



## Division of Insurance Market Regulation

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July 6, 2023

Sent via email: [TCooper@naic.org](mailto:TCooper@naic.org)

Erica Weyhenmeyer, Chair  
Market Conduct Annual Statement Working Group  
c/o Teresa Cooper  
Market Analysis Manager  
National Association of Insurance Commissioners  
1100 Walnut St, Suite 1500  
Kansas City, MO 64106

RE: Potential MCAS Process Changes

Dear Ms. Weyhenmeyer,

Thank you for the opportunity to provide comments on potential changes to the process for making changes to MCAS statements.

During the last meeting, we understood the following three potential process changes were presented to the Market Conduct Annual Statement Working Group.

1. Encourage weekly subject matter expert group (SME) meetings from the beginning (instead of bi-weekly or monthly meetings).
2. Provide a current draft of changes in the meeting materials when SME Group updates are provided to the Working Group.
3. Reporting changes for existing lines of business could have a later approval deadline (as compared to a new line of business,) such as financial statement changes being allowed the year before reporting.

Missouri is concerned about the limited exposure/comment periods afforded before voting on several of the recently added lines of business. We support implementing items 1 and 2; however, we do not believe these items alone adequately address our concerns. Implementing item 3 would not address our concerns.

Adequate time to evaluate proposals presented to the Working Group for consideration must be provided so that:

- All parties have an opportunity to evaluate the final proposal and provide meaningful comment, and;



- Any comments on the proposal can be carefully considered by the entire Working Group before the matter comes to a vote.

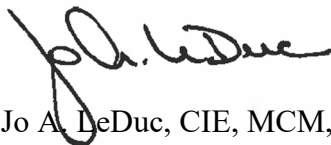
To ensure ample time to consider proposed new lines of business is provided, we suggest adding a deadline of April 1<sup>st</sup> for the SME to complete its work and present it to the Working Group for consideration. Setting such a deadline gives all parties sufficient opportunity to review the final proposal and provide comments. It will also give the Working Group time to thoroughly discuss the proposal, consider any comments and make necessary amendments to the proposal before voting.

Implementing items 1 and 2 would help move the process along; however, neither guarantees that ample time will be available in advance of the June 1<sup>st</sup> deadline for the Working Group to thoughtfully consider a proposal. However, setting an April 1<sup>st</sup> deadline for the SME to complete its work would ensure adequate time is provided.

Not all departments have the ability to commit the resources needed to participate in an SME or review multiple versions of a proposal. Any changes made to the process must allow all parties adequate time to consider and comment on the final proposal submitted to the Working Group before voting.

Again, thank you for the opportunity to comment.

Sincerely,



Jo A. LeDuc, CIE, MCM, CPCU, FLMI, AIDA  
Director, Insurance Market Regulation Division