

**NAIC | FALL
2021 | NATIONAL
MEETING**

SYNOPSIS



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**Synopsis of the NAIC Committee, Subcommittee and Task Force Meetings
2021 Fall National Meeting
December 11–16, 2021**

TO: Members of the NAIC and Interested Parties
FROM: The Staff of the NAIC

Committee Action

NAIC staff have reviewed the committee, subcommittee, and task force reports and highlighted the actions taken by the committee groups during the 2021 Fall National Meeting. The purpose of this report is to provide NAIC members, state insurance regulators, and interested parties with a summary of these meeting reports.

EXECUTIVE (EX) COMMITTEE AND PLENARY (Joint Session)

December 16, 2021

1. Adopted the report of the Executive (EX) Committee. See the Committee listing for details.
2. Adopted the establishment of the Innovation, Cybersecurity, and Technology (H) Committee and its charges.
3. Adopted by consent the committee, subcommittee, and task force minutes of the Summer National Meeting.
4. Adopted the NAIC 2022 proposed budget.
5. Adopted the NAIC 2022 proposed committee charges.
6. Received the report of the Life Insurance and Annuities (A) Committee. See the Committee listing for details.
7. Received the report of the Health Insurance and Managed Care (B) Committee. See the Committee listing for details.
8. Received the report of the Property and Casualty Insurance (C) Committee. See the Committee listing for details.
9. Received the report of the Market Regulation and Consumer Affairs (D) Committee. See the Committee listing for details.
10. Received the report of the Financial Condition (E) Committee. See the Committee listing for details.
11. Received the report of the Financial Regulation Standards and Accreditation (F) Committee. See the Committee listing for details.
12. Received the report of the International Insurance Relations (G) Committee. See the Committee listing for details.
13. Adopted the 2022 Generally Recognized Expense Table (GRET).
14. Adopted revisions to *Actuarial Guideline XXV—Calculation of Minimum Reserves and Minimum Nonforfeiture Values for Policies with Guaranteed Increasing Death Benefits Based on an Index* (AG 25).
15. Adopted the travel insurance Market Conduct Annual Statement (MCAS) blank.
16. Adopted the short-term limited-duration (STLD) MCAS blank.
17. Adopted the Regulatory Information Retrieval System (RIRS) coding structure.
18. Adopted the *Process for Evaluating Jurisdictions that Recognize and Accept the Group Capital Calculation*.
19. Adopted the *ReFAWG Review Process for Passporting Certified and Reciprocal Jurisdiction Reinsurers*.
20. Adopted exposure of the 2020 revisions to the *Insurance Holding Company System Regulatory Act (#440)* and the *Insurance Holding Company System Model Regulation with Reporting Forms and Instructions (#450)* as an update to the accreditation standards.
21. Received a status report on state implementation of NAIC-adopted model laws and regulations.
22. Received the results of the 2022 zone officer elections:
 - A. Midwest Zone: Commissioner Glen Mulready, Chair (OK); Commissioner Doug Ommen, Vice Chair (IA); and Director Anita G. Fox, Secretary (MI).
 - B. Northeast Zone: Commissioner Gary D. Anderson, Chair (MA); Commissioner Kathleen A. Birrane, Vice Chair (MD); and Commissioner Trinidad Navarro, Secretary (DE).
 - C. Southeast Zone: Commissioner Scott A. White, Chair (VA); Commissioner Carter Lawrence, Vice Chair (TN); and Commissioner James J. Donelon, Secretary (LA).
 - D. Western Zone: Director Lori K. Wing-Heier, Chair (AK); Commissioner Michael Conway, Vice Chair (CO); and Commissioner Andrew R. Stolfi, Secretary (OR).
23. Elected the 2022 NAIC officers: Director Dean L. Cameron (ID), President; Director Chlora Lindley-Myers (MO), President-Elect; Commissioner Andrew N. Mais (CT), Vice President; and Commissioner Jon Godfred (ND), Secretary-Treasurer.

EXECUTIVE (EX) COMMITTEE

December 14, 2021

1. Adopted the report of the joint meeting of the Executive (EX) Committee and the Internal Administration (EX1) Subcommittee, which met Dec. 12 in regulator-to-regulator session, pursuant to paragraph 4 (internal or administrative matters of the NAIC or any NAIC member) and paragraph 6 (consultations with NAIC staff members) of the NAIC Policy Statement on Open Meetings. During this meeting, the Committee and Subcommittee took the following action:
 - A. Adopted its Dec. 7, Oct. 26, and Summer National Meeting minutes, which included the following action:
 - i. Approved the proposed NAIC 2022 budget and recommended that it be considered by the full membership during the joint meeting of the Executive (EX) Committee and Plenary during the Fall National Meeting.
 - ii. Held a public hearing on the NAIC 2022 proposed budget with interested parties.
 - iii. Approved exposure of the NAIC 2022 proposed budget for a public comment period.
 - iv. Approved the 2021 NAIC Staffing Request Fiscal.
 - B. Adopted the report of the Audit Committee, including its Dec. 7 minutes. During this meeting, the Committee took the following action:
 - i. Received an overview of the Oct. 31 financial statements.
 - ii. Received an update on the 2021 financial audit and the 2021/2022 Service Organization Control (SOC) 1 and SOC 2 audits.
 - iii. Received an update on database filing fee payments and the Zone financials.
 - iv. Received an update on the Enterprise Resource Planning (ERP) project.
 - v. Received an update on the Operating Reserve Analysis project.
 - C. Adopted the report of the Internal Administration (EX1) Subcommittee, including its Nov. 22 minutes. During this meeting, the Subcommittee took the following action:
 - i. Received the Sept. 30 Long-Term Investment Portfolio and Defined Benefit Pension Plan Portfolio reports.
 - ii. Adopted a recommendation to increase the liability driven investment (LDI) percentage for the Defined Benefit Plan portfolio.
 - D. Received the joint chief executive officer/chief operating officer (CEO/COO) report.
 - E. Received an update on the System for Electronic Rates & Forms Filing (SERFF) modernization project.
 - F. Received a cybersecurity update.
2. Adopted the report of the Executive (EX) Committee, which met Dec. 7, Oct. 26, and Oct. 12 in regulator-to-regulator session, pursuant to paragraph 4 (internal or administrative matters of the NAIC or any NAIC member) of the NAIC Policy Statement on Open Meetings. During these meetings, the Committee took the following action:
 - A. Approved the NAIC 2022 proposed budget and recommended that it be considered by the full membership during the joint meeting of the Executive (EX) Committee and Plenary during the Fall National Meeting.
 - B. Approved the 2021 NAIC Staffing Request Fiscal.
 - C. Approved the exposure of the NAIC 2022 proposed budget for public review and comment.
 - D. Approved the exposure of the 2021 NAIC Staffing Request Fiscal for public comment.
 - E. Reappointed Commissioner Andrew N. Mais (CT) to the International Association of Insurance Supervisors (IAIS) Executive Committee for a two-year term.
3. Adopted the report of the Climate and Resiliency (EX) Task Force. See the Task Force listing for details.
4. Adopted the report of the Government Relations (EX) Leadership Council. See the Task Force listing for details.
5. Adopted the report of the Innovation and Technology (EX) Task Force. See the Task Force listing for details.
6. Adopted the report of the Long-Term Care Insurance (EX) Task Force. See the Task Force listing for details.
7. Adopted the report of the Special (EX) Committee on Race and Insurance. See the Committee listing for details.
8. Adopted its 2022 proposed charges.
9. Received a status report on the NAIC *State Ahead* strategic plan implementation.
10. Received a status report on model law development efforts for amendments to: 1) the *Model Regulation to Implement the Accident and Sickness Insurance Minimum Standards Model Act* (#171); 2) the *Life Insurance Disclosure Model Regulation* (#580); 3) the *Mortgage Guaranty Insurance Model Act* (#630); 4) the *Nonadmitted Insurance Model Act* (#870); and 5) the *Pet Insurance Model Act*.
11. Received a report from the National Insurance Producer Registry (NIPR).
12. Received a report from the Interstate Insurance Product Regulation Commission (Compact).

Climate and Resiliency (EX) Task Force

December 14, 2021

1. Adopted its Summer National Meeting minutes
2. Received a report from the Technology Workstream recommending that the Center for Insurance Policy and Research (CIPR) create a Catastrophe Model Center of Excellence (COE) as a shared resource for state insurance regulators regarding catastrophe models.
3. Received a report from the Climate Risk Disclosure Workstream on its redesigned Climate Risk Disclosure Survey. The Workstream aligned its redesigned survey to the recommendations of the Financial Stability Board's (FSB's) Task Force on Climate-Related Financial Disclosure (TCFD).
4. Received a report from the Solvency Workstream, which plans to make its final recommendations regarding financial solvency tools to the Task Force in the first quarter of 2022.
5. Received a report from the Innovation Workstream, which has met twice since the Summer National Meeting to: 1) hear a presentation from Sola Insurance about a parametric product offered as an endorsement to a homeowners policy; and 2) hear a presentation from Guy Carpenter about community-based insurance for disaster resilience.
6. Received a report from the Pre-Disaster Mitigation Workstream, which has been focused on its charge to collect and share resources with consumers and other stakeholders and seeking out best practices to encourage consumer risk awareness.
7. Heard an update on federal activities, including President Joe Biden's executive order on climate-related financial risk; the Financial Stability Oversight Council's (FSOC's) *Report on Climate-Related Financial Risk*; the U.S. Securities and Exchange Commission's (SEC's) development of a mandatory climate risk disclosure period for the Committee's consideration; the Build Back Better Act; and the Disaster Mitigation and Tax Parity Act.
8. Heard an update on international activities, including the International Association of Insurance Supervisors' (IAIS') creation of a Climate Risk Steering Group; the NAIC's participation in the COP26 Sustainable Insurance Series hosted by the UN Environment Programme's (UNEP's) Principles for Sustainable Insurance Initiative (PSI); and recent meetings of the Sustainable Insurance Forum (SIF) and the European Union (EU)-U.S. Insurance Dialogue Project.

Government Relations (EX) Leadership Council

The Government Relations (EX) Leadership Council did not meet at the Fall National Meeting.

Innovation and Technology (EX) Task Force

December 13, 2021

1. Adopted its Summer National Meeting minutes.
2. Adopted the report of the Big Data and Artificial Intelligence (EX) Working Group, including its Dec. 13 minutes. During this meeting, the Working Group took the following action:
 - A. Reviewed its 2022 proposed charges.
 - B. Heard a presentation from an insurance regulatory advisor on how to leverage the lessons learned in developing the regulatory framework for cybersecurity to the development of a regulatory framework for artificial intelligence (AI).
 - C. Heard a presentation from Monitaur on a possible AI regulatory path.
 - D. Heard a presentation from SigmaRed on monitoring and mitigating AI bias and enabling transparency.
 - E. Heard a presentation on the preliminary, aggregate analysis of industry responses to the private personal auto (PPA) AI/machine learning (ML) survey on insurers' use and governance of big data, as used in an AI/ML model.
 - F. Discussed the next line of insurance to survey.
 - G. Discussed development of its 2022 work plan.
3. Adopted the report of the Speed to Market (EX) Working Group, including its Nov. 16 minutes. During this meeting, the Working Group took the following action:
 - A. Adopted its June 30 and June 29 minutes, which included the following action:
 - i. Adopted its March 10 minutes.
 - ii. Heard an update from the Information Technology Group (ITG).
 - iii. Discussed and considered the suggestions received for updates to the product coding matrices (PCMs) and uniform transmittal documents (UTDs).
 - B. Adopted the *Regulatory Review of Predictive Models* white paper edits to Chapter 3 of the *Product Filing Review Handbook*.

- C. Reviewed its charge to provide information to states on contacts and resources for updates that may need to be made to the Product Requirements Locator (PRL) tool. A help document was posted on the Working Group’s web page.
- 4. Adopted the report of the E-Commerce (EX) Working Group, including its Oct. 7 minutes. During this meeting, the Working Group took the following action:
 - A. Heard a presentation from the American Council of Life Insurers (ACLI) and the American Property Casualty Insurance Association (APCIA) on the e-commerce legal landscape, COVID-19 regulatory accommodations, and state adoption of e-commerce rules/guidance.
 - B. Heard a suggestion from the ACLI that the NAIC develop a handbook that would capture the regulatory framework that exists with respect to e-commerce, including variations among jurisdictions.
 - C. Heard a presentation from the Insured Retirement Institute (IRI), the Missouri Insurance Department, and the Center for Economic Justice (CEJ). All of these presentations informed three surveys that were circulated to state insurance regulators and interested parties on Dec. 10.
- 5. Heard an update on Colorado’s Restrict Insurers’ Use of External Consumer Data legislation (S.B. 21-169), which is related to big data and AI oversight.
- 6. Heard presentations from the American InsurTech Council (AITC) and the InsurTech Coalition.
- 7. Received an update from the ad hoc drafting group on proposed draft charges for a new NAIC “H” Committee.
- 8. Received updates from other NAIC committees and working groups on related activities, including the Special (EX) Committee on Race and Insurance, the Privacy Protections (D) Working Group, and the Accelerated Underwriting (A) Working Group.
- 9. Heard a presentation from the MIB Group on its algorithmic bias testing for life insurers.
- 10. Received an update on the System for Electronic Rates & Forms Filing (SERFF) modernization project.

Long-Term Care Insurance (EX) Task Force

December 12, 2021

- 1. Adopted its Oct. 29 and Summer National Meeting minutes, which included the following action:
 - A. Adopted its 2022 proposed charges.
- 2. Heard an update on industry trends that could have an impact on the solvency of long-term care insurance (LTCI) companies and factors affecting reserves.
- 3. Received the report of the Long-Term Care Insurance Multistate Rate Review (EX) Subgroup, which met Dec. 12. During this meeting, the Subgroup took the following action:
 - A. Adopted its Nov. 15 and Sept. 28 minutes, which included the following action:
 - i. Received and discussed interested state insurance regulator and interested party comments on the LTCI multistate actuarial (MSA) rate review framework (MSA Framework) draft.
 - ii. Exposed the revised MSA Framework for a 21-day public comment period ending Dec. 6.
 - B. Received and discussed interested party comments on the MSA Framework and made a few revisions in response to the comments.
 - C. Adopted the MSA Framework.
- 4. Adopted the MSA Framework.
- 5. Received the report of the Long-Term Care Insurance Reduced Benefit Options (EX) Subgroup, which met Dec. 7, Nov. 19, Oct. 19, Oct. 4, Sept. 27, and Aug. 23. During these meetings, the Subgroup took the following action:
 - A. Adopted the “Issues Related to LTC Wellness Benefits” document.
 - B. Adopted the “Checklist for Premium Increase Communications” document.
 - C. Received and discussed comments from interested state insurance regulators and interested parties on the “Issues Related to LTC Wellness Benefits” document. Edits were made to the document to address comments.
 - D. Received and discussed comments from interested state insurance regulators and interested parties on the “Checklist for Premium Increase Communications” document. Edits were made to the document to address comments.
- 6. Adopted the “Issues Related to LTC Wellness Benefits” document.
- 7. Adopted the “Checklist for Premium Increase Communications” document.

Special (EX) Committee on Race and Insurance

December 14, 2021

- 1. Adopted its Summer National Meeting minutes.

2. Received a status report for the following workstreams:
 - A. Workstream One: Research/analyze the level of diversity and inclusion within the insurance industry.
 - B. Workstream Two: Research/analyze the level of diversity and inclusion within the NAIC and state insurance regulator community.
 - C. Workstream Three: Examine and determine which practices or barriers exist in the insurance sector that potentially disadvantage people of color and/or historically underrepresented groups in the property/casualty (P/C) line of business.
 - D. Workstream Four: Examine and determine which practices or barriers exist in the insurance sector that potentially disadvantage people of color and/or historically underrepresented groups in the life insurance and annuities line of business.
 - E. Workstream Five: Examine and determine which practices or barriers exist in the insurance sector that potentially disadvantage people of color and/or historically underrepresented groups in the health insurance line of business.
3. Heard an update on Colorado’s Restrict Insurers’ Use of External Consumer Data legislation (S.B. 21-169). The act prohibits an insurer from unfairly discriminating based on an individual’s race, color, national or ethnic origin, religion, sex, sexual orientation, disability, gender identity, or gender expression in any insurance practice.
4. Heard a presentation from the American Property Casualty Insurance Association (APCIA) on its initiatives underway to promote and advance a more diverse and inclusive industry and on its diversity, equity, and inclusion (DE&I) catalog created in partnership with PlusUltre.
5. Heard a presentation from Blue Cross and Blue Shield of Illinois on its efforts related to DE&I for the organization’s 24,000 employees and nearly 17 million members.
6. Heard a presentation from Zurich North America on its DE&I structure and its analytics metrics insights.

INTERNAL ADMINISTRATION (EX1) SUBCOMMITTEE

See the Executive (EX) Committee listing for details.

Information Systems (EX1) Task Force

November 18, 2021

1. Adopted its Summer National Meeting minutes.
2. Received an operational report on the NAIC’s information technology (IT) activities, including: product highlights; innovation and technology; service and support; data collection metrics; team; project portfolio summary; and technology adoption and system usage. The report provides updates for upcoming improvements, impacts to new state technology offerings from the NAIC, and general updates on the activities of the NAIC technology team.
3. Received a project portfolio update, including project status reports for 21 active technical projects and a summary of two recently completed projects.

LIFE INSURANCE AND ANNUITIES (A) COMMITTEE

December 15, 2021

1. Adopted its Summer National Meeting minutes.
2. Adopted the report of the Accelerated Underwriting (A) Working Group, including its Dec. 6 minutes. During this meeting, the Working Group took the following action:
 - A. Discussed comments received on the latest draft of the accelerated underwriting educational report.
3. Adopted the report of the Life Actuarial (A) Task Force. See the Task Force listing for details.
4. Received a memorandum from the Life Actuarial (A) Task Force and the Valuation Analysis (E) Working Group on the Financial Sector Assessment Program (FSAP) recommendation.
5. Adopted revisions to *Actuarial Guide XXV—Calculation of Minimum Reserves and Minimum Nonforfeiture Values for Policies with Guaranteed Increasing Death Benefits Based on an Index* (AG 25).
6. Adopted the 2022 Generally Recognized Expense Table (GRET)
7. Adopted the 2022 proposed charges of the Life Actuarial (A) Task Force.
8. Adopted its 2022 proposed charges, with removal of the Life Insurance Illustration Issues (A) Working Group and charge through the adoption of the Working Group “chair report.”

Life Actuarial (A) Task Force

December 8, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Dec. 1, Nov. 18, Nov. 4, Oct. 21, Sept. 30, and Sept. 16 minutes, which included the following action:
 - A. Adopted its Summer National Meeting minutes.
 - B. Adopted its 2022 proposed charges.
 - C. Adopted the Society of Actuaries' (SOA's) 2022 Generally Recognized Expense Table (GRET).
 - D. Adopted the SOA historical mortality improvement (HMI) recommendation and the HMI scale factors.
 - E. Adopted amendment proposal 2021-13, which corrects language that allows the addition of prescribed mortality margins for some life/long-term care (LTC) combination products to decrease, rather than increase, modeled reserves.
 - F. Adopted amendment proposal 2021-12, which corrects a reference error in VM-21, Requirements for Principle-Based Reserves for Variable Annuities, and clarifies the requirements for variable annuity contracts with no minimum guaranteed benefits under three prescribed assumptions in VM-21 Section 6C.
 - G. Exposed amendment proposal 2021-11, which addresses items related to VM-21 information necessary for regulatory review that companies did not include in their VM-31, PBR Actuarial Report Requirements for Business Subject to a Principle-Based Valuation, reports for a public comment period ending Dec. 1.
 - H. Adopted revisions to *Actuarial Guideline XXV—Calculation of Minimum Reserves and Minimum Nonforfeiture Values for Policies with Guaranteed Increasing Death Benefits Based on an Index* (AG 25), which remove the fixed 4% nonforfeiture rate floor to align the guideline with the VM-02, Minimum Nonforfeiture Mortality and Interest, changes implemented for the 2021 *Valuation Manual*.
2. Adopted the report of the Longevity Risk (E/A) Subgroup, which has not met since the Summer National Meeting.
3. Adopted the report of the Guaranteed Issue (GI) Life Valuation (A) Subgroup, which has not met since the Summer National Meeting.
4. Adopted the report of the Experience Reporting (A) Subgroup, which has not met since the Summer National Meeting.
5. Adopted the report of the Valuation Manual (VM)-22 (A) Subgroup, which met Dec. 1 and Nov. 18 in joint session with the Task Force. The Subgroup approved a request to the SOA and the American Academy of Actuaries (Academy) for the development of mortality factors for structured settlements.
6. Adopted the report of the Index-Linked Variable Annuity (A) Subgroup, including its Nov. 23 and Sept. 23 minutes. During these meetings, the Subgroup took the following action:
 - A. Exposed the draft actuarial guideline for index-linked variable annuities (ILVAs) for a 60-day public comment period ending Jan. 27, 2022.
 - B. Discussed establishing interim values for ILVAs.
7. Adopted the report of the Indexed Universal Life (IUL) Illustration (A) Subgroup. The Subgroup provided background on the IUL illustration issues that led to the development of *Actuarial Guideline XLIX—The Application of the Life Illustrations Model Regulation to Policies with Index-Based Interest* (AG 49) and *Actuarial Guideline XLIX-A—The Application of the Life Illustrations Model Regulation to Policies with Index-Based Interest to Policies Sold on or After December 14, 2020* (AG 49-A). Regulator reviews have revealed that while illustrated credited rates may have lowered, they have not lowered as much as was contemplated when AG 49-A was adopted.
8. Re-exposed amendment proposal 2021-11 for a 38-day public comment period ending Jan. 14, 2022.
9. Received an update on the development of the economic scenario generator (ESG).
10. Discussed comments received on the exposure of the asset adequacy testing (AAT) actuarial guideline.
11. Heard an update on experience reporting data collection.
12. Heard an update from the joint committee of the Academy and the SOA on future mortality improvement factors.
13. Heard an update from the SOA on research and education.
14. Heard an update on the activities of the Academy Life Practice Council, including recent webinars, a boot camp, its annual meeting, and a life policy update webinar scheduled for January 2022.

HEALTH INSURANCE AND MANAGED CARE (B) COMMITTEE

December 15, 2021

1. Adopted its Summer National Meeting minutes.
2. Adopted the report of the Consumer Information (B) Subgroup, including its Dec. 2, Oct. 20, Oct. 14, and Aug. 24 minutes. During these meetings, the Subgroup took the following action:
 - A. Adopted claims process-related guides; i.e., appeals process, medical necessity, explanation of benefits (EOBs), claims filing, and billing codes and claims.

- B. Adopted updates to the *Frequently Asked Questions About Health Care Reform* document.
 - C. Adopted a “New Protections From Surprise Medical Bills” consumer-facing brief on balance billing.
3. Adopted the report of the Health Innovations (B) Working Group, including its Dec. 11 and Nov. 2 minutes. During these meetings, the Working Group took the following action:
 - A. Heard presentations from Blue Cross and Blue Shield of North Carolina and from Anthem on health plan efforts to address health disparities.
 - B. Received an update on findings of research conducted with the Center for Insurance Policy and Research (CIPR) on the health disparities impacts of the rise in telehealth services and the move to alternative payment models.
 - C. Heard a presentation from Georgia State University on using state rate review authority to limit premium growth.
 - D. Heard a presentation from State Health and Value Strategies on state policy considerations with enhanced premium tax credits.
 - E. Discussed its work on race and insurance.
 4. Adopted the report of the Health Actuarial (B) Task Force. See the Task Force listing for details.
 5. Adopted the report of the Regulatory Framework (B) Task Force. See the Task Force listing for details.
 6. Adopted the report of the Senior Issues (B) Task Force. See the Task Force listing for details.
 7. Adopted its 2022 proposed charges.
 8. Adopted the 2022 proposed charges of its task forces.
 9. Heard an update from the Center for Consumer Information and Insurance Oversight (CCIIO) on Biden administration federal legislative and administrative initiatives and priorities. The update included a discussion of the administration’s plans on working with the states with respect to the implementation and enforcement of the provider provisions of the federal No Surprises Act (NSA).
 10. Discussed its work on developing guidance documents for state insurance departments to use as part of their outreach efforts to providers and consumers on the NSA.
 11. Heard a presentation on the Kaiser Family Foundation’s (KFF’s) summary findings from its *2021 Employer Health Benefits Survey* (EHBS).
 12. Received an update on the work of Workstream Five of the Special (EX) Committee on Race and Insurance since its last update to the Committee during its meeting at the Summer National Meeting. The Workstream met Dec. 3, Nov. 18, Oct. 14, Sept. 9, and Aug. 26. During these meetings, the Workstream discussed and considered revisions to its “Principles for Data Collection” document. The Workstream also discussed and exposed a draft outline for its proposed white paper on provider networks, provider directories, and cultural competency for a public comment period ending Nov. 8. The Workstream plans to meet Dec. 20 to consider final revisions to the “Principles for Data Collection” document and, if finalized, forward the document to the Special Committee for consideration.

Health Actuarial (B) Task Force

November 29, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Sept. 14 minutes, which included the following action:
 - A. Adopted its April 23 and April 6 minutes, and the May 17 and March 29 minutes of the Long-Term Care Actuarial (B) Working Group, which included the following action:
 - i. Exposed a proposal to revise the instructions for the health Statement of Actuarial Opinion (SAO) for a public comment period ending May 7.
 - ii. Discussed a long-term care insurance (LTCI) data call.
 - iii. Heard a presentation from the Society of Actuaries (SOA) on COVID-19 impacts on LTCI.
 - B. Adopted a motion to disband the Health Care Reform Actuarial (B) Working Group and the State Rate Review (B) Subgroup.
 - C. Adopted its 2022 proposed charges.
2. Heard an update from the federal Center for Consumer Information and Insurance Oversight (CCIIO) on a system connection between the System for Electronic Rates & Forms Filing (SERFF) and the Health Insurance Oversight System Unified Rate Review (HIOS URR) module
3. Heard an update on SOA health care trend research.
4. Heard an update from the American Academy of Actuaries (Academy) Health Practice Council.
5. Heard an update from the Academy and the SOA Research Institute on an LTCI mortality and lapse study.
6. Discussed a proposal to revise instructions for the health SAO.
7. Discussed the impact of legislation adding dental, hearing, and vision benefits to Medicare Part B on Medicare supplement plans.
8. Heard an update on short-term, limited-duration insurance (STLDI) plans in Idaho.

Regulatory Framework (B) Task Force

November 30, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Nov. 9 and Summer National Meeting minutes, which included the following action:
 - A. Adopted its 2022 proposed charges.
2. Adopted the report of the Accident and Sickness Insurance Minimum Standards (B) Subgroup, including its Nov. 1, Oct. 4, Sept. 20, Aug. 23, Aug. 9, and July 26 minutes. During these meetings, the Subgroup took the following action:
 - A. Continued discussion of revisions to Sections 1–7 of the *Model Regulation to Implement the Accident and Sickness Insurance Minimum Standards Model Act* (#171) based on the comments received by the July 2 public comment deadline.
 - B. Heard presentations on the products covered under Model #171. The presentations specifically discussed: 1) the different types of products covered under Model #171; 2) how they pay benefits; 3) what they are designed to do; 4) how they are marketed; and 5) how they are sold. The Subgroup also heard a consumer perspective on these products.
3. Adopted the report of the Employee Retirement Income Security Act (ERISA) (B) Working Group, including its Oct. 8 and July 30 minutes. During these meetings, the Working Group took the following action:
 - A. Discussed potential updates to the *Health and Welfare Plans Under the Employee Retirement Income Security Act: Guidelines for State and Federal Regulation* (ERISA Handbook) related to the U.S. Supreme Court’s decision in *Rutledge vs. Pharmaceutical Care Management Association (PCMA)* with respect to any ERISA preemption. The Working Group also discussed the *Rutledge* decision in relation to the Pharmacy Benefit Manager Regulatory Issues (B) Subgroup’s new 2021 charge to develop a white paper discussing state laws regulating pharmacy benefit manager (PBM) business practices. Following these discussions, the Working Group adjourned into regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities or individuals) of the NAIC Policy Statement on Open Meetings.
 - B. Reviewed and discussed an initial draft summary of the *Rutledge* decision. The Working Group agreed that the initial draft summary needed to be revised. The Working Group plans to review and discuss a revised draft summary in early 2022.
4. Adopted the report of the Mental Health Parity and Addiction Equity Act (MHPAEA) (B) Working Group, which plans to meet at the Fall National Meeting. See the Working Group listing for details. The Working Group also met Aug. 5. During this meeting, the Working Group took the following action:
 - A. Heard presentations discussing the provider perspective on mental health parity.
5. Adopted the report of the Pharmacy Benefit Manager Regulatory Issues (B) Subgroup, which has not held an open meeting since October 2020 because it completed its initial work to develop a new NAIC model regulating PBMs. The proposed new NAIC model did not receive sufficient votes for adoption during the Executive (EX) Committee and Plenary meeting at the Summer National Meeting. The Subgroup met Nov. 8 and Sept. 5 in regulator-to-regulator session, pursuant to paragraph 2 (pending investigations which may involve either the NAIC or any member in any capacity), paragraph 3 (specific companies, entities or individuals), and paragraph 8 (consideration of strategic planning issues) of the NAIC Policy Statement on Open Meetings, to continue work on its goals. The Subgroup also plans to meet at the Fall National Meeting. See the Subgroup listing for details.
6. Heard a presentation on the federal No Surprises Act’s (NSA’s) interim final rules and implications for the states. The presentation provided an overview of the NSA and detailed the provisions included in the interim final rules and proposed rules issued to date implementing the NSA.
7. Discussed the expanded scope of external review under the NSA, the implications of this expanded scope on the *Uniform Health Carrier External Review Model Act* (#76), and possible steps the Task Force can take to address the issue. The Task Force decided to set up an ad hoc group to work with NAIC staff to discuss the possible steps to address the issue and make recommendations to the Task Force sometime in late January or early February 2022.

Mental Health Parity and Addiction Equity Act (MHPAEA) (B) Working Group

December 13, 2021

1. The Mental Health Parity and Addiction Equity Act (MHPAEA) (B) Working Group met in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities or individuals) of the NAIC Policy Statement on Open Meetings, to assess state needs and plan work for 2022.

Pharmacy Benefit Manager Regulatory Issues (B) Subgroup

December 11, 2021

1. Heard an update of the recent ruling in the *Pharmaceutical Care Management Association (PCMA) v. Wehbi* case.
2. Heard presentations from Connecticut, Oklahoma, Virginia, and Wisconsin on their pharmacy benefit manager (PBM) laws.
3. Discussed moving forward with its next meeting to begin work to develop a white paper on issues related to the state regulation of certain PBM business practices. The white paper also will examine the role PBMs, pharmacy services administrative organizations (PSAOs), and other prescription drug supply chain entities play in the provision of prescription drug benefits. The Subgroup also plans to hear from a few states on the implementation of their PBM laws and regulations.

Senior Issues (B) Task Force

November 30, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Oct. 6 minutes, which included the following action:
 - A. Adopted its 2022 proposed charges.
 - B. Heard a presentation on the WA Cares Fund.
2. Adopted the report of the Long-Term Care Insurance Model Update (B) Subgroup, including its Nov. 3 and Oct. 13 minutes. During these meetings, the Subgroup took the following action:
 - A. Reviewed Sections 1–12 of the *Long-Term Care Insurance Model Regulation (#641)* to determine their flexibility to remain compatible with the evolving delivery of long-term care (LTC) services and the evolving long-term care insurance (LTCI) marketplace.
3. Discussed Medigap and durable medical equipment (DME), with a focus on excessive charges.
4. Heard a federal legislative update regarding funding for the State Health Insurance Assistance Program (SHIP) and the hearing benefit to be added to Medicare Part B.

PROPERTY AND CASUALTY INSURANCE (C) COMMITTEE

December 15, 2021

1. Adopted its Nov. 10 minutes, which included the following action:
 - A. Adopted its Summer National Meeting minutes.
 - B. Adopted the Pet Insurance Model Act.
2. Adopted the report of the Casualty Actuarial and Statistical (C) Task Force. See the Task Force listing for details.
3. Adopted the report of the Surplus Lines (C) Task Force. See the Task Force listing for details.
4. Adopted the report of the Title Insurance (C) Task Force. See the Task Force listing for details.
5. Adopted the report of the Workers' Compensation (C) Task Force, which has not met since the Summer National Meeting.
6. Adopted the report of the Cannabis Insurance (C) Working Group, including its Dec. 1 minutes. During this meeting, the Working Group took the following action:
 - A. Adopted its Oct. 21 minutes. During this meeting, the Working Group took the following action:
 - i. Adopted its Summer National Meeting minutes.
 - ii. Discussed the outline for the appendix to the *Understanding the Market for Cannabis Insurance* white paper.
 - iii. Discussed its 2022 proposed charges.
 - B. Received an update on the drafting of the *Understanding the Market for Cannabis Insurance* white paper appendix.
 - C. Discussed the potential to collaborate with the Producer Licensing (D) Task Force to study, in states where cannabis is legalized for medical and/or recreational use, whether cannabis-related convictions are preventing individuals from being licensed as an agent or broker.
 - D. Heard a presentation from the University of Colorado on emerging scientific issues in the cannabis space.
 - E. Heard a presentation from the Cannabis Regulators Association (CANNRA) on cannabis policy and regulation trends.
7. Adopted the report of the Catastrophe Insurance (C) Working Group, including its Dec. 12 minutes. During this meeting, the Working Group met in joint session with the NAIC/Federal Emergency Management Agency (FEMA) (C) Advisory Group and took the following action:
 - A. Adopted the Catastrophe Insurance (C) Working Group's Summer National Meeting minutes.
 - B. Adopted the NAIC/FEMA (C) Advisory Group's Nov. 15 minutes. During this meeting the Advisory Group took the following action:
 - i. Heard an update from FEMA on Risk Rating 2.0. Risk Rating 2.0 is meant to better align individual property rates with risk. Phase I began on Oct. 1 and included the selling of new flood insurance policies under the new rating

- system, as well as allowing current National Flood Insurance Program (NFIP) policyholders to take advantage of premium decreases.
 - ii. Heard about Risk Rating 2.0 training opportunities that are available from FEMA.
 - iii. Heard from FEMA about joint messaging opportunities.
 - C. Heard a report from FEMA on Risk Rating 2.0 and implementation of the new rating system for the NFIP.
 - D. Heard a report from FEMA on the FEMA structure and FEMA regional flood insurance specialists. FEMA discussed the ways in which it can assist the various DOIs, including: 1) outreach, education, and training; 2) technical assistance; 3) NFIP claims, underwriting and coverage; 5) pre- and post-disaster support; and 6) public awareness events and activities.
 - E. Received an update on the NAIC Catastrophe Resource Center. NAIC staff updated the Working Group and Advisory Group of the items added to the resource center, including FEMA regional information and FEMA contact information.
 - F. Heard a report from Louisiana regarding Hurricane Ida. Topics covered included: 1) the scope of the hurricane; 2) the path of the storm; 3) the parishes affected; 4) storm damage; and 5) the Louisiana Department of Insurance (DOI) response to the hurricane.
 - G. Received an update on the *Catastrophe Modeling Handbook* (Handbook). NAIC staff discussed a survey that was sent out to the state DOIs. There was a discussion held regarding the evaluation of models for various perils, as well as information regarding the usefulness of each section in the current Handbook. The drafting group will meet in January 2022 to further discuss the survey and the drafting process.
 - H. Discussed future engagements with FEMA, including: 1) an NAIC/FEMA meeting for FEMA Region 6; 2) an earthquake event to be hosted by the Missouri DOI in spring 2022; and 3) the Cascadia Rising 2022 National Level Exercise (NLE).
 - 8. Adopted the report of the Pet Insurance (C) Working Group, including its Dec. 1 minutes. During this meeting, the Working Group took the following action:
 - A. Adopted its Oct. 21 minutes, which included the following action:
 - i. Adopted its Oct. 7 minutes, which included the following action:
 - a. Adopted its Sept. 8 minutes, which included the following action:
 - 1) Discussed the definition of “wellness plans” in the draft Pet Insurance Model Act.
 - b. Discussed comments on the revised draft Pet Insurance Model Act.
 - ii. Discussed comments on the revised draft Pet Insurance Model Act.
 - iii. Adopted the Pet Insurance Model Act.
 - B. Discussed the collection of pet insurance data.
 - 9. Adopted the report of the Terrorism Insurance Implementation (C) Working Group, which has not met since the Summer National Meeting.
 - 10. Adopted the report of the Transparency and Readability of Consumer Information (C) Working Group, including its Nov. 17 minutes. During this meeting, the Working Group took the following action:
 - A. Adopted its Summer National Meeting minutes.
 - B. Adopted the report of the Consumer Education Drafting Group. The Drafting Group has split into two subgroups to complete the drafting of consumer education materials about rating factors and discounts on automobile insurance policies. Once the information regarding automobile insurance is complete, the drafting group will draft documents about homeowners insurance.
 - C. Heard a presentation on disparities in insurance access. This presentation was based on a grassroots survey done through the lens of community organizations.
 - 11. Adopted its 2022 proposed charges with the following revisions:
 - A. Added a charge for the Title Insurance (C) Task Force to “[r]eview current rate regulation practices.”
 - B. Added a charge for the Statistical Data (C) Working Group to “[i]mplement the expedited reporting and publication of average auto and average homeowners premium portions of the annual *Auto Insurance Database Report* (Auto Report) and *Owner-Occupied, and Homeowners Tenant and Condominium/Cooperative Unit Owner’s Insurance Report* (Homeowners Report).
 - 12. Heard presentations related to auto insurance premium refunds resulting from reduced driving during the pandemic.
 - 13. Heard a federal update related to flood insurance, federal spending bills, auto insurance, and cannabis legislation.

Casualty Actuarial and Statistical (C) Task Force

December 7, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Nov. 17, Nov. 9, Oct. 19, Oct. 12, Aug. 20, and Summer National Meeting minutes, which included the following action:

- A. Adopted the *Report on Profitability by Line by State* (Profitability Report).
 - B. Adopted a decision to discontinue requiring continuing education (CE) categorization by appointed actuaries in 2023.
 - C. Adopted its 2022 proposed charges.
 - D. Adopted the *Regulatory Guidance on Property and Casualty Statutory Statements of Actuarial Opinion, Actuarial Opinion Summaries, and Actuarial Reports for the Year 2021* (Regulatory Guidance).
 - E. Adopted a response to the Blanks (E) Working Group regarding proposal 2021-11BWG.
 - F. Heard a report on the NAIC rate model technical reviews.
2. Reported that it met Oct. 19, Sept. 21, and Aug. 17 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities or individuals) of the NAIC Policy Statement on Open Meetings, to discuss rate filing issues.
 3. Reported that it met Oct. 26 to hear a “Book Club” presentation about algorithmic accountability.
 4. Adopted the report of the Actuarial Opinion (C) Working Group, including its Sept. 23, Sept. 8, and Sept. 2 minutes. During these meetings, the Working Group took the following action:
 - A. Discussed and adopted the 2021 Regulatory Guidance.
 5. Adopted the report of the Statistical Data (C) Working Group, which met Nov. 30 and Oct. 20 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities or individuals) of the NAIC Policy Statement on Open Meetings. The Working Group also met Oct. 7 and Sept. 23. During these meetings, the Working Group took the following action:
 - A. Adopted the *Auto Insurance Database Report* (Auto Report), the *Competition Database Report* (Competition Report), and the Profitability Report.
 - B. Researched the ability to collect and publish auto and home premium and exposures under an accelerated timeline.
 - C. Reported that it is continuing to work on the *Dwelling Fire, Homeowners Owner-Occupied, and Homeowners Tenant and Condominium/Cooperative Unit Owner’s Insurance Report* (Homeowners Report).
 6. Exposed proposal 2019-49 (Retroactive Reinsurance Exception) for a 45-day public comment period ending Jan. 20, 2022.
 7. Exposed NAIC staff’s proposed random forest information items and glossary for a 60-day public comment period ending Jan. 20, 2022.
 8. Heard a presentation from the Academy on the activities of its Casualty Practice Council and the Committee on Property and Liability Financial Reporting (COPFLR).
 9. Heard a presentation from the CAS on its research activity.

Surplus Lines (C) Task Force

November 29, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Summer National Meeting minutes.
2. Adopted the report of the Surplus Lines (C) Working Group, including its Sept. 22 minutes. During this meeting, the Working Group took the following action:
 - A. Discussed proposed modifications to the NAIC Standard Form Trust Agreement.
 - B. Adopted revisions to the *Quarterly Listing of Alien Insurers*.
3. Received an update from the drafting group for the *Nonadmitted Insurance Model Act* (#870).
4. Heard an update on surplus lines industry results.

Title Insurance (C) Task Force

November 16, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Oct. 19 minutes, which included the following action:
 - A. Adopted its Summer National Meeting minutes.
 - B. Discussed its 2022 proposed charges.
 - C. Heard a presentation from Demotech on its *Regional Title Underwriter Escrow Theft & Defalcation Prevention Measures* report.
 - D. Heard a presentation on the American Land Title Association’s (ALTA’s) new forms of Commitment, Owner’s Policy, and Loan Policy, effective July 1.
2. Adopted its 2022 proposed charges. Revisions from its 2021 charges include removing outdated or completed charges and minor editorial changes for clarification of intent.
3. Heard a presentation from AM Best on how the robust housing market has driven historic title industry performance.
4. Heard a presentation from ALTA on key changes to the homeowners policy of title insurance and ALTA endorsements.

Workers' Compensation (C) Task Force

The Workers' Compensation (C) Task Force did not meet at the Fall National Meeting.

MARKET REGULATION AND CONSUMER AFFAIRS (D) COMMITTEE

December 15, 2021

1. Adopted its Summer National meeting minutes.
2. Adopted its 2022 proposed charges, which did not include any substantial changes from its 2021 charges. Its charges noted that further direction from the Executive (EX) Committee may result in the Privacy Protections (D) Working Group being moved to the new Innovation, Cybersecurity, and Technology (H) Committee.
3. Adopted new title in-force and title claims standardized data requests (SDRs) to be included in the reference documents of the *Market Regulation Handbook* (Handbook). A state may use these two SDRs to determine if a company follows appropriate procedures with respect to the issuance and underwriting of title policies and the handling of claims.
4. Adopted revisions to Chapter 24—Conducting the Health Examination of the Handbook to provide additional guidance that market conduct examiners should review complaints regarding quality of care.
5. Adopted revisions to Chapter 25—Conducting the Medicare Supplement Examination of the Handbook to provide more specific cross-references to the *Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act* (#651).
6. Received the Privacy Protections (D) Working Group's "Exposure Draft on Consumer Data Privacy Protections," dated Dec. 7, which includes the following:
 - A. A summary of consumer privacy protections provided by the *Health Information Privacy Model Act* (#55), the *Insurance Information and Privacy Protection Model Act* (#670), and the *Privacy of Consumer Financial and Health Information Regulation* (#672).
 - B. A summary of the General Data Protection Regulation (GDPR) and recently adopted state consumer privacy protection laws.
 - C. A summary of the Working Group's discussion on data transparency, consumer control of data, consumer access to data, data accuracy, and data ownership and portability.
 - D. A recommendation that Model #670 and Model #672 be revised to modernize their applicability to the current technology-based insurance market.
7. Received an update regarding the Market Conduct Examination Guidelines (D) Working Group's coordination with the Mental Health Parity and Addiction Equity Act (MHPAEA) (B) Working Group to update the mental health parity-related chapter of the Handbook to ensure it reflects the current mental health parity compliance requirements set forth in federal guidance enacted in December 2020.
8. Adopted the report of the Antifraud (D) Task Force. See the Task Force listing for details.
9. Adopted the report of the Market Information Systems (D) Task Force. See the Task Force listing for details.
10. Adopted the report of the Producer Licensing (D) Task Force. See the Task Force listing for details.
11. Adopted the report of the Market Conduct Annual Statement Blanks (D) Working Group, including its Nov. 22 minutes. During this meeting, the Working Group took the following action:
 - A. Adopted its Summer National Meeting minutes.
 - B. Received an update on the life Market Conduct Annual Statement (MCAS) draft edits for accelerated underwriting (AU).
 - C. Received an update on the Other Health Drafting Group, which has not met recently.
 - D. Received a proposal from the subject matter expert (SME) group on lawsuit definitions and placement of lawsuit data elements for the homeowners and private passenger auto (PPA) MCAS.
 - E. Received a proposal from the SME group on reporting of the digital claims interrogatory question.
12. Adopted the report of the Market Conduct Examination Guidelines (D) Working Group, including its Nov. 4 minutes. During this meeting, the Working Group took the following action:
 - A. Adopted its Oct. 7 minutes, which included the following action:
 - i. Adopted its Sept. 2 minutes, which included the following action:
 - a. Adopted a title in-force and a title claims SDR for inclusion in the reference documents of the Handbook.
 - ii. Received updates from state insurance regulator volunteers reviewing models potentially affecting the Handbook.
 - iii. Discussed a new draft Chapter 25—Conducting the Medicare Supplement Examination for inclusion in the Handbook.
 - iv. Discussed a new draft Chapter 24—Conducting the Health Examination for inclusion in the Handbook.

- v. Received updates from state insurance regulator volunteers reviewing models potentially affecting the Handbook.
 - B. Adopted revisions to Chapter 25—Conducting the Medicare Supplement Examination relating to Model #651.
 - C. Adopted revisions to Chapter 24—Conducting the Health Examination relating to the *Health Maintenance Organization Model Act* (#430).
 - D. Discussed proposed revisions to Chapter 21—Conducting the Property and Casualty Examination relating to the *Real Property Lender-Placed Insurance Model Act* (#631).
 - E. Discussed proposed revisions to Chapter 20—General Examination Standards relating to the *Insurance Holding Company System Regulatory Act* (#440).
 - F. Received updates from state insurance regulator volunteers who reviewed recently adopted models with the potential to affect the Handbook.
 - G. Received an update on the background of the Working Group’s group supervision charge.
13. Adopted the report of the Market Analysis Procedures (D) Working Group, including its Nov. 18 minutes. During this meeting, the Working Group took the following action:
- A. Adopted its July 1 minutes, which included the following action:
 - i. Adopted its March 19 minutes.
 - ii. Discussed market analysis training.
 - iii. Discussed the next line of business for the MCAS.
 - iv. Discussed the initial aggregate analysis of MCAS data for 2020.
 - v. Discussed residence/issuance reporting in the MCAS.
 - B. Discussed market analysis training.
 - C. Discussed standard MCAS ratios for travel insurance MCAS and short-term limited-duration (STLD) insurance MCAS.
 - D. Discussed market analysis tools.
 - E. Discussed the need for clarification on the MCAS reporting of multiyear guaranteed annuities (MYGA).
14. Adopted the report of the Privacy Protections (D) Working Group, including its Dec. 11 minutes. During this meeting, the Working Group took the following action:
- A. Adopted its Nov. 22, Oct. 25, and Oct. 11 minutes, which included the following action:
 - i. Heard an update on state privacy legislation.
 - ii. Received comments on the right to data portability and the right to restrict the use of data in the privacy policy statement exposure draft.
 - iii. Walked through the final exposure draft of the privacy report to the Market Regulation and Consumer Affairs (D) Committee on the privacy policy statement and the right to consumer ownership of data.
 - iv. Received comments on the right to restrict the use of data, the right of portability, and the right of consumer data ownership.
 - v. Reviewed an update to the Abbreviated Data Privacy Legislation Chart and to the State Privacy Law Comparison Chart.
 - vi. Received comments on the right to delete information and the right to correct information.
 - vii. Heard an update on state privacy legislation.
 - viii. Adopted its Sept. 25, Sept. 13, and Aug. 30 minutes, which included the following action:
 - a. Received comments on Segment One (the right to opt-out) and Segment Two (the right to opt-in) of the privacy policy statement exposure draft.
 - b. Announced a format change to the policy statement exposure draft.
 - c. Adopted its July 12 minutes as amended with a revision to change the phrase “credit card” to “debit card.”
 - d. Received an update on the Summer National Meeting.
 - e. Received an update from NAIC Legal Division staff on state privacy legislation.
 - f. Heard an update on California Proposition 24.
 - g. Exposed the first Working Group exposure draft of the privacy policy statement with comments incorporated.
 - h. Received additional comments from a consumer perspective on data privacy.
 - B. Received comments on the final exposure draft of its report on consumer data privacy protections.
 - C. Adopted the final exposure draft of its report on consumer data privacy protections.

Market Actions (D) Working Group

December 11, 2021

The Market Actions (D) Working Group met in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities or individuals) of the NAIC Policy Statement on Open Meetings, to continue work on its goals.

Antifraud (D) Task Force

November 12, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Oct. 27 and Summer National Meeting minutes, which included the following action:
 - A. Adopted its 2022 proposed charges.
2. Received an update from the Antifraud Education Enhancement (D) Working Group. The Working Group has been working with NAIC staff in preparation for the upcoming investigator safety training webinar that will take place in December. The Working Group advised its members to send any suggested training/webinar topics they would like to have provided.
3. Received an update from the Antifraud Technology (D) Working Group. The Working Group formed a subject matter expert (SME) group to create a template for industry to use when creating their Antifraud Plan. The SME group has been meeting since September to finalize this project. The final draft will be exposed to the Working Group for comment. Once adopted by the Working Group, it will be presented to the Task Force for consideration.
4. Received an update from the Improper Marketing of Health Insurance (D) Working Group. The Working Group has continued to meet monthly in regulator-to-regulator session. It is holding its first open meeting at the Fall National Meeting. See the Working Group listing for more details.
5. Heard an update from the Coalition Against Insurance Fraud on its work to fight insurance fraud.

Improper Marketing of Health Insurance (D) Working Group

December 12, 2021

1. Discussed the creation and purpose of the Working Group. The Working Group reviewed its charges for 2021 and its 2022 proposed charges.
2. Heard a presentation from Out2Enroll on the efforts being made to fight against improper marketing of health insurance.
3. Heard a presentation from the Alliance of Health Care Sharing Ministries (AHCSM). The presentation focused on the regulation of health care ministries and issues faced with improper marketing of health insurance. The AHCSM will be completing an accreditation process in 2022.
4. Heard a presentation from America's Health Insurance Plans (AHIP). The presentation discussed the issues being faced concerning the improper marketing of health insurance plans. AHIP notified the Working Group of its interest in assisting with the development of a model or guideline to help regulate the marketing of health insurance.

Market Information Systems (D) Task Force

November 23, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Oct. 29 and Summer National Meeting minutes, which included the following action:
 - A. Adopted its 2022 proposed charges.
2. Adopted the report of the Market Information Systems Research and Development (D) Working Group, including its Nov. 5 and Oct. 14 minutes. During these meetings, the Task Force took the following action:
 - A. Adopted the artificial intelligence (AI) subject matter expert (SME) group's recommendation, which included:
 - i. Evaluate currently available market analysis data and assess its quality.
 - ii. Adopt a more rigorously statistical approach to identify the predictive power of market scoring systems and integrate data into a single overall analysis.
 - iii. Incorporate promising AI modes of analyses, as well as traditional statistical modeling.
 - iv. Assess ways AI can improve the efficiency of qualitative analysis and facilitate pattern recognition across larger volumes of textual evidence.
 - v. Explore potential data sources suitable for AI techniques.
 - B. Reviewed and prioritized the outstanding Uniform System Enhancement Request (USER) forms.
 - C. Reviewed the 2020 Market Information Systems (MIS) data analysis metric results. The Working Group will continue its analysis of the results and determine recommendations to improve data quality.
3. Discussed the Market Information Systems Research and Development (D) Working Group recommendations regarding the incorporation of AI in the NAIC MIS.

Producer Licensing (D) Task Force

November 29, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Oct. 29 and Summer National Meeting minutes, which included the following action:
 - A. Adopted its 2022 proposed charges.
2. Received the report of the Producer Licensing Uniformity (D) Working Group, including its Nov. 3 minutes. During this meeting, the Working Group took the following action:
 - A. Reviewed the results of its survey addressing the appropriate producer licensing standard for the sell, solicitation, and negotiation of pet insurance. Seven states responded to the survey that the current uniform licensing standard for pet insurance is the correct policy direction; seven responded that the major lines of authority of property/casualty (P/C) should be required; one state responded that pet insurance should become a core limited line; and one state responded that a license for any major line of authority should be required.
3. Received the report of the Uniform Education (D) Working Group, including its Oct. 7 minutes. During this meeting, the Working Group took the following action:
 - A. Discussed the distribution of a survey regarding state requirements for the approval of continuing education (CE) course instructors.
4. Discussed the draft procedures for amending the NAIC uniform producer licensing applications, which are being developed to ensure that the consideration of changes to the uniform applications support the NAIC members' goal of providing stable, uniform applications and encourage the use of electronic technology for licensing.
5. Received comments from the American Council of Life Insurers (ACLI) on diversity, inclusion, and unnecessary barriers to individuals seeking an insurance producer license. The ACLI referenced the 1033 waiver process and the presence of unnecessary pre-licensing education mandates.
6. Discussed the elimination of cultural bias in producer licensing examinations, which included a review of preliminary feedback from two examination vendors on their internal training and industry standards for examination fairness.
7. Received a report from the National Insurance Producer Registry (NIPR) Board of Directors. October marked the NIPR's 25th anniversary, and it is on track to have its highest transaction volume and review year in 2021. NIPR continues to implement the contact change request application for business entities. NIPR has implemented the application in 28 states and has processed more than 7,300 transactions. NIPR recently implemented a chat feature for customers, and from January to October, the customer service department handled more than 162,000 calls, more than 70,000 emails, and 20,000 chats. NIPR is also on track to complete its transition to the cloud before the end of the year.
8. Discussed how states could address errors or misstatements on producer licensing applications that were completed by third-party authorized submitters.

FINANCIAL CONDITION (E) COMMITTEE

December 13, 2021

1. Adopted its Nov. 19 and Summer National Meeting minutes, which included the following action:
 - A. Adopted a response to a referral received from the Financial Regulation and Accreditation Standards (F) Committee regarding captive insurers.
 - B. Received a response from the Valuation Analysis (E) Working Group chair related to principle-based reserving (PBR) and a recommendation from the International Monetary Fund (IMF) related to its Financial Sector Assessment Program (FSAP).
 - C. Received a request from the Capital Adequacy (E) Task Force chair about a proposed new working group related to investment risks.
 - D. Adopted its 2022 proposed charges.
2. Adopted the report of the Accounting Practices and Procedures (E) Task Force. See the Task Force listing for details.
3. Adopted the report of the Capital Adequacy (E) Task Force. See the Task Force listing for details.
4. Adopted the report of the Examination Oversight (E) Task Force. See the Task Force listing for details.
5. Adopted the report of the Financial Stability (E) Task Force. See the Task Force listing for details.
6. Adopted the report of the Receivership and Insolvency (E) Task Force. See the Task Force listing for details.
7. Adopted the report of the Reinsurance (E) Task Force. See the Task Force listing for details.
8. Adopted the report of the Risk Retention Group (E) Task Force. See the Task Force listing for details.
9. Adopted the report of the Valuation of Securities (E) Task Force. See the Task Force listing for details.
10. Adopted the report of the Group Capital Calculation (E) Working Group, including its Nov. 22 minutes. During this meeting, the Working Group took the following action:
 - A. Adopted its Nov. 8, Sept. 8, and Summer National Meeting minutes, which included the following action:

- i. Exposed a staff memorandum that includes possible group capital calculation (GCC) modifications for a public comment period ending Dec. 23.
 - ii. Exposed some clarifying changes to the GCC instructions that were previously provided to the Working Group and the public as part of the GCC Trial Implementation for a public comment period ending Dec. 8.
 - iii. Discussed comments on maintenance documents and proposed revisions.
 - iv. Discussed comments on a draft referral to the Capital Adequacy (E) Task Force.
 - v. Adopted recommended changes to the *Financial Analysis Handbook* that incorporate guidance on using the GCC and subsequently distributed it to the Financial Analysis Solvency Tools (E) Working Group.
 - B. Discussed the results of the GCC Trial Implementation.
11. Adopted the report of the Group Solvency Issues (E) Working Group, including its Nov. 30 minutes. During this meeting, the Working Group took the following action:
- A. Adopted its Summer National Meeting minutes.
 - B. Discussed comments received during the re-exposure of proposed revisions to the *Financial Analysis Handbook* to incorporate elements of the International Association of Insurance Supervisors' (IAIS) Common Framework for the Supervision of Internationally Active Insurance Groups (ComFrame) deemed appropriate for the U.S. system of solvency regulation.
 - C. Received updates from its ComFrame Examination Drafting Group and its ComFrame Own Risk and Solvency Assessment (ORSA) Drafting Group on the status of their efforts to develop proposed revisions to incorporate ComFrame elements into the *Financial Condition Examiners Handbook* and the *NAIC Own Risk and Solvency Assessment Guidance Manual* (ORSA Guidance Manual).
 - D. Heard an update on the status of IAIS group-related activities, including its recent adoption of its revised *Application Paper on Supervisory Colleges*.
12. Adopted the report of the Mutual Recognition of Jurisdictions (E) Working Group, including its Nov. 18 minutes. During this meeting, the Working Group took the following action:
- A. Adopted the yearly due diligence reviews of the qualified jurisdictions and reciprocal jurisdictions.
 - B. Adopted the *Process for Evaluating Jurisdictions that Recognize and Accept the Group Capital Calculation* (GCC Process).
 - C. Provided an update on the Republic of Korea application to become a qualified jurisdiction.
13. Adopted the report of the NAIC/American Institute of Certified Public Accountants (AICPA) (E) Working Group, including its Sept. 13 minutes. During this meeting, the Working Group took the following action:
- A. Discussed the premium threshold in the *Annual Financial Reporting Model Regulation* (#205).
 - B. Heard an update from PricewaterhouseCoopers(PwC) on recent auditing pronouncements affecting statutory audit reports.
 - C. Received an update on the results from a joint project between the NAIC and the AICPA on reserve data training for state insurance regulators that was conducted in 2020.
14. Adopted the report of the National Treatment and Coordination (E) Working Group, including its Dec. 1 minutes. During this meeting, the Working Group took the following action:
- A. Adopted its Sept. 29 minutes, which included the following action:
 - i. Discussed its 2022 proposed charges.
 - ii. Adopted proposal 2021-06 (Request for Disclaimer).
 - iii. Received a referral from the Financial Analysis (E) Working Group requesting an addition to the Form A database to inform state insurance regulators when private equity firms are acquiring ownership of an insurer and to assist in maintaining a record of private equity-owned insurers.
 - iv. Discussed drafting guidance or frequently asked questions (FAQ) document for Form A applications.
 - v. Discussed non-domiciliary state notification of dissolution or mergers.
 - B. Exposed proposal 2021-07 (Application Instructions Regarding Company Responses) for a 45-day public comment period ending Jan. 14, 2022.
 - C. Exposed proposal 2021-08 (Voluntary Dissolution Best Practices) for a 45-day public comment period ending Jan. 14, 2022.
 - D. Discussed shell acquisitions.
15. Adopted the report of the Restructuring Mechanisms (E) Working Group, including its Dec. 6 minutes. During this meeting, the Working Group took the following action:
- A. Discussed comments received on a co-chair draft white paper. The white paper is structured around the existing good practices within the NAIC's 1997 *Liability-Based Restructuring White Paper*, as well as other best practices presented to the Working Group in 2019 from various organizations.

16. Adopted the report of the Risk-Focused Surveillance (E) Working Group, including its Nov. 9 minutes. During this meeting, the Working Group took the following action:
 - A. Discussed comments received on the exposure of proposed revisions to the *Financial Analysis Handbook* and the *Financial Condition Examiners Handbook* to enhance guidance related to the review of affiliated service agreements.
 - B. Adopted updated salary ranges for analysts and examiners, as well as legacy per diem rates for examiners.
 - C. Discussed a referral received from the Chief Financial Regulator Forum regarding the need to update the standardized job descriptions for analyst and examiner positions maintained by the Working Group.
17. Reported that the Financial Analysis (E) Working Group met Dec. 11, Nov. 3, and Oct. 13 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings, to discuss letter responses and financial results.
18. Reported that the Valuation Analysis (E) Working Group met Nov. 30, Nov. 10, Sept. 27, and July 26 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings, to discuss valuation items related to specific companies.
19. Adopted the *Process for Evaluating Jurisdictions that Recognize and Accept the Group Capital Calculation*.
20. Adopted the *ReFAWG Review Process for Passporting Certified and Reciprocal Jurisdiction Reinsurers*.
21. Received and discussed a request from the Center for Economic Justice (CEJ) with regard to taking on a project to examine and identify investment practices of insurers that may disproportionately affect communities of color.
22. Discussed a proposed project to consider a revised approach to the risk-based capital (RBC) requirements for structured securities and other asset-backed securities (ABS).

Accounting Practices and Procedures (E) Task Force

December 11, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Summer National Meeting minutes.
2. Adopted the report of the Statutory Accounting Principles (E) Working Group, including its Dec. 11 minutes. During this meeting, the Working Group took the following action:
 - A. Adopted its Nov. 10, Oct. 25, Sept. 10, Aug. 26, July 20, and July 12 minutes, which included the following action:
 - i. During its Nov. 10 meeting, the Working Group took the following action:
 - a. Adopted the following nonsubstantive revisions to statutory accounting guidance:
 - 1) *Statement of Statutory Accounting Principles (SSAP) No. 43R—Loan-Backed and Structured Securities*: Revisions direct that residual equity tranches shall be reported on Schedule BA: Other-Long Term Invested Assets for year-end 2022 reporting. However, for entities currently reporting on Schedule D-1, early application (and reclassification) is permitted. In addition, the Working Group directed that a joint memorandum with the Valuation of Securities (E) Task Force be provided to the Blanks (E) Working Group to clarify that a self-assigned NAIC 5GI is not permitted for residual tranches and that such items reported on Schedule D-1 for year-end 2021 are required to be reported with an NAIC 6 designation. (Ref #2021-15)
 - 2) Revisions clarify that salvage and subrogation estimates and recoveries should be reported as a reduction to both claims/losses and loss adjusting expenses, as appropriate. (Ref #2021-13)
 - b. Adopted the following editorial revisions to statutory accounting: (Ref #2021-12EP):
 - 1) Preamble: Incorporates a paragraph number for the existing statutory hierarchy section.
 - 2) Updates designation codes for preferred stock as noted in Section 2 of *Appendix A-001: Investments of Reporting Entities*.
 - 3) Updates reference to the *former* Emerging Actuarial Issues (E) Working Group, in Appendix C, as well as add reference to the Valuation Analysis (E) Working Group's use of included interpretations.
 - 4) Updates reference to the *former* Emerging Actuarial Issues (E) Working Group in Appendix C-2, as well as add reference to the Valuation Analysis (E) Working Group's use of included interpretations.
 - 5) Updates improve the readability of *SSAP No. 21R—Other Admitted Assets* paragraph 9 regarding receivables for securities.
 - c. Adopted *Interpretation (INT) 21-02: Extension of the Ninety-Day Rule for the Impact of Hurricane Ida*: This INT provides temporary options to the "90-day rule" in *SSAP No. 6—Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due from Agents and Brokers* for policies affected by Hurricane Ida. The INT automatically nullifies Jan. 24, 2022. (Ref #2021-13)
 - ii. During its Oct. 25 e-vote, the Working Group took the following action:

- a. Exposed agenda items 2021-16: SSAP No. 30R – FHLB Disclosures – Blanks Referral, 2021-17: SSAP No. 32R – Permitted Valuation Methods, 2021-18: VM 21 Scenario Consistency Update, and 2021-19EP: Editorial Revisions for a public comment period ending Nov. 12.
- iii. During its Sept. 10 e-vote, the Working Group took the following action:
 - a. Exposed agenda item 2021-15: SSAP No. 43R – Residual Tranches and tentative *INT 21-02T – Extension of the Ninety-Day Rule for the Impact of Hurricane Ida* for a public comment period ending Oct. 1.
- iv. During its Aug. 26 meeting, the Working Group:
 - a. Adopted the following nonsubstantive revisions to statutory accounting guidance:
 - 1) Revisions clarify that the required adjustments directed in *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities*, paragraph 9, may result in a negative equity valuation. Revisions also clarify that foreign insurance subsidiary, controlled, and affiliated (SCA) entities, when applying paragraph 9 adjustments, may stop at zero if the entity does not provide services or hold assets on behalf of a U.S.-based reporting entity. (Ref #2021-04)
 - 2) Revisions clarify that the “effective call price” valuation ceiling in *SSAP No. 32R—Preferred Stock* shall only apply in cases where the issuer has announced that the instrument will be called, or the call is currently exercisable, by the issuer. (Ref #2021-10)
 - b. Exposed the following nonsubstantive revisions for a public comment period ending Oct. 1:
 - 1) SSAP No. 43R: Revisions correspond with guidance adopted by the Valuation of Securities (E) Task Force to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual), which directs that mortgage loans in scope of *SSAP No. 37—Mortgage Loans* will continue historical practice. However, for loans that have completed a structural assessment, as determined by the Securities Valuation Office (SVO), the mortgage loan may be reclassified from Schedule B: Mortgage Loans to Schedule D-1: Long-Term Bonds. Additional revisions included the removal of various examples of securities that may be in scope of SSAP No. 43R. In addition, the agenda item sought comment on whether INT 20-10 should be explicitly nullified and if agenda item 2020-24 should be disposed of without statutory revisions. (Ref #2021-11)
 - 2) Revisions clarify that salvage and subrogation estimates and recoveries should be reported as a reduction to both claims/losses and loss adjusting expenses, as appropriate. (Ref #2021-13)
 - 3) *NAIC Policy Statement on Statutory Accounting Principles Maintenance Agenda*: Revisions, in response to a referral received from the Financial Condition (E) Committee, modify the terminology of “substantive” and “nonsubstantive” to describe statutory accounting revisions being considered by the Working Group. (Ref #2021-14)
 - c. Exposed *Issue Paper No. 165—Levelized Commission* for a public comment period ending Oct. 1 to document the discussion of recent nonsubstantive revisions to *SSAP No. 71—Policy Acquisition Costs and Commissions*. (Ref #2019-24)
 - d. Received an update on the following projects and referrals:
 - 1) Received a referral from the Valuation of Securities (E) Task Force on proposed revisions that would permit the use of unrated and nonguaranteed subsidiary obligors in the evaluation of working capital finance investment (WCFI) programs. The Working Group directed a response that additional changes to *SSAP No. 105R—Working Capital Finance Investments* may be considered in the future, dependent upon Task Force actions.
 - 2) Ref #2019-21: The Working Group discussed the exposed principles-based bond definition and comments received. The Working Group directed NAIC staff to proceed with drafting an issue paper and proposed SSAP revisions to reflect the concepts reflected in the exposed principles, and it directed that the “43R Study Group” be repurposed to a “Bond Proposal Small Group” made up of additional state insurance regulators to work with dedicated interested party representatives and continue discussion on the application of the principles, as well as specific investment structures.
 - v. During its July 20 e-vote, the Working Group exposed agenda item 2021-10: SSAP No. 32R – Clarification of Effective Call Price for a public comment period ending Aug 6.
 - vi. During its July 12 e-vote, the Working Group adopted its May 20, April 20, and Spring National Meeting minutes.
- B. Adopted the following substantive revisions to statutory accounting guidance:
 - i. *Issue Paper No. 165—Levelized Commissions* to document the discussion that led to the adoption of nonsubstantive revisions to SSAP No. 71 from agenda item 2019-24: Levelized and Persistency Commission. (Ref #2019-24)
- C. Adopted the following nonsubstantive revisions to statutory accounting guidance:

- i. SSAP No. 32R: Revisions remove lingering references to clarify that historical cost is not a permitted valuation method. Other revisions ensure consistency with previously adopted language. (Ref #2021-17)
 - ii. SSAP No. 43R: Revisions capture SVO-identified credit tenant loans (CTLs) in scope of SSAP No. 43R. Revisions also remove examples of various securities from a non-scope paragraph. (Ref #2021-11)
 - iii. Appendix F – NAIC Policy Statements: *NAIC Policy Statement on Maintenance of Statutory Accounting Principles*: Revisions, in response to a referral received from the Financial Condition (E) Committee, modify the historical use of the terms “substantive” and “nonsubstantive.” Effective Jan. 1, 2022, substantive modifications will be identified as a “new SAP concept,” while nonsubstantive modifications will be a “SAP clarification.” (Ref #2021-14)
 - iv. Blanks proposal: Adopted an agenda item supporting supplemental reporting of Federal Home Loan Bank (FHLB) borrowings classified as a deposit-type contract and reported on Exhibit 7 – Deposit-Type Contracts. This agenda item did not result in statutory revisions. However, it reflected support for blanks proposal 2021-15BWG. (Ref #2021-16)
 - v. Adopted the following editorial revisions (Ref #2021-19EP):
 - a. *SSAP No. 16R—Electronic Data Processing Equipment and Software*: Revisions correct various paragraph references.
 - b. *SSAP No. 43R*: Revisions remove outdated references to previously deleted guidance.
 - vi. Nullified *INT 20-10: Reporting Nonconforming Credit Tenant Loans* as no longer applicable for statutory accounting. While the INT expired on Oct. 1, for historical documentation purposes, the Working Group nullified the reporting exceptions within the INT. The revisions adopted to the P&P Manual make this guidance no longer relevant. (INT 20-10 and Ref# 2021-11)
- D. Exposed the following nonsubstantive revisions to statutory accounting guidance:
- i. *SSAP No. 22R—Leases*: Revisions clarify that in any scenario in which a lease terminates early, all remaining leasehold improvements shall be immediately expensed. (Ref #2021-25)
 - ii. *SSAP No. 22R*: Revisions reject *Accounting Standards Update (ASU) 2021-05, Leases (Topic 842), Lessors—Certain Leases with Variable Lease Payments* for statutory accounting. (Ref #2021-29)
 - iii. *SSAP No. 25—Affiliates and Other Related Parties* and *SSAP No. 43R*: Revisions clarify the identification and reporting requirements for affiliated transactions and incorporate new disclosures to identify investments held that involve related parties. The new disclosures will require identification when investments are acquired through, or in, related parties, regardless of if they meet the definition of an affiliate. (Ref #2021-21)
 - iv. *SSAP No. 43R*: Revisions reflect updated NAIC designation and designation category guidance adopted by the Valuation of Securities (E) Task Force to the P&P Manual, for residential mortgage-backed securities (RMBS) and commercial mortgage-backed securities (CMBS). (Ref #2021-23)
 - v. *SSAP No. 61R—Life, Deposit-Type and Accident and Health Reinsurance*: Revisions reflect 2021 clarifications to life and health reinsurance disclosures and provide a proposed guidance document to address auditor inquiries based on disclosures initially reported at year-end 2020. (Ref #2021-31)
 - vi. *SSAP No. 68—Business Combinations and Goodwill*: Revisions reject *ASU 2021-03, Intangibles – Goodwill and Other (Topic 350) – Accounting Alternative for Evaluating Triggering Events* for statutory accounting. (Ref #2021-28)
 - vii. *SSAP No. 72—Surplus and Quasi-Reorganizations*: Revisions reject *ASU 2021-04, Earnings Per Share (Topic 260), Debt—Modifications and Extinguishments (Subtopic 470-50), Compensation—Stock Compensation (Topic 718), and Derivatives and Hedging—Contracts in Entity’s Own Equity (Subtopic 815-40)—Issuer’s Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options* for statutory accounting. Revisions incorporate guidance on how to account for changes in fair values for written call options. (Ref #2021-27)
 - viii. *SSAP No. 86—Derivatives*: Agenda item seeks public comment regarding possible SSAP No. 86 revisions if considering an expanded effective hedge relationship permitted under U.S. generally accepted accounting principles (GAAP) within *ASU 2017-12: Derivatives and Hedging: Targeted Improvements to Accounting for Hedging Activities*. (Ref #2021-20)
 - ix. *SSAP No. 108—Derivatives Hedging Variable Annuity Guarantees*: Revisions remove reference to the “standard scenario” to ensure consistency with VM-21, Requirements for Principle-Based Reserves for Variable Annuities. (Ref #2021-18)
 - x. *Appendix D—Nonapplicable GAAP Pronouncements*: Revisions reject *ASU 2021-04, Presentation of Financial Statements (Topic 205), Financial Services—Depository and Lending (Topic 942), and Financial Services—Investment Companies (Topic 946), Amendments to SEC Paragraphs Pursuant to SEC Final Rule Releases No. 33-10786, Amendments to Financial Disclosures about Acquired and Disposed Businesses, and No. 33-10835,*

Update of Statistical Disclosures for Bank and Savings and Loan Registrants as not applicable for statutory accounting. (Ref #2021-30)

- x. Bond Proposal Project: Exposed a discussion draft of potential reporting options to revise Schedule D, Part 1: Long-Term Bonds to capture more granularity and transparency of investments reported as bonds. Also exposed revisions to the proposed principle concepts in determining whether an asset-backed security (ABS) satisfies the credit enhancement criteria for reporting as a bond. (Ref #2019-21)
- xii. Blanks referrals:
 - a. Exposed and sponsored a proposal to the Blanks (E) Working Group to supplement reporting of SCA entities investments reported on Schedule D-6-1. (Ref #2021-22)
 - b. Exposed and sponsored a referral to the Blanks (E) Working Group to add a new general interrogatory to require disclosure of when cryptocurrencies are directly held or permitted for the remittance of premiums. (Ref #2021-24)
- xiii. Editorial revisions: Exposed revisions to terminology references of “substantive” and “nonsubstantive” to reflect “new SAP concept” and “SAP clarification.” (Ref #2021-26EP)
- xiv. The public comment period for items exposed ends Feb. 18, 2022, except for agenda items 2021-18 and 2021-31, which have a Jan. 14, 2022, public comment deadline to allow for possible adoption prior to the filing of the 2021 financial statements and their audited reports.
- E. Disposed agenda item 2020-24: Accounting and Reporting of Credit Tenant Loans without statutory revisions. (Ref #2020-24)
- F. Received an update on the following items:
 - i. *INT 20-03: Troubled Debt Restructuring Due to COVID-19* and *INT 20-07: Troubled Debt Restructuring of Certain Debt Investments Due to COVID-19*: These INTs provide exceptions to the application of guidance in *SSAP No. 36—Troubled Debt Restructuring* in response to COVID-19. The INTs will expire on Jan. 2, 2022.
 - ii. Working Group referral of agenda item 2019-49: Retroactive Reinsurance Exception regarding diversity in the reporting of companies applying the retroactive reinsurance exception, which allows certain contracts to be reported prospectively: The Casualty Actuarial and Statistical (C) Task Force discussed this item on Dec. 7 and exposed preliminary recommendations.
 - iii. U.S. GAAP exposures: Pending items will be addressed during the normal maintenance process.
 - iv. Key pending projects: The Working Group discussed priorities.
3. Adopted the report of the Blanks (E) Working Group, including its Nov. 16 minutes. During this meeting, the Working Group took the following action:
 - A. Adopted its Summer National Meeting minutes.
 - B. Adopted proposal: 2021-14BWG – Expand the number of lines of business reported on Schedule H to match the lines of business reported on the health statement. Modify the instructions so they will be uniform between life/fraternal and property.
 - C. Adopted its editorial listing.
 - D. Approved the State Filing Checklists content.
 - E. Rejected proposal 2021-11BWG requesting to add a new annual statement supplement to the property/casualty (P/C) statement to capture exposure data for Annual Statement Lines 4, 19.1, 19.2, and 21.2 of the Exhibit of Premiums and Losses.
 - F. Deferred for future discussion proposal 2021-13BWG for a public comment period ending March 4, 2022. Proposal 2021-13BWG adds a new supplement to capture premium and loss data for annual statement lines 17.1, 17.2, and 17.3 of the Exhibit of Premiums and Losses (State Page) – Other Liability by more granular lines of business.
 - G. Exposed seven new proposals for a public comment period ending March 4, 2022.

Capital Adequacy (E) Task Force

November 17, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Sept. 30, minutes, which included the following action:
 - A. Adopted its 2022 proposed charges.
2. Adopted the report of the Health Risk-Based Capital (E) Working Group, including its Nov. 4 minutes. During this meeting, the Working Group took the following action:
 - A. Exposed proposal 2021-18-H (Benchmarking Guidelines for Investment Income Adjustment in the Underwriting Risk Factors) for a 30-day public comment period ending Dec. 3.
 - B. Adopted its 2021 revised working agenda to add an item to review the investment income adjustment annually, and revised bond factors to a priority 3 with a completion date of year-end 2023 or later.

- C. Received an update from the American Academy of Actuaries (Academy) regarding the H2 – Underwriting Risk Component Review.
 - D. Received an update on the Excessive Growth Charge Ad Hoc Group and the Health Test Ad Hoc Group.
 - E. Discussed incorporating pandemic risk into the health risk-based capital (RBC) formula.
3. Adopted the report of the Life Risk-Based Capital (E) Working Group, including its Nov. 9 minutes. During this meeting, the Working Group took the following action:
 - A. Adopted its Summer National Meeting minutes.
 - B. Exposed its guidance document on bond factor changes for a 30-day comment period ending Dec. 9.
 - C. Exposed the Academy’s C2 Mortality Risk Work Group recommendation on mortality factor updates for a 60-day public comment period ending Jan. 10, 2022.
 4. Adopted the report of the Catastrophe Risk (E) Subgroup, including its Oct. 27 minutes. During this meeting, the Subgroup took the following action:
 - A. Adopted its Sept. 28 minutes, which included the following action:
 - i. Discussed its 2021 working agenda.
 - ii. Received an update from its Catastrophe Model Technical Review Ad Hoc Group.
 - iii. Heard a presentation from Karen Clark & Company (KCC) on current wildfire trends and its KCC U.S. wildfire model.
 - iv. Discussed the possibility of allowing additional third-party models or adjustments to the vendor models.
 - B. Discussed allowing third-party models to calculate the catastrophe model losses.
 - C. Exposed proposal 2021-15-CR (Adding KCC Models).
 - D. Received an update from its Catastrophe Model Technical Review Ad Hoc Group, which met Oct. 18 to discuss additional questions with Risk Management Solutions (RMS) on its wildfire model.
 5. Adopted the report of the Property and Casualty Risk-Based Capital (E) Working Group, including its Oct. 25 minutes. During this meeting, the Working Group took the following action:
 - A. Adopted its Summer National Meeting minutes.
 - B. Adopted the report of the Catastrophe Risk (E) Subgroup, including its Sept. 28 minutes. During this meeting, the Subgroup took the following action:
 - i. Discussed its 2021 working agenda.
 - ii. Heard an update from the Catastrophe Model Technical Review Ad Hoc Group.
 - iii. Heard a presentation from KCC regarding the KCC U.S. wildfire model.
 - iv. Discussed the possibility of allowing third-party models calculate the catastrophe model losses.
 - C. Exposed a draft recommendation to the Restructuring Mechanism (E) Subgroup for a 30-day public comment period ending Nov. 24. The draft recommendation was developed by the Property and Casualty Risk-Based Capital (E) Working Group, which included the findings and recommendation of the runoff companies.
 - D. Exposed proposal 2021-14-P (R3 Factor Adjustment) for a 30-day public comment period ending Nov. 24.
 - E. Heard an update from the Academy on the status of the research on recommending adjustments to the formulas for premium and reserve risk to reflect the impact of interest rates.
 6. Adopted proposal 2021-16-CR (2021 Catastrophe Event List).
 7. Adopted its working agenda.
 8. Discussed a memorandum to the Financial Condition (E) Committee requesting a new working group under the direction of the Capital Adequacy (E) Task Force.
 9. Heard a presentation from RMS on its North America wildfire HD model.

Examination Oversight (E) Task Force

December 1, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Sept. 30 and Summer National Meeting minutes, which included the following action:
 - A. Adopted its 2022 proposed charges.
2. Adopted the report of the Electronic Workpaper (E) Working Group, which met Nov. 16 in regulator-to-regulator session, pursuant to paragraph 4 (internal or administrative matters of the NAIC or any NAIC member) of the NAIC Policy Statement on Open Meetings, to continue work on its goals.
3. Adopted the report of the Financial Analysis Solvency Tools (E) Working Group, including its Nov. 15 and Oct. 12 minutes. During these meetings, the Working Group took the following action:
 - A. Adopted the following revisions to the *Financial Analysis Handbook*:
 - i. Included additional guidance and another procedure to the existing liquidity stress test (LST) framework and the *Insurance Holding Company System Model Regulation with Reporting Forms and Instructions (#450)* requesting

that the lead state review and determine if any concerns exist and, if necessary, seek further explanation from the insurer.

- ii. Included guidance to incorporate the group capital calculation (GCC) into the analysis process, specifically to be used as an analysis tool, rather than a set of ratios.
4. Adopted the report of the Financial Examiners Coordination (E) Working Group, which met Nov. 29 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities or individuals) of the NAIC Policy Statement on Open Meetings, to continue work on its goals.
 5. Adopted the report of the Financial Examiners Handbook (E) Technical Group, including its Nov. 17 and Oct. 5 minutes. During these meetings, the Technical Group took the following action:
 - A. Adopted the following revisions to the *Financial Condition Examiners Handbook*:
 - i. Coordination framework revisions to simplify the guidance and clarify the roles/responsibilities of each state that has a company in a holding company group.
 - ii. Completeness and accuracy repository revisions, which include the addition of analytical procedures to mirror the testing approaches of external auditors and enhanced collaboration with the actuary to determine significant lines of business and data elements to focus on for testing purposes.
 - B. Exposed the above revisions to the *Financial Condition Examiners Handbook* for a 30-day public comment period ending Nov. 5.
 6. Adopted the report of the Information Technology (IT) Examination (E) Working Group, including its Nov. 18 and Oct. 13 minutes. During these meetings, the Working Group took the following action:
 - A. Adopted the following guidance updates for inclusion in the *Financial Condition Examiners Handbook*:
 - i. New guidance in Section 1-3 describing the importance of insurance companies maintaining data in a manner that would allow for timely and efficient transfer of policyholder data, as well as guidance referencing tools that may be used in conducting this assessment.
 - ii. Updates to the Exhibit C – IT Planning Questionnaire and Instructional Notes to include inquiries regarding comingled data and the accessibility and transferability of significant company datasets, as well as references to procedures within the IT work program that could be used in addressing related risks.
 - iii. Updates to Exhibit C – Work Program to include common controls, preliminary information requests, and possible test procedures regarding the accessibility and transferability of data.
 - iv. New guidance in Section 1-3 describing ransomware and considerations for assessing an insurer’s overall cyber hygiene.
 - v. Updates to Exhibit C – Work Program to include common controls, preliminary information requests, and possible test procedures regarding the nature of company backup systems and whether those backups are air-gapped and immutable.
 - B. Approved a new sound practices document that was developed in response to a referral from the Chief Financial Regulator Forum requesting additional guidance for assessing cyber vulnerabilities.
 - C. Exposed two referrals sent to the Working Group for a 30-day public comment period ending Nov. 12. The first referral was received from the Receivership Financial Analysis (E) Working Group asking the IT Examination (E) Working Group to consider guidance for evaluating an insurer’s systems and data (as part of the IT review during an examination). The second referral was received from the facilitator of the Chief Financial Regulator Forum asking the Working Group to consider additional guidance for addressing cyber vulnerabilities, particularly in response to emerging vulnerabilities arising outside of the full-scope examination.
 - D. Exposed ransomware revisions for inclusion in the *Financial Condition Examiners Handbook* for a 30-day public comment period ending Nov. 12.

Financial Stability (E) Task Force

December 7, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Sept. 30 and Summer National Meeting minutes, which included the following action:
 - A. Adopted its 2022 proposed charges.
 - B. Heard an update on private equity (PE).
 - C. Heard a macroprudential risk assessment update.
2. Heard an update on Financial Stability Oversight Council (FSOC) developments.
3. Received the report of the Macroprudential (E) Working Group, which met Nov. 30 and Nov. 12 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities or individuals), and Oct. 18 in regulator-to-regulator session, pursuant to paragraph 4 (internal or administrative matters of the NAIC or any NAIC staff) and

paragraph 8 (consideration of strategic planning issues), of the NAIC Policy Statement on Open Meetings. During these meetings, the Working Group took the following action:

- A. Discussed PE/related party risks.
 - B. Received an initial high-level summary of 2020 liquidity stress test (LST) filing results.
 - C. Heard an update on macroprudential risk, including a macroprudential process overview, a public report concept, and a risk analysis concept.
4. Received the report of the Valuation Analysis (E) Working Group. The Working Group's report included an update to the Task Force on its request to the Working Group to assess a potential concern related to economic scenario generators (ESGs) developed by the American Academy of Actuaries (Academy).
 5. Heard an international update, which includes an update on the International Association of Insurance Supervisors' (IAIS') global monitoring exercise and the consultation on LST.

Receivership and Insolvency (E) Task Force

Nov. 30, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Oct. 21 minutes, which included the following action:
 - A. Adopted its Summer National Meeting minutes.
 - B. Exposed a referral to the Financial Regulation Standards and Accreditation (F) Committee regarding receivership amendments to the *Insurance Holding Company System Regulatory Act* (#440) and the *Insurance Holding Company System Model Regulation with Reporting Forms and Instructions* (#450) for a 30-day public comment period ending Nov. 22.
 - C. Exposed a draft memorandum to state insurance departments on receivership and guaranty fund laws for a 30-day public comment period ending Nov. 22.
 - D. Heard an update on international resolution activities.
2. Adopted a referral to the Financial Regulation Standards and Accreditation (F) Committee recommending the receivership revisions to Model #440 and Model #450 be "Acceptable, but Not Required" to be adopted by states under Part A Standards, rather than identifying "substantially similar" provisions that would be required.
3. Adopted a memorandum to state insurance departments encouraging them to consider review of their laws and adopt updates, including the Model #440 and Model #450 receivership amendments, recently adopted guidelines, and the 2017 amendments to the *Life and Health Insurance Guaranty Association Model Act* (#520).
4. Adopted the report of the Receivership Financial Analysis (E) Working Group, which met Nov. 15 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings, to discuss companies in receivership.
5. Adopted the report of the Receiver's Handbook (E) Subgroup, including its Nov. 18 minutes. During this meeting, the Subgroup took the following action:
 - A. Exposed revisions to Chapter 1 and Chapter 2 of the *Receiver's Handbook for Insurance Company Insolvencies* (Receiver's Handbook) for a 30-day public comment period ending Dec. 20. The Subgroup is currently working on revisions to the other chapters of the Receiver's Handbook.
6. Heard an update on federal activities. The NAIC's proposed State Insurance Receivership Priority (SIRP) Act establishes a claims filing deadline in the Federal Priority Act (FPA) for the U.S. Department of Justice (DOJ) to file claims of the U.S. to insolvent insurance company estates and to ensure state insurance regulators are not held personally liable if claims of the government are not paid first. The SIRP Act is expected to be introduced to the U.S. House of Representatives in early 2022.

Reinsurance (E) Task Force

December 13, 2021

1. Adopted its Summer National Meeting minutes.
2. Adopted the report of the Reinsurance Financial Analysis (E) Working Group, which met Nov. 23, Oct. 13, and Aug. 25 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings. During these meetings, the Working Group took the following action:
 - A. Completed the annual certified reinsurer reviews.
 - B. Approved the first four reciprocal jurisdiction reinsurers for passporting.
 - C. Discussed the comments received by the Task Force on the *ReFAWG Review Process for Passporting Certified and Reciprocal Jurisdiction Reinsurers*.
3. Adopted the *ReFAWG Review Process for Passporting Certified and Reciprocal Jurisdiction Reinsurers*.

4. Received an update on the reinsurance activities of the Mutual Recognition of Jurisdictions (E) Working Group.
5. Received an update on the states' implementation of the 2019 revisions to the *Credit for Reinsurance Model Law* (#785) and the *Credit for Reinsurance Model Regulation* (#786). As of Dec. 9, 46 U.S. jurisdictions have adopted the 2019 revisions to Model #785, and four jurisdictions have action under consideration. Additionally, 25 states have adopted the revisions to Model #786, and 11 states jurisdictions currently have action under consideration.
6. Received an update on the states' implementation of the *Term and Universal Life Insurance Reserve Financing Model Regulation* (#787). As of Nov. 30, eight jurisdictions have adopted Model #787, with another 10 jurisdictions with action under consideration.

Risk Retention Group (E) Task Force

December 1, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Summer National Meeting minutes.
2. Discussed a proposed preliminary memorandum template that can be prepared by a domiciliary risk retention group (RRG) state when a new RRG is chartered and an Insurer Profile Summary (IPS) is not available. The Preliminary Memorandum can then be shared with non-domiciliary regulators where the RRG is registering. An exposure of the Preliminary Memorandum is expected in spring 2022.
3. Discussed the impact of the proposed revisions to the *Insurance Holding Company System Regulatory Act* (#440) accreditation standard related to the group capital calculation (GCC) on RRGs. Discussion included the element of the proposed standard that does not require at least a one-time filing of the GCC before exemptions can be requested from the commissioner. The Task Force will consider this further in 2022 and provide a comment letter to the Financial Regulation Standards and Accreditation (F) Committee during the exposure period.
4. Discussed the Surplus Lines (C) Task Force's work to update the *Nonadmitted Insurance Model Act* (#870) and its impact on the risk purchasing groups (RPGs), such as complications regarding how premium tax will be collected from RPGs.

Valuation of Securities (E) Task Force

December 12, 2021 (in lieu of the Fall National Meeting)

1. Adopted its Nov. 17, Sept. 30, and Summer National Meeting minutes, which included the following action:
 - A. Adopted an amendment to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual) for the addition of the U.S. International Development Finance Corporation (DFC) to the "U.S. Government Full Faith and Credit – Filing Exempt" list.
 - B. Adopted an amendment to the P&P Manual to include bank loans to the definition of "obligation."
 - C. Received a referral from the Statutory Accounting Principles (E) Working Group and exposed a related amendment to the P&P Manual to clarify the proper reporting and NAIC designation for residual tranches and interests for a 15-day public comment period ending Dec. 2.
 - D. Exposed a proposed non-substantive technical correction amendment to the P&P Manual to clarify the mapping of NAIC 5GI to a designation category for a 15-day public comment period ending Dec. 2.
 - E. Received a report from the Structured Securities Group (SSG) on the year-end process.
 - F. Adopted its 2022 proposed charges.
 - G. Exposed a proposed amendment to the P&P Manual to add the U.S. International DFC to the "U.S. Government Full Faith and Credit – Filing Exempt" list for a 30-day public comment period ending Oct. 30.
 - H. Adopted an amendment to the P&P Manual to add Spanish generally accepted accounting principles (GAAP) to the list of Countries and Associated National Financial Presentation Standards after a technical procedural assessment and recommendation to adopt was submitted to the Task Force by the Securities Valuation Office (SVO).
 - I. Exposed a proposed amendment to the P&P Manual to add bank loans to the definition of "obligation" for a 30-day public comment period ending Oct. 30.
 - J. Exposed a proposed amendment to the P&P Manual to add zero-loss criteria for legacy-modeled residential mortgage-backed securities (RMBS) and commercial mortgage-backed securities (CMBS) for a 15-day public comment period ending Oct. 15.
 - K. Discussed the status of private rating letters.
2. Adopted an amendment to the P&P Manual to remove residual tranches from receiving an NAIC designation.
3. Adopted an amendment to the P&P Manual clarifying 5GI mapping to a designation category in the recently amended Private Letter Rating section.
4. Exposed a proposed amendment to the P&P Manual to update the definition of "other non-payment risk" assigned a subscript "S" for a 60-day public comment period ending Feb. 11, 2022.

5. Exposed a proposed amendment to the P&P Manual to update the definition of “principal protected securities” (PPS) for a 60-day public comment period ending Feb. 11, 2022.
6. Exposed a proposed amendment to the P&P Manual to assign NAIC designations to investments with a fixed income component for reporting on Schedule BA for a 60-day public comment period ending Feb. 11, 2022.
7. Exposed a proposed amendment to the P&P Manual to permit the SVO to assign NAIC designations to unrated subsidiaries in working capital finance investment (WCFI) transactions for a 60-day public comment period ending Feb. 11, 2022.
8. Received a staff report on the use of NAIC designations by other jurisdictions in the regulation of insurers and exposed it for a for a 60-day public comment period ending Feb. 11, 2022.
9. Received a staff report on rating issues and proposed changes to the filing exemption (FE) process.
10. Received a staff report on projects of the Statutory Accounting Principles (E) Working Group.

FINANCIAL REGULATION STANDARDS AND ACCREDITATION (F) COMMITTEE

December 12, 2021

The Financial Regulation Standards and Accreditation (F) Committee met in regulator-to-regulator session, pursuant to paragraph 7 (consideration of individual state insurance department’s compliance with NAIC financial regulation standards by the Financial Standards and Accreditation (F) Committee or any subgroup appointed thereunder) of the NAIC Policy Statement on Open Meetings, to continue work on its goals.

INTERNATIONAL INSURANCE RELATIONS (G) COMMITTEE

December 15, 2021

1. Adopted its Summer National Meeting minutes.
2. Adopted its 2022 proposed charges.
3. Discussed international efforts on insurer culture.
4. Heard an update on recent activities and priorities of the International Association of Insurance Supervisors (IAIS), including: 1) implementation assessment activities related to the holistic framework for systemic risk; 2) the comparability assessment process for the aggregation method (AM); 3) publication of the *Global Monitoring Exercise (GME)*; and 4) publication of three supporting material documents: a) an *Issues Paper on Insurer Culture*; b) a revised *Application Paper on Supervisory Colleges*; and c) a revised *Application Paper on Combating Money Laundering and Terrorist Financing*.
5. Heard an update on international activities, including: 1) recent virtual meetings and events with international regulators; 2) plans for the 2022 NAIC International Fellows Programs; 3) recent meetings of the Organisation for Economic Co-operation and Development (OECD) Insurance and Private Pensions Committee; 4) recent meetings of the Sustainable Insurance Forum (SIF); and 5) a recently held virtual webinar of the European Union (EU)-U.S. Dialogue Project.

NAIC/CONSUMER LIAISON COMMITTEE

December 13, 2021

1. Announced that the Liaison Committee reaffirmed its mission statement for 2022 via e-vote that concluded Oct. 19.
2. Adopted its Summer National Meeting minutes.
3. Received a report from the NAIC/Consumer Board of Trustees on its activities. The Board met Dec. 13 to appoint consumer representatives to serve in 2022. Notifications of status to all applicants will be announced in February 2022.
4. Observed a presentation of the Excellence in Consumer Advocacy award from NAIC consumer representatives to Commissioner Jessica K. Altman (PA).
5. Heard a presentation from the American Kidney Fund on federal health policy updates, developments, and recommendations. This is important for state insurance regulators, industry, and consumers to follow the change to the federal No Surprises Act (NSA) and upcoming vote on the Build Back Better Act.
6. Heard a presentation from a health care consumer advocate titled “Insurance Privacy Protection: Do the Right Thing – A Consumer Perspective.” This is important to help consumers understand how their data is being collected, used, and shared or sold by the insurance industry.
7. Heard a presentation from the Center for Economic Justice (CEJ) on regulatory failures in credit-related insurance. This is important because lower loss ratios experienced in this line of business lead to higher profit margins for insurers.
8. Heard a presentation from United Policyholders on when private options for insuring property shrink.

9. Heard a presentation from the California Western School of Law on the impact of demand surge post-disaster on the labor and material costs of reconstruction.

NAIC/AMERICAN INDIAN AND ALASKA NATIVE LIAISON COMMITTEE

December 11, 2021

1. Announced that the Liaison Committee reaffirmed its 2022 mission statement via e-vote that concluded Oct. 15.
2. Heard a presentation from MIGIZI about the frustrations encountered by Native Americans in the organization regarding the trials of underinsurance and the claims process following fires during the riots in Minneapolis, MN. This presentation brought to light the necessity of fine art riders and the concerns with putting a value on priceless family and tribal heritage heirlooms, such as lost native languages.



**NATIONAL ASSOCIATION OF
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The National Association of Insurance Commissioners (NAIC) is the U.S. standard-setting and regulatory support organization created and governed by the chief insurance regulators from the 50 states, the District of Columbia and five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer review, and coordinate their regulatory oversight. NAIC staff supports these efforts and represents the collective views of state regulators domestically and internationally. NAIC members, together with the central resources of the NAIC, form the national system of state-based insurance regulation in the U.S.

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