

July 2021 NAIC Meetings

During the final week of July, the NAIC held several meetings via conference call in lieu of the national meeting. Steptoe, NAIFA's consulting firm, provided the following short summaries from each meeting.

NAIC MARKET CONDUCT ANNUAL STATEMENT BLANKS (D) WORKING GROUP WEDNESDAY, JULY 28

On July 28, the NAIC Market Conduct Annual Statement Blanks (D) Working Group held a brief call to receive general updates. The Draft Life Market Conduct Annual Statement (MCAS) edits on Accelerated Underwriting are currently out for comments. The Working Group is waiting to continue additional work until a final definition from the Accelerated Underwriting (A) Committee. The Health Drafting Group is sending out notifications for part two of five to develop the STLDI blank.

Additionally, Chair Rebecca Rebholz (Wisconsin) suggested forming a subject matter specialist group to discuss the Lawsuit Definitions and Placement of the Lawsuit Data Elements for the Homeowner and Private Passenger Auto MCAS Lines of Business further due to the Working Groups inability to form a consensus. October Nickel (Idaho) volunteered to lead this specialist group. Lastly, the subject matter specialist group will discuss the structure of reporting for digital claims.

NAIC LONG-TERM CARE INSURANCE REDUCED BENEFIT OPTIONS (EX) SUBGROUP WEDNESDAY, JULY 28

On July 28, the NAIC Long-Term Care Insurance Reduced Benefit Options (EX) Subgroup held a call to discuss the over 100 comments received by stakeholders on the draft reduced benefits options (RBO) consumer notices checklist. The checklist is meant to provide a tool to any state that would like to use it in their own review of RBOs. The Subgroup chair, Jessica Altman (Pennsylvania), indicated that the goal is to have the checklist adopted no later than the winter national meeting. During the call, the Subgroup began a discussion on changes and updates inspired by submitted comments, all of the changes discussed on today's were adopted. There will be another call scheduled for the Subgroup to continue working through proposed changes

NAIC ACCELERATED UNDERWRITING (A) WORKING GROUP THURSDAY, JULY 29

On Thursday, July 29, the NAIC Accelerated Underwriting (A) Working Group held a call in lieu of the summer national meeting to discuss the latest draft of the accelerated underwriting educational report.

During the call, Grace Arnold (MN) gave an overview of the second of five parts for the final report. She indicated that the definition of accelerated underwriting had received numerous conflicting comments. Therefore, the definition as written has not been changed in this section but could be updated in future sections. Additionally, she highlighted that the group is seeking comments on the way to be more precise in the report's sections addressing data used in the accelerated underwriting process.

Birny Birnbaum (Center of Economic Justice) indicated that the paper should include recommendations regarding the implementation of AI within the accelerated underwriting process. Also, Matt Wulf (Swiss Reinsurance America Holding Corporation) warned that bias in the underwriting process could be found in all parts of data elements (e.g., collection, sources, sets, and scores).

The Working Group will stop collecting comments on part two of the report on Friday, July 30.

SENIOR ISSUES (B) TASK FORCE THURSDAY, JULY 29

On July 29, the NAIC Senior Issues (B) Task Force met to consider the adoption of the Report of the Long-Term Care Insurance Model Update (B) Subgroup and discuss any other matters brought before the task force. During the call, Task Force Members voted to adopt the report. Additionally, the Task Force discussed fraudulent calls targeting Medicare beneficiaries. James J. Donelon (LA) described his experience with a cold call from a third party that attempted to transfer him to an insurance agent. Eric Dunning (NE) suggested discussing the expressed concerns at the next Antifraud Task Force meeting on August 26th. Lastly, Bonnie Burns (CA) indicated that SHIP and Senior Medicare Control give a presentation regarding how programs combat fraudulent Medicare phone calls at an upcoming Senior Issues meetings.

EMPLOYEE RETIREMENT INCOME SECURITY ACT (ERISA) (B) WORKING GROUP FRIDAY, JULY 30

On July 30, the NAIC ERISA (B) Working Group met to discuss adding *Rutledge v. PCMA* to the ERISA Handbook. Chairman Bob Wake (ME) outlined two proposals for the Working Group moving forward: (1) create a write-up of *Rutledge* and add it to the list of significant cases in the ERISA handbook; (2) partner with the Benefits Working Group and the Regulatory Framework Taskforce to create a white paper and other guidance. Regarding a write-up, Wake requested volunteers for a small drafting group. Upon the Working Group's approval, the draft would be opened to public comments. Wake highlighted that this Working Group would not take collaborative initiatives with other NAIC groups. Still, Members must be prepared to receive referrals, questions, and requests for assistance from these groups and pitch in as needed.



Advocacy 

Laura Arp (NE) discussed the working group's role in addressing the gap created if other state laws under Rutledge are not preempted by ERISA. She suggested the ERISA Working Group create a subgroup dedicated to outlining a takeaway legal rule statement and factors used to analyze state law.

Of note, Acting Assistant Secretary at the Department of Labor (DOL), Ali Khawar, reaffirmed the strong relationship between NAIC and the DOL under the Biden administration.

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