Draft: 11/18/20

Speed to Market (EX) Working Group

Virtual Meeting

November 10, 2020

The Speed to Market (EX) Working Group of the Innovation and Technology (EX) Task Force met Nov. 10, 2020. The following Working Group members participated: Maureen Motter, Vice Chair (OH); Katie Hegland (AK); Gina Hunt (AL); William Lacy (AR); Frank Pyle (DE); Heather Droge (KS); Camille Anderson-Weddle (MO); Tammy Lohmann (MN); Kelly Smith (NC); Chris Aufenthie and Chrystal Bartuska (ND); Russell Toal (NM); Cuc Nguyen (OK); Mark Worman (TX); Tanji J. Northrup (UT); Bob Grissom (VA); Gail Jones and Lichiou Lee (WA); and Barry Haney (WI). Also participating were: George Bradner (CT); and Donna Stewart (WY).

1. Adopted its Sept. 29 Minutes

The Working Group met Sept. 29 and took the following action: 1) adopted its Aug. 27 minutes; 2) discussed possible discontinuation of the Product Requirements Locator (PRL); and 3) discussed communication plans for speed to market tools.

Ms. Northrup made a motion, seconded by Ms. Lohman, to adopt the Working Group’s Sept. 29 minutes (Attachment One-A). The motion passed unanimously.

1. Considered Discontinuation of the PRL

Ms. Motter noted that there was some good discussion on the PRL during the Sept. 29 Working Group meeting. She advised the discussion was about use of the PRL and explained it was only adopted on the property/casualty (P/C) side and populated many years ago by about 26 or 27 states. There is a question about whether the states that populated the PRL are keeping it updated or if they have found other methods to share their review requirements with the industry, and that by continuing to display that information in the PRL, they may be sharing incorrect information. There were states that shared they continue to populate the PRL or intend to have it up to date but have struggled with resources. In response to that discussion, a draft survey was created and shared with Working Group members and posted on the Working Group web page for review. Ms. Motter noted the survey will only be sent to the states that have populated the PRL, but before it is generated, feedback is being requested. The intent is to understand the state of the information that is currently out there in the PRL.

Joe Bieniek (JFB Associates Regulatory Compliance LLC) suggested that on the questions populated if “yes” is the response, adding the following question: Would you find it helpful if the general requirements tab added a statement and hyperlink to the PRL, for something like: “additional requirements for filings by product type may be found by using the product requirements located here,” and then placing that information there. Bridget Kieras (NAIC) stated that something like what Mr. Bieniek has suggested be placed on the filing itself, perhaps on the submission requirements tab. Ms. Motter asked if it should be on the state page where there are categories and sections that are pre-filled. Ms. Kieras advised that would be the general instructions and noted it could be there but suggested it also be on the filings.

Theresa Boyce (Chubb Group) believes it would be more beneficial on the general instruction page. She explained that sometimes when they are preparing a filing for a new product, it would be nice to go somewhere where you do not have to create a filing. She noted that having it on the filing itself requires users to set up a filing when they may not be ready to do that. She explained when users go to the filing rules tab, that has all the links for each state to the general instructions.   
Ms. Boyce said she believes it would be easier to get to the information directly on the general instruction page without having to set up a filing. Ms. Motter advised this was discussed but explained adding this as a field in the general instructions would slow down the process. Ms. Kieras noted that you also would not want it to show for the states that are not using the PRL and explained it might be best to first find out if states still find the PRL tool valuable and then determine how to get users to use it if they do. Ms. Motter noted that one of the other things discussed was not just gathering information specific to the PRL, but also gathering information outside of the System for Electronic Rate and Form Filing (SERFF) that is a resource. She advised that Ohio has a review standards checklist by type of insurance (TOI) on their website, so anything that could be provided as a link showing additional information to assist users with making a good filing would be helpful. Ms. Boyce noted that she has seen that in some states, but that the link is not always direct and is also not clear enough. She stated many times the link just takes users to the state’s website, and then they must search for the needed information. Ms. Boyce noted that if a link is to be provided, it would be helpful if it takes users to exactly where the information needed is located instead of a general website, which is not as beneficial.

Ms. Motter asked if there was a desire to add Mr. Bieniek’s suggested question to the draft survey or to wait and handle the question for links within the general instructions until it is decided if the PRL will be a source in the future, as that question may not end up being PRL-specific as there may be links to websites or other resources.

Mr. Bradner asked how future modifications to SERFF that are currently being looked at from a request for proposal (RFP) perspective may address some of the questions in the draft survey. He said he believes some of the information regarding the PRL could be addressed with the modernization of SERFF. Ms Motter advised she believes some of this has probably been built into SERFF on submission requirements in certain places. She said she believes SERFF enhancements will address some of the concerns being discussed here. Ms. Kieras noted that the SERFF modernization project could have a substantial impact on this. She noted she did not imagine when the SERFF modernization project was complete that there would still be this separate application users would be accessing to get the information they need. Ms. Kieras noted that one of the things to consider is if users find value in the PRL, determining what that value is and what pieces of that can be incorporated into the SERFF modernization efforts. Ms. Motter noted that she believes the survey will be helpful in identifying the states that have let the PRL become outdated and then assist the states that do have updated information and determine the best way to share that until the SERFF modernization project is complete. She agreed that it would be good to determine the information that is in the PRL that should be incorporated into the SERFF modernization project.

Ms. Motter noted that since the SERFF modernization project is ongoing, for now the best approach may be for states to share what outside resources are currently being used, whether it be the PRL or specific state website addresses to help with better filings. Mr. Bradner noted that Connecticut extensively uses the PRL and that the only frustration is that companies must look at it. He noted that by building out business rules with the SERFF modernization project, he believes it will assist companies as they are doing a filing with the state because it will let them know what the requirements are and find issues that could be there. Ms. Boyce noted that Chubb Group does a significant number of filings each year and that she is familiar is with the PRL as the filing manager. She stated one of the frustrations is that many states do not keep the PRL updated, and she finds that her staff and her product team do not use it as a result. She said she believes in general this may be why companies are not utilizing the PRL. Ms. Motter suggested that the initial steps be generating the survey to the states that populate the PRL and deleting any outdated information. Then, while the SERFF modernization project is underway, the Working Group can identify a solution to assist people with locating the resources that are current and up to date, which would also include gathering information from the states that will not be included in the PRL survey. She noted one idea is including information in the general instructions such as a link to the PRL, a link to the state’s review standards checklist or the state’s website information. Mr. Bradner agreed with these suggestions. Ms. Motter advised the survey will be sent to the 26 to 27 states that populate the PRL, and then future discussions will take place for next steps.

1. Discussed Phase One of the Communication Plan for Speed to Market Tools

Ms. Motter advised one of the Working Group’s charges is to work on a communication plan to discuss the various speed to market tools and make sure relevant parties are aware of the tools, know how to use the tools and know how to make changes to them. One of the initial communication plans discussed was sending out messages in SERFF with respect to the product coding matrix (PCM). Ms. Motter said she has started drafting the message and is working with Mr. Bieniek and Trish Todd (VA) on this. The draft message will be discussed during a future Working Group meeting. Ms. Motter noted there was a little bit of change to the PCM that will be effective Jan. 1, 2021. She reminded everyone they can submit suggested changes to the PCM at any time.

1. Discussed Other Matters

Mr. Bradner noted a private flood product is being brought to Connecticut. The first filing will be an overall stand-alone flood program. Then the next thing mentioned was having a product that can be endorsed to the homeowners policy as they are surveying companies and there may be more of a desire to do it that way than having a stand-alone policy. He stated he is aware of a flood TOI, flood personal and flood commercial. He said he wonders if it would make sense to have a homeowners TOI and then a sub TOI for flood so that it is captured if a company does that and it can be tracked. Ms. Motter noted that if a flood endorsement is added, it would be an endorsement to a homeowners policy, so the recommendation would be to submit as a homeowners because it is just one of many endorsements attached to a homeowners policy. To help identify the filing, state insurance regulators can utilize state filing descriptions, filing labels or state TOIs, so that if the filing has flood in it, there are ways to highlight, search and locate those filings. Mr. Bradner noted concern about capturing information on private flood premiums from a financial perspective when more companies start to go that route. He stated those private flood premiums would just be hidden within homeowner premiums. Ms. Motter noted that this concern appears to be not only related to how to file, but how to report premiums and losses, which would be a matter for the Market Conduct Annual Statement Blanks (D) Working Group to review. Mr. Bradner noted that maybe with the SERFF modernization project, endorsements can be more easily tracked. Ms. Motter noted that one thing that is nice about the filing labels is that they can be searched; one of the goals in the future is to be able to export them. She advised multiple labels can be placed on a filing.

Ms. Motter noted that the next Working Group meeting will be scheduled after the Fall National Meeting and that survey results should be available to be discussed at that time.

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

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