

## PBR

The main item of this call was to respond to a letter from the Commissioner-level PBR Working Group. In that letter, the Working Group discussed industry comments relating to the scope of PBR and an impact study of PBR.

ACLI and others have recommended limiting the initial scope to term and UL with secondary guarantees, but the Chair of the Working Group prefers that all lines be included in the study.

LHATF agreed to form a relatively large subgroup consisting of Alaska, California, Florida, Kansas, New York, Ohio, and Texas to recommend these parameters for such an impact study:

- Scope of the study,
- Method of conducting it,
- Qualifications of any third party consultants,
- Product lines to be studied, and
- Number and types of insurers involved.

The NAIC would have to approve the study and the means to fund it.

LHATF also approved in substance a letter from the PBR Working Group to the NAIC membership seeking direction on the statistical agent process. The Working Group and LHATF agree on all the key concepts of the process, but differ in one aspect of the approach. The WG includes a centralized database maintained by the NAIC, while LHATF does not have it.

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