

March 12, 2025

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VIA Electronic Mail: [pwallace@naic.org](mailto:pwallace@naic.org)

RE:     Draft Chapter 21A-Conducting the Property and Casualty Travel Insurance Examination  
February 11, 2025 Draft

Dear Ms. Wallace:

The American Property Casualty Insurance Association (APCIA)<sup>1</sup> appreciates the opportunity to provide comments on Draft Chapter 21A – Conducting the Property and Casualty Travel Insurance Examination (February 11, 2025 Draft) (“Draft”).

Standard 1 – Marketing and Sales

The Review Procedures and Criteria for Standard 1 state, “There should be a notation indicating the manner and extent of distribution and the form number of every brochure advertised.” This language is problematic as advertising is not addressed in the NAIC Travel Insurance Model Act (“Model Act”) and this appears to be an existing requirement for Accident and Health advertising. As travel insurance is a property and casualty product, travel insurers are generally not required to comply with accident and health advertising requirements. Further, travel insurers are not required to file their advertising materials for approval - there may not be a corresponding form number.

The Review Procedures and Criteria go on to state, “All advertisements should be maintained in the file for a period of either at least three (3) years from the date the advertisement was first used or later if required by applicable state statutes, rules and regulations.” Again, there is no such requirement in the Model Act.

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<sup>1</sup> The American Property Casualty Insurance Association (APCIA) is the primary national trade association for home, auto, and business insurers. APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers, with a legacy dating back 150 years. APCIA members represent all sizes, structures, and regions-protecting families, communities, and businesses in the U.S. and across the globe.

The Review Procedures and Criteria address “unlawful rebate[s].” This too is not addressed in the Model Act and should be removed. Finally, the Draft states, “Indicate that the travel protection plan being marketed is insurance.” This language creates a discrepancy as the definition of a travel protection plan per the Act includes non-insurance benefits, travel assistance services and waivers as is acknowledged in the next standard, Standard 2.

### Standard 3 – Marketing and Sales

The Review Procedures and Criteria for Standard 3 do not align with the standard. The Model Act (Section 4(B)(2)) requires the limited lines travel insurance producer, not the travel retailer, to establish and maintain the registry. While state laws may differ somewhat, the Model Act requires that the limited lines travel insurance producer maintains and updates the registry. Retailers are on the registry; they do not maintain it, nor do they have possession of it.

As such, the second item under Documents to Review needs to be amended to reflect that the register would be in the possession of the limited line insurance producer. In addition, the first paragraph under Review Procedures and Criteria requires a similar change.

The third paragraph under Review Procedures and Criteria reads, “If the examiner is unable to obtain the information from the travel insurer or the limited lines travel insurance producer, the examiner may request the information directly from the travel retailer. A random sample should be selected for review from the travel insurer’s register.” The first sentence should be deleted and the second amended to reflect that it is the limited lines insurance producer in possession of the register.

### Standard 4 – Marketing and Sales

This standard relates to the section of the Model Act (Section 4(B)(2)) that requires that “[t]he limited lines travel insurance producer shall also certify that the travel retailer registered complies with 18 U.S.C. § 1033.” Documents to be Reviewed include “Travel insurer and department of insurance producer licensing records.” Per the Model Act, it is the limited lines travel insurance producer who will certify that the travel retailer registered complies with 18 USC §1033. It is the limited lines travel insurance producer who will maintain the 1033 certification. In addition, the Documents to be Reviewed includes “Travel insurer advertising and sales records.” It is unclear what relation these documents have to do with § 1033 compliance. APCIA suggests deleting both of these.

Under Review Procedures and Criteria, APCIA suggests deleting all but the first paragraph – “Examiners should request information from the travel insurer or limited lines travel insurance producer that is sufficient to determine compliance with this standard.” A travel retailer would not have access to § 1033 certificates of other travel retailers, but, rather, only its own certificate. Review of insurer records, again, will not provide information germane to this standard as it is the limited lines travel insurance producer who certifies that travel retailers comply with 18 USC §1033. Finally, it is unclear what relation advertising and sales records have to § 1033 compliance.

Standard 8 – Marketing and Sales

Under Review Procedures and Criteria, the first paragraph requires, “Examiners should request information from the travel insurer or limited lines travel insurance producer that is sufficient to determine compliance with this standard. If the examiner is unable to obtain the information from the travel insurer or the limited lines travel insurance producer, the examiner may request the information directly from the travel retailer.” The travel retailer may not have knowledge of who the limited lines travel insurance producer’s DRP is.

Standard 11 = Marketing and Sales

Changing “the aggregator’s” to “any” results in an overly broad standard. APCIA suggests this change be rejected. Under Review Procedures and Criteria, “Review the travel insurer’s website or sources provided by others through an aggregator site to determine how travel insurance is marketed,” is overly broad. “Sources provided by others” is vague. In addition, we suggest replacing “to determine how travel insurance is marketed” with “to confirm there’s a short summary of the coverage with access to full policy,” - consistent with this standard.

Standard 1 – Producer Licensing

APCIA requests that the changes suggested to this standard be rejected. The Model Act provides clear producer licensing requirements in Section 4(B)(1) that specifically spells out the information required to be provided.

Standard 1 – Underwriting and Rating

Under Review Procedures and Criteria, the first paragraph states, “Examiners should request information from the travel insurer or limited lines travel insurance producer that is sufficient to determine compliance with this standard. If the examiner is unable to obtain the information from the travel insurer or the limited lines travel insurance producer, the examiner may request the information directly from the travel retailer.” It is unlikely that travel retailers would have this information.

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Thank you for the opportunity to provide comments. If you have any questions or would like to discuss any of our comments further, please let us know.

Respectfully Submitted,



Lisa Brown  
Assistant Vice President, Market Conduct and Counsel