



**NATIONAL MEETING  
SUMMER 2022**

Date: 7/20/22

*Virtual Meeting*

*(in lieu of meeting at the 2022 Summer National Meeting)*

**REINSURANCE (E) TASK FORCE**

Monday, July 25, 2022

12:00 – 1:00 p.m. ET / 11:00 a.m. – 12:00 p.m. CT / 10:00 – 11:00 a.m. MT / 9:00 – 10:00 a.m. PT

**ROLL CALL**

Chlora Lindley-Myers, Chair	Missouri	Kathleen A. Birrane	Maryland
Chris Nicolopoulos, Vice Chair	New Hampshire	Gary D. Anderson	Massachusetts
Mark Fowler	Alabama	Troy Downing	Montana
Lori K. Wing-Heier	Alaska	Eric Dunning	Nebraska
Peni Itula Sapini Teo	American Samoa	Marlene Caride	New Jersey
Alan McClain	Arkansas	Russell Toal	New Mexico
Ricardo Lara	California	Adrienne A. Harris	New York
Michael Conway	Colorado	Mike Causey	North Carolina
Andrew N. Mais	Connecticut	Jon Godfread	North Dakota
Trinidad Navarro	Delaware	Judith L. French	Ohio
David Altmaier	Florida	Alexander S. Adams Vega	Puerto Rico
John F. King	Georgia	Elizabeth Kelleher Dwyer	Rhode Island
Michelle B. Santos	Guam	Michael Wise	South Carolina
Amy L. Beard	Indiana	Cassie Brown	Texas
Doug Ommen	Iowa	Jon Pike	Utah
Vicki Schmidt	Kansas	Kevin Gaffney	Vermont
James J. Donelon	Louisiana	Scott A. White	Virginia
Timothy N. Schott	Maine	Nathan Houdek	Wisconsin

NAIC Support Staff: Jake Stultz/Dan Schelp

**AGENDA**

1. Consider Adoption of its Minutes—*John Rehagen (MO)*
  - a. May 16 Attachment One
  - b. Spring National Meeting Attachment Two
2. Consider Adoption of its 2023 Proposed Charges—*John Rehagen (MO)* Attachment Three
3. Consider Adoption of the Report of the Reinsurance Financial Analysis (E) Working Group—*Rolf Kaumann (CO)*
4. Receive a Status Report on Reinsurance Activities of the Mutual Recognition of Jurisdictions (E) Working Group—*Robert Wake (ME)*

5. Receive a Status Report on the States' Implementation of the 2019 Revisions to the *Credit for Reinsurance Model Law* (#785) and the *Credit for Reinsurance Model Regulation* (#786)—*John Rehagen (MO)* Attachment Four
6. Receive a Status Report on the States' Implementation of the *Term and Universal Life Insurance Reserve Financing Model Regulation* (#787)—*John Rehagen (MO)* Attachment Five
7. Discuss Any Other Matters Brought Before the Task Force—*John Rehagen (MO)*
8. Adjournment

Draft: 5/26/22

Reinsurance (E) Task Force  
Virtual Meeting  
May 16, 2022

The Reinsurance (E) Task Force met May 16, 2022. The following Task Force members participated: Chlora Lindley-Myers, Chair, and John Rehagen (MO); Chris Nicolopoulos, Vice Chair, represented by Pat Gosselin (NH); Jim L. Ridling represented by Jennifer Haskell (AL); Alan McClain represented by Leo Liu (AR); Ricardo Lara represented by Monica Macaluso (CA); Michael Conway represented by Rolf Kaumann (CO); Andrew N. Mais represented by Joel Henry (CT); David Altmaier represented by Virginia Christy (FL); John F. King represented by Martin Sullivan (GA); Doug Ommen represented by Kim Cross (IA); Amy L. Beard represented by Roy Eft (IN); Vicki Schmidt represented by Tish Becker (KS); James J. Donelon represented by Stewart Guerin (LA); Gary D. Anderson represented by John Turchi (MA); Kathleen A. Birrane represented by Lynn Beckner (MD); Timothy N. Schott represented by Robert Wake (ME); Mike Causey represented by Jackie Obusek (NC); Jon Godfread represented by Matt Fischer (ND); Eric Dunning represented by Lindsay Crawford (NE); Marlene Caride represented by Diana Sherman and John Tirado (NJ); Adrienne A. Harris represented by Michael Campanelli (NY); Judith L. French represented by Dale Bruggeman (OH); Alexander S. Adams Vega represented by Brenda Perez (PR); Elizabeth Kelleher Dwyer represented by Ted Hurley (RI); Michael Wise represented by Daniel Morris (SC); Cassie Brown represented by Jamie Walker (TX); Jon Pike represented by Jake Garn (UT); Scott A. White represented by David Smith and Doug Stolte (VA); and Nathan Houdek represented by Mark McNabb (WI).

1. Exposed Revisions to the Uniform Checklist

Mr. Rehagen stated that the Reinsurance Financial Analysis (E) Working Group met March 3 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings, to discuss the revisions to the *Uniform Checklist for Reciprocal Jurisdiction Reinsurers* (Uniform Checklist). The Working Group also met March 14 in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings. Then, the Working Group conducted an e-vote to adopt the draft revisions to the Uniform Checklist. The Task Force met March 22 to expose the Uniform Checklist (Attachment A) for a 30-day public comment period.

Mr. Rehagen stated that one comment letter was received from the International Underwriting Association of London (IUA) (Attachment B). He stated that the comment letter did not propose revisions to the exposed document but included comments on the procedural usage of Schedule F and Schedule S data when analyzing potential reciprocal jurisdiction reinsurers. He noted that when performing a review, NAIC staff will complete a slow-pay analysis with respect to U.S. domiciled insurers by reviewing their Schedule F and Schedule S. For reinsurers that are domiciled outside the U.S., the reciprocal jurisdiction reinsurers are to file Form CR-F and Form CR-S, which are the same documents that are now required for certified reinsurers. Mr. Rehagen stated that this is consistent with the new *ReFAWG Review Process for Passporting Certified and Reciprocal Jurisdiction Reinsurers*. He stated that during the review of reciprocal jurisdiction reinsurers, Schedule F and Schedule S data will be used to review U.S. claims, and if there is an issue with slow payment of U.S. claims, the reviewers will request information directly from the reinsurer or its supervisor.

Mr. Kaumann made a motion, seconded by Ms. Crawford, to adopt the revisions to the Uniform Checklist. The motion passed unanimously.

Mr. Rehagen stated that NAIC staff have created a point-of-contact list that is included on the *Certified and Reciprocal Jurisdiction Reinsurers* web page, which includes a single best contact for each state for any issues

regarding reciprocal jurisdiction reinsurers and certified reinsurers. He requested that each state provide their point of contact person to Jake Stultz (NAIC).

Having no further business, the Reinsurance (E) Task Force adjourned.

[https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member Meetings/2022 NAIC Meetings/Spring National Meeting/Committee Meetings/FINANCIAL CONDITION \(E\) COMMITTEE/Reinsurance \(E\) TF/5-16 Open Meeting/Minutes/ReinsuranceTFmin 05.16.2022.docx](https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member%20Meetings/2022%20NAIC%20Meetings/Spring%20National%20Meeting/Committee%20Meetings/FINANCIAL%20CONDITION%20(E)%20COMMITTEE/Reinsurance%20(E)%20TF/5-16%20Open%20Meeting/Minutes/ReinsuranceTFmin%2005.16.2022.docx)

Draft: 4/1/22

Reinsurance (E) Task Force  
Virtual Meeting (*in lieu of meeting at the 2022 Spring National Meeting*)  
March 22, 2022

The Reinsurance (E) Task Force met March 22, 2022. The following Task Force members participated: Chlora Lindley-Myers, Chair, and John Rehagen (MO); Chris Nicolopoulos, Vice Chair, represented by Doug Bartlett and Pat Gosselin (NH); Lori K. Wing-Heier represented by David Phifer (AK); Alan McClain, represented by Mel Anderson (AR); Ricardo Lara represented by Monica Macaluso (CA); Andrew N. Mais represented by Joel Henry (CT); Trinidad Navarro represented by Rylynn Brown (DE); David Altmaier represented by Carolyn Morgan (FL); Doug Ommen represented by Kim Cross (IA); Amy L. Beard represented by Roy Eft (IN); Vicki Schmidt represented by Tish Becker (KS); James J. Donelon represented by Stewart Guerin (LA); Gary D. Anderson represented by Christopher Joyce (MA); Eric A. Cioppa represented by Robert Wake (ME); Mike Causey represented by Jackie Obusek (NC); Jon Godfread represented by Matt Fischer (ND); Eric Dunning represented by Lindsay Crawford (NE); Marlene Caride represented by Diana Sherman (NJ); Russell Toal (NM); Adrienne A. Harris represented by Roberto Paradis (NY); Judith L. French represented by Dale Bruggeman (OH); Elizabeth Kelleher Dwyer represented by Jack Broccoli (RI); Cassie Brown represented by Jamie Walker (TX); Jon Pike represented by Jake Garn (UT); Scott A. White represented by David Smith and Doug Stolte (VA); and Nathan Houdek represented by Mark McNabb (WI).

1. Adopted its 2021 Fall National Meeting Minutes

Ms. Obusek made a motion, seconded by Mr. Eft, to adopt the Task Force’s 2021 Fall National Meeting minutes (*see NAIC Proceedings – Fall 2021, Reinsurance (E) Task Force*). The motion passed unanimously.

2. Adopted the Report of the Reinsurance Financial Analysis (E) Working Group

Jake Stultz (NAIC) provided the report of the Reinsurance Financial Analysis (E) Working Group. He stated that the Working Group meets in regulator-to-regulator session pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings. He stated that the Working Group met Dec. 20, 2021, to approve one certified reinsurer and three reciprocal jurisdiction reinsurers for passporting. He stated that the Working Group also met March 3, 2022, and took the following action: 1) approved seven reciprocal jurisdiction reinsurers and one certified reinsurer for passporting; 2) discussed revising the regulator-only *Reinsurance Financial Analysis (E) Working Group Procedures Manual*; and 3) discussed the revisions to the *Uniform Checklist for Reciprocal Jurisdiction Reinsurers* (Uniform Checklist). He stated that after its March 3 meeting, the Working Group conducted an e-vote to approve the revisions to the Uniform Checklist.

Mr. Stultz stated that the Working Group has now approved 14 reciprocal jurisdiction reinsurers for passporting and plans to meet several more times in 2022 as more applications are received. He noted that the list of passported reinsurers can be found on the *Certified and Reciprocal Jurisdiction Reinsurer* web page. He stated that NAIC staff have revised the web page to better meet the needs of state insurance regulators, industry, and other interested parties. He stated that NAIC staff are creating a point-of-contact list to be included on that web page and will include a single best contact for each state for any issues regarding reciprocal jurisdiction reinsurers and certified reinsurers. He requested that each state provide their point of contact person, which will be published publicly on the certified and reciprocal jurisdiction reinsurer webpage.

Ms. Macaluso made a motion, seconded by Mr. Bartlett, to adopt the Working Group’s report. The motion passed unanimously.

### 3. Exposed Revisions to the Uniform Checklist

Dan Schelp (NAIC) stated that the Reinsurance Financial Analysis (E) Working Group met March 3 to discuss revisions to the Uniform Checklist. After that meeting, the Working Group conducted an e-vote and approved sending the revisions to the Task Force for further consideration. Mr. Schelp stated that the Task Force approved the current version of the Uniform Checklist on June 9, 2020, but since that time, the NAIC has adopted the ReFAWG Review Process, which provides updated guidance on the passporting process.

Mr. Schelp stated that the NAIC originally adopted the *Uniform Application Checklist for Certified Reinsurers* in 2014, and it was designed to place uniformity around the state approval process and to assist the Working Group in the review of certified reinsurers for passporting purposes. He stated that it has been amended several times and was the basis for the Uniform Checklist. Mr. Schelp provided a summary of the revisions to the Uniform Checklist and recommended that the document be exposed for a 30-day public comment period.

Mr. Bruggeman suggested a clarification to the Uniform Checklist to provide additional guidance for lead states regarding the ReFAWG Review Process. Mr. Rehagen stated that this clarification may be helpful for the final adopted version of the document and will be considered before the document is adopted.

Mr. Bartlett made a motion, seconded by Mr. Bruggeman, to expose the *Uniform Checklist for Reciprocal Jurisdiction Reinsurers* (Attachment One) for a 30-day public comment period. The motion passed unanimously.

### 4. Received a Status Report on the Reinsurance Activities of the Mutual Recognition of Jurisdictions (E) Working Group

Mr. Wake stated that the Working Group has not met since the 2021 Fall National Meeting but plans to meet later this year to complete its duties related to the group capital calculation (GCC) process and to reapprove the status of the seven existing qualified jurisdictions and the three reciprocal jurisdictions that are not subject to an in-force covered agreement. He stated that NAIC staff established a due diligence review process in 2021 and provided a recommendation to the Working Group that the existing qualified jurisdictions and reciprocal jurisdictions not subject to a Covered Agreement should retain their status, and this recommendation was then adopted by the Working Group. He stated that the Working Group will perform this same review toward the end of 2022 and will report this to the Task Force at the Fall National Meeting. Mr. Wake stated that the Working Group would meet if there were any updates with the qualified jurisdiction review of the Republic of Korea.

### 5. Received a Status Report on the States' Implementation of the 2019 Revisions to Model #785 and Model #786

Mr. Stultz stated that as of March 11, 48 U.S. jurisdictions have adopted the 2019 revisions to the *Credit for Reinsurance Model Law* (#785), while five jurisdictions have action under consideration. He noted that 34 states have adopted the revisions to the *Credit for Reinsurance Model Regulation* (#786), and seven jurisdictions currently have action under consideration. The maps showing the adoption of the 2019 revisions to Model #785 and Model #786 were included in the meeting materials (Attachment Two).

Mr. Stultz stated that the 2019 revisions to the models must be adopted by the states prior to Sept. 1, 2022, which is the date when the Federal Insurance Office (FIO) must complete its federal preemption reviews under the Covered Agreements. He stated that the Task Force will provide support to the states to meet this deadline. Mr. Stultz recommended that all states and jurisdictions adopt the 2019 revisions to Model #785 and Model #786 as soon as possible and no later than July 1 in order to give the FIO sufficient time for its federal preemption analysis.

Mr. Stultz stated that the current adoption maps can be found on the Task Force’s web page. He noted that he and Mr. Schelp can answer any technical questions during the legislative process, and Holly Weatherford (NAIC) is working directly with the states on the adoption of the 2019 revisions to Model #785 and Model #786.

Mr. Schelp stated that the NAIC has been in contact with all states that have not yet adopted Model #786 and that all are in the process of completing the adoption of the model.

Karalee Morrell (Reinsurance Association of America—RAA) complimented the Task Force and NAIC staff for the work that has been completed at this point and added that the point of contact list will be valuable for the RAA.

6. Received a Status Report on the States’ Implementation of Model #787

Mr. Stultz stated that the *Term and Universal Life Insurance Reserve Financing Model Regulation (#787)* becomes an accreditation standard on Sept. 1, with enforcement beginning on Jan. 1, 2023. He noted that as of March 11, 10 jurisdictions have adopted Model #787, with another eight jurisdictions with action under consideration. He stated that the map showing the current adoption status for Model #787 was included in the meeting materials (Attachment Three) and added that the adoption of Model #787 is unrelated to the Covered Agreements and is not potentially subject to federal preemption. Mr. Stultz noted that Model #787 mirrors *Actuarial Guideline XLVIII—Actuarial Opinion and Memorandum Requirements for the Reinsurance of Policies Required to be Valued under Sections 6 and 7 of the NAIC Valuation of Life Insurance Policies Model Regulation (AG 48)*, and that under the accreditation standards, a state may meet the requirements through an administrative practice, such as an actuarial guideline. He and added that if a state adopts Model #787, it also will need to adopt Section 5B(4) of Model #785.

Having no further business, the Reinsurance (E) Task Force adjourned.

SharePoint/NAIC Support Staff Hub/Member Meetings/2022 Spring National Meeting/ReinsuranceTFmin 03.22.2022

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## 2023 Proposed Charges

The mission of the Reinsurance (E) Task Force is to monitor and coordinate activities and areas of interest that overlap to some extent the charges of other NAIC groups—specifically, the International Insurance Relations (G) Committee.

### 1. The **Reinsurance (E) Task Force** will:

- A. Provide a forum for the consideration of reinsurance-related issues of public policy.
- B. Oversee the activities of the Reinsurance Financial Analysis (E) Working Group.
- C. Monitor the implementation of the 2011, 2016 and 2019 revisions to the *Credit for Reinsurance Model Law* (#785); and the 2011 and 2019 revisions to the *Credit for Reinsurance Model Regulation* (#786) and the *Term and Universal Life Insurance Reserve Financing Model Regulation* (#787).
- D. Communicate and coordinate with the Federal Insurance Office (FIO), other federal authorities, and international regulators and authorities on matters pertaining to reinsurance.
- E. Consider any other issues related to the revised Model #785, Model #786 and Model #787.
- F. Monitor the development of international principles, standards and guidance with respect to reinsurance. This includes, but is not limited to, monitoring the activities of various groups within the International Association of Insurance Supervisors (IAIS), including the Reinsurance and Other Forms of Risk Transfer Subcommittee, the Reinsurance Mutual Recognition Subgroup and the Reinsurance Transparency Group.
- G. Consider the impact of reinsurance-related federal legislation, including, but not limited to, the federal Nonadmitted and Reinsurance Reform Act (NRRRA) and the Federal Insurance Office Act, and coordinate any appropriate NAIC action.
- H. Continue to monitor the impact of reinsurance-related international agreements, including the “Bilateral Agreement Between the United States of America and the European Union on Prudential Measures Regarding Insurance and Reinsurance” (EU Covered Agreement) and the “Bilateral Agreement Between the United States of America and the United Kingdom on Prudential Measures Regarding Insurance and Reinsurance” (UK Covered Agreement).

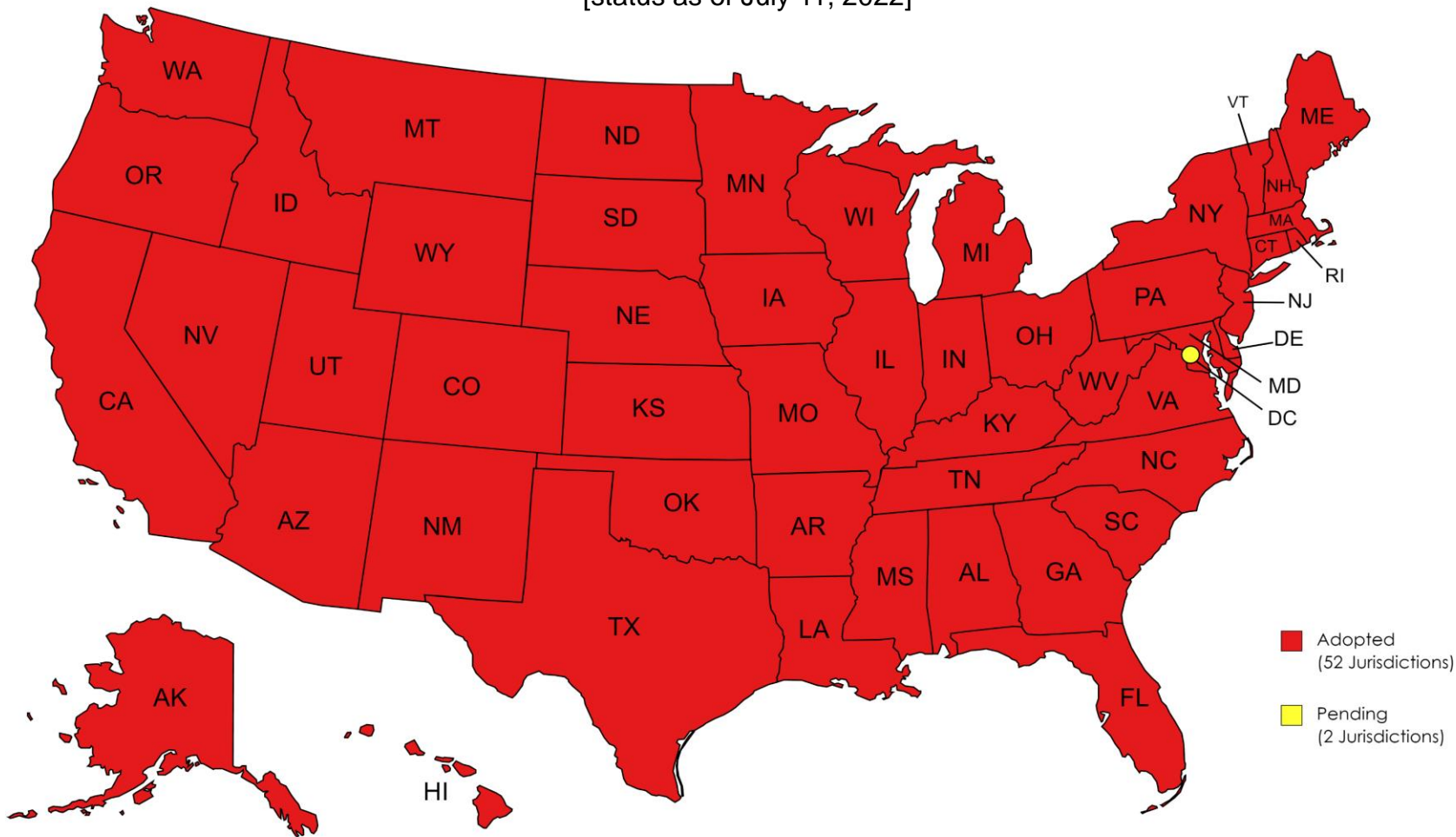
### The **Reinsurance Financial Analysis (E) Working Group** will:

1. Operate in regulator-to-regulator session pursuant to paragraph 3 (specific companies, entities or individuals) of the NAIC Policy Statement on Open Meetings and operate in open session when discussing certified reinsurance topics and policy issues, such as amendments to the Uniform Application for Certified Reinsurers.
2. Provide advisory support and assistance to states in the review of reinsurance collateral reduction applications. Such a process with respect to the review of applications for reinsurance collateral reduction and qualified jurisdictions should strengthen state regulation and prevent regulatory arbitrage.
3. Provide a forum for discussion among NAIC jurisdictions of reinsurance issues related to specific companies, entities or individuals.
4. Support, encourage, promote and coordinate multistate efforts in addressing issues related to certified reinsurers, including, but not limited to, multistate recognition of certified reinsurers.
5. Provide analytical expertise and support to the states with respect to certified reinsurers and applicants for certification.

6. Provide advisory support with respect to issues related to the determination of qualified jurisdictions.
7. Ensure the public passporting website remains current.
8. For reinsurers domiciled in Reciprocal Jurisdictions, determine the best and most effective approaches for the financial solvency surveillance to assist the states in their work to protect the interests of policyholders.

# Implementation of the 2019 Revisions to the Credit for Reinsurance Model Law #785 [status as of July 11, 2022]

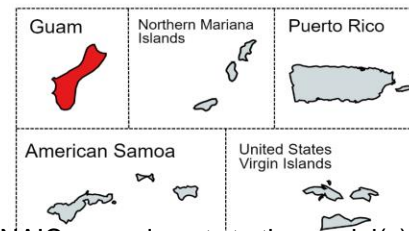
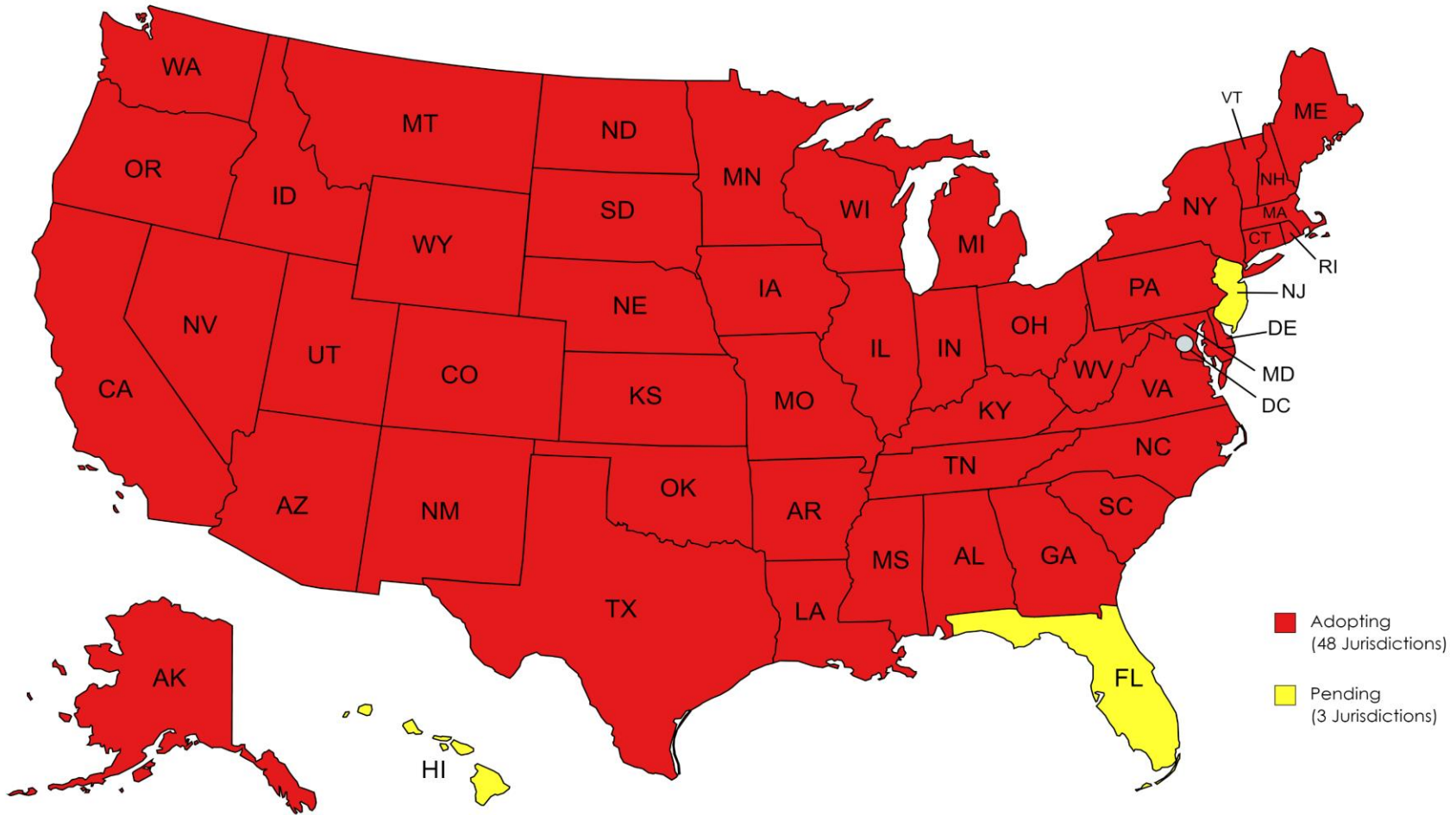
Attachment Four



Disclaimer: This map represents state action or pending state action regarding NAIC amendments to the model(s). This map does not reflect a determination as to whether the pending or enacted legislation contains all elements of NAIC amendments to the model(s) or whether a state meets any applicable accreditation standards.

# Implementation of the 2019 Revisions to the Credit for Reinsurance Model Regulation #786 [status as of July 11, 2022]

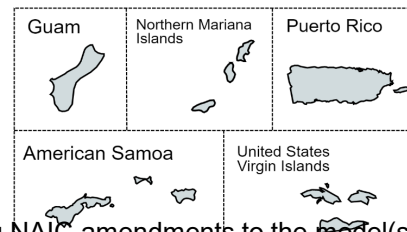
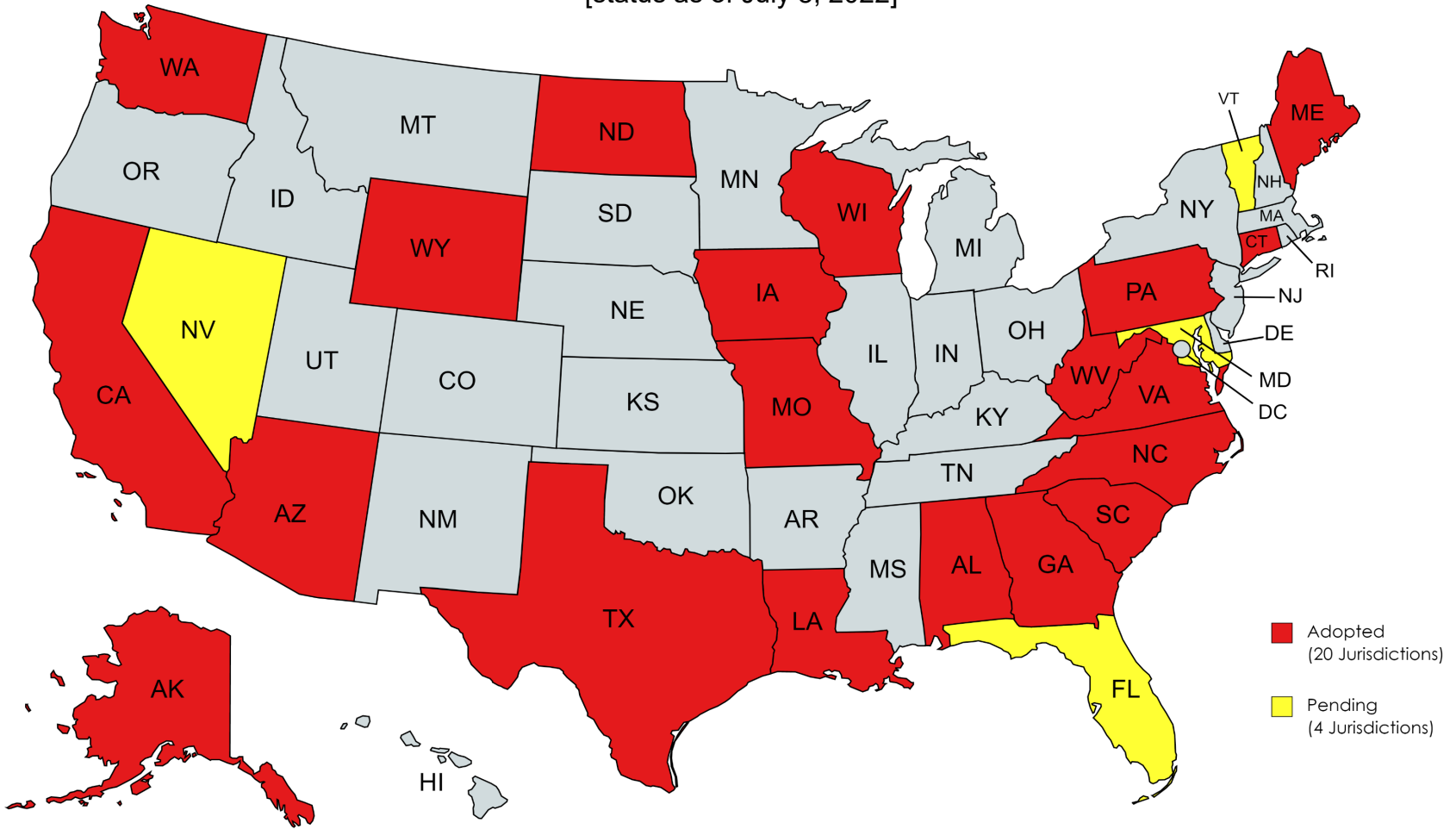
Attachment Four



Created with mapchart.net  
Disclaimer: This map represents state action or pending state action regarding NAIC amendments to the model(s). This map does not reflect a determination as to whether the pending or enacted legislation contains all elements of NAIC amendments to the model(s) or whether a state meets any applicable accreditation standards.

# Implementation of Model #787 (XXX/AXXX) Term and Universal Life Insurance Reserve Financing Model Regulation [status as of July 8, 2022]

Attachment Five



Disclaimer: This map represents state action or pending state action regarding NAIC amendments to the model(s). This map does not reflect a determination as to whether the pending or enacted legislation contains all elements of NAIC amendments to the model(s) or whether a state meets any applicable accreditation standards.