



# Staying Ahead- A Glimpse into Regulatory Community Initiatives - Catastrophe and Climate Risk

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**NAI**  NATIONAL ASSOCIATION OF  
INSURANCE COMMISSIONERS



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## Talking Points



- ❑ History and Role of NAIC
- ❑ NAIC Committees focused on Catastrophe and Climate Risk
- ❑ Overview of CAT COE and highlights of some research work using CAT models
- ❑ Publications and industry reports available from NAIC

# History and Role of NAIC

SUPPORTING  
REGULATORS AND  
INSURANCE  
STANDARDS IN  
AMERICA SINCE 1871

U.S. STANDARD-  
SETTING AND  
REGULATORY SUPPORT  
ORGANIZATION

GOVERNED BY THE  
CHIEF INSURANCE  
REGULATORS FROM THE  
50 STATES, THE DISTRICT  
OF COLUMBIA AND FIVE  
U.S. TERRITORIES.

NAIC Website: <https://content.naic.org/>

# NAIC Committees/Task Force/Working Groups Focused on Catastrophe and Climate Risk

Climate and Resiliency (EX) Task Force

Property and Casualty Insurance (C) Committee

- Catastrophe Insurance (C) Working Group
- Casualty Actuarial and Statistical (C) Task Force

Property and Casualty Risk-Based Capital (E) Working Group

- Catastrophe Risk (E) Subgroup

[https://content.naic.org/index\\_committees.htm](https://content.naic.org/index_committees.htm)

# Overview of CAT COE

## MISSION STATEMENT

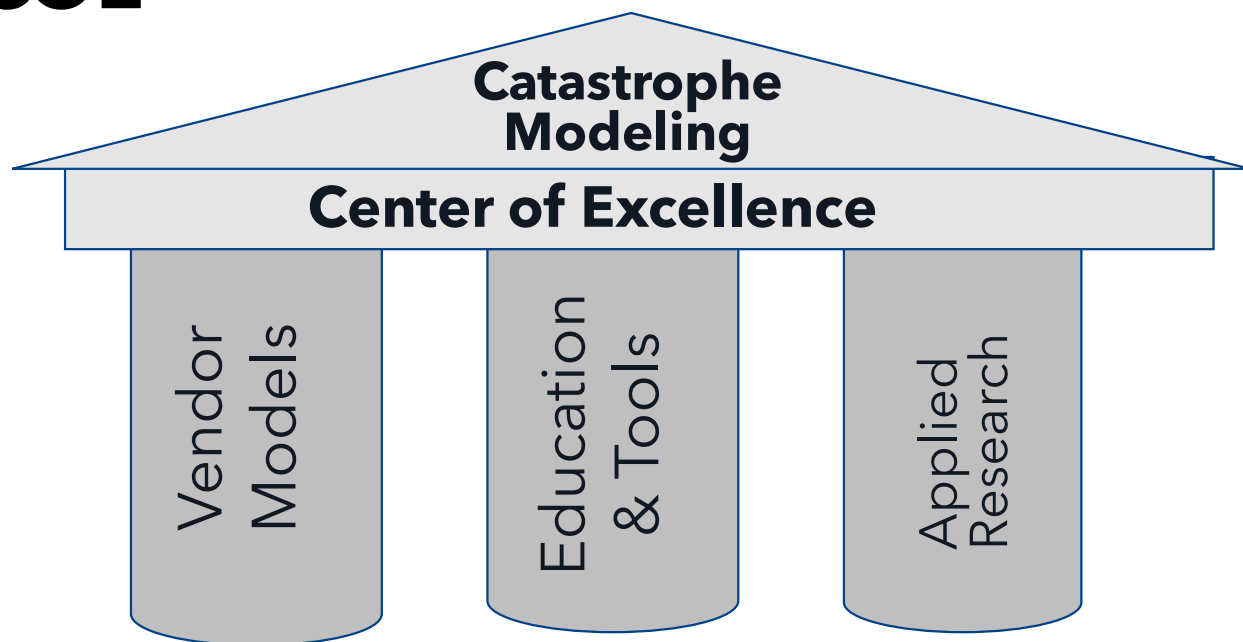
The purpose of the NAIC Catastrophe Modeling Center of Excellence (COE) is to **provide state insurance regulators with the necessary technical expertise, tools, and information to effectively regulate their markets.**

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<https://content.naic.org/research/catastrophe-modeling-center-of-excellence>

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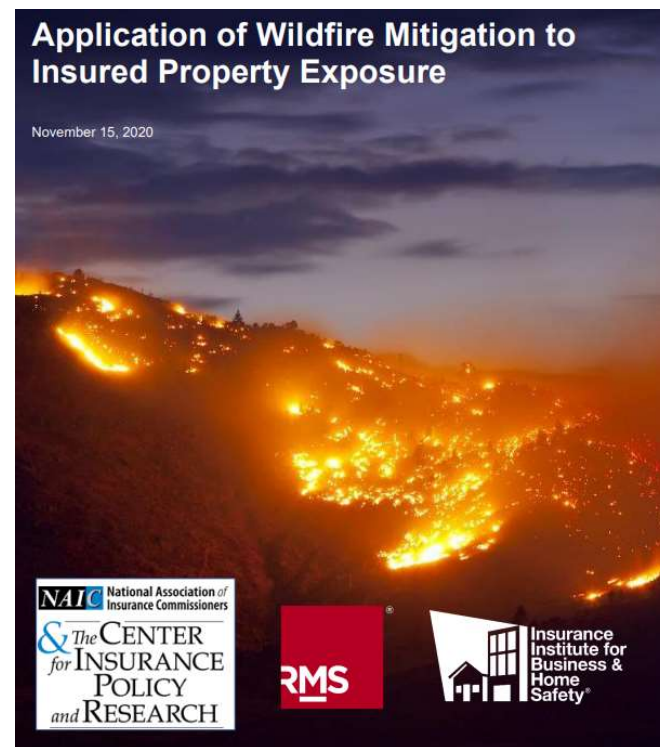
# Catastrophe Models and Mitigation Studies (Wildfire as an example)

Center for Insurance Policy and Research (CIPR) did such a study working with RMS and IBHS using RMS's wildfire CAT Model different communities in 3 states (California, Oregon and Colorado).

**Table 27: Mean Benefit Cost Ratios by Analysis Time (10,25,50 years) for Structural**

Community	Low Cost Scenario (\$20,000 Structural)			Medium Cost Scenario (\$40,000 Structural)	
	10 year	25 Year	50 Year	10 year	25 Year
<b>California</b>					
Upper Deerwood	1.6	3.6	6.5	0.8	1.8
Berry Creek	0.4	0.9	1.7	0.2	0.5
Oroville	0.0	0.0	0.1	0.0	0.0

[https://content.naic.org/sites/default/files/cipr\\_report\\_wildfire\\_mitigation\\_0.pdf](https://content.naic.org/sites/default/files/cipr_report_wildfire_mitigation_0.pdf)



# NAIC Industry Publications



- Market Share Reports by Line of Business
- Dwelling, Fire, Homeowners Owner-Occupied, and Homeowners Tenant and Condominium/Cooperative Unit Owner's Insurance
- Profitability by Line by State

<https://content.naic.org/publications>



# Thank You