NAIC

WELCOME TO THE
BIG DATA/AI (H) WORKING GROUP MEETING

Thursday, July 14, 2022

- All attendees have been muted on entry. All attendees can mute and unmute themselves, but please keep yourself on mute when not providing comments.

- Participants may use the "Chat" feature for questions, comments, or assistance.

- While not necessary, participants may use the "Raise Hand" feature, and NAIC staff will let the Chair know you would like to speak.

BIG DATA AND ARTIFICIAL INTELLIGENCE (H) WORKING GROUP
Thursday, July 14, 2022
11:00 a.m. – 12:00 p.m. ET / 10:00 – 11:00 a.m. CT / 9:00 – 10:00 a.m. MT / 8:00 – 9:00 a.m. PT

ROLL CALL

Elizabeth Kelleher Dwyer, Chair	Rhode Island	Matthew Vatter/	Minnesota
Amy L. Beard, Co-Vice Chair	Indiana	Phil Vigliaturo	
Doug Ommen, Co-Vice Chair	Iowa	Cynthia Amann	Missouri
Adrienne A. Harris,	New York	Barbara D. Richardson	Nevada
Co-Vice Chair		Christian Citarella	New Hampshi
Kevin Gaffney, Co-Vice Chair	Vermont	Marlene Caride	New Jersey
Daniel Davis/Jimmy Gunn	Alabama	Kathy Shortt	North Carolina
Lori K. Wing-Heier/	Alaska	Jon Godfread/	North Dakota
Katie Hegland/		Chris Aufenthie	
Sian Ng-Ashcraft		Judith L. French/Lori Barron	Ohio
Evan G. Daniels	Arizona	Teresa Green	Oklahoma
Ken Allen	California	Andrew R. Stolfi	Oregon
Michael Conway/Peg Brown	Colorado	Shannen Logue/	Pennsylvania
Andrew N. Mais	Connecticut	Michael McKenney	
Frank Pyle	Delaware	Michael Wise	South Carolina
Karima M. Woods	District of Columbia	Travis Jordan	South Dakota
Rebecca Smid	Florida	Carter Lawrence	Tennessee
Weston Trexler	Idaho	J'ne Byckovski/Rachel Cloyd	Texas
Judy Mottar	Illinois	Tanji J. Northrup/	Utah
Satish Akula	Kentucky	Reed Stringham	
Tom Travis	Louisiana	Scott A. White/Eric Lowe	Virginia
Benjamin Yardley	Maine	Eric Slavich/John Haworth	Washington
Kathleen A. Birrane/	Maryland	Allan L. McVey	West Virginia
Robert Baron/Ron Coleman		Nathan Houdek	Wisconsin
Caleb Huntington	Massachusetts		
Karen Dennis	Michigan		

Workstream 3 Overview

- **Workgroup 3: Evaluate tools and resources for monitoring industry's use of data and AI/ML.**

- **Lead by**: Co-Vice Chair Adrienne Harris, New York

- **Process**: Gather data and evaluate information from sources, including vendors, academics, industry, international supervisory authorities, on governance models/frameworks and software tools/resources, which could assist regulators in overseeing and monitoring industry's use of data and AI/ML and eliminate unintended bias in such use. Coordinate with other NAIC committees engaged in similar efforts.

- **Deliverable**: Contribute summaries of suggested regulatory strategies to the working group for referral to the H Committee.

- **Timeline**: On-Going

Goal: Investigate with Industry

- Seeking to learn ways the industry works to detect and mitigate for bias in AI/ML activity related to <u>Claims</u>, <u>Underwriting</u>, and <u>Rating</u> use areas.

- **Key Research Questions – we want your input!**

1. What are the tools/metrics and/or resources currently being used by or available to the industry for managing AI/ML activity?

2. What governance frameworks are industry using or are available for managing its AI/ML activity?

3. What are the strengths and weaknesses of these tools/metrics, resources, and governance frameworks?

NAIC

Contact Info

Seema Shah

Assistant Deputy Superintendent, Innovation

Research & Innovation Division

seema.shah@dfs.ny.gov

Happy to hear directly from insurance companies about their own strategies, tools, methodologies, or even draft governance frameworks to inform the other workstreams.

This is just the beginning of the conversation…

Agenda Item #2D
Regulatory Framework/Governance

The members of the Big Data and Artificial Intelligence (H) Working Group Workstream #4 invite the insurance industry and consumer representative stakeholders to offer input and comments on published governance frameworks related to Artificial Intelligence such as but not limited to, the NIST Draft Risk Management Framework, the ISACA Governance Framework for Artificial Intelligence, the EIOPA Artificial Intelligence Governance Principles or other international published guidance such as Singapore's AI Governance Framework.

The results of the NAIC AI/ML Private Personal Auto survey indicated relatively few companies using existing standards or guidance developed by third-parties – or even a hybrid internally developed and third-party component framework. The members of the workstream are interested to better understand industry's reasons for not adopting a standard or publicly available governance framework or if the survey results should not be interpreted to that conclusion. The workstream members seek input regarding components of these various frameworks that might be commonly acknowledged as best practices, foundational components of a sound governance model.

Agenda Item #3

Discuss Any Other Matters