

NAIC Bulletin

Highlights of the National Association
of Insurance Commissioners meeting

Summer 2026 update

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The National Association of Insurance Commissioners (NAIC) recently held its 2026 Summer National Meeting in a hybrid format from Columbus, Ohio. Our publication highlights key issues that NAIC groups have addressed since the 2026 Spring National Meeting. Contact your local EY professional for more information.

What you need to know

- ▶ SAPWG re-exposed a revised draft of SSAP No. 109, *Asset Liability Management (ALM) Derivatives*, with a proposed effective date of 1 January 2028. SAPWG will send a referral to the Life Actuarial (A) Task Force requesting a review and assessment of the guidance.
- ▶ SAPWG also re-exposed a revised draft of SSAP No. 7, *Asset Valuation Reserve and Interest Maintenance Reserve*, with a proposed effective date of 1 January 2028. Additionally, SAPWG extended the temporary guidance provided by INT 23-01: *Net Negative (Disallowed) Interest Maintenance Reserve* by one year to 31 December 2027.
- ▶ The NAIC Plenary adopted revisions to the Life RBC formula to include modeled factors for asset (i.e., C1) risk for collateralized loan obligations, collateralized bank obligations and collateralized debt obligations, as recommended by the American Academy of Actuaries, subsequently adjusted for tax effect and tranche thickness, for year-end 2026 risk-based capital filings.
- ▶ The NAIC Plenary also adopted revisions to the risk-based capital preamble to clarify the purpose and limitations of risk-based capital and align the framework with the *RBC Model Governance Principles* adopted in 2025 to establish a stronger policy foundation for prioritizing, scoping and governing significant changes in risk-based capital.

The following section summarizes the actions taken by various NAIC groups affecting statutory accounting, annual statement reporting and risk-based capital (RBC) requirements since the 2026 Spring National Meeting.

Statutory Accounting Principles (E) Working Group

Appendix A summarizes the actions taken by the Statutory Accounting Principles (E) Working Group (SAPWG) to revise the statutory accounting and reporting guidance in the *Accounting Practices and Procedures Manual* (AP&P Manual) since the 2026 Spring National Meeting. The appendix also includes the effective dates of adopted items and the deadlines for comments on exposed items.

Statutory accounting principles

SAPWG re-exposed a revised draft of Statement of Statutory Accounting Principles (SSAP) No. 109, *Asset Liability Management (ALM) Derivatives*, and the corresponding issue paper to establish guidance for interest-rate hedging derivatives used in asset-liability management (ALM) strategies and accounted for under an amortized cost method. The proposed effective date would be 1 January 2028 (Ref #2024-15).

SAPWG directed the NAIC staff to send a referral to the Life Actuarial (A) Task Force (LATF) requesting a review and assessment of the guidance, with consideration of a pilot review in 2027. The pilot review is being proposed to make sure that regulatory life actuaries understand the specific hedge effectiveness tests proposed by industry stakeholders and to consider whether to include additional specifications in the SSAP on how effectiveness testing should be performed.

SAPWG also re-exposed a revised draft of SSAP No. 7, *Asset Valuation Reserve and Interest Maintenance Reserve*, along with the corresponding issue paper, proposed revisions to other SSAPs and other reporting changes. The proposed effective date would be 1 January 2028 (Ref #2023-14).

SAPWG discussed the feedback received on the current admittance limit for net negative interest maintenance reserve (IMR) of 10% of adjusted capital and surplus and whether it should be increased or eliminated. Regulators did not support an unlimited cap and indicated that compliance with applicable safeguards (i.e., the IMR proof of reinvestment test and the disclosures specified in INT 23-01: *Net Negative (Disallowed) Interest Maintenance Reserve*) needs to be demonstrated and verified before increasing the admittance limit from 10%.

SAPWG requested that industry stakeholders develop a plan to facilitate compliance and accuracy of reporting for subsequent consideration by developing a disclosure or reporting component to include in the statutory-basis financial statements that would allow ongoing verification of how admitted net negative IMR has been included in actuarial calculations and reconciliations.

Separately, the guidance provided by INT 23-01 was extended by one year to 31 December 2027 and will be automatically nullified on 1 January 2028.

SAPWG adopted revisions to SSAP No. 1, *Accounting Policies, Risks & Uncertainties and Other Disclosures*, to clarify restricted asset reporting for securities lending transactions (Ref #2026-05). The revisions require the securities lent under a securities lending agreement to be reported as restricted assets, rather than the collateral received.

SAPWG also adopted revisions to SSAP No. 1 to expand the disclosure requirements for restricted assets (Ref #2025-27) by adding separate reporting categories for assets held under modified coinsurance (Modco) reinsurance agreements, assets held under funds withheld reinsurance agreements, and collateral assets received and on the balance sheet (excluding collateral held under security lending and repurchase agreements reported on the balance sheet).

SAPWG adopted revisions to SSAP No. 61, *Life, Deposit-Type and Accident and Health Reinsurance*, to clarify the treatment of IMR balances derecognized as part of a reinsurance transaction and the effect on reinsurance collateral required to receive reinsurance credit from unauthorized and certified reinsurers (Ref #2025-22). The revisions require the application of an asymmetrical method, under which derecognized net positive IMR (a liability balance) would increase collateral requirements, while derecognized net negative IMR (an admitted or nonadmitted asset balance) would not decrease collateral requirements. Feedback received from the Reinsurance (E) Task Force supported the application of the asymmetrical method.

SAPWG adopted revisions to SSAP No. 52, *Deposit-Type Contracts*, to incorporate disclosures and a glossary for funding agreement-backed notes (FABNs) and other similar structures, such as funding agreement-backed repurchase agreements (FABRs) and funding agreement-backed loans (FABLs) (Ref #2026-01).

SAPWG exposed revisions to SSAP No. 86, *Derivatives*, to clarify the accounting and reporting requirements for replication synthetic asset transactions (RSATs) (Ref #2026-09). The proposed revisions would incorporate key definitions and effectiveness requirements, restrict cash components and replicated assets to investment-grade securities, and clarify related accounting, reporting and the RBC treatment of RSATs. Feedback has also been requested on whether further clarifications or limitations for RSATs should be incorporated in statutory guidance.

SAPWG exposed revisions to SSAP No. 26, *Bonds*, to expand on the requirements for certain asset-backed securities (i.e., multi-collateral structured credit investments with embedded ALM risk) to qualify for bond reporting (Ref #2026-10). The proposed revisions would require additional assessment of ALM risk in asset-backed securities and preclude securities with significant reinvestment rate or spread risk from qualifying as bonds under the principles-based bond definition.

SAPWG exposed revisions to SSAP No. 23, *Foreign Currency Transactions and Translations*, to remove the Canadian exception for foreign currency translation (Ref #2026-15). The proposed revisions would require all foreign operations to be translated within each financial statement reporting line using a consistent methodology. Feedback has been requested on the operational and reporting effects of removing the exception.

SAPWG exposed revisions to SSAP No. 100, *Fair Value*, to reconsider the reporting of equity-method investments in the fair value disclosure in the annual statement (i.e., Note 20C) (Ref #2026-06). SAPWG requested that industry stakeholders propose guidance and reporting categories to differentiate equity-method investments by “operating entities” and “holding entities” (i.e., structures that hold investments).

SAPWG exposed a concept agenda item to consider whether the reporting guidance for insurer company-owned life insurance (ICOLI) policies in paragraph 9 of SSAP No. 21, *Other Admitted Assets*, should be retained or modified (Ref #2026-08). Feedback has been requested on whether these amounts should continue to be reported as other-than-invested assets or reported as invested assets on Schedule BA under a new reporting category for “Realizable Amounts Under ICOLI Policies.” This change would allow the investment risk presented by ICOLI holdings to be captured in the RBC calculation.

SAPWG also exposed a concept agenda item to clarify the definition and reporting of residential mortgage loans under SSAP No. 37, *Mortgage Loans* (Ref #2026-11). Feedback has been requested on the treatment of “one-to-four family” and “multifamily” properties for residential mortgage loans and the related assessment of property-specific characteristics and risk components to support more granular reporting and accounting guidance.

Other Matters

SAPWG adopted Issue Paper No. 172, *Qualifying Statutory Trusts*, to document the discussions and conclusions that occurred when developing the reporting and disclosure guidance for residential mortgage loans held in qualifying statutory trusts for historical purposes (Ref #2025-13).

SAPWG supported revisions to the Life annual statement instructions to clarify asset valuation reserve (AVR) reporting for affiliated common stock (Ref #2026-07) to address the treatment of subsidiary, controlled and affiliated (SCA) investments, including the distinction between SCA investments reported in the “Certain Other” and “All Other” categories.

Blanks (E) Working Group

Appendix B summarizes the actions taken by the Blanks (E) Working Group (BWG) since the 2026 Spring National Meeting.

Capital Adequacy (E) Task Force

The NAIC Plenary adopted Ref #2026-12-IRE MOD, which updated the Life RBC formula to include modeled factors for asset (C1) risk for collateralized loan obligations (CLOs), collateralized bank obligations (CBOs) and collateralized debt obligations (CDOs) recommended by the American Academy of Actuaries (Academy), subsequently adjusted for tax effect and tranche thickness. CLO residual tranches will have a pre-tax factor of 45%. The updated factors will be effective for year-end 2026 RBC filings.

The NAIC Plenary also adopted Ref #2025-16-L MOD V.3, which updated the Life RBC formula and related instructions to address the RBC charge for collateral loans based on Schedule BA changes that were adopted by SAPWG and BWG to incorporate more granular reporting of collateral loans based on the type of underlying collateral that secures the loan. The new RBC charge will be effective for year-end 2027 RBC filings.

Appendix C summarizes the developments affecting RBC requirements for each insurance sector based on actions taken by the Capital Adequacy (E) Task Force (CATF) and the various NAIC groups that report to it since the 2026 Spring National Meeting.

Life RBC (E) Working Group

The Life RBC (E) Working Group re-exposed the Academy's revised proposal for the field test specifications and alignment of interest rate risk and market risk (i.e., C3) factors. The field test will be performed using the new Generator of Economic Scenarios (GOES) scenario sets and may be reviewed under different economic conditions, such as different starting yield curves. A key goal of the work is to confirm that the new methodology results in relatively higher/lower C3 capital requirements for insurance companies with relatively higher/lower interest rate exposure. Feedback received will be discussed at a future meeting.

The Working Group also exposed a referral from the Financial Condition (E) Committee (E Committee) requesting the creation of a reinsurance recapture charge to account for the additional capital that would be required if an insurance company had to recapture reserves ceded to entities in non-reciprocal jurisdictions, which would be applicable for year-end 2027 RBC filings. Feedback has been requested on how best to implement the directives in the referral (i.e., method to implement the specific RBC charge and ways to address concerns with the types of assets that would serve as collateral to offset the new RBC recapture charge).

Health RBC (E) Working Group

The Health RBC (E) Working Group exposed a request to be sent to the Academy for the development and implementation of a diversification credit for underwriting risk in each of the RBC formulas. The development of a such a credit would include any formula or factor the Academy believes represents the effect of diversification to the lines of business reported on pages XRO13, LRO20 and PRO20; consider how this formula or factor should be applied to calculations on those pages; and consider whether the credit should be part of the regular underwriting factor analysis. The Working Group would like to have the diversification credit ready for exposure by the first quarter of 2028. Feedback received will be discussed at a future meeting.

RBC Investment Risk and Evaluation (E) Working Group

The RBC Investment Risk and Evaluation (E) Working Group (RBCIRE) exposed an Academy presentation detailing the results of sensitivity tests for several key assumptions used in the development of C1 RBC factors for CLOs to solicit feedback on support for the continued refinement of the following assumptions: systemic risk correlation, recovery-average, and collateral repurchase price and prepayment. If the feedback is supportive, RBCIRE will request recommendations for refinements with empirical support. Further efforts to refine these assumptions would likely lead to sensitivity tests on a larger portion of the CLO universe beyond the original sample of six CLOs previously tested by the Academy. Feedback received will be discussed at a future meeting.

Executive Committee

The Executive (EX) Committee (EX Committee) approved a request for NAIC model law development to amend the Annuity Disclosure Model Regulation (Model #245) to address matters identified by the Life Insurance and Annuities Illustrations (A) Working Group related to potentially misleading illustrations of annuity products currently in the marketplace that are not addressed or not adequately addressed in the current model's standards.

The actions taken by various NAIC groups that report to the EX Committee since the 2026 Spring National Meeting are summarized below.

Natural Catastrophe Risk and Resilience (EX) Task Force

The Natural Catastrophe Risk and Resilience (EX) Task Force received the report of the Pre-Disaster Mitigation and Risk Modeling (EX) Working Group, which included exposure of a draft of the Residential Mitigation Grant Program Model Act. The model act has been developed to give states a consistent framework to establish, administer and oversee mitigation grant programs through departments of insurance. Topics addressed include program authority, standards and eligibility, grant administration, insurance coordination, and oversight. Feedback received will be discussed by the Working Group at a future meeting.

The Task Force also received the report of the Severe Peril (EX) Working Group, which provided an update on the development of the *Flood Insurance Blueprint* intended to advance the Working Group's priorities through strategies addressing consumer communication, product innovation, risk assessment and modeling, mitigation, producer engagement, and development of the private flood insurance market. Emerging areas of focus include:

- Improving how flood risk is communicated to consumers and community partners
- Exploring innovative coverage options, such as parametric products, integrated flood coverage and lower-limit policies
- Expanding the use of data and modeling beyond reliance on FEMA flood maps
- Strengthening engagement with insurance producers
- Monitoring the growth and distribution of the private flood market

The Working Group will finalize the priority strategies covered by the document and prepare a draft for review and input by the Task Force at a future meeting.

RBC Model Governance (EX) Task Force

The NAIC Plenary adopted the revised RBC preamble that was developed and previously adopted by the RBC Model Governance (EX) Task Force and CATF. The revisions clarify the purpose and limitations of RBC and align the framework with the *RBC Model Governance Principles* adopted in 2025. Together, these documents establish a stronger policy foundation for prioritizing, scoping and governing significant changes in RBC.

The RBC Model Governance (EX) Task Force intends to complete its existing charges and transition responsibilities to the appropriate NAIC groups. Two primary deliverables remain: (1) the development of a focused RBC priority agenda and (2) a recommendation regarding a long-term commissioner-level steering function.

The Task Force exposed two alternative governance structures for overseeing major RBC and solvency policy initiatives, both centered on a commissioner-level steering function that would set priorities and coordinate significant cross-disciplinary matters while leaving technical analysis and approvals to existing NAIC committees and working groups. Comments are due by 29 September 2026.

The Task Force also exposed a prioritized list of potential RBC modernization projects and gaps. The list highlighted areas such as life and P&C reinsurance, mortgage and structured finance capital treatment, covariance and diversification methodologies, catastrophe risk correlations, and underwriting risk factors that may warrant future regulatory study and reform based on their materiality and risk significance. Comments are due by 29 September 2026.

The Task Force also reported that it has substantially completed materials explaining the purpose, benefits and limitations of RBC within the US state-based solvency framework. The materials are expected to be distributed by the 2026 Fall National Meeting.

Life Insurance and Annuities

The NAIC Plenary adopted 14 amendments to the *Valuation Manual* (VM) that were previously adopted by LATF and the Life Insurance and Annuities (A) Committee (A Committee) and will be effective for 2027 reserve valuations. These amendments include revisions to the guidance in VM-20: *Requirements for Principle-Based Reserves for Life Products*, VM-21: *Requirements for Principle-Based Reserves for Variable Annuities*, and VM-22: *Requirements for Principle-Based Reserves for Non-Variable Annuities*, and are summarized below.

- Revisions to clarify the reserving treatment for variable annuity contracts in a payout phase, specifically permitting classification as either variable annuities (consistent with their pre-annuitization treatment, subject to approval by the domiciliary commissioner) or as fixed annuities (APF 2025-14)
- Revisions to clarify that VM-22 requirements apply to all deposit-type contracts not otherwise excluded by VM Section II, Subsection 2.C (APF 2025-18)
- Revisions to allow aggregation across the payout annuity and accumulation reserving categories in VM-22 and add a disclosure requirement for the breakdown of reserve results for each reserving category, on a pre- and post-reinsurance basis, prior to aggregation (APF 2025-20)

- ▶ Revisions to VM-21 and VM-22 to reference that IMR is attributed to a group of policies or contracts instead of a group of assets, which aligns the allocation of IMR to VM-20 (APF 2026-02)
- ▶ Revisions to clarify the VM-22 standard projections amount (SPA) dynamic lapse formula, specifically in the market factor and rate factor formulas (APF 2026-03)
- ▶ Revisions to clarify that the 2017 Commissioners' Standard Ordinary (CSO) refers to the loaded version of the table unless unload tables are specifically referenced (APF 2026-04)
- ▶ Revisions to correct editorial inconsistencies (i.e., reference errors and formatting discrepancies) across multiple sections of the VM for clarity, consistency and technical accuracy (APF 2026-05)

The actions taken by various NAIC groups that report to the A Committee since the 2026 Spring National Meeting are summarized below.

Life Actuarial (A) Task Force

LATF adopted the report of the GOES (E/A) Subgroup, which included exposure of revisions to the GOES Model Governance Framework as well as software update recommendations and supporting materials. LATF also discussed the feedback received on revisions to the GOES Model Governance Framework and will consider the revised framework for adoption at a future meeting.

LATF exposed a presentation from the Society of Actuaries (SOA) with the proposed 2026 VM-20 Historical Mortality Improvement (HMI) and Future Mortality Improvement (FMI) rates. The 2026 scale recommendation for HMI is to continue to apply the standard methodology for 2025 and earlier years rather than applying a direct calculation method using general data for catch-up years (i.e., 2024 and 2025). The 2026 scale recommendation for FMI is to continue to apply the standard methodology, along with the early reserve projection year adjustments that were applied for the 2025 scale.

LATF exposed the Academy's letter responding to a request to review the prescribed default and spread methodology used in VM-20, VM-21, and VM-22 to either confirm that the methodology remains appropriate and produces moderately adverse net spreads or recommend updates to the methodology. The Academy confirmed that the prescribed methodology remains appropriate and offered observations regarding implementation of the model and reinvestment guardrails for consideration by LATF.

LATF also exposed a concept document on asset portfolio segmentation between principle-based reserves (PBR) and non-PBR lines of business. The feedback received will be used to develop a VM amendment to limit "cherry-picking" assets in PBR in accordance with the key PBR principle of requiring consistency between the model portfolio and actual company management practices.

LATF exposed an amendment to the VM that would include guidance currently in VM-21 and VM-22 for non-prescribed scenario results in VM-20 (APF 2026-07). The revisions would clarify that the same type of use for non-prescribed scenario generators that is clearly allowed by VM-21 and VM-22 would also be allowed under VM-20.

LATF exposed the 2027 Generally Recognized Expense Tables (GRETs) recommendation developed by the SOA. The changes from the 2026 GRET were reviewed to determine that a significant change was not made in the 2027 GRET recommendation, except for the one-time reduction exceeding 10% for insurance companies in the "Other" category in both years, due to the combination of the Niche Marketing and Other distribution channels.

LATF also discussed the directional feedback provided to the SOA on the development of a new Valuation Basic Table (VBT). The SOA has initially targeted for the proposed basic tables for core adult ages and proposed juvenile tables to be finalized by the 2026 Fall National Meeting.

LATF disbanded the Variable Annuities Capital and Reserve (E/A) Subgroup.

VM-22 (A) Subgroup

The VM-22 (A) Subgroup exposed revisions to the VM to clarify the treatment of valuations of settlements or annuitizations that occur after the PBR requirements for non-variable annuities in VM-22 is effective for contracts issued prior to VM-22 becoming effective (APF 2025-19). The amendment would allow the insurance company to elect to use the minimum standard of valuation found in VM-22 with notification to the domiciliary commissioner that is not disapproved.

The Subgroup exposed a request for changes to the VM that addresses the PBR application for non-variable annuities in VM-22 to in-force contracts. The request includes the provision of a list of specific attribution categories and types of sensitivity testing to consider in the required documentation. Comments are due by 30 October 2026.

The Subgroup also exposed revisions to the VM to include guaranteed investment contracts (GICs), synthetic GICs, funding agreements and stable value-type contracts in the scope of PBR (APF 2026-06). The amendment provides a set of criteria for which common types of these contracts could be more easily excluded from PBR under the exclusion test section of VM-22. Comments are due by 5 February 2027.

Life Insurance and Annuities Illustrations (A) Working Group

The Life Insurance and Annuities Illustrations (A) Working Group discussed the feedback received on ideas for revising Model #245 with respect to illustration length, disclosures, accountability and illustrated rates of return. The Working Group intends to continue to discuss potential revisions and a potential stopgap approach while a revised Model #245 is adopted by the states.

Health Insurance and Managed Care

The Health Insurance and Managed Care (B) Committee (B Committee) adopted the *Guidance Document - ERISA Preemption and State PBM Laws*, which was previously adopted by the Regulatory Framework (B) Task Force. The guidance document provides information to state insurance regulators and other state government officials regarding Employee Retirement Income Security Act (ERISA) preemption of pharmacy benefit manager (PBM) laws. It considers the different types of state PBM laws and how appellate courts have applied the reasoning of the US Supreme Court case *Rutledge v. Pharmaceutical Care Management Association (PCMA)* to those laws. It also includes an addendum summarizing ongoing cases involving ERISA preemption of state PBM laws at the time the guidance document was approved.

The actions taken by various NAIC groups that report to the B Committee since the 2026 Spring National Meeting are summarized below.

Health Care Affordability and Mitigation (B) Working Group

The Health Care Affordability and Mitigation (B) Working Group exposed the following affordability briefs that describe state options for addressing healthcare affordability:

- ▶ Standardizing or Limiting Utilization Review to Reduce Administrative Costs
- ▶ Develop State-defined Plans with Premium Reduction Targets
- ▶ Reference-Based Pricing
- ▶ Enhanced Health Care Price Transparency
- ▶ Direct-to-Consumer Drug Platforms

Feedback received will be discussed at a future meeting. Final briefs will be included in the *State Options for Reducing Health Insurance Costs* document by the end of 2026.

Long-Term Care Actuarial (B) Working Group

The Long-Term Care Actuarial (B) Working Group exposed new mortality and lapse valuation tables developed by the Academy and the SOA for newly issued long-term care insurance policies. These tables would replace those in VM-25: *Health Insurance Reserves Minimum Reserve Requirements* for stand-alone long-term care business issued on or after the effective date of adoption of the tables. Feedback received will be discussed at a future meeting, including whether adoption of the new tables is necessary given that *Actuarial Guideline LI – The Application of Asset Adequacy Testing to Long-Term Care Insurance Reserves* (AG 51) has been in effect for several years and is applicable in many more cases because AG 51 applies to existing business in addition to new business.

Property and Casualty Insurance

The NAIC Plenary adopted the *Title Insurance Shopping Tool Template*, which provides information to consumers on the basics and importance of title insurance, shopping tips for title insurance and closing services, and questions to ask before purchasing title insurance. The template is designed for state insurance departments interested in creating a consumer education publication about title insurance and serves as a comprehensive guide that can be customized to suit the specific needs of each state.

The Property and Casualty Insurance (C) Committee (C Committee) adopted the *Affordability and Availability Playbook*, which is a regulator-focused resource developed to assist states in addressing homeowners insurance affordability and availability challenges. It provides policy options and implementation considerations and will be updated over time as markets evolve, additional information becomes available, and new tools or approaches are developed.

The actions taken by various NAIC groups that report to the C Committee since the 2026 Spring National Meeting are summarized below.

Casualty Actuarial and Statistical (C) Task Force

The Casualty Actuarial and Statistical (C) Task Force (CASTF) adopted modifications to the Schedule P instructions in the annual statement for title insurance. These updates are consistent with the updates made to the Schedule P instructions in the P&C annual statement adopted by BWG (Ref #2026-14BWG) and are intended to add clarity and not to change any filing requirements.

CASTF exposed a draft homeowners regulation white paper that explains how homeowners insurance rates are regulated across states, with particular attention to public questions and academic claims regarding potential cross-state subsidization of catastrophic losses. CASTF discussed the feedback received, and potential modifications to the draft will be considered for re-exposure at a future meeting.

Actuarial Opinion (C) Working Group

The Actuarial Opinion (C) Working Group exposed regulatory guidance on P&C statutory statements of actuarial opinion, actuarial opinion summaries and actuarial reports for 2026. This document supplements the P&C annual statement instructions to provide clarity and timely guidance to insurance companies and appointed actuaries with regulatory expectations on the underlying documentation. Feedback received will be discussed by the Working Group at a future meeting.

Homeowners Market Data Call (C) Task Force

The Homeowners Market Data Call (C) Task Force received an update on the 2026 homeowners market data call. It was reported that approximately 880 companies met the reporting threshold and were not otherwise exempted from the data call, with more than 700 companies having submitted data. Additional validation procedures are being performed to enhance data quality.

Market Regulation and Consumer Affairs

The NAIC Plenary adopted the Pharmacy Benefit Management (D) Working Group's *Pharmacy Benefit Manager (PBM) Licensure and Regulation Guidance for Regulators* document, which was previously adopted by the Market Regulation and Consumer Affairs (D) Committee (D Committee). The document provides guidance to regulators considering PBM licensure or regulation and includes sample standards and criteria for the licensure of PBMs and their operations as defined in state law.

The D Committee received an update on market conduct regulation modernization in response to changing markets, business models and consumer expectations. The D Committee intends to consider adoption of recommendations developed by the Market Conduct Regulation Modernization (D) Working Group to improve and modernize the market conduct regulatory framework at the 2026 Fall National Meeting.

The D Committee also received an update on the development of a cybersecurity incident response framework by the Market Conduct Examination Guidelines (D) Working Group, intended to provide a coordinated, multi-jurisdictional response to cybersecurity events involving regulated entities. The framework will include information on its relationship with other NAIC documents, such as the Cybersecurity Event Response Plan (CERP) adopted by the Cybersecurity (H) Working Group and the NAIC cybersecurity event notification portal. The Market Conduct Examination Guidelines (D) Working Group exposed a draft version of the framework, with feedback to be addressed at a future meeting.

Financial Condition

The E Committee exposed a memorandum requesting input from regulators and industry stakeholders on whether a review of the thresholds and requirements for reinsurance transactions in the Disclosure of Material Transactions Model Act (Model #285) should be performed to determine whether those provisions remain appropriate. Comments are due by 28 September 2026.

The E Committee also exposed a referral from the Natural Catastrophe Risk and Resilience (EX) Task Force related to catastrophe scenario (Rcat) analysis. The task force recommends that the E Committee coordinate the interrogatories for catastrophe reinsurance and forward-looking scenario analysis within the RBC Rcat forms and extend the existing sunset date for the scenario analysis in the Rcat to year-end 2030. Comments are due by 28 September 2026.

The actions taken by various NAIC groups that report to the E Committee since the 2026 Spring National Meeting are summarized below.

Examination Oversight (E) Task Force

The following revisions to NAIC publications were exposed by NAIC groups that report to the Examination Oversight (E) Task Force:

- ▶ Financial Examiners Handbook Technical Group (FEHTG) – proposed revisions to the *Financial Condition Examiners Handbook* to update CUSIP terminology in the examination repository for investments; elaborate on the considerations indicated by the results of control testing to conclude on the final assessed level of risk management and acceptability of test results in the examination sampling worksheets of Exhibit O; and address evergreen letters of credit in the reinsurance review.
- ▶ Financial Analysis Solvency Tools (E) Working Group (FASTWG) – proposed revisions to the *Financial Analysis Handbook* that address cybersecurity considerations; private asset exposures; unauthorized reinsurance; corporate divisions and insurance business transfers; risk assessment worksheet; use of artificial intelligence; the Own Risk and Solvency Assessment (ORSA) review template; and the group capital calculation (GCC).

Separately, LATF sent a referral to FEHTG and FASTWG detailing exposed revisions to both NAIC publications regarding *Actuarial Guideline LIII – Application of the Valuation Manual for Testing the Adequacy of Life Insurer Reserves* (AG 53), *Actuarial Guideline LV – Application of the Valuation Manual for Testing the Adequacy of Reserves Related to Certain Life Reinsurance Treaties* (AG 55), GOES implementation, and VM-22.

FASTWG also exposed revisions to Life IRIS Ratio 7 (Total Affiliated Investments to Capital and Surplus) that would exclude nonadmitted amounts for affiliated preferred and common stock from investments in parent, subsidiaries and affiliates.

Financial Stability (E) Task Force

The Financial Stability (E) Task Force, together with the Macroprudential (E) Working Group (MWG) exposed the Macroprudential Risk Dashboard Summary Report as of 31 December 2025 (MRA Report). The summary report indicates that the US insurance industry continues its well-established pattern of adapting to a dynamic risk landscape and playing a key role in the financial sector by helping policyholders manage risk. Aggregate capital levels continue to increase overall and provide a significant buffer above regulatory capital requirements to absorb risk. Liquidity risk is deemed low as the overall industry allocation to cash and short-term investments and US government securities is at the highest levels in the last five years.

MWG announced an initiative to enhance its risk assessment methodology for insurance industry interconnectedness and contagion risk. Interconnectedness has been identified as a key risk category in the MRA Report. MWG indicated that it would like to develop additional key risk indicators within the risk category to identify all significant transmission channels of risk and the potential buildup of those risks.

Various NAIC groups continued their work to improve the ability of state insurance regulators to monitor and respond to financial and economic risks affecting the US insurance industry, as well as individual insurance reporting entities. The [List of 13 MWG Considerations – PE Related and Other](#) has been updated and is available on the NAIC website. MWG reported to the Task Force that it will continue its heightened monitoring of the consideration addressing cross-border reinsurance in subsequent meetings this year.

Receivership and Insolvency (E) Task Force

The Receivership and Insolvency (E) Task Force discussed responses to a survey on the treatment of FABNs in receivership and the next steps for developing a response to the referral from MWG on the treatment of FABNs in receivership. The Task Force agreed to continue researching the topic and directed NAIC staff to draft a response memorandum that the task force will consider at a future meeting.

Reinsurance (E) Task Force

The Reinsurance (E) Task Force received an update from the Reinsurance Financial Analysis (E) Working Group on its review of foreign reinsurers for passporting. The Working Group has approved 110 reciprocal jurisdiction reinsurers and 40 certified reinsurers for passporting as of July 2026. The [list of passported reinsurers](#) is available on the NAIC website.

Group Solvency Issues (E) Working Group

The Group Solvency Issue (E) Working Group adopted revisions to the *NAIC Own Risk and Solvency Assessment (ORSA) Guidance Manual*, which were developed by the ORSA Implementation (E) Subgroup in response to feedback received from regulators and industry stakeholders in the 2025 ORSA Guidance Manual survey. The revisions included a clarification of the expectation that insurers provide a high-level summary of how material risk categories contribute to overall capital needs. It was noted that an assessment of capital adequacy is significantly more meaningful when regulators can understand which material risks are consuming capital and how those risks affect future solvency considerations.

Reciprocal Exchanges (E) Working Group

The Reciprocal Exchanges (E) Working Group exposed revisions to the Insurance Holding Company System Regulatory Act (Model #440) and related model regulation (Model #450) that clarify the definition of control, including that attorney-in-fact agreements include powers of attorney and related agreements established to provide services to a reciprocal exchange at a specific cost; the definition of insurer, including an indication that reciprocal insurers would be included in the definition, and charges for services performed, including that the measurement of attorney-in-fact fees is subject to the fair and reasonable standard and under no circumstances should the amounts charged exceed the cost of such services plus a reasonable profit. Feedback received will be discussed at a future meeting.

Invested Assets (E) Task Force

The Invested Assets (E) Task Force adopted the report of the Investment Designation Analysis (E) Working Group (IDAWG), which included adoption the following amendments to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual):

- ▶ Updated the list of NAIC credit rating providers (CRPs)
- ▶ Revised the guidance for the analysis of parent-subsidary situations

IDAWG exposed a proposed amendment to the P&P Manual to update the filing exempt (FE) treatment of CLOs.

IDAWG also reported that the NAIC Securities Valuation Office (SVO) will temporarily extend the private rating filing deadlines for a period equivalent to the outage period caused by the cybersecurity incident that began on 17 June 2026.

The Task Force adopted the report of the Credit Rating Provider (E) Working Group, which provided an update on the development of the proposed CRP due diligence framework. The framework will introduce quantitative and qualitative processes to assess CRP ratings for use in NAIC processes to address the reasonableness of investment risk characteristics. Based on consideration of the feedback received, a revised version of the framework will be developed and exposed.

The Task Force adopted the report of the Investment Analysis (E) Working Group, which included the issuance of the following referrals:

- ▶ A referral to SAPWG and the Life RBC (E) Working Group seeking the evaluation of whether existing statutory accounting guidance, reporting requirements and RBC treatment continues to appropriately capture the evolving composition of residential mortgage loan investments held by insurers.
- ▶ A referral to SAPWG seeking evaluation of whether existing disclosure requirements continue to provide the consistency, transparency and comparability needed to effectively assess fair value measurements, particularly for investments classified within Level 3 of the fair value hierarchy.

Financial Regulation Standards and Accreditation (F) Committee

The Financial Regulation Standards and Accreditation (F) Committee (F Committee) discussed the work of the Accreditation Scope and Alignment (F) Working Group, which was formed to review the scope of the accreditation program and determine whether any changes are necessary. While the Working Group has analyzed state regulations to understand how states regulate insurance companies within the program's scope and identify any discrepancies or unique regulatory practices across states, ongoing discussions on potential changes to the program's scope have stalled, and it is unlikely that the Working Group will reach a consensus. As a result, the F Committee disbanded the Working Group.

International Insurance Relations

The International Insurance Relations (G) Committee (G Committee) adopted the report of the Aggregation Method Implementation (G) Working Group (AMIWG), which included final recommendations from the consideration of feedback received on its review of US group solvency regulation and implementation of the insurance capital standard (ICS) via the aggregation method (AM). The recommendations are targeted to be sent to those NAIC groups where identified gaps can best be addressed (i.e., the final AM document, the GCC, ORSA, or additional work by AMIWG). The G Committee approved the final recommendations and indicated they would be referred to the E Committee, with subsequent work likely taking place within the GCC (E) Working Group.

The G Committee also approved the comments that the NAIC submitted to the International Association of Insurance Supervisors (IAIS) on the following items:

- A draft issues paper on customers receiving value from insurance products, which is intended to enhance understanding of the importance of insurance projects delivering meaningful value to customers and describe the challenges consumers face in evaluating the value of insurance products when they purchase insurance.

Any new documents released by the IAIS for public consultation will be reviewed by the NAIC staff and discussed by the G Committee at future meetings before the respective deadlines for submission.

Innovation, Cybersecurity, and Technology

The Innovation, Cybersecurity and Technology (H) Committee (H Committee) adopted the *Centralized Cybersecurity Event Notification Portal Project* document, which was adopted by the Cybersecurity (H) Working Group at the 2026 Spring National Meeting.

The H Committee received an update from the Working Group on this project, which included a demonstration of a non-functional prototype designed to illustrate the portal's intended capabilities for both industry licensees and regulators. Given concerns about the proposed portal and the sensitive data it would contain following the recent NAIC cybersecurity breach, the H Committee requested that the project undergo a security review before it is presented to the EX Committee.

The actions taken by various NAIC groups that report to the H Committee since the 2026 Spring National Meeting are summarized below.

Big Data and AI (H) Working Group

The Big Data and Artificial Intelligence (AI) (H) Working Group received an update on the AI Risk Evaluation Supplement pilot process. The pilot will run through September with 12 participating states that are using the supplement in various regulatory activities, including market conduct examinations, financial examinations, financial analyses and broader regulatory inquiries.

The Working Group exposed the next version (i.e., version 5.0) of the AI Risk Evaluation Supplement, along with a summary of changes from the prior version. Comments are due by 29 September 2026, with the goal of adopting the supplement at the 2026 Fall National Meeting.

Privacy Protections (H) Working Group

The Privacy Protections (H) Working Group exposed the full revised draft of the Privacy of Consumer Financial and Health Information Regulation (Model #672).

Third-Party Data and Models (H) Working Group

The Third-Party Data and Models (H) Working Group discussed its exposed *Regulatory Framework for Third-Party Data and Model Vendors – Property and Casualty Pricing and Underwriting Data and Models*, which represents the first phase of a broader initiative focused on third-party data and models used in P&C pricing and underwriting. The proposed structure of the framework was developed with the following primary components:

- ▶ Third-party data and model vendors would be encouraged to voluntarily register through a shared multi-state registry administered by the NAIC. The registry would function as a central repository and access point through which vendors would provide corporate governance information, model and data governance documentation that are required to be consistent with the [NAIC's AI Principles](#) and [Model Bulletin](#), and information regarding products supplied to property and casualty insurers.
- ▶ Insurers would continue to file their rates and underwriting rules under existing state requirements, while third-party data and models used in those filings could be submitted either through insurer filings or directly by vendors.
- ▶ Vendors would be subject to ongoing requirements, including annual governance attestations and notifications of material changes to data sets or models.

The feedback received generally supported the framework's goals but raised concerns about whether the registry would be truly voluntary, the lack of clear incentives for vendor participation, potential duplication with existing state filing and model review processes, the adequacy of confidentiality protections for proprietary information, and the practicality of requiring vendors to attest to compliance with all state insurance laws. Clearer standards for reporting obligations, material changes and implementation requirements were also requested. The Working Group plans to create a drafting group to consider the feedback received and develop an updated version of the framework for re-exposure at a future meeting.

Stay tuned

The NAIC's 2026 Fall National Meeting is scheduled for 14-17 November in Dallas. A schedule of interim NAIC group meetings is available on the [NAIC website](#).

Appendix A – Statutory Accounting Principles Working Group

This chart summarizes actions taken by SAPWG since the 2026 Spring National Meeting. Comments on exposed items are due by 2 October 2026. More information on SAPWG exposed items is available on the [NAIC website](#).

Topic/issue	Status	Discussion	Effective date
New SSAP or New SAP Concepts in an Existing SSAP¹			
SSAP No. 7 – Asset Valuation Reserve and Interest Maintenance Reserve (Ref #2023-14)	Re-exposed	Re-exposed a revised draft of SSAP No. 7, along with the corresponding issue paper, proposed revisions to other SSAPs and other reporting changes, with a proposed effective date of 1 January 2028. SAPWG discussed the feedback received on the current admittance limit for net negative IMR of 10% of adjusted capital and surplus and whether it should be increased or eliminated. Regulators did not support an unlimited cap and indicated that compliance with applicable safeguards (i.e., the IMR proof of reinvestment test and the disclosures specified in INT 23-01) must be demonstrated and verified before increasing the admittance limit from 10%. SAPWG requested that industry stakeholders develop a plan to ensure compliance and accuracy of reporting for subsequent consideration. This industry request included the development of a disclosure or reporting component for inclusion in the statutory-basis financial statements that would allow ongoing verification of how admitted net negative IMR has been included in actuarial provisions and reconciliations.	TBD
	Adopted	Separately, INT 23-01 was extended by one year to 31 December 2027. The interpretive guidance will be automatically nullified on 1 January 2028.	Immediately
ALM Derivatives (Ref #2024-15)	Re-exposed	Re-exposed a revised draft of SSAP No. 109 and the corresponding issue paper to establish guidance for interest-rate hedging derivatives used for ALM purposes following an amortized cost method, with a proposed effective date of 1 January 2028. SAPWG directed the NAIC staff to send a referral to LATF requesting a review and assessment of the guidance, with consideration of a pilot review in 2027. The pilot review is proposed to ensure that regulatory life actuaries understand the specific hedge effectiveness tests proposed by industry stakeholders and to consider any additional specifications that should be included in the SSAP on how effectiveness testing should be performed.	TBD
SSAP No. 86 – RSATs (Ref #2026-09)	Exposed	Exposed revisions to SSAP No. 86 to clarify the accounting and reporting requirements for RSATs. The proposed revisions would incorporate key definitions and effectiveness requirements, restrict cash components and replicate assets to investment-grade securities, as well as clarify related accounting, reporting and the RBC treatment of RSATs. Feedback has also been requested on whether further clarifications or limitations for RSATs should be incorporated in statutory guidance.	TBD
SSAP No. 26 – Embedded ALM Risk (Ref #2026-10)	Exposed	Exposed revisions to SSAP No. 26 to expand on the requirements that must be met for certain asset-backed securities (i.e., multi-collateral structured credit investments with embedded ALM risk) to qualify for bond reporting. The proposed revisions would require additional assessment of ALM risk in asset-backed securities and preclude securities with significant reinvestment rate or spread risk from qualifying as bonds under the principles-based bond definition.	TBD
SSAP No. 23 – Canadian Translations (Ref #2026-15)	Exposed	Exposed revisions to SSAP No. 23 to remove the Canadian exception for foreign currency translation. The proposed revisions would require all foreign operations to be translated within each financial statement reporting line using a consistent methodology. Feedback has been requested on the operational and reporting effects of removing the exception.	TBD
SAP Clarification²			
Residential Mortgage Loans Held in Statutory Trusts Issue Paper (Ref #2025-13)	Adopted	Adopted Issue Paper No. 172 to document the discussions and conclusions that occurred when developing the reporting and disclosure guidance for residential mortgage loans held in qualifying statutory trusts for historical purposes.	1 January 2027 with early adoption permitted
IMR Impact to Reinsurance Collateral (Ref #2025-22)	Adopted	Adopted revisions to SSAP No. 61 to clarify the treatment of IMR derecognized as part of a reinsurance transaction and its effect on reinsurance collateral required to receive reinsurance credit from unauthorized and certified reinsurers. The revisions require the application of an asymmetrical method, under which derecognized net positive IMR (a liability balance) would increase collateral requirements, while derecognized net negative IMR (an admitted or nonadmitted asset balance) would not decrease collateral requirements. Feedback received from the Reinsurance (E) Task Force supported the application of the asymmetrical method.	Immediately

¹ The terms “New SSAP” or “New SAP Concepts in an Existing SSAP” and “SAP Clarification” reference the different types of revisions to statutory accounting guidance. The terms used in previously adopted SSAPs, issue papers and agenda items (i.e., “substantive” and “nonsubstantive”) have been retained, with the new terms to be used prospectively when considering future revisions to statutory accounting guidance.

² Ibid.

* No action was taken on this topic/issue since the 2026 Spring National Meeting.

Topic/issue	Status	Discussion	Effective date
Commitments and Contingent Commitments (Ref #2025-24)	Deferred*	Previously exposed revisions to consolidate and clarify the disclosure requirements for commitments and contingent commitments in Note 14 in the annual statement and add a definition for commitments to SSAP No. 5, <i>Liabilities, Contingencies and Impairments of Assets</i> . The proposed revisions would also add a "Commitment for Additional Investment" column to Schedule D-1-1 and Schedule D-1-2 and clarify the timing for recording non-bond debt securities in SSAP No. 21.	TBD
SSAP No. 48 Equity Changes (Ref #2025-26)	Deferred*	Previously exposed a proposal to review specific concepts in SSAP No. 48, <i>Joint Ventures, Partnerships and Limited Liability Companies</i> , and how they are applied to validate that the intended guidance is clear and consistently applied. Examples of specific concepts referenced include the timing of recognition of equity value changes, including the timing of the related financial statement audit, the approach for the recognition of goodwill, the reporting of negative investment income, and the performance of an impairment assessment. SAPWG directed the NAIC staff to work with industry stakeholders to develop a modified proposal in response to feedback received.	TBD
SSAP No. 1 – Modco/FWH Code (Ref #2025-27)	Adopted	Adopted revisions to SSAP No. 1 to expand the disclosure requirements for restricted assets by adding separate reporting categories for assets held under Modco reinsurance agreements, assets held under funds withheld reinsurance agreements, and collateral assets received and on the balance sheet (excluding collateral held under security lending and repurchase agreements reported on the balance sheet).	Immediately
Disclosure of FABNs and Similar Structures (Ref #2026-01)	Adopted	Adopted revisions to SSAP No. 52 to incorporate disclosures and a glossary for FABNs and other similar structures, such as FABRs and FABLs.	31 December 2026
Valuation of Funds Withheld (Ref #2026-02)	Exposed	Exposed modified revisions to SSAP No. 61 to clarify how funds withheld assets and liabilities should be recorded, including any collateral deficiency liability.	TBD
Various Editorial Revisions (Ref #2026-03EP)	Adopted	Adopted editorial revisions to multiple SSAPs, including removing the word "funding" from the beginning of the paragraph that describes Federal Home Loan Bank (FHLB) agreements such that only FHLB agreements that are deposit-type contracts would be captured as funding agreements, replacing the term CUSIP with Security Identifier, and adding "U.S." before GAAP as appropriate.	Immediately
ASU 2025-10, Accounting for Government Grants Received by Business Entities (Ref #2026-04)	Exposed	Exposed revisions to SSAP No. 24, <i>Discontinued Operations and Unusual or Infrequent Items</i> , to reject ASU 2025-10, <i>Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities</i> . The proposed revisions continue to require government grants to be accounted for as gain contingencies and add guidance for asset-related grants, including deferred grant income and related disclosures. The proposed revisions also update terminology and clarify the accounting and reporting requirements for government grants.	TBD
SSAP No. 1 – Securities Lending Restricted Asset Reporting (Ref #2026-05)	Adopted	Adopted revisions to SSAP No. 1 to clarify restricted asset reporting for securities lending transactions. The revisions require the securities lent under a securities lending arrangement, rather than the collateral received, to be reported as restricted assets. The changes also clarify collateral reporting, eliminate potential double counting in Note 5L and align disclosure requirements with existing RBC treatment.	Immediately
SSAP No. 100 – Fair Value Disclosures (Ref #2026-06)	Exposed	Exposed revisions to SSAP No. 100 to reconsider the reporting of equity-method investments in the fair value disclosure in the annual statement (i.e., Note 20C). SAPWG requested that industry stakeholders propose guidance and reporting categories that could be established to differentiate equity-method investments by "operating entities" and "holding entities" (i.e., structures that hold investments).	TBD
Referral on AVR Affiliated Common Stock (Ref #2026-07)	Adopted	Adopted an agenda item to support revisions to the Life annual statement instructions to clarify AVR reporting for affiliated common stock. The revisions address the treatment of SCA investments, including the distinction between SCA investments reported in the "Certain Other" and "All Other" categories. SAPWG directed the NAIC staff to provide notice of adoption of this agenda item to the Life RBC (E) Working Group.	Immediately
SSAP No. 21 – Insurer Company Owned Life Insurance (ICOLI) (Ref #2026-08)	Exposed	Exposed a concept agenda item to consider whether the reporting guidance for ICOLI policies in paragraph 9 of SSAP No. 21 should be retained or modified. Feedback has been requested on whether these amounts should continue to be reported as other-than-invested assets or reported as invested assets on Schedule BA under a new reporting category for "Realizable Amounts Under ICOLI Policies," which would provide an ability for the investment risk presented by ICOLI holdings to be captured in the RBC calculation.	TBD

Topic/issue	Status	Discussion	Effective date
SSAP No. 37 – Residential Mortgage Loan Definition (Ref #2026-11)	Exposed	Exposed a concept agenda item to clarify the definition and reporting of residential mortgage loans under SSAP No. 37. Feedback has been requested on the treatment of “one-to-four family” and “multifamily” properties for residential mortgage loans and the related assessment of different characteristics and risk components of properties for more granular reporting and accounting guidance.	TBD
SSAP No. 62 – Retroactive Reinsurance Exception (Ref #2026-12)	Exposed	Exposed revisions to SSAP No. 62, <i>Property and Casualty Reinsurance</i> , to add a new disclosure regarding the exception to retroactive accounting involving transactions with insurers 100% owned by a common parent. Feedback has been requested as to whether the exception should remain unchanged, be considered for elimination, or be narrowed.	TBD
SSAP No. 47 and SSAP No. 54 – Medicaid Updates (Ref #2026-13)	Exposed	Exposed revision to SSAP No. 47, <i>Uninsured Plans</i> , and SSAP No. 54, <i>Individual and Group Accident and Health Contracts</i> , to add a principles-based statement that Medicaid contract payments classified as capitated payments are included in insured plans.	TBD
SSAP No. 101 - Updates to INT 18-03 for OBBBA (Ref #2026-14)	Exposed	Exposed revisions to SSAP No. 101, <i>Income Taxes</i> , to address the expiration of certain tax provisions originally enacted under the Tax Cuts and Jobs Act (TCJA) and subsequent changes made by the One Big Beautiful Bill Act (OBBBA). The proposed revisions would allow the guidance related to the Repatriation Transition Tax (RTT) to expire following completion of the statutory payment period, incorporate the accounting guidance for Net Controlled Foreign Corporation Tested Income (NCTI), formerly known as Global Intangible Low-Taxed Income (GILTI), into SSAP No. 101, and remove obsolete guidance related to Alternative Minimum Tax (AMT) credits. Separately, INT 18-03: <i>Additional Elements Under the Tax Cuts and Jobs Act</i> would be nullified, effective January 1, 2027, and the corresponding annual statement disclosures associated with the expired provisions would be removed.	TBD

SAPWG agenda items from prior years with an extended period of no action taken

Substantive listing:

- ▶ SSAP No. 41 – Amortization and Accretion Surplus Notes (Ref #2017-12)
- ▶ Derivatives Hedging Fixed Indexed Products (Ref #2020-36)

Nonsubstantive listing:

- ▶ SSAP No. 26 and SSAP No. 43 – Measurement Method for NAIC 5 Designations (Ref #2015-17)
- ▶ Aging and Revenue Recognition of Multi-Peril Crop Policies (Ref #2015-33)
- ▶ Appendix C Introduction (Ref #2016-42)
- ▶ SSAP No. 61 and SSAP No. 62 – Reinsurance Credit (Ref #2017-28)
- ▶ SSAP No. 41 – Surplus Note Accounting (Ref #2018-07)
- ▶ SSAP No. 68 and SSAP No. 97 – ASU 2014-17, *Business Combinations – Pushdown Accounting* (Ref #2019-12)
- ▶ SSAP No. 68 and SSAP No. 97 – Attribution of Goodwill (Ref #2019-14)
- ▶ SSAP No. 51, SSAP No. 53, SSAP No. 54 and SSAP No. 59 – Expanded MGA and TPA Disclosures (Ref #2019-36)
- ▶ SSAP No. 62 – Retroactive Reinsurance Exception (Ref #2019-49)
- ▶ SSAP No. 53, SSAP No. 54 and SSAP No. 66 – Premium Refunds and Other Adjustments (Ref #2020-30)
- ▶ SSAP No. 107 – State ACA Reinsurance Programs (Ref #2021-09)
- ▶ Review Annual Statement Instructions for Accounting Guidance (Ref #2023-01)
- ▶ Model 630 – Mortgage Guaranty Insurance (Ref #2023-31)
- ▶ SSAP No. 103 – Conforming Repurchase Agreements (Ref #2024-04)
- ▶ SSAP No. 27 – Updates to SSAP No. 27 (Ref #2024-12)

Appendix B – Blanks Working Group

This chart summarizes actions taken by BWG since the 2026 Spring National Meeting. Comments on exposed items are due by 3 November 2026. [More information on BWG exposed items](#) is available on the NAIC website.

Adopted items	Statement type(s) ¹	Filing(s)	Effective date
2025-23BWG MOD: Modifies the Separate Accounts annual statement to identify nonadmitted assets on the annual statement blank for assets held at the general account basis and adds a new "Exhibit of Nonadmitted Assets" to detail the total nonadmitted assets for the current and prior period, as well as the change in nonadmitted assets, in response to actions taken by SAPWG (SAPWG Ref #2025-25).	SA	Annual	Annual 2027
2025-24BWG: Modifies Note 18B – ASC Plans for reporting other amounts received from and paid to the ASC plans by the insurance reporting entity consistent with SSAP No. 47 in response to actions taken by SAPWG (SAPWG Ref #2025-30).	L/F, P/C, H	Annual	Annual 2026
2025-25BWG: Modifies Note 2 – Accounting Changes and Corrections of Errors by adding a reference to the phase-in requirements of VM-20 and VM-21 relating to the prescribed economic scenario generator in response to actions taken by SAPWG (SAPWG Ref #2025-34).	L/F, P/C, H, T	Annual	Annual 2026
2025-26BWG MOD: Modifies annual statement expense categories and instructions to remove outdated expense terminology and add current types of expenses in response to actions taken by SAPWG (SAPWG Ref #2025-33).	L/F, P/C, H, T	Annual	Annual 2026
2025-27BWG MOD: Modifies the AVR calculation in the Life annual statement blank to report CLOs, CBOs and CDOs with instructions to bifurcate the reporting of long-term bonds into "Long-Term Bonds, excluding CLOs/CBOs/CDOs" and "CLOs/CBOs/CDOs," and adds a footnote to Schedule D, Part 1, Section 2 to report book/adjusted carrying value by NAIC designation for CLOs/CBOs/CDOs.	L/F, P/C, H, SA, PC, T	Annual	Annual 2026
2026-01BWG: Adds new instructions to Note 26 – Intercompany Pooling Arrangements to require disclosure of the statement value and fair value of assets received or transferred by the reporting entity for modifications to an existing intercompany pooling arrangement that involved the transfer of assets with fair value that differ from book value in response to actions taken by SAPWG (SAPWG Ref #2022-12)	L/F, P/C, H	Annual	Annual 2026
2026-02BWG MOD: Modifies the illustration for FHLB agreements in Note 11B – Debt to incorporate cross checks with the respective General Interrogatories to make sure these two disclosures agree within the annual statement and modifies the instructions to the Exhibit for Deposit-Type Contracts in the Life and Separate Accounts annual statement to capture the liability established for FHLB funding agreements reported in the general account and separate account, respectively.	L/F, P/C, H, SA, T	Annual	Annual 2026
2026-03BWG MOD: Modifies the annual and quarterly statement to clarify how insurance companies should report valuation standards for VM-22 business and adds an annual supplement for VM-22 reserve reporting that will provide regulators with the ability to review and analyze data for non-variable annuities.	L/F, P/C, H, SA, T	Annual and quarterly	Annual 2026
2026-04BWG MOD: Adds new instructions and an illustration to Note 11 – Debt to disclose FABNs issued by special purpose vehicles (SPV) and adds a footnote to the Exhibit for Deposit-Type Contracts to report the amount of total funding agreements backed by SPV issuances.	L/F, P/C, H, SA, T	Annual	Annual 2026
2026-05BWG: Modifies the annual investment schedules (e.g., Schedule D and Schedule BA) to require direct reporting, rather than inference through omission, of instances where net asset value (NAV) is used instead of fair value for certain investments in the "Fair Value Hierarchy Level and Method Used to Obtain Fair Value Code" column.	L/F, P/C, H, SA, PC, T	Annual	Annual 2026
2026-06BWG: Modifies Note 5L – Restricted Assets to add a reconciling adjustment to identify assets pledged under multiple arrangements.	L/F, P/C, H, T	Annual and quarterly	Annual 2026
2026-07BWG: Modifies the instructions to incorporate clarifying revisions for completing certain investment reporting columns (payment due at maturity, origination balloon payment) on Schedule D, Part 1, Sections 1 and 2 and a clarification to the maturity date column on Schedule BA, Parts 1, 2 and 3 to complete the column if the investment has a stated contractual maturity date in response to actions taken by SAPWG (SAPWG Ref #2025-29).	L/F, P/C, H, SA, T	Annual and quarterly	Annual 2026
2026-08BWG MOD: Adds a code of "O - Other" to the "Active Status" column on Schedule T to identify whether the company does not fit into one of the existing categories (e.g., captive or international insurers) with required disclosure of the license type and modifies the "N" code to "None" (e.g., not allowed to write business in the state).	L/F, P/C, H, T	Annual and quarterly	Annual 2026

¹ L/F = Life and Fraternal; P/C = Property and Casualty; H = Health; SA = Separate Accounts; PC = Protected Cell; T = Title.

Adopted items	Statement type(s) ¹	Filing(s)	Effective date
2026-09BWG: Reincorporates the affiliated short-term investment and cash equivalent line in the Five-Year Historical Data, which was previously removed in 2024-02BWG.	L/F, P/C, H, T	Annual	Annual 2026
2026-11BWG: Adds new instructions and an illustration to Note 5A - Mortgage Loans for the reporting of mortgage loans acquired through a qualifying investment in a qualifying statutory trust in response to actions taken by SAPWG (SAPWG Ref #2025-13).	L/F, P/C, H, T	Annual	Annual 2026
2026-12BWG: Modifies the AVR factors for collateral loans in the "Reserve Objective" and "Maximum Reserve" columns to be zero.	L/F, SA	Annual	Annual 2026
2026-13BWG MOD: Adds an "Active Status" column to Part 5 of the Cybersecurity Insurance Coverage Supplement and Parts 2 through 6 of the Private Flood Insurance Supplement to provide users with the ability to determine if policies are being written in the admitted or nonadmitted market for each state.	P/C	Annual	Annual 2027
2026-14BWG: Modifies the annual statement instructions to Schedule P to clarify or correct the information to be reported.	P/C	Annual	Annual 2027
2026-15BWG MOD: Modifies the "CUSIP" column throughout the annual and quarterly investment schedules to be a "Security Identifier" column to allow for different types of identifiers and adds a "Security ID Type" column to identify what security identifier is being used, which will improve investment security identification and integration with other NAIC systems, data and reporting.	L/F, P/C, H, SA, PC, T	Annual and quarterly	First quarter 2027
2026-17BWG: Modifies the General Interrogatories for investments and Note 5L – Restricted Assets to clarify restricted asset reporting for securities lending transactions to prevent the potential double-counting that could occur based on existing guidance and multiple references to "collateral" in response to actions taken by SAPWG (SAPWG Ref #2026-05).	L/F, P/C, H, T	Annual and quarterly	First quarter 2027

Exposed items	Statement type(s) ¹	Filing(s)	Proposed effective date
2026-10BWG: Modifies the Life annual and quarterly statement instructions to report the book/adjusted carrying value of funds held liabilities and reference the related information on Schedule S to address inconsistent guidance regarding the valuation of the liability for funds withheld in a life or health reinsurance agreement in response to actions taken by SAPWG (SAPWG Ref #2026-02).	L/F	Annual and quarterly	Annual 2027
2026-18BWG: Adds an investment characteristic code on Schedule D, Part 2, Sections 1 and 2 to identify investments that have a rating from an NAIC CRP that is an SVO Excluded Rating.	L/F, P/C, H, SA, T	Annual and quarterly	Annual 2027
2026-19 BWG: Modifies the Health annual statement instructions to align the skills and knowledge needed to meet the criteria to be considered a qualified actuary as it relates to signing the Health actuarial opinion with the revised SOA Fellow curriculum.	H	Annual	Annual 2027
2026-20BWG: Adds a yes or no question to General Interrogatories, Part 1 #40 to ask if a reporting entity holds investments in residuals.	L/F, P/C, H, T	Annual	Annual 2027

Withdrawn Items	Statement type(s) ¹	Filing(s)	Effective date
2025-29BWG: Modifies the general instructions to the investment schedules to add restricted asset codes previously added to Note 5L – Restricted Assets for reporting modified coinsurance or funds withheld reinsurance agreements in response to actions taken by SAPWG (SAPWG Ref #2025-27).	L/F, P/C, H, SA, T	Annual and quarterly	N/A
2026-16BWG: Modifies the list of disclosure exclusions for Note 20C - Fair Value Measurements to remove the exclusion for investments accounted for under the equity method in response to actions taken by SAPWG (SAPWG Ref #2026-06).	L/F, P/C, H, T	Annual and quarterly	N/A

Appendix C – RBC developments

This chart summarizes developments that affect RBC requirements for each of the insurance sectors based on actions taken by CATF and the various NAIC groups that report to it since the 2026 Spring National Meeting. More information on exposed RBC developments is available on the [NAIC website](#).

Topic/issue	NAIC group	Status	Discussion	Effective date
All RBC				
Repurchase Agreements for P&C and Health (Ref #2024-06-CA)	Capital Adequacy Task Force	Deferred*	Previously exposed a proposal to modify the treatment of repurchase agreements in the Health RBC and P&C RBC formulas for consistency with the ACLI proposal exposed by the Life RBC Working Group (Ref #2024-03-L).	TBD
A&H Underwriting Risk Structure Change (Ref #2025-15-CA MOD)	Capital Adequacy Task Force	Adopted	Adopted revisions to modify the structure of each of the RBC formulas based on recommendations in the <i>H2 Underwriting Risk</i> report from the Academy. The revisions align the underwriting risk pages with the lines of business presented in the Health Annual Statement Analysis of Operations, with corresponding implementation for Life and P&C business. The revisions also split investment income into two separate lines to establish a standalone income factor and updates the instructions for the alternate risk charge that addresses the risk of catastrophic claims on any single individual.	2026
Underwriting Risk Investment Income Update (Ref #2026-03-CA)	Capital Adequacy Task Force	Adopted	Adopted investment income adjustments revised from 4.5% to 4.0% for 2026 reporting purposes to the underwriting factors for Comprehensive Medical, Medicare Supplement and Dental & Vision on pages XR013, LR019, LR020, PR019 and PR020 of the RBC formulas.	2026
Investment Subsidiary (Ref #2026-05-CA)	Capital Adequacy Task Force	Adopted	Adopted revisions to remove the investment subsidiary category from each of the RBC formulas and related instructions in response to actions taken by BWG (Ref #2025-20BWG).	2026
Collateral Loan Source Update P/C & Health (Ref #2026-10-CA)	Capital Adequacy Task Force	Adopted	Adopted revisions to pages XR008 of the Health RBC formula and PR008 and PR009 of the P&C RBC formula to incorporate changes from annual statement source materials for collateral loans, residual tranches or interests, and tax credit investments in response to actions taken by BWG (2024-19BWG MOD).	2026
Life RBC				
Comfort Trusts (Ref #2023-08-L)	Life RBC Working Group	Deferred*	Previously discussed the feedback received on proposed revisions to the instructions for page LR016 of the Life RBC formula that would allow a reporting entity to avoid an overstatement of credit risk on a reinsurance transaction that provides collateral in the form of a custody control account (i.e., custodied collateral).	TBD
Repurchase Agreements (Ref #2024-03-L)	Life RBC Working Group	Deferred*	Previously exposed the ACLI proposal to modify the treatment of repurchase agreements on page LR017 of the Life RBC formula and related instructions, which would establish a “conforming program criteria” option for repurchase agreements through the general interrogatories of the annual statement and align the current charge of 1.26% for conforming repurchase agreements with the charge for conforming securities lending programs of 0.2%. The ability to use the lower charge would only apply to counterparties rated BBB or higher. Repurchase agreements that do not meet the criteria or a counterparty rated BB or lower would continue to be subject to the 1.26% charge.	TBD
C-3 GOES Implementation (Ref #2025-14-L MOD)	Capital Adequacy Task Force	Adopted	Adopted revisions to modify page LR027 of the Life RBC formula and related instructions to implement revisions to the C3 Phase I and C3 Phase II calculations for the adoption of the GOES economic scenario generator.	2026
Collateral Loans (Ref #2025-16-L MOD V.3)	Capital Adequacy Task Force	Adopted	Adopted revisions to page LR008 of the Life RBC formula and related instructions to address the RBC charge for collateral loans based on Schedule BA changes that were adopted by SAPWG and BWG to incorporate more granular reporting of collateral loans based on the type of underlying collateral that secures the loan.	2027
CLO RBC Structure (Ref #2025-22-IRE MOD V.2)	Capital Adequacy Task Force	Adopted	Adopted revisions to page LR002 of the Life RBC formula and related instructions to separately present CLOs from other long-term bonds in preparation of new RBC factors to be applied to CLOs. These revisions incorporate more granular reporting of long-term bonds into the following categories: CLOs and all other long-term bonds, with additional categorization based on tranche thickness. These revisions are structural only and do not contemplate any changes to RBC factors.	2026 or later
AVR Changes (Ref #2026-01-L)	Capital Adequacy Task Force	Adopted	Adopted revisions to various pages of the Life RBC formula to align the treatment for the AVR - Default Component & Equity and Other Invested Asset Component tables with revisions that were adopted to the Life annual statement in response to actions taken by BWG (Ref #2025-27BWG MOD).	2026

* No action was taken on this topic/issue since the 2026 Spring National Meeting.

Topic/issue	NAIC group	Status	Discussion	Effective date
Schedule BA Residential Mortgage Loans (Ref #2026-02-L)	Capital Adequacy Task Force	Adopted	Adopted revisions to modify the treatment of Unaffiliated BA Mortgage - Residential - All Other - In Good Standing loans to be separately reported in AVR and therefore in RBC with a risk charge of 0.0068.	2026
LR027 Interest Rate Risk and Market Risk (Ref #2026-06-L MOD)	Capital Adequacy Task Force	Adopted	Adopted editorial revisions to page LR027 of the Life RBC formula to capture the appropriate reference from annual statement source materials.	2026
Longevity Reinsurance (Ref #2026-07-L)	Capital Adequacy Task Force	Adopted	Adopted revisions to page LR025-A of the Life RBC formula to include the RBC treatment for longevity reinsurance product in the C2 calculation for insurance risk.	2026
LR008 Schedule BA Collateral Loans Annual Statement Source 2026 update (Ref #2026-09-L MOD)	Capital Adequacy Task Force	Adopted	Adopted revisions to the Life RBC formula based on modifications to the Life annual statement, which introduced enhanced granularity in Schedule BA reporting for collateral loans, in response to actions taken by BWG (Ref #2024-19BWG).	2026
CLO RBC Factors (Ref #2026-12-IRE MOD)	Capital Adequacy Task Force	Adopted	Adopted the modeled C1 factors developed for CLOs, CBOs and CDOs by the Academy, subsequently adjusted for tax effect and tranche thickness. CLO residual tranches will have a pre-tax factor of 45%.	2026
P&C RBC				
Premium Loss Concentration Factors (Ref #2025-21-P)	Capital Adequacy Task Force	Adopted	Adopted revisions to the loss and premium concentration factors in the P&C RBC formula based on recommendations from the Academy. The revisions update the maximum diversification credits to 65% for reserves and 45% for premium from the existing factor of 30%.	2026
PR027 INT Item D Modification (Ref # 2026-08-CR)	Capital Adequacy Task Force	Adopted	Adopted revisions to eliminate questions D13 and D14 from PR027 INT as areas considered prone to convective storms are currently not clearly defined, and retaining these questions may lead to ambiguity and inconsistency in data collection and reporting.	2026
Underwriting Risk Line 1 Factors (Ref #2026-11-P)	Capital Adequacy Task Force	Adopted	Adopted revisions to the P&C RBC formula for the routine, annual update to the industry underwriting factors.	2026
Severe Convective Storm Implementation (2027) (Ref #2026-13-CR)	P&C RBC Working Group	Exposed	Exposed revisions to add a severe convective storm risk peril to the catastrophe risk charge (Rcat component) of the P&C RBC formula, based on the work performed by an ad hoc group that concluded NAIC-approved catastrophe models reasonably capture this peril and are appropriate for use in RBC calculations.	2027