June 6, 2016

CIRCULAR LETTER NO. 2285

To All Members and Subscribers of the WCRIBMA:

NAIC DATA CALL RELATED TO TERRORISM RISK INSURANCE COVERAGE

The National Association of Insurance Commissioners (NAIC) has issued a data call related to terrorism risk insurance coverage. This data call is separate and distinct from the Federal Insurance Office (FIO) initiative to collect data elements in compliance with Section 111 of the Terrorism Risk Insurance Program Reauthorization Act (TRIPRA) of 2015. The NAIC data call related to terrorism risk insurance coverage is intended to serve multiple regulatory and oversight objectives with respect to the affordability and availability of insurance coverage for acts of terrorism, as well as monitoring insurers' financial exposure to terrorism risk.

The NAIC data call is being implemented in two phases, neither of which requires member carriers to take action. Massachusetts was not one of the states involved in the first phase, which required production of the data by late April 2016.

In the second phase, the data for all remaining states (including Massachusetts) will be provided in September 2016. The WCRIBMA is working with the National Council on Compensation Insurance (NCCI) and other independent state rating bureaus to provide aggregate workers' compensation data (based on unit statistical data) by carrier for policy years 2011-2013 to comply with NAIC's data request. The provided data will include total payroll, premium, counts for policies that include a charge for terrorism coverage, and counts for policies that do not include a charge for terrorism coverage.

Beginning in 2017, it is expected that all states will be required to annually report terrorism risk insurance coverage data to the NAIC. The New York State Department of Financial Services will receive the data call on behalf of the NAIC.

Any questions regarding this circular should be directed to Tony Salido at (617) 646-7524 or by e-mail asalido@wcribma.org.

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