

National Meeting Preview

TO: NAIC Members, State Insurance Regulators, and Interested Parties
FROM: NAIC Committee Support Staff
DATE: November 18, 2022
SUBJECT: Preview of NAIC Committee and Task Force Activities for the Fall National Meeting

The NAIC appreciates your active involvement and input. Our open meetings policy ensures the broadest access possible, while reserving the right to close a meeting for specific purposes as outlined in the NAIC Policy Statement on Open Meetings. To make your meeting experience as valuable as possible, we present this information to help you plan your schedule.

The *Preview* highlights key actions planned by the NAIC membership during its upcoming national meeting. The information should only be used as a general reference. These sessions are subject to change to reflect developments between the time this was written and the start of the national meeting.

Important Note: We strongly encourage you to check the detailed program agenda posted [here](#) on the NAIC website for the most current dates and times of all meeting sessions, as well as any events prior to or after the national meeting. Once the Event App is open, on-demand recordings for open interim meetings (Task Force and Working Groups) that were held in lieu of the Fall National Meeting will be available.

SPECIAL MEETINGS AND/OR EVENTS

CIPR EVENT: *JOURNAL OF INSURANCE REGULATION: REFLECTING ON 40 YEARS OF REGULATORY RESEARCH AND BUILDING FOR THE FUTURE*

Please plan to join the NAIC Center for Insurance Policy and Research (CIPR) for its upcoming session celebrating the Journal of Insurance Regulation's (JIR's) 40th anniversary. The NAIC launched the JIR in 1982 to be a forum for high-quality research on major regulatory and public policy issues in insurance. Over the course of 40 years, the JIR has published more than 1,000 articles on dozens of regulatory topics. The JIR is an open-access, peer-reviewed publication that publishes legal, economic, and public policy analyses and empirical studies concerning all aspects of insurance regulation.

The event will feature a presentation from this year's [Kimball Award](#)-winning authors, Elizabeth Plummer and William Wempe of Texas Christian University (TCU). Additionally, CIPR Director Jeff Czajkowski will moderate a panel discussion on the past and future of regulatory research with current and former JIR editors Kathleen McCullough, Cassandra Cole, Lars Powell, and Terri Vaughan. The program is scheduled for Thursday, Dec. 15, 3:45 p.m. – 5:15 p.m. ET with a reception to follow.

REGULARLY SCHEDULED MEETINGS

The **EXECUTIVE (EX) COMMITTEE** will consider adoption of the report of the joint meeting of the **Executive (EX) Committee** and the **Internal Administration (EX1) Subcommittee**, as well as the reports of its task forces and the Special (EX) Committee on Race and Insurance. The Executive (EX) Committee will consider adoption of its 2023 proposed charges and may consider adoption of Requests for NAIC Model Law Development that are currently pending with sponsoring letter committees. The Committee will: 1) receive an update on *State Ahead* implementation efforts; 2) receive progress reports regarding work on NAIC models currently under development; and 3) hear updates from the Interstate Insurance Product Regulation Commission (Compact) and the National Insurance Producer Registry (NIPR). A draft agenda and materials for this meeting will be made available for review on the [Meetings and Events page](#) on the NAIC website.

During the joint meeting of the **Executive (EX) Committee** and **Plenary**, NAIC members will consider adoption of reports from its eight standing committees, as well as minutes from the 2022 Summer National Meeting; the NAIC 2023 Proposed Budget; NAIC 2023 Proposed Committee Charges; and the 2023 Generally Recognized Expense Table (GRET). Progress reports will be provided on the states' implementation efforts on NAIC-adopted model laws, regulations, and/or amendments. The meeting will adjourn into regulator-to-regulator session, pursuant to paragraph 5 (voting on election of officers of the NAIC) of the NAIC Policy Statement on Open Meetings.

Please Note: An NAIC model law, regulation, bulletin, white paper, or other pertinent item for review and discussion by the **Executive (EX) Committee** and **Plenary** may be added to its agenda for consideration at any time prior to the Fall National Meeting. Please watch for updates on the Interactive Agenda on the [Meetings and Events page](#) on the NAIC website.

The **CLIMATE AND RESILIENCY (EX) TASK FORCE** will: 1) consider adoption of its Summer National Meeting minutes; 2) discuss state regulatory and legislative mitigation actions; 3) hear an international update; and 4) hear a federal update.

The **LONG-TERM CARE INSURANCE (EX) TASK FORCE** will meet Nov. 30 in lieu of the Fall National Meeting to: 1) consider adoption of its minutes; 2) receive a report on the current activity and progress on its various workstreams; and 3) discuss proposed edits received on the *Checklist for Premium Increase Communication*.

The **SPECIAL (EX) COMMITTEE ON RACE AND INSURANCE** will: 1) consider adoption of its Summer National Meeting minutes; 2) consider adoption of its 2023 proposed charges; 3) hear reports on the current activity and progress of its workstreams; 4) consider adoption of Workstream One recommendations; 5) consider adoption of the Health Innovations (B) Working Group report; 6) hear a report on International Association of Insurance Supervisors (IAIS) diversity initiatives; and 7) hear an update on the Member Diversity Leadership Forum.

The **LIFE INSURANCE AND ANNUITIES (A) COMMITTEE** will: 1) consider adoption of its Nov. 15 minutes; and 2) consider adoption of its task force and working group reports. The **Accelerated Underwriting (A) Working Group** will not meet at the Fall National Meeting; it is still working on regulatory guidance

for companies and regulators. The **Annuity Suitability (A) Working Group** will not meet at the Fall National Meeting; it is still considering developing additional questions on the safe harbor provision and possibly more questions related to producer training for the Frequently Asked Questions (FAQ) document. The Working Group developed the FAQ document as a guidance document for the states to use as they consider adoption and implement provisions in the revised *Suitability in Annuity Transactions Model Regulation* (#275).

The **LIFE ACTUARIAL (A) TASK FORCE** will: 1) continue the development of requirements for principle-based reserving (PBR); 2) discuss the development of PBR for non-variable annuities in VM-22, Statutory Maximum Valuation Interest Rates for Income Annuities; 3) hear an update on the status of the economic scenario generator (ESG) field test; 4) hear an update on experience reporting; 5) hear an update on the proposed actuarial guideline for index-linked variable annuities; 6) discuss considerations for indexed universal life (IUL) illustration revisions; 7) consider a proposal from the American Academy of Actuaries (Academy) on ESG interest rate model stylized facts and acceptance criteria; and 8) consider adoption of its subgroup reports.

The **HEALTH INSURANCE AND MANAGED CARE (B) COMMITTEE** will: 1) hear presentations on issues of interest to the Committee, including a presentation on the large employer perspective on the impact of state pharmacy benefit manager (PBM) legislation and how these employers have had to adapt; 2) consider adoption of its interim and Summer National Meeting minutes; and 3) consider adoption of its task force, working group, and subgroup reports. The **Consumer Information (B) Subgroup** will not meet at the Fall National Meeting. The **Health Innovations (B) Working Group** will hear: 1) an update on the pooling of individual and small group markets in Maine; 2) a presentation on site-neutral payment in private insurance; 3) a presentation on discrimination in prescription drug formularies; and 4) a presentation on coverage for obesity drugs.

The **HEALTH ACTUARIAL (B) TASK FORCE** will not meet at the Fall National Meeting. However, it will meet Dec. 5 in lieu of the Fall National Meeting to hear updates from the Society of Actuaries (SOA), the Academy, and the federal Center for Consumer Information and Insurance Oversight (CCIIO). The **Long-Term Care Actuarial (B) Working Group** will not meet at the Fall National Meeting, but it will give a report to the Health Actuarial (B) Task Force during its Dec. 5 meeting

The **REGULATORY FRAMEWORK (B) TASK FORCE** will: 1) hear a presentation on a potential consumer disclosure and labeling regime for ancillary health products; 2) hear a presentation on individual coverage health reimbursement arrangements (ICHRA); 3) consider adoption of its interim meeting and Summer National Meeting minutes; and 4) consider adoption of its working group and subgroup reports. The **Accident and Sickness Insurance Minimum Standards (B) Subgroup** will not meet at the Fall National Meeting. The Subgroup continues to meet about every two weeks to consider revisions to the *Model Regulation to Implement the Accident and Sickness Insurance Minimum Standards Model Act* (#171). The **Employee Retirement Income Security Act (ERISA) (B) Working Group** will not meet at the Fall National Meeting. The **Mental Health Parity and Addiction Equity Act (MHPAEA) (B) Working Group** will meet at the Fall National Meeting in open session and in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities or individuals) of the NAIC Policy Statement on Open Meetings, to continue discussion of its work to provide additional compliance tools for the states in determining

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MHPAEA plan compliance, particularly related to non-quantitative treatment limitations (NQTLs). The **Pharmacy Benefit Manager Regulatory Issues (B) Subgroup** will discuss its work to develop an initial draft of its white paper related to pharmacy benefit manager (PBM) business practices, including the impact, if any, of the U.S. Supreme Court's *Rutledge vs. Pharmaceutical Care Management Association (PCMA)* decision and other issues related to the prescription drug supply distribution system.

The **SENIOR ISSUES (B) TASK FORCE** will: 1) consider adoption of its Oct. 17 and Summer National Meeting minutes; 2) discuss the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) and Medicare; 3) present the summary of the work of the now disbanded Long-Term Care Insurance Model Update (B) Subgroup; 4) hear an update on Medicare Advantage marketing; 5) hear a federal legislative update; and 6) revise, as necessary, the NAIC models; consumer guides; and training material on Medicare supplement insurance, long-term care insurance (LTCI), senior counseling programs, and other insurance issues that affect older Americans.

The **PROPERTY AND CASUALTY INSURANCE (C) COMMITTEE** will: 1) consider adoption of its task force and working group reports; 2) consider adoption of its 2023 proposed charges; and 3) consider adoption of consumer education documents from the Transparency and Readability of Consumer Information (C) Working Group. The **Cannabis Insurance (C) Working Group** will not meet at the Fall National Meeting. However, it will meet Nov. 29 in lieu of the Fall National Meeting to: 1) consider adoption of its minutes; 2) discuss the *Understanding the Market for Cannabis Insurance 2.0* white paper in detail; and 3) hear a roundtable discussion on recent federal and state political movements (including the federal pardon on simple marijuana possession) and how they may affect the industry. The **Catastrophe Insurance (C) Working Group** and the **NAIC/Federal Emergency Management Agency (FEMA) (C) Advisory Group** will meet in joint session to: 1) hear federal updates; 2) discuss progress made on updates to the *Catastrophe Modeling Primer*; 3) hear an update regarding Hurricane Ian; 4) hear updates from FEMA; and 5) discuss changes to homeowners policies and coverages. The **Terrorism Insurance Implementation (C) Working Group** will meet prior to the Fall National Meeting to discuss results from the state insurance regulator terrorism data call. The **Transparency and Readability of Consumer Information (C) Working Group** will not meet at the Fall National Meeting. However, it will meet Nov. 15 in lieu of the Fall National Meeting to consider adoption of the consumer education on premiums document and the rate/rule filing checklist. The Working Group will also hear a presentation regarding a survey regarding a consumer's knowledge of insurance.

The **CASUALTY ACTUARIAL AND STATISTICAL (C) TASK FORCE** will not meet at the Fall National Meeting. However, it met Nov. 8 in lieu of the Fall National Meeting to consider adoption of revised NAIC loss cost multiplier (LCM) forms.

The **SURPLUS LINES (C) TASK FORCE** will: 1) consider adoption of the report of the **Surplus Lines (C) Working Group**; and 2) discuss comments received on the exposure of the *Nonadmitted Insurance Model Act (#870)*.

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The **TITLE INSURANCE (C) TASK FORCE** will: 1) consider adoption of its minutes; 2) hold a panel discussion with Voxtur and SingleSource on their new title insurance-like alternative product; and 3) hear a presentation on closing trends, including results from ALTA's recent digital closing survey.

The **WORKERS' COMPENSATION (C) TASK FORCE** will not meet at the Fall National Meeting. However, it will meet Nov. 15 in lieu of the Fall National Meeting to hear from the National Council on Compensation Insurance (NCCI) on current workers' compensation issues, such as the decreasing loss cost environment, long COVID-19, demographic changes, and federal activity.

The **MARKET REGULATION AND CONSUMER AFFAIRS (D) COMMITTEE** will: 1) consider adoption of its Summer National Meeting minutes; 2) consider adoption of its 2023 proposed charges and those of the Antifraud (D) Task Force, the Market Information Systems (D) Task Force, and the Producer Licensing (D) Task Force; and 3) consider adoption of its task force and working group reports. The **Market Actions (D) Working Group** will meet in regulator-to-regulator session pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings to continue work on its goals. The **Advisory Organization (D) Working Group**, **Market Analysis Procedures (D) Working Group**, **Market Conduct Annual Statement Blanks (D) Working Group**, **Market Conduct Examination Guidelines (D) Working Group**, **Market Regulation Certification (D) Working Group**, and **Speed to Market (D) Working Group** will not meet at the Fall National Meeting.

The **ANTIFRAUD (D) TASK FORCE** will: 1) consider adoption of its Oct. 28 minutes; 2) discuss strategy for its 2023 charges; 3) consider adoption of the reports of the **Antifraud Technology (D) Working Group** and **Improper Marketing of Health Insurance (D) Working Group**; and 4) hear updates from interested parties about their recent activities to address insurance fraud. The Task Force will also meet in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings, to continue work on its goals.

The **MARKET INFORMATION SYSTEMS (D) TASK FORCE** will not meet at the Fall National Meeting. However, the Task Force conducted an e-vote that concluded Oct. 28 to adopt its 2023 proposed charges.

The **PRODUCER LICENSING (D) TASK FORCE** will not meet at the Fall National Meeting. However, it met Oct. 28 to: 1) adopt its May 5 minutes; 2) adopt its 2023 proposed charges; 3) discuss a template for the 1033 waiver process pursuant to the federal Violent Crime Control and Law Enforcement Act of 1994; 4) adopt the reports of the Adjuster Licensing (D) Working Group and Uniform Education (D) Working Group; and 5) hear a report from the NIPR Board of Directors.

The **FINANCIAL CONDITION (E) COMMITTEE** will consider adoption of its task force and working group reports. The **Mortgage Guaranty Insurance (E) Working Group** will: 1) consider adoption of its Oct. 6 minutes; and 2) discuss comments received on the exposure of the *Mortgage Guaranty Insurance Model Act* (#630). The **Restructuring Mechanisms (E) Working Group** will not meet at the Fall National Meeting.

The **ACCOUNTING PRACTICES AND PROCEDURES (E) TASK FORCE** will consider adoption of its working group reports. The **Statutory Accounting Principles (E) Working Group** will hear comments on previously exposed items, including agenda items: 2019-21: Proposed Bond Definition related to the ongoing work on updating the bond definition; 2022-01: Conceptual Framework – Updates regarding the definition of liabilities for statutory accounting; 2022-11: Collateral for Loans to clarify that invested assets pledged as collateral for admitted collateral loans must qualify as admitted invested assets; and 2022-12: Review of INT 03-02: Modification to an Existing Intercompany Pooling Arrangement, which intends to nullify Interpretation (INT) 03-02 due to conflicts in guidance regarding economic and non-economic transactions between related parties. Additionally, the Working Group is expected to: 1) consider adoption of several other clarifications to statutory accounting; and 2) consider new items for exposure. The **Blanks (E) Working Group** will not meet at the Fall National Meeting but will provide its report of interim activity.

The **CAPITAL ADEQUACY (E) TASK FORCE** will: 1) consider adoption of its working group and subgroup reports; 2) consider adoption of its minutes; 3) consider adoption of proposals: a) 2022-09-CA (Revised Affiliated Investments Structure and Instructions); b) 2022-10-H (Preferred Stock Instructions); c) 2022-11-H (Underwriting Risk – Analysis of Operations); and d) 2022-07-P (PR035 Line of Business); 4) consider exposure of proposal 2022-13-CA (Health Premiums and Underwriting Risk Premiums References); and 5) consider adoption of its current working agenda. The **Health Risk-Based Capital (E) Working Group** will: 1) consider adoption of its minutes; 2) consider adoption of its revised working agenda; 3) consider adoption of proposal 2022-10-H (Preferred Stock Instructions); 4) consider adoption of proposal 2022-11-H (Underwriting Risk – Analysis of Operations Updates); 5) receive a presentation from the Academy on the H2 – Underwriting Review discussion of health companies in run-off; 7) discuss stop loss; and 8) receive updates on the Excessive Growth Charge Ad Hoc Group and the Health Test Ad Hoc Group. The **Risk-Based Capital Investment Risk and Evaluation (E) Working Group** will: 1) discuss its working agenda; and 2) continue discussions to move forward with key projects. The **Life Risk-Based Capital (E) Working Group** will: 1) consider adoption of its minutes; and 2) discuss its working agenda. The **Property and Casualty Risk-Based Capital (E) Working Group** will: 1) consider adoption of its minutes and Subgroup’s minutes; 2) consider adoption of its Subgroup’s report; 3) consider adoption of proposal 2022-07-P (PR035 Line of Business); 4) discuss its revised working agenda; and 5) hear updates on current P/C RBC projects from the Academy. The **Catastrophe Risk (E) Subgroup** will: 1) consider adoption of its minutes; 2) receive an update from its Catastrophe Model Technical Review Ad Hoc Groups; and 3) discuss its working agenda.

The **EXAMINATION OVERSIGHT (E) TASK FORCE** will: 1) consider adoption of its Sept. 30 and Summer National Meeting minutes; and 2) consider adoption of the reports of the **Electronic Workpaper (E) Working Group**, the **Financial Analysis Solvency Tools (E) Working Group**, the **Financial Examiners Coordination (E) Working Group**, the **Financial Examiners Handbook (E) Technical Group**, and the **Information Technology (IT) Examination (E) Working Group**.

The **FINANCIAL STABILITY (E) TASK FORCE** and the **Macroprudential (E) Working Group** will meet in joint session to: 1) consider adoption of the 2022 Liquidity Stress Testing Framework (LST

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Framework); 2) consider adoption of their joint Oct. 28 and Summer National Meeting minutes; 2) hear an update from the Macroprudential (E) Working Group on private equity and macroprudential assessment; and 3) hear an international update.

The **RECEIVERSHIP AND INSOLVENCY (E) TASK FORCE** will: 1) consider adoption of its Oct. 2 and Summer National Meeting minutes; 2) consider adoption of its working group and subgroup reports; 3) receive comments and consider adoption of a Request for NAIC Model Law Development to amend the *Property and Casualty Insurance Guaranty Association Model Act* (#540); and 4) hear updates on any federal and international resolution activities.

The **REINSURANCE (E) TASK FORCE** will not meet at the Fall National Meeting. However, the Task Force will meet Nov. 17 in lieu of the Fall National Meeting to: 1) consider adoption of its minutes; 2) consider adoption of the report of the **Reinsurance Financial Analysis (E) Working Group**; 3) receive an update on the reinsurance activities of the **Mutual Recognition of Jurisdictions (E) Working Group**; and 4) discuss the progress of any other ongoing projects.

The **VALUATION OF SECURITIES (E) TASK FORCE** will: 1) consider adoption of its minutes; 2) discuss comments and consider adoption of proposed *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual) amendments to: a) include collateralized loan obligations (CLOs) as a financially modeled security in Part Four; b) update instructions for related party and subsidiary, controlled and affiliated (SCA) investments; and c) clarify the definition of an NAIC designation in Part One and Part Two; 3) receive and consider exposure of a P&P Manual amendment to add instructions for structured equity and funds; 4) receive and consider exposure of a proposed CLO modeling methodology (excluding scenarios and probabilities); 5) receive staff reports on the Statutory Accounting Principles (E) Working Group's projects; and 6) consider any other matters.

The **FINANCIAL REGULATION STANDARDS AND ACCREDITATION (F) COMMITTEE** will: 1) consider adoption of its 2023 proposed charges; and 2) hear an update on the Part A: Liabilities and Reserves accreditation standard and whether inclusion of *Actuarial Opinion and Memorandum Regulation* (#822) is still necessary now that the *Valuation Manual* is required for accreditation.

The **INTERNATIONAL INSURANCE RELATIONS (G) COMMITTEE** will: 1) discuss progress on initiatives of the IAIS, including: a) the implementation and the assessment of the updated Insurance Core Principles (ICPs), the Common Framework for the Supervision of Internationally Active Insurance Groups (ComFrame), and the holistic framework for systemic risk assessment; b) ongoing work on the global insurance capital standard (ICS), aggregation method (AM), and comparability; and c) plans for addressing emerging risks and trends; 2) hear an update on work in progress at other international organizations, including the Organisation for Economic Co-operation and Development (OECD) and the Sustainable Insurance Forum (SIF); and 3) receive updates on ongoing activities to enhance cooperation with international insurance regulators.

The **INNOVATION, CYBERSECURITY, AND TECHNOLOGY (H) COMMITTEE** will: 1) receive reports and hear significant updates from its working groups; 2) consider adoption of its 2023 proposed charges; 3) discuss other committee-level projects; 4) hear an update on the Collaboration Forum on Algorithmic

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Bias and outline the work plan for moving forward with the development of a regulatory framework; and 5) hear presentations on algorithm and complex model explainability. The **Big Data and Artificial Intelligence (H) Working Group** will: 1) discuss draft Artificial Intelligence (AI)/Machine Learning (ML) Private Passenger Auto (PPA) survey analysis; 2) receive an update on the status of company responses to the AI/ML Home survey; 3) discuss comments on the AI/ML Life Insurance survey and a timeline for completion; 4) discuss the role of third-party data and model vendors and the regulatory framework for the oversight of these activities; and 5) discuss potential deliverables and next steps toward developing regulatory guidance for monitoring industry's use of big data, algorithms, and AI. The **Privacy Protections (H) Working Group** will: 1) hear a presentation on general market practices regarding the use of personal information during the insurance process; 2) hear a presentation on general market practices regarding use of personal information during the insurance process; and 3) discuss both presentations. The **Cybersecurity (H) Working Group** will not meet at the Fall National Meeting. However, it will meet Nov. 15 in lieu of meeting at the Fall National Meeting to hear from the Cybersecurity and Infrastructure Security Agency (CISA) on its work to guard against cybersecurity threats and build a more secure and resilient infrastructure for the future. The **E-Commerce (H) Working Group** and the **Innovation in Technology and Regulation (H) Working Group** will not meet at the Fall National Meeting.

The **NAIC/CONSUMER LIAISON COMMITTEE** will: 1) hear an update on consumer liaison enhancement concepts; 2) discuss non-health (e.g., life, annuity, property/casualty [P/C], etc.) insurance issues currently affecting consumers, such as insurance and recovery in Hurricane Ian's aftermath; auto insurance telematics; and a consumer's perspective on what auto insurance actually covers; 3) general insurance issues, such as the results of the Ethical Use of Data to Fight Insurance Fraud research study; and 4) health insurance issues currently affecting consumers, such as an update of federal actions affecting state regulation of the health insurance market and the unwinding of the public health emergency (PHE).

The **NAIC/AMERICAN INDIAN AND ALASKA NATIVE LIAISON COMMITTEE** will continue to discuss the lack of consumer education and outreach regarding tribal members' access to insurance products, which is complicated by tribal differences in experience, funding, internet, geographic locations, traditions, and tribal governments.

The **INSURANCE COMPACT** will meet in joint session with the Management Committee and Commission for its annual meeting. During this meeting, the Commission will consider adoption of the annual budget along with the Scheduled of Fees and the Uniform Standards Development Prioritization list for 2023. It will also consider adoption of the proposed amendments to address Colorado statutory conflict with suicide exclusion provisions and the proposed Operating Procedure for the Use of Compact-Approved Products for Other than Employer Groups and framework. Additionally, the Compact will receive recommendations from the Product Standards Committee (PSC) to expose two new individual DI standards for public comment. Further, as this is the annual meeting, the Management Committee will be reformed, and officers will be elected. The members will continue strategic planning discussions on priorities, objectives, and action items for the coming three years.