

Date: 6/25/21

Virtual Meeting

SPEED TO MARKET (EX) WORKING GROUP

Tuesday, June 29, 2021

12:00 p.m. ET / 11:00 a.m. CT / 10:00 a.m. MT / 9:00 a.m. PT / 8:00 a.m. AT

ROLL CALL

Rebecca Nichols, Chair	Virginia	Edward M. Deleon Guerrero	N. Mariana Islands
Maureen Motter, Vice Chair	Ohio	Frank Cardamone	New Hampshire
Jimmy Gunn	Alabama	Russell Toal	New Mexico
Wally Thomas/Katie Hegland	Alaska	Ted Hamby	North Carolina
Jimmy Harris	Arkansas	Jon Godfread	North Dakota
Shirley Taylor	Colorado	Cuc Nguyen/Glen Mulready	Oklahoma
Trinidad Navarro/Frank Pyle	Delaware	Andrew R. Stolfi	Oregon
Robert Nkojo	District of Columbia	Mark Worman/Theresa Rubio	Texas
Dean L. Cameron	Idaho	Tanji J. Northrup	Utah
Reid McClintock	Illinois	Lichiou Lee	Washington
Heather Droge	Kansas	James A. Dodrill	West Virginia
Tammy Lohmann	Minnesota	Barry Haney	Wisconsin
Camille Anderson-Weddle/ LeAnn Cox	Missouri		

NAIC Support Staff: Randy Helder/Leana Massey

NAIC Technical Support: Brandy Woltkamp

AGENDA

1. Consider Adoption of its March 10 Minutes—*Rebecca Nichols (VA)*
2. Hear a 2021 Product Coding Matrices (PCM) Update
—*Joy E. Morrison and Alex Rogers (Information Technology Group—ITG)*
3. Discuss and Consider Suggestions Received on the PCM and Uniform Transmittal Document—*Maureen Motter (OH)*
4. Discuss Any Other Matters Brought Before the Working Group—*Rebecca Nichols (VA)*
5. Adjournment

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Draft: 4/19/21

Speed to Market (EX) Working Group
Virtual Meeting
March 10, 2021

The Speed to Market (EX) Working Group of the Innovation and Technology (EX) Task Force met March 10, 2021. The following Working Group members participated: Rebecca Nichols, Chair (VA); Maureen Motter, Vice Chair (OH); Katie Hegland (AK); Jimmy Gunn (AL); Jimmy Harris (AR); Frank Pyle (DE); Heather Droge (KS); Jo LeDuc (MO); Tammy Lohmann (MN); Garlinda Taylor (NC); Chris Aufenthie (ND); Russell Toal (NM); Cuc Nguyen (OK); Mark Worman (TX); Tanji J. Northrup (UT); Lichiou Lee (WA); and Barry Haney (WI).

1. Adopted its Nov. 10, 2020, Minutes

The Working Group met Nov. 10, 2020, and took the following action: 1) adopted its Sept. 29, 2020, minutes; 2) discussed the Product Requirement Locator (PRL) tool; and 3) discussed communications plans for speed to market tools.

Ms. Droge made a motion, seconded by Mr. Toal, to adopt the Working Group's Nov. 10, 2020, minutes (see NAIC Proceedings – Fall 2020, Innovation and Technology (EX) Task Force, Attachment Two). The motion passed unanimously.

2. Received an Update from the Compact

Susan Ezalarab (Interstate Insurance Product Regulation Commission—Compact) stated the full Compact plans to meet on March 23 to consider amendments to five uniform standards to change the definition of the “non-forfeiture rate” to follow state law, which relates to the recent model adoption by the NAIC. The Compact will also be considering amended standards for waiver of premium, waiver of monthly deductions and a new standard for waiver of surrender charges when the insured under a life insurance policy meets certain benefit triggers. She noted the Compact also established a governance committee to review recommendations resulting from a governance review and some business assessment reports. In addition, the committee will review questions raised by a Colorado Supreme Court case to determine if there needs to be changes to the Compact structure and processes that would provide more flexibility for states to deal with any conflicts between their state laws and the uniform standards of the Compact. The most active committee is the Product Standards Committee (PSC), and it is working on amendments to the minimum non-forfeiture law uniform standards. The PSC is also considering a request from South Carolina to amend the long-term care (LTC) uniform standards for rate review. She noted the PSC is also reviewing comments on group term life insurance standards as part of the five-year review process and that all uniform standards are reviewed every five years if updates are needed.

Ms. Ezalarab noted that meeting summaries are posted to the Compact website and that all state insurance regulator members can attend and participate in any of the committee meetings. She stated another active committee is the Rule Making Committee, which has held two public meetings to gather information about how states approve non-employer group types. The group standards in the Compact right now only apply to employer groups, and there has been a request to expand that to non-employer groups, such as associations and similar groups. The Committee will decide whether to recommend expanding the uniform standards to accommodate for non-employer groups.

3. Discussed the Results of the PRL Survey and Next Steps

Ms. Nichols stated earlier discussions regarding the PRL tool last year resulted in a survey being generated to get feedback from the states that have previously populated the PRL. The portable document format (PDF) version of these results was emailed with the meeting invitation and is also posted to the Speed to Market (EX) Working Group web page. She noted the responses showed that while several states that still find the PRL to be a valuable tool for their state, most states are not using the tool. Based on the survey feedback, the states' responses fall into one of three categories regarding the PRL right now: 1) the states that will have the PRL information removed since they are not using it and do not plan to; 2) the states that are using it and their support for the PRL tool will continue until integration to the System for Electronic Rate and Form Filing (SERFF) modernization is complete; and 3) the states that are undecided. She stated the SERFF team will be reaching out to the undecided states to assist them in determining the best way to proceed until the SERFF modernization project is complete. The SERFF team will also be working with any states that are currently using the PRL to make sure the assistance they need in transitioning from using it is provided.

Ms. Nichols stated that as SERFF continues to evolve, some of the speed to market tools will also evolve. With that in mind, even if the Working Group takes no action to discontinue the PRL at this time, it is unlikely that the PRL will be a permanent tool and equally unlikely that it will be available beyond the completion of the SERFF modernization project. She noted it is more likely that the SERFF modernization project will include ways for states to provide their filing requirements in SERFF, making it easier for states to keep their requirements up to date and to satisfy the need for the requirements to be easily accessible to SERFF users. The timeline for transitioning out of PRL use and into SERFF use is still unknown, but it looks like for the states still using the PRL, it is a couple of years down the road. Ms. Nichols reiterated that assistance will be provided to those states when the time comes to make the transition.

Mr. Toal stated that as a member of the SERFF team, he agrees with what has been stated on this topic and that he thinks the timeline for the new SERFF capabilities is a year and a half or so. Ms. Motter stated that in the interim, between now and when the SERFF modernization project is complete, by cleaning out the obsolete or incorrect information currently in the PRL for some states, it will make it a better tool for the industry to use for the states that do have current information in the PRL.

4. Received an Update on SERFF

Brandy Woltkamp (NAIC) stated the SERFF development team has been busy working on recent updates. Release number 7.54 was put into production on Nov. 5, 2021. This release completed the third phase of the billing project, and the updates included the ability for the NAIC transaction fees to be paid upon submission with a new payment method of credit card if the instance is enabled for those credit card payments. The release also included a label change for all life, accident and health (A&H), annuity and credit filings from implementation date to effective date, which was at the direction of this Working Group.

Ms. Woltkamp stated the next release was 7.55, which went into production on Jan. 21, 2021. This release completed the final phase of the billing redesign work, which is moving all customers to pay NAIC transaction fees at submission with automated clearing house (ACH) debit, electronic funds transfer (EFT) or credit card, along with the previous release. The 7.55 release will go into place for any instance that does not have existing filing block units; if a filing block unit is in place, they would not be transitioned to paying at submission until the units have been fully used or they expire, at which time the instance will automatically be transitioned over to EFT or credit card. She noted two other enhancements and fixes included in the 7.55 release: 1) a hyperlink for the SERFF tracking number on the Form Schedule and the Rate/Rule schedule; and 2) hyperlinking was added to the form number on the Form Schedule. Those enhancements were completed on property/casualty (P/C) filings only because those enhancements were already completed on life, A&H, annuity, and credit filings.

Ms. Woltkamp stated the latest release is SERFF 7.56, which was released March 4, 2021. The first component revised the industry to an application programming interface (API) service. She encouraged anyone interested in the API service to reach out to the SERFF team. Additional updates in this release included the new state report, which was also at the direction of this Working Group; the State Rate Data report is available to all state users on the reports tab. Ms. Woltkamp noted another enhancement included is the ability for each user to set his or her own landing page upon initial log in, or the landing page when switching instances; an alert was sent out regarding the release that provided information on how to do that.

Ms. Woltkamp noted an upcoming project for this year is the Plan Management Project. This project involves working with the federal Centers for Medicare & Medicaid Services (CMS) to consolidate processes to make things easier for issuers, states and NAIC support staff. It will consist of two pieces: 1) federal reporting for state-based marketplaces (SBMs); and 2) the transfer of specific documents contained on rate filings. The first piece of work is on the specific pieces of information for SBMs that are submitted in the financial management (FM) data report and public use file (PUF) processes; these are processes where data was collected in the back end, or they had a slight administrative report and were sent over to the CMS in a bulk process. This process will be updated so that any state that is an SBM in SERFF will have a new view that will allow it to submit the template information on certified plans over to the CMS. The work is almost completed, and it is anticipated that this will be the federal reporting process for plan year 2022. The second half of the plan management process is a new process that will take place this year, which is working with the Unified Rate Review template (URRT). Specific templates are not currently submitted on binders but are submitted on rate filings; a new validation and transfer process for the template will be developed with CMS on rate filings. Upon submission, whether it is a filing submission, amendment letter or a response letter, any updates to the URRT and additional supporting items, such as the actuarial justification or the consumer justification narrative, will automatically be sent to CMS. This will delete a duplicate process for issuers and will be more seamless. This new process will be in place in 2023.

Ms. Motter stated that in the last few weeks, she has seen occasions where it appears the new filing fee process has caused some confusion and wondered if some additional communication could be provided as incorrect amounts are being paid. She also asked if the issue with SERFF system delays that were experienced last week had been resolved. Ms. Woltkamp noted her team will work on some communication alerts and language to assist with making sure the correct state filing fees are being paid and not just the NAIC transaction fee, which is automatically assessed. She also stated that SERFF is aware of the system performance issue and that they are working with the database team to isolate, identify and correct any issues as quickly as possible. Ms. Woltkamp stated that as of this morning, it appeared performance levels were back to normal. However, she asked that anyone with continued issues let the SERFF team know.

Bridget Kieras (NAIC) stated that regarding the SERFF modernization project, the request for proposal (RFP) is in the final stage for the mobilization and pilot (wrapping up the vendor selection process, drafting the fiscal for project funding and beginning the work on the contract with the selected vendor). A press release will be sent out in the next few weeks announcing the vendor selection, as well as the kick-off of the project. She suggested reading the mobilization and pilot RFP, in particular the section on business objectives and the appendix with some use cases as these will be demonstrated during the pilot phase to ensure a solid architecture. She said that good tools were chosen to integrate with SERFF. She noted that work will also be done during the pilot to gather and document the business requirements and the new and improved features that will be offered. Communication plans are being drafted for the mobilization pilot phase to make sure there are lots of forms for users to provide input and get updates. One-on-one calls have started with state insurance regulators to provide SERFF modernization updates and expectations, as well as to gather information. One-on-one calls like this will not be arranged for the industry, but some other forms to provide project updates and expectations will be provided.

Theresa Boyce (Chubb Group) asked for additional details on the document Ms. Kieras suggested for review. Ms. Kieras said that an online search of SERFF Modernization RFP 2071 should provide a search result for the document, but she also provided the link to review it: https://content.naic.org/article/news_release_naic_releases_serff_modernization_rfp.htm.

5. Discussed the Annual Review of the PCM and UTD Suggestions

Ms. Motter stated one of the charges of this Working Group is to review any suggestions that are received throughout the year for proposed revisions to the Product Coding Matrix (PCM) and Uniform Transmittal Document (UTD). She noted that proposed revisions or changes can be submitted at any time throughout the year, but that an alert will be sent soon in SERFF reminding everyone that the deadline is May 31 for considerations to go in to effect for next year. The necessary meetings will be set up to discuss the suggestions after they are all reviewed to determine which revisions will be incorporated and then passed along for approval and implementation, which would take place in January. This past January, there were very few changes to the PCM. However, many suggestions were discussed, and alternative solutions were able to be provided. Ms. Motter asked that everyone, including state insurance regulators and industry members, provide any suggestions for consideration.

Having no further business, the Speed to Market (EX) Working Group adjourned.

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	Regulator or IP	IDENTIFICATION OF SPEED TO MARKET TOOL SUGGESTED FOR CHANGE	DESCRIPTION OF SUGGESTED TOOL CHANGE	REASON OR JUSTIFICATION FOR SUGGESTED CHANGE	ADDITIONAL THOUGHTS TO CONSIDER WHEN EVALUATING THE SUGGESTION?	
1	Regulator	Uniform Life, Accident and Health, Annuity, Credit Product Coding Matrix	<p>MS10 Individual Medicare Supplement-Standard and 2010 Standard Plans</p> <p>MS10.000 Individual Medicare Supplement-Standard and 2010 Standard Plans</p> <p>Description - A package filing containing individual Medicare standard plans issued before 6/1/2010 and 2010 Medicare standard issued 6/1/2010 and later.</p>	<p>Plans issued before 6/1/2010 (1990 plans) have similar benefits to those plans with the same letter issued after 6/1/2020 (2010 plans). Therefore it makes sense for companies to pool some or all of the experience for the 1990 and 2010 plans. If a company submits rates and supporting documentation for both 1990 and 2010 plans, the existing TOIs and Sub-TOIs do not account for this. If a company does not pool the 1990 and 2010 plans, they can still use the existing TOIs and Sub-TOIs.</p>	<p>Would these new TOIs be applicable to rate filings only? Are more sub-TOIs needed at a plan level rather than one generic sub-TOI?</p>	
2	Regulator	Uniform Life, Accident and Health, Annuity, Credit Product Coding Matrix	<p>MS11 Group Medicare Supplement- Standard and 2010 Standard Plans</p> <p>MS11.000 Group Medicare Supplement- Standard and 2010 Standard Plans</p> <p>Description - A package filing containing group Medicare standard plans issued before 6/1/2010 and 2010 Medicare standard issued 6/1/2010 and later.</p>			

	Regulator or IP	IDENTIFICATION OF SPEED TO MARKET TOOL SUGGESTED FOR CHANGE	DESCRIPTION OF SUGGESTED TOOL CHANGE	REASON OR JUSTIFICATION FOR SUGGESTED CHANGE	ADDITIONAL THOUGHTS TO CONSIDER WHEN EVALUATING THE SUGGESTION?		
3		Uniform Property and Casualty Transmittal Document	Update the Rate/Rule Schedule to show Rate Action Information with all applicable information as shown on LAH information.	Consistency in the UTD			
Rate Action: *		Previous State Filing Number:		Rate Action: *		Rate Action Information:	
Other <input type="button" value="v"/>		<input type="text"/>		Other <input type="button" value="v"/>		Previous Filing #: <input type="text"/>	
						Rate Action Other Explanation: <input type="text"/>	
Rate Action: *		Rate Action Information:					
Revised <input type="button" value="v"/>		Previous Filing #: <input type="text"/>					
		Percent Rate Change Request: <input type="text"/> %					