

October 4th, 2021

NAIC Privacy Protections (D) Working Group
NAIC Central Office
1100 Walnut Street
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Kansas City, MO 64106

Attn: Lois Alexander, NAIC Market Regulation Manager
Via email: lalexander@naic.org

Dear Chair Amann, Vice Chair Kreiter and Members of the Privacy Protections Working Group:

Thank you very much for the continued opportunity to provide comments on your ongoing review of past and current consumer privacy frameworks. We very much appreciate the extensive work that the NAIC Privacy Protections Working Group is doing to develop their Privacy Policy Statement. ACLI appreciates this opportunity to participate in the process, as our members are deeply engaged.

As mentioned in our July remarks, we are proud of the fact that the insurance industry has long been a consumer privacy leader in adhering to clear obligations in the appropriate collection, use, and sharing of personal information. Keeping our policyholders' personal information private and protected is at the core of what we do. Life insurers believe it is important for consumers to have certain rights with respect to personal information that companies maintain about them. At the same time, companies need the ability to maintain and process such personal information to provide consumers with the products and services they request, as well as to ensure the accuracy and integrity of information they use and to comply with applicable laws and regulations.

We respectfully submit the following thoughts to the Working Group on the "Right to Correct Information" provisions of the Privacy Policy Statement.

Right to Request Correction

Insurers support the reasonable ability for consumers to request that inaccurate personal information be amended or corrected and to challenge such requests based upon the nature, source, or use of the information. This important consumer protection principle is one the insurance industry has long supported under existing laws and regulations which remain highly relevant today such as NAIC Model Regulation 670, the Fair Credit Reporting Act, as well as HIPAA's Right to Request an Amendment of Protected Health Information. These same principles should also apply to newer forms and sources of personal information because insurers understand the critical importance of data integrity, that it be kept accurate and up to date where necessary and as soon as reasonably practicable, subject to certain conditions and verification.

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The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 280 member companies represent 94 percent of industry assets in the United States.

We share your commitment to consumer protection but would also request members of the Working Group keep in mind that context is particularly important as they consider making recommendations. It is one thing for an insurer to agree to update out-of-date contact information such as a mailing address, email address, or telephone number, or a change in name or demographic status. It is another thing for an insurance customer or claimant to request alteration or change in personal information collected and relied upon for risk evaluation and decision-making regarding underwriting, the extent of coverage, or claims.

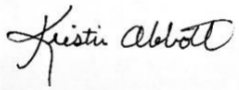
Consider for example, the underwriting process, where information is obtained directly from the individual or from third parties. In instances where the information is obtained from an individual, it is important to allow for correction/amendment when information is validated as having been incorrectly transcribed or otherwise inputted into an insurance company's underwriting process. In instances where information is obtained from a third party, such as their attending physician, an insurance company is not the appropriate entity to make a correction to the underlying information. Those documents are controlled by the physician and correction and/or amendment requests should be directed to that individual rather than to the insurer. If the physician does not make such a change, then the Model Act contemplates adding a statement to the policy file indicating this dispute.

New technologies including AI-enabled systems are revolutionizing and benefitting nearly all aspects of society and the economy. Given the significant ethical and technical challenges and risks which extend far beyond the US insurance industry and continue to challenge many stakeholders, we hope that the Working Group avoids prematurely making overly-prescriptive recommendations regarding the Right to Correct Personal Information that deviate from the existing privacy laws and regulations that insurers continue to abide by.

Conclusion

Thank you for your consideration. We look forward to working with the Working Group as you move forward.

Sincerely,



Kristin Abbott
Counsel



Shelby Schoensee
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