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SECRETARY OF COMMERCE

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COMMISSIONER,
ARKANSAS INSURANCE
DEPARTMENT

BULLETIN NO. 8-2023

TO: ALL LICENSED AND SURPLUS LINES PROPERTY AND CASUALTY INSURERS
FROM: ARKANSAS INSURANCE DEPARTMENT
SUBJECT: TORNADO DISASTER CLAIMS DATA CALL
DATE: MAY 1, 2023

On March 31, 2023, a catastrophic tornado (rated EF3/165 mph peak wind) tracked just over 34 miles from west Little Rock through North Little Rock, Sherwood and Jacksonville (all in Pulaski County) before finally weakening on the southeast side of Cabot (Lonoke County).

Farther east, a separate supercell spawned an additional tornado (rated at least EF3) that carved a path through Wynne (Cross County). Farther downstream, the same tornado wreaked havoc just west of Parkin (Cross County) and north of Earle (Crittenden County). The tornado eventually crossed the Mississippi River and dissipated (a 73-mile trek).

Another brief and weak tornado (rated EF1) destroyed a barn about five miles southeast of Hickory Plains (Prairie County). Between Alco and Fifty-Six (both in Stone County), a stronger tornado (rated EF2) damaged additional property.

Large hail was also reported at McCaskill (Hempstead County), with golf ball size stones west of Casscoe (Arkansas County), Sheridan (Grant County), and east of Tollette (Hempstead County).

The Arkansas Insurance Department (AID) is requesting that all property and casualty insurers (including Surplus Lines carriers) respond to this tornado related data call. Companies shall report information regarding claims associated with the tornado events that took place in Arkansas on March 31, 2023.

Timelines:

Insurers shall report monthly, with the first report due by May 15, 2023, and containing cumulative claims data as of April 30, 2023. Insurers shall file subsequent reports by the 15th of each month, with each report containing cumulative claims data as of the last day of the preceding month. For example, insurers shall file the second report by June 15, 2023, with such report covering claims data through May 31, 2023. Insurers shall file the last report by November 15, 2023, and this report shall contain cumulative claims data through October 31, 2023, unless the Insurance Commissioner subsequently announces a different end date.

Lines of Business:

Insurers shall report data including information on claims related to the tornado events in Arkansas affecting the following lines of business:

- Residential Property
- Commercial Property
- Business Interruption
- Personal Auto
- Commercial Auto
- All Other Lines of Business

Data to Report:

Number of Claims Reported by Zip Code – Provide the cumulative number of claims reported associated with, or as a result of, the March tornado events in Arkansas.

Number of Claims Closed With Payment by Zip Code – Provide the cumulative number of claims closed with payment that were associated with, or as a result of, the March tornado event in Arkansas.

Number of Claims Closed Without Payment by Zip Code – Provide the cumulative number of claims closed without payment that were associated with, or as a result of, the March tornado event in Arkansas.

Number of Total Loss Claims – Provide the cumulative number of total loss claims that are associated with, or as a result of, the March tornado event in Arkansas.

Paid Loss – Provide the cumulative dollar amount in paid loss associated with, or as a result of, the March tornado event in Arkansas.

Case Incurred Loss – Provide the cumulative dollar amount in case incurred loss associated with, or as a result of, the March tornado event in Arkansas.

Reporting Procedure:

Insurers shall submit the report using the provided template. All reports must be submitted through an online portal managed by the NAIC at the following website link:

https://content.naic.org/industry_state_disaster_reporting_data_calls.htm

To access the NAIC system, you will need to email help@naic.org requesting the following permission: RDC_ARTORNADO_USER_PR. Please be sure to do this early to ensure timely submission. It may take at least one business day to process this request.

Once the permission is assigned, insurers shall submit the report by logging into the NAIC reporting portal, selecting “PAC” as the “datacallgroup,” and selecting “AR_2023_TORNADOES.”

Before attempting to submit a file, please review the “File Submission Guide” available at https://content.naic.org/industry_state_disaster_reporting_data_calls.htm

Insurers shall report by group or individual company level

AID will accept submissions at either the group or individual company level. If reporting by group, please include all companies in the group or ensure that no companies are duplicated within separate submissions. Individual companies, not part of a group, should provide their company code in the group code field on the template. Surplus carriers should use their alien insurance number which should begin with “AI.” Carriers without an identification code from the NAIC should contact researchshared@naic.org for a code to include in the company and group code fields of the template.

The reporting template will require information on the group, company, or both. If a company is submitting an individual report, input your NAIC code and company name wherever the template requests the group code or group name. Failing to do this will trigger a rejection of the upload. Group submissions must list all companies in the response on the reporting template.

Companies with no information to report

A group or individual company that determines it has no claim information to report based on what is required shall submit reports with zeroes in the first row of each tab in the template provided. This will help AID account for companies that are expected to respond to the data call.

Companies that do not write any Arkansas business in lines of business listed above are not obligated to submit reports for this data call.

Definitions

Adjustment expenses – Refer to the annual statement reporting blank definition.

Loss – Indemnity payments but excludes adjustment expenses. Payments should be net of actual salvage and subrogation recoveries. For applicable lines, include losses associated with loss of use, additional living expense, fair rental value, etc.

Case incurred loss – Indemnity case reserves plus claim payments made to date. Estimates of IBNR should not be included.

Payment – Loss payment and does not include adjustment expenses.

AID will provide updated frequently asked questions as needed based on questions received. Please submit questions to Jimmy Harris at jimmy.harris@arkansas.gov

ISSUED this 1st day of May 2023.



Alan McClain
INSURANCE COMMISSIONER