

COVID-19 Information Request Template

This template is developed for purposes of state insurance department use in collecting information from U.S. insurance groups and legal entities (hereafter “companies”) on their preparation for and exposure to the novel coronavirus known as COVID-19. Companies are asked to provide complete and accurate responses to the relevant sections of the request to facilitate effective regulatory review and to reduce the need for additional requests.

The template is prepared such that it can be submitted on a group basis to the Lead State regulator (if applicable), although certain requests are required to take legal entity impacts into consideration (see Questions 7 & 8 in Financial Impact). Information received through the template will be treated as confidential and will be shared with other state insurance departments through the NAIC's Master Information Sharing and Confidentiality Agreement to reduce the need for duplicative and overlapping information requests.

| | |
|-----------------------------------------------------------------------|--|
| Group Name/Insurer Name (if not in a group) | |
| NAIC Group Code/Cocode (if not in a group) | |
| Lead State/Domestic State (if not in a group) | |
| Cocodes Covered in this Response (if completed at group level) | |
| Respondent Name | |
| Respondent Title | |
| Email Address | |
| Phone # | |

Operational Impact of COVID-19

Questions in this section of the template relate to the operational impact of COVID-19 and steps taken by companies to implement an effective Business Continuity Plan (BCP) and/or COVID-19 response plan to support ongoing operations.

| | Request/Question | Company Response |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| 1 | Please provide an overall summary of steps that have been or will be taken to address the operational impacts of COVID-19 on the company, including any recent updates to the company's BCP and/or the development of a COVID-19 response plan. | |
| 2 | Please discuss the long-term sustainability of the company's BCP and/or COVID-19 response plan in relation to its impact on the company's cost structure and ability to fulfill its strategic business plan. | |
| 3 | Please discuss the ability of the company to provide continuous service to policyholders and maintain critical operations in the event that employees are unavailable or working remotely for extended periods of time. | |
| 4 | Please discuss the ability of the company's cybersecurity program to address cyber risks that may emerge from COVID-19, including a potential increase in the number of remote workers and cyber attacks. | |
| 5 | Please discuss the ability of third-party service providers and suppliers to provide ongoing service for maintaining critical operations, as well as the level of ongoing monitoring and oversight provided by the company in this area. | |
| 6 | Please discuss the company's plan for facilitating effective communication with consumers, vendors, and employees regarding the impacts of COVID-19, as well as the process by which questions and inquiries can be submitted and addressed. | |
| 7 | Please discuss the governance and oversight of the company's BCP and/or COVID-19 response plan, including the critical members of the response team, as well as the process to ensure ongoing review and updates. | |

Financial Impact of COVID-19

Questions in this section of the template relate to the financial impact of COVID-19 on company solvency and steps taken by companies to both assess their exposures and address any concerns identified.

| | Request/Question | Company Response |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| 1 | Has the company conducted formal stress tests (or run scenarios in pandemic models) that address the potential financial impacts of COVID-19 (or a similar pandemic event) and the related economic downturn on the company's solvency and liquidity position? | |
| 1a | If yes, please summarize the results of the most recent stress tests and provide a description of the material assumptions used and processes followed in developing the results. | |
| 1b | If no, please summarize the potential range of effects that COVID-19 and the related economic downturn could have on the company's overall financial position including premiums, underwriting income, net income, capital and liquidity. | |
| 2 | Discuss the potential range of effects that COVID-19 exposures could have on the company's claim frequency and severity, including its projected loss ratios. | |
| 3 | Discuss any specific lines of business or products (e.g. health insurance, travel insurance, event cancellation, credit insurance, business interruption, workers compensation, medical stop loss, pandemic reinsurance) that could be significantly impacted by COVID-19 and any critical factors and considerations relevant to evaluating these exposures. | |
| 4 | Discuss the potential impact that the recent market downturn and changes in interest rates could have on the company's invested asset portfolio, liquidity and overall performance. In so doing, please discuss any material asset classes with the potential to be significantly impacted on both a short-term and long-term basis. | |
| 5 | Discuss the potential effect of any reinsurance coverage in place to mitigate the impact of COVID-19, including coverage terms, limits and reinsurers utilized. | |

| | Request/Question | Company Response |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| 6 | Discuss the potential effect that current or proposed government mandates related to COVID-19 (e.g. required coverage, extension of terms) and/or voluntary actions taken by the company (e.g. waiving copays, premium grace periods, return of premium) could have on the company's solvency or liquidity position. | |
| 7 | If this template is completed on a group basis, discuss the potential impact of COVID-19 and the related economic downturn on the ability of any individual insurance entities to meet their ongoing RBC requirements, maintain sufficient liquidity and avoid entering into a hazardous financial condition. | |
| 8 | Discuss any potential actions (e.g. suspension of dividends, capital infusion, drawing on line of credit, asset sales) the company is prepared to take to address solvency or liquidity needs resulting from the impacts of COVID-19 on both a group and legal entity basis (if relevant). | |