



Annual Process for the Assumption Reinsurance Depopulation Program

Date	Milestone	Details
Monthly	TWIA depopulation data updated	Data will be available through same portal as existing voluntary depopulation process. (Carriers authorized to access data at any time after execution of confidentiality agreement; however, official Assumption Reinsurance data set available 7/15.)
4/1	Deadline for carriers to apply to TDI for authority to write	Carriers not yet authorized to write business in Texas should apply to TDI for a certificate of authority no later than 4/1.
5/1	Carriers file rates and forms with TDI	TDI reviews rate and coverage comparability 5/1 – 7/31. Carriers file with TDI forms, rates and rating rules, or submit a supplemental “reference” filing if company will use forms and/or rates already on file. Filing must include information required under 28 TAC §5.4302(e). Note: before a carrier may make an assumption reinsurance offer, TDI must find that the participant’s approved forms and filed rates are generally comparable to TWIA’s.
5/1	Carriers file with TDI required financial information	TDI conducts financial review of carriers 5/1 – 7/31. Note: before a carrier may make an assumption reinsurance offer, TDI must approve the financial capability of the carrier and impose any necessary financial conditions on the carrier.
7/15	Annual data set uploaded	Official data set for use in assumption reinsurance depopulation process. Data as of 6/30; new business received after this date ineligible until following year. Policies renewing prior to assumption date will continue to be included as renewed; policies cancelled or non-renewed will be removed.
8/1 - 8/25	Web portal available to carriers	Authorized carriers will be able to upload selected policies to a web portal during this period.



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8/31	TWIA Financial Analysis	Initial financial analysis will be performed; if total offers exceed maximum depopulation threshold, offers will be reduced pro-rata by TWIA.
9/1 - 10/31	TWIA depopulation website available to producers	<p>TWIA agents will be able to view and approve or reject any offers on their policies.</p> <p>(Agents must have entered into a limited servicing agreement or been appointed by a depopulation carrier in order to approve an offer by that carrier.)</p>
11/10	TWIA Financial Analysis	All required financial analysis will be finalized and communicated to TDI and the Texas Public Finance Authority in accordance with disclosure and regulatory requirements.
11/20	Assumption / reinsurance agreements to carriers	TWIA will notify each company of approved offers and provide an assumption / reinsurance agreement for those policies.
11/28 – 12/1	Notice of Offer Letters to Policyholders	<p>Depopulation carriers will notify affected policyholders of assumption offer.</p> <p>TWIA will notify affected policyholders separately.</p>
12/1 - 5/31	Reinsurance period	<p>TWIA will continue to provide policy and claim service on assumed policies under a reinsurance agreement.</p> <p>TWIA will set aside earned premium net of ceding commission (24%) and any loss and loss adjustment expenses during the reinsurance period.</p> <p>Any policies that opt out will be removed from the reinsurance program retroactively.</p> <p>At the end of the period, all net premiums on remaining policies will be transferred to the depopulation carriers.</p>



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12/1 - 5/31	Opt out period for policyholders	Policyholders able to opt out of depopulation during this period; opt outs processed through the TWIA depopulation website.
5/10	Notice of Assumption and Certificate of Assumption	TWIA will provide Notice of Assumption and carriers will provide Certificate of Assumption to policyholders who have not opted out.
6/1	Assumption of TWIA policies by depopulation carriers	Remaining policies will be assumed by depopulation carriers on June 1. TWIA will continue issuing renewals on policies effective through July 31. Depopulation carriers will begin issuing policies directly for policies effective on or after August 1. Depopulation carriers are required to offer three renewals on policies effective on or after August 1. Claim services will be handled by the depopulation carrier.