Comments of the Center for Economic Justice

To the NAIC Market Conduct Examination Guidelines Working Group

Travel Insurance SDRs

September 16, 2022

CEJ offers the following comments on the proposed Travel Insurance SDRs set out in the working group’s September 9, 2022 meeting materials.

The Policy in Force SDR uses a number of terms not found in the NAIC Travel Insurance Model Law. That model references and/or defines “travel administrator,” “travel retailer,” and “limited lines travel insurance producer.” In turn, “limited lines travel insurance producer” is defined to include a licensed managing general agent or third party administrator, licensed insurance producer including a limited lines producer; or travel administrator.

The draft PIF SDR has data elements referencing “policy administrator,” “travel agency,” “producer,” “tour operator,” “wholesaler,” “travel supplier,” “MGA/TPA,” and “other marketing entity.”

A number of these categories are neither referenced in the model law nor otherwise defined. Many of the categories are repetitive because they are different types of travel retailers or different types of administrators or different types of producers. In addition, a few of the proposed data elements fit better in the claim SDR, including deductible and type of coverage purchased and pre-existing conditions waiver. Further, one or two of the PIF SDR data elements are not useful, including coverage description. It is unclear how an examiner would utilize the marketing name for a particular level of coverage or how an insurer should report “type of coverage purchased” for a product that provides multiple coverages. It is also unclear what “system plan code” refers to. If this is the insurer identifier for a specific group of coverages within a form filing, that should be explained or defined.
Consequently, we suggest a simplification of the PIF SDR by referencing the entities cited and defined in the NAIC model.

- Insurer (for brevity of these comments, we omit demographic data fields)
- Stand-alone travel insurance or part of travel protection plan
- Group or Individual Policy
- If Group, Name of Group and Group Demographics
- Policy Identifier
- If Group Policy, Certificate Identifier
- State of individual policyholder or group certificate holder
- Insurance Premium for Individual Policy or Group Certificate
- If travel insurance sold as part of travel protection plan, total amount charged for travel protection
- Premium tax data elements
- Producer 1 (demographics on producer involved in transaction)
- Non-Contingent Compensation Paid to Producer 1
- Contingent Compensation Paid to Producer 1
- Producer 2 (if more than one producer involved, demographics on 2nd producer)
- Non-Contingent Compensation Paid to Producer 2
- Contingent Compensation Paid to Producer 2
- Travel Administrator 1 (demographics on travel administrator involved in transaction)
- Non-Contingent Compensation Paid to Travel Administrator 1
- Contingent Compensation Paid to Travel Administrator 1
- Travel Administrator 2 (if more than one travel administrator involved, demographics on 2nd travel administrator)
- Non-Contingent Compensation Paid to Travel Administrator 2
- Contingent Compensation Paid to Travel Administrator 2
- Travel Retailer 1 (demographics on travel Retailer involved in transaction)
- Non-Contingent Compensation Paid to Travel Retailer 1
- Contingent Compensation Paid to Travel Retailer 1
- Travel Retailer 2 (if more than one travel Retailer involved, demographics on 2nd travel Retailer)
- Non-Contingent Compensation Paid to Travel Retailer 2
- Contingent Compensation Paid to Travel Retailer 2
- Third Party Administrator 1 (demographics on Third Party Administrator involved in transaction)
- Non-Contingent Compensation Paid to Third Party Administrator 1
- Contingent Compensation Paid to Third Party Administrator 1
• Third Party Administrator 2 (if more than one Third Party Administrator involved, demographics on 2nd Third Party Administrator)
• Non-Contingent Compensation Paid to Third Party Administrator 2
• Contingent Compensation Paid to Third Party Administrator 2
• Date of Application for Insurance
• Effective Date of Insurance Coverage
• If Policy or Certificate Cancelled, Date Cancelled
• Effective Date of Cancellation
• Insurance Premium Refund upon Cancellation
• Non-Insurance Cost Refund upon Cancellation
• Reason for Cancellation
• State of form and rate filings
• SERFF filing reference forms
• SERFF filing reference rates
• Type of insurance coverage 1 – single or multiple events or activities
• Type of insurance coverage 2 – domestic or international
• Type of insurance coverage 3 – coverage period
• Type of insurance coverage 4 – travel, event, etc.

In the Claim SDR, there is a need to include field for individual policy or group certificate identifier so the claim SDR data for a claim can be connected to the PIF data for the specific individual policy or group certificate providing the actual or expected coverage for the claim.

We suggest further clarification of the PmtCvg data field. Presumably, the insurer has a list of coverages included in the travel insurance policy/certificate since the premium charged is typically built up from the loss costs of individual coverages included.