5, HO-7 and HO-8.
- (3-47) Number of tenant/ndociturenant/oe(o)-9.2.74nlr-6 (t)sn2-pu,oden N.3 ((2,)-7 (H)-Tw 2.25Tc 0)5.3 (.)J0 T



Market Conduct Annual Statement - 2021

Reporting Changes

- Include an explanatory note with your submission stating the number of class action lawsuits included in the data and the general cause of action.
- **New Definition: Lawsuits Closed During the Period with Consideration for the Consumer**—A lawsuit closed during the reporting period in which a court order, jury verdict, or settlement resulted in



Market Conduct Annual Statement - 2021

Reporting Changes

- Dollar amount of gross written premium during the period
- Dollar amount of net written premium during the period
- Net written premium during the period for policies/certificates for which no separate charge is made to the borrower
- Dollar amount of premium earned during the period
- Dollar of claims paid during the period
- Dollars of claims incurred during the period
- Number of complaints received directly from the DOI
- Number of complaints received directly from any person or entity other than the DOI

Participation Requirements:

- Updated as follows: All companies licensed and reporting at least \$50,000 of lender-placed auto, \$50,000 of lender-placed homeowners (hazard, wind-only, and flood collectively), or **\$50,000 of blanket vendor single-interest auto and home** gross premium.



Market Conduct Annual Statement - 2021

Reporting Changes

- Q41-42: Private Flood Endorsements to a Policy other than Homeowners (first dollar coverage)
- Q48-49: Private Flood Endorsements to a Policy other than Homeowners (excess coverage)

Underwriting

- Q70: Number of private flood policies or endorsements in force at end of reporting period in the first prior year report.
- Q74: The number of private flood policies or endorsements in force at the beginning of the reporting period in this report minus the number of policies or endorsements in force at the end of the reporting period for the first prior year report.