

Draft: 11/13/25

*Adopted by the Executive (EX) Committee and Plenary, XX, 2025*

*Adopted by the Market Regulation and Consumer Affairs (D) Committee, XX, 2025*

## **2026 Proposed Charges**

### **MARKET REGULATION AND CONSUMER AFFAIRS (D) COMMITTEE**

The mission of the Market Regulation and Consumer Affairs (D) Committee is to monitor all aspects of the market regulatory process for continuous improvement. This includes market analysis, regulatory interventions with companies, and multi-jurisdictional collaboration. The Committee will also review and make recommendations regarding the underwriting and market practices of insurers and producers, as those practices affect insurance consumers, including the availability and affordability of insurance.

#### **Ongoing Support of NAIC Programs, Products, or Services**

1. The **Market Regulation and Consumer Affairs (D) Committee** will:
  - A. Monitor the centralized collection and storage of market conduct data, national analysis, and reporting at the NAIC, including issues regarding the public availability of data.
  - B. Monitor and assess the current process for multi-jurisdictional market conduct activities, and provide appropriate recommendations for enhancement, as necessary.
  - C. Oversee the activities of the Antifraud (D) Task Force.
  - D. Oversee the activities of the Producer Licensing (D) Task Force.
  - E. Monitor the underwriting and market practices of insurers and producers, as well as the conditions of insurance marketplaces, including urban markets, to identify specific market conduct issues of importance and concern. Hold public hearings on these issues at the NAIC national meetings, as appropriate.
  - F. In collaboration with other technical working groups, discuss and share best practices through public forums to address broad consumer concerns regarding personal insurance products.
  - G. Coordinate with the International Insurance Relations (G) Committee to develop input and submit comments to the International Association of Insurance Supervisors (IAIS) and/or other related groups on issues regarding market regulation concepts.
  - H. Coordinate with the Health Insurance and Managed Care (B) Committee to provide policy recommendations regarding uniform state enforcement of the federal Affordable Care Act (ACA).
2. The **Advisory Organization (D) Working Group** will:
  - A. Revise the protocols, as necessary, for the examination of national or multistate advisory organizations (including rating organizations and statistical agents) to be more comprehensive and efficient. Solicit input and collaboration from other interested and affected committees and task forces.
  - B. Monitor the data reporting and data collection processes of advisory organizations (including rating organizations and statistical agents) to determine if they are implementing appropriate measures to ensure data quality. Report the results of this ongoing charge, as needed.
  - C. Actively assist with and coordinate multistate examinations of advisory organizations (including rating organizations and statistical agents).
  - D. Monitor the Third-Party Data and Models (H) Working Group in development of a third-party data and model vendor regulatory framework. Coordinate when the regulatory framework for advisory organizations should be consistent.

## MARKET REGULATION AND CONSUMER AFFAIRS (D) COMMITTEE *(Continued)*

3. The **Market Actions (D) Working Group** will:
  - A. Facilitate interstate communication, and coordinate collaborative state regulatory actions.
  - B. Facilitate interstate communication, and coordinate collaborative state regulatory activities involving nontraditional market actions through the Coordinated Market Investigation Subgroup.
4. The **Market Analysis Procedures (D) Working Group** will:
  - A. Recommend changes to the market analysis framework based on results over the past five years, including the current set of Level 1 and Level 2 questions.
  - B. In accordance with the second recommendation of the adopted *Review of Artificial Intelligence Techniques in Market Analysis*, assess currently available market analysis data to identify needed improvements in the effectiveness of the data for market analysis and the predictive abilities of the market scoring systems using the data.
  - C. Discuss other market data collection issues, and make recommendations, as necessary.
  - D. Consider recommendations for new lines of business for the Market Conduct Annual Statement (MCAS).
  - E. Create and monitor the effectiveness and usefulness of public MCAS ratios.
  - F. Create and maintain a collaborative forum for market analysts to share ideas, promote innovation, and support professional growth at all skill levels.
5. The **Market Conduct Annual Statement Blanks (D) Working Group** will:
  - A. Review the MCAS data elements and the “Data Call and Definitions” for those lines of business that have been in effect for more than three years and update them, as necessary.
  - B. Develop an MCAS blank to be used for the collection of data for additional lines of business, where appropriate.
6. The **Market Conduct Examination Guidelines (D) Working Group** will:
  - A. Develop market conduct examination standards, as necessary, for inclusion in the *Market Regulation Handbook*.
  - B. Monitor the adoption and revision of NAIC models, and develop market conduct examination standards to correspond with adopted NAIC models.
  - C. Develop updated standardized data requests (SDRs), as necessary, for inclusion in the *Market Regulation Handbook*.
  - D. Discuss the development of uniform market conduct procedural guidance (e.g., a library, repository, or shared collaborative space with market conduct examination templates, such as an exam call letter, exam exit agenda, etc.) for inclusion in, or for use in conjunction with, the *Market Regulation Handbook*.
  - E. Coordinate with the Innovation, Cybersecurity, and Technology (H) Committee to develop market conduct examiner guidance for the oversight of regulated entities’ use of insurance and non-insurance consumer data and models using algorithms and artificial intelligence (AI). (*New Product*)
7. The **Market Information Systems (D) Working Group** will:
  - A. Analyze the data in the NAIC Market Information Systems (MIS). In accordance with the first recommendation of the adopted *Review of Artificial Intelligence Techniques in Market Analysis*, recommend methods to ensure better data quality.
  - B. In conjunction with the Market Analysis Procedures (D) Working Group and in accordance with the second recommendation of the adopted *Review of Artificial Intelligence Techniques in Market Analysis*, assess currently available market analysis data to identify needed improvements in the effectiveness of the data for market analysis and the predictive abilities of the market scoring systems using the data.

## MARKET REGULATION AND CONSUMER AFFAIRS (D) COMMITTEE *(Continued)*

- C. Provide guidance on the appropriate use of the MIS and the data entered in them.
    - i. Complaints Database System (CDS).
    - ii. Electronic Forums.
    - iii. Market Actions Tracking System (MATS).
    - iv. Market Analysis Profile.
    - v. Market Analysis Prioritization Tool (MAPT).
    - vi. Market Analysis Review System (MARS).
    - vii. Market Conduct Annual Statement (MCAS).
    - viii. Regulatory Information Retrieval System (RIRS).
    - ix. 1033 State Decision Repository (SDR1033) (in conjunction with the Antifraud (D) Task Force).
  - D. Serve as the business partner to review and prioritize submitted Uniform System Enhancement Request (USER) forms to ensure efficient use of available NAIC staffing and resources.
8. The **Market Regulation Certification (D) Working Group** will:
- A. Implement the Voluntary Market Regulation Certification Program by: i) provisionally certifying each jurisdiction that submits a self-certification report; ii) assessing the submission and monitoring the progress of each provisionally certified jurisdiction towards compliance to each certification standard; and iii) providing peer review and guidance for any participating jurisdiction that requests guidance.
  - B. Develop a mechanism for enabling participating jurisdictions to apply for full certification. This will include: i) forming an NAIC review team; and ii) developing methods for assessing and auditing full-certification requests.
  - C. Review feedback from jurisdictions concerning any issues or recommended changes to the Voluntary Market Regulation Certification Program requirements and the *Voluntary Market Regulation Certification Program Self-Assessment Guidelines and Checklist Tool*.
  - D. Consider new standards to be incorporated into the Voluntary Market Regulation Certification Program.
9. The **Pharmacy Benefit Management (D) Working Group** will:
- A. Establish and promote uniform examination and data collection standards, while remaining sensitive to the variation in state approaches.
  - B. Develop examination standards for pharmacy benefit managers (PBMs) and related regulated entities for inclusion in the NAIC *Market Regulation Handbook*, which will provide consistent guidance and ensure more predictable and fair market regulation.
  - C. Develop licensing and registration standards for PBMs in alignment with state and federal requirements, providing states with criteria to support uniformity in the licensure process.
  - D. Establish protocols for the collection and analysis of data related to PBM examinations and market practices.
  - E. Monitor and address market conduct trends associated with PBMs and the regulatory efforts of the states.
  - F. Serve as a forum to share best practices, examination findings, and compliance issues encountered with PBM regulation.
  - G. Facilitate coordination with federal and state agencies to support compliance and enforcement of PBM regulations and ensure alignment with federal standards, where applicable, minimizing redundancy and promoting collaboration.

## MARKET REGULATION AND CONSUMER AFFAIRS (D) COMMITTEE *(Continued)*

### 10. The **Speed to Market (D) Working Group** will:

- A. Consider proposed System for Electronic Rates & Forms Filing (SERFF) features or functionality presented to the Working Group by the Product Steering Committee (PSC). Review periodic reports from the PSC, as needed.
- B. Provide feedback and recommendations concerning the SERFF modernization when requested by the Executive (EX) Committee and any group assigned oversight of the SERFF modernization by the Executive (EX) Committee.
- C. Discuss and oversee the implementation and ongoing maintenance/enhancement of speed-to-market operational efficiencies related to product filing needs, efficiencies, and effective consumer protection. This includes the following activities:
  - i. Provide a forum to gather information from the states and the industry regarding tools, policies, and resolutions to assist with common filing issues. Provide oversight in evaluating product filing efficiency issues for state insurance regulators and the industry, particularly regarding uniformity.
  - ii. Use SERFF data to develop, refine, implement, collect, and distribute common filing metrics that provide a tool to measure the success of the speed-to-market modernization efforts, as measured by nationwide and individual state speed-to-market compliance, with an emphasis on monitoring state regulatory and insurer responsibilities for speed to market for insurance products.
  - iii. Facilitate proposed changes to the product coding matrices (PCMs) and the uniform transmittal document (UTD) on an annual basis, including the review, approval, and notification of changes. Monitor, assist with, and report on state implementation of any PCM changes.
  - iv. Facilitate the review and revision of the *Product Filing Review Handbook*, which contains an overview of all the operational efficiency tools and describes best practices for industry filers and state reviewers regarding the rate and form filing and review process. Develop and implement a communication plan to inform the states about the *Product Filing Review Handbook*.
- D. Provide direction to NAIC staff regarding SERFF functionality, implementation, development, and enhancements. Receive periodic reports from NAIC staff, as needed.
- E. Conduct the following activities, as desired, by the Interstate Insurance Product Regulation Commission (Compact):
  - i. Provide support to the Compact as the speed-to-market vehicle for asset-based insurance products, encouraging state participation in, and the industry's usage of, the Compact.
  - ii. Receive periodic reports from the Compact, as needed.

NAIC Committee Support: Tim Mullen/Randy Helder