Commissioner Kathleen A. Birrane [00:00:00] As a kid, if the NAIC was a neat place, particular family vacation spots and my mom and my sister and I would go along.

Dir. Lori K. Wing-Heier [00:00:09] It's interesting because when Linda was the commissioner, I was at that time a broker, so she held my license.

Mike Consedine [00:00:15] Welcome to The Regulator's, a podcast where we break down important issues facing consumers, state insurance regulators in the industry as a whole. I'm your host, Mike Consedine, CEO of the NAIC and we are glad you all are joining us. In 2021, the NAIC is celebrating 150 years of serving state insurance regulators across the US and the consumers and markets they serve. And on behalf of the NAIC, we are pleased to have our podcast guests and listeners take part in our celebration as we discuss topics that cover our past, present and future.

[00:00:50] Notable strides have been made in the advancement of women in the insurance industry, but candidly, more needs to be done. A recent white paper published by Million Woman Mentors notes that while women make up almost half of the sales agents at 85 percent of claims and processing clerks, only 11 percent of named executive officer positions and 19 percent of board seats at insurance companies are made up of women. The numbers are even worse for women of color. The NAIC has been privileged to have women in significant executive roles and in shaping our organization and navigating us through crises like September 11th and the financial crisis, just to name a few. Joining me today are two women at the helm in their respective states leading the way in insurance regulation. Even more interestingly, as we'll get into both guests have a family history of service and insurance regulation. Maryland Commissioner Kathleen Birrane has an extensive background as a principal counsel for the Maryland Insurance Administration, previous partner at a global law firm where her practice focused on regulatory compliance and insurance and reinsurance transactions. And as I noted her, dad, actually served as Maryland insurance commissioner from 1976 to 1982.

[00:02:04] My next guest is no stranger to insurance or the NAIC either, having served for 30 years in the insurance field, which includes experience as a broker and as an agent, and currently as director of the Alaska Division of Insurance Director Lori Wing Heier's sister, Linda Hall also served as Alaska insurance Director for nine years from 2003 to 2012.

[00:02:27] So first off, thank you for joining me today to both of you and helping me celebrate, and helping the NAIC celebrate Women's History Month.

Dir. Lori K. Wing-Heier [00:02:36] Thanks Mike.

Commissioner Kathleen A. Birrane [00:02:38] Thank you.

Mike Consedine [00:02:38] So let's jump right in, because there's a lot of ground I want to cover with you both, particularly given your your fascinating backgrounds.

[00:02:46] But let's start off on a possibly a little bit more serious note, because that statistic that I read where women only make up 11 percent of executive positions in the
insurance industry was a pretty startling, disappointing and frustrating number for us to see, particularly given the attention we focused on the need for better diversity in the insurance sector over the past decades. So I'm particularly interested in your views as leaders in the insurance sector about ways that we can close that gap. And I know recruitment and awareness are key, but I'm really interested in hearing from you, two, given your background, given your personal, practical experience with dealing with this at your agencies in prior positions. What can we do that can really make a difference and ensure that women are at the table? So, Director Wing-Heier, let me start with you and just ask you sort of what advice generally do you give to women that are seeking an executive role in the industry? And sort of what's been your experience in terms of steps and actions that actually make a difference?

Dir. Lori K. Wing-Heier [00:03:57] I'm a big believer that women can do so much more than they are currently being tasked with, and I think we're better at it. And I don't say that to be condescending, but I started my insurance career as a clerk because that's what was available to me. And then I moved up and I literally a clerk delivering mail and an insurance agency. And then I moved up to where I was an agent doing personal lines, eventually commercial, an assistant to eventually a producer of my own, my own book, and ended up as a senior vice president with a national firm. I think women need to take the chance. I don't think there's any shame in starting out as a clerk or as an assistant. But I think you take the chance when it's presented to move yourself up, take classes, do the CIC, do the CISR, continue to improve yourself, draw attention to yourself in a good way so that when that position comes up that you're eligible to take it and take the chance. And that's what I would encourage women to do. As that insurance, I don't want to say it's not rocket science, but you can apply yourself and hopefully we can see more women move up, not just into being the director of insurance for a senior vice president of a firm, but actually being the CEO or the CFO or the COO of the insurance companies that we regulate.

Mike Consedine [00:05:25] That's excellent advice. Certainly, I think the importance of just even attracting women to the insurance sector is probably a challenge. Attracting anybody sometimes to the insurance sector can be a challenge. But it is, I think, such a rewarding proposition in terms of what you can do in the difference that this field can make to the lives of many. But, Commissioner Birrane, let me turn to you.

[00:05:50] I mean, one of the things that we hear often that is that works or is a game changer is the role of mentors and role models. And now we're being sort of more of the term of, you know, sponsorship, somebody who is there advocating for you within an organization, maybe talking in terms of your views around mentors in your career or other things that really made a difference in your professional track.

Commissioner Kathleen A. Birrane [00:06:17] I mean, there are certainly people that I look at that I have learned from either directly because I've had a direct working relationship with them and know they've taken the time to help me into and to mentor me, to help me grow, to identify places where I needed to adjust or give me advice about next steps. And then people who I've worked with a little less directly. But I admire, you know, more from a distance. I think that the important thing, particularly in seeing because I've had wonderful role models and wonderful mentors, both men and women, when I think about the women in particular, like someone like Stasia Kelly with DLA and Stasia's been such a trailblazer in so many areas, is really, you know, someone really is an example of how to move through challenging environments, identifying and utilizing allies and really keeping the trail open behind you. I think that the thread of this and helping women and
frankly, any underrepresented group getting into leadership and into the C-suite also has to do about attitudes and how we define competence. Right. So we need to have an appreciation for different styles and different approaches. So, you know, what do we see as leadership and success? Are we about perpetuating images at the top because each successive set of leaders looks to replace themselves or we kind of opening it up to seeing and valuing, you know, a style that may be your approach or an appearance or speech patterns as having merit, even though they may not be exactly ours. So I think that one of the things that's really important, you know, as as we are able to advance in our own careers, looking at the women that I've seen as trailblazers, are women who've been able to master their existing environment. But as they turn around, they open that pathway so that there are more and different and varied voices and styles that are recognized as meritorious and competent. And it's not just a cookie cutter. You have to look this way, talk this way, act this way in order to make it into a leadership position that leaders come in all different kinds of sizes and shapes and styles. And ultimately it's the end result. And what we're able to achieve, and I think as women step into those kinds of leadership roles themselves, the biggest and best thing that we can do is make sure we widen those pathways.

Mike Consedine [00:09:06] So true.

[00:09:07] And again, I want to be able to talk a little bit also about sort of the mentors that have been within your own families as well, because I think in many ways, they probably helped shape your professional careers and your views around the roles you have as we speak.

[00:09:26] But again, Kathleen, let me start with you.

[00:09:30] I mentioned your dad, Ed, was Maryland State Insurance Commissioner, served at the administration. So, you probably more than many of our members had a sense coming into your role what was actually required, sort of the significance and importance of this position. So, it gave you, I think, really unique perspective. And I think you once even told me that you attended NAIC and meetings in insurance meetings generally with your dad as a kid, just to get out of pure curiosity, what was that like and it really how did it influence your later career choices. I'm fascinated to hear if you have any sort of recollections or memories of the NAIC of the past.

Commissioner Kathleen A. Birrane [00:10:17] Yea I do. I didn't go to substantive meetings, but as a kid, if the NAIC was in a neat place like New York or Florida, not that other states aren't neat to, but in particular family vacation type spots, my mom and my sister and I would go along and I would enjoy the family programs that they had back in the day. In fact, my first Broadway play in New York was during an NAIC meeting. So, my father snuck away in the evening and I saw Godspell. So very, very fond memories of those events and the social events there, the sort of the evening activities that the interesting people that were part of it. But I have to laugh and tell you that, you know, it may have driven me away initially because I kind of started my academic life as a Psych major. I mean, I wanted to be a doctor and then eventually I want to be a psychiatrist, but I can't do math. And physics was really not in the cards for me. So eventually I moved on. And what I really was drawn to was the law as a social justice tool. My dad himself was a lawyer. So, I saw him fundamentally as a lawyer and in my early practice had nothing to do with insurance. But he kind of crept in that direction. And then I found that that I was fascinated by the business of insurance, the regulation of insurance, the same reasons that I was attracted to law, just the intellectual fulfillment of that field, and that's when
things were so much fun with my dad. We recognize the anniversary of his death on March 4th, that he'd been gone for 20 years. And I'm so grateful for the years that we had together where while we didn't practice in the same firm, we did a lot of insurance, regulatory stuff together. And most fun was going back to NAIC meeting with him as an adult and going to meetings and meeting people and really getting to appreciate who he was and how much he knew and what he had accomplished, but also meeting many of the, you know, the members of the Passe' Club and what they've gone on to do. And just the incredible resource that not only the NAIC itself is, but this is history of people that have been in this field so long. So that was a really a wonderful time together.

Mike Consedine [00:12:45] Well, thank you for sharing that. And, you know, and I couldn't agree more. I mean, I've often described, you know, our membership is sort of, you know, a tapestry that goes back, you know, 150 years and is there everybody's so interwoven with their counterparts and their colleagues. And, you know, that collective community really kind of defines the organization. And honestly, I think if it's one of the ingredients to the secret sauce that is the NAIC in terms of how we're able to manage to get things done and often divisive world around us. And so Lori let me turn to you. You had a similar legacy and influence in your sister, Linda, who held this position previously. And it's funny, I went back and I wasn't commissioner at the same time as your sister, but certainly she was still very much a part of that world when I was practicing law and was a real leader in the NAIC and certainly for Alaska.

[00:13:46] And I read with somewhat amusement in an article that came out shortly after she had announced her retirement for about the search for her replacement. And I think the quote from the person who was leading the search committee on behalf of the governor's office was "We're looking for a clone of Linda". And, well, it wasn't immediate. I think to some extent, you know, they ended up finding something pretty close, at least in terms of the qualities that were highlighted in that article, that she was able to thrive in sort of this independent environment and at a very personal touch, you know, answering her own phones, dealing, you know, one on one with consumers. And I know that's a really important part to sort of the cultural aspect of particularly in Alaska, but, you know, maybe beside the family tie, to what extent was her role, the topic of conversation? And to what extent did she ultimately play in your recruit to your current position?

Dir. Lori K. Wing-Heier [00:14:51] Well, you know, it's interesting because when Linda was commissioner, I was at that time a broker. So, she held my license. So, we had a heated conversation over what might happen to a law that was being presented to the legislature. And I certainly remember talking to her. We had a company that was put into receivership and going through that exercise. And again, I was the broker and she was the director. But it was interesting to do that interaction, which she held my license. Linda retired in '12, and they brought in a gentleman. I was asked if I was interested in the position and I said no. At that time I didn't want to follow her. I really was reluctant to do so. But they brought in a gentleman and frankly, he didn't like the job. He was not comfortable with it. He didn't realize the amount of time it takes to travel at that point. And he lasted about 18 months. And so then I got a call from several friends within the administration and asked me if I would be interested. And at that point I said yes. And so we had the discussion and I came in. But I did talk to Linda about did she think I could do it and what where might I fail? And she's like, you're not going to you're going to be different than me, but you're not going to fail. And I think that's true. I think there's a lot of similarities between us, the relationships we've established, within the NAIC within the legislature, within the administrations we've worked with. But I think there's also differences she had, if you will, crisis's that she dealt with when the work comp market when it crashed. I had the ACA. So
we've had to focus our efforts on different industry topics for consumers. But I think both of us have done a good job and I still, on occasion, call her to use her as a sounding board of what would you think or how do you think this is going to be viewed? And even though she lives in Arizona and it's a million miles away from me, I still value her and will reach out to her on occasion on things that are really controversial. And no matter what the solution is, it's going to be controversial. And so I appreciate her still being around.

Moment in History Segue [00:17:07] Hello, I'm George Nichols III and this is an NAIC Moment in History. In the year 2000, I became the NAIC's first Black president. For more on the history of the NAIC and its 150 years in insurance regulation go to Naic.org.

Mike Consedine [00:17:26] It's great to have that as an ongoing resource for you in terms of advice. But curious in terms of the advice she gave you coming into the role. And, you know, for an example, I had a wonderful mentor in a former Pennsylvania commissioner, Connie Foster, who probably was around the same time as Linda. And I know Kathleen, you know Connie. But Connie was, you know, sort of an amazing mentor and lots of good advice. But one she gave me, which was very practical but turned out to be very profound, which was, you know, don't make personnel decisions in your first 60 days. Take the time to evaluate the team. Remember, you know, these are professionals who've served under multiple administrations, multiple commissioners. And that turned out to be really good advice. But I'll ask you both. But start with you, Lori. Sort of any piece of advice that you've kind of gone back to time and time again as being a really good one?

Dir. Lori K. Wing-Heier [00:18:26] I think the best advice she gave me was to remember that particularly with the legislature, we're about good policy. We're not about politics. And two, it doesn't matter what my personal view is as a Republican or a Democrat or an Independent, when I'm going over with the bill, it's what's good for Alaska, what's good for the consumers, and will it work with the industry? And that I've got to be able to explain the bill, good and bad, to all 60 legislators and get their buy-in. If I'm going to be effective and that's, sometimes a little bit hard to do. We're a diverse legislature. We come from rural areas and the more metropolitan, if you will, Anchorage area. So they, as I'm sure they do in Colorado and in Maryland, they see things differently. But I think being open and honest and available to a legislator at any time during session or even off session, if it helps a lot. And I took that advice very seriously.

Mike Consedine [00:19:24] Absolutely. And again, such a great piece of advice and similar to another one I got, which is, you know, remember, your job as a regulator is to be an umpire calling balls and strikes. You're not there defining the rules of the game. But, Kathleen, sort of any pearls of wisdom from your dad that you still lean on these days?

Commissioner Kathleen A. Birrane [00:19:43] Sure. I mean, you know probably more general ones, because he had passed by the time I became the general counsel, certainly by the time I became commissioner. But my father really think there are three things that he particularly emphasized with all of us. Be excellent you know, whatever you do, do it well. Give it your all, be kind that's probably the most important thing. You know, as you walk through life and interact with other people, lead with kindness. And then I think the other thing that was really important and something I've always tried to keep track of is recognizing that I'm only ever racing against myself, you know, he said. That was a thing of his he said, the competition is always is always with yourself. But, you know, when I came into this role, Al Redmer, who was my predecessor, gave me advice very similar to both what Mike you've said, which is, you know, remembering what my specific role is, the
calling balls and strikes that we enforce the law. We're neutral in terms of just I'm there to educate, to bring my experience to bear for the benefit of the legislature. And I think those are really important things in recognizing the incredible professional career staff that are here and how valuable they are and taking full advantage of that. So Al's not my dad, but he did give me lots of pearls of wisdom when I started.

Mike Consedine [00:21:19] Yeah. And then again, I think that's the great thing about rules like the ones you have. The people who sit in those chairs are there to continue to advise and counsel and are happy to do so. I appreciate you both sharing those memories and I think some very good advice. So before we get to a little bit of the fun part of the discussion, let me talk a little bit just finally about sort of the present and you know, where you all are focusing your efforts and energy in 2021 as an organization. As you know, we just got done announcing our regulatory priorities, you know, at a big picture level for the year ahead. You know, certainly ongoing recovery from the pandemic, but also issues like long-term care insurance, the role of big data and A.I. and climate risk and resiliency, to name a few, you know, just some small problems that we get to tackle as an organization. But, you know, I'm curious to hear from both of you in terms of, though, from your respective states, Maryland and Alaska, you know, where you focus right now. What are you hearing from your consumers on in terms of what's important to them and your market?

[00:22:36] So, Kathleen, I'll start with you.

Commissioner Kathleen A. Birrane [00:22:38] But I'd say all of the above. You know, I mean, I think all of those topics are really important topics. And they're all in one way or another on the agenda for our legislature, which is currently in session. Obviously, Covid and insurance issues related to Covid telehealth are top of mind, vaccine charges, testing coverage. Those are all top of mind for people. You know, long-term care is a large concern, an issue in Maryland. And our legislature has a number of things that it's looking at this year. Climate has become more and more important. And we're just a just a few inches up the road from D.C. and, you know, as the Biden administration has come in, there's been a really renewed focus there. So, again, with regard to what climate means systemically, financial institutions generally, but certainly for insurance is big; and then, of course, you know, race and insurance issues generally across really all lines in terms of social justice issues, as well as looking at, you know, representation within the workforce and within industry itself.

[00:23:48] I mean, one of the things that we're doing here very specifically is working with educators in looking at bringing more diverse people into the workforce through our education initiatives and forming an alliance with colleges and Coppin State, which is a primarily African American institution, a historic institution, and trying to set up an insurer, tech and insurance concentrations within their existing data science degree. So, you know, both working with members of the legislature that have helped set up those relationships and now the administration itself, that is certainly an area that relates directly to insurance, that ties in with what the NAIC is doing.

Mike Consedine [00:24:34] So Lori, about 4,500 miles away and a different ocean, different coastline. How similar or different are the concerns of Alaskan consumers to that of Maryland?

Dir. Lori K. Wing-Heier [00:24:48] I think they're very similar in some respects to what Kathleen said. But on the other hand, we're a little bit different. And I'll tell you why. On the
climate, one in particular, Alaska, is we understand the climate is changing. We're seeing our glaciers melt. We're seeing the water come up. We're seeing atmospheric rivers that are causing landslides and horrendous damage. We're seeing the water in the Pacific Ocean warm so the system is not returned. So we're very cognizant of those changes to our climate and the impact to Alaska. On the other hand, we're walking a real thin line. Our industry is oil and gas, and so it's a political nightmare, it's a moving football of how do you balance to, for the one industry you have that probably well, it supports the state. We don't have an income tax, but yet recognize the impact of climate change. And it's going to be a lot of work. And I don't think it's just for Alaska, I think there's other states that are going to face it, too. But we are very cognizant of it. And I think within the economy, after Covid is going to be key.

Mike Consedine [00:25:56] You really do have to appreciate, given your comments, that, you know, you right are right there as in terms of a state in between those two interests. So, you know, I guess, though, gives you a really good place to figure out sort of a balanced way forward. But I think you've both indicated, you know, that as an agenda, that as an organization we also agree is going to be front and center for a variety of reasons, both, as, you know, just an important social issue that it's impacting so many of our states in different ways here. And, you know, my adopted state of Colorado, we are looking at another wildfire season ahead. Unless we get some more moisture that's going to be, you know, very, very devastating potentially. And, of course, that's repeated in different ways across the country. And we've got the federal and ultimately international focus on it. So I expect 2021 will be a very busy year for both of you. And I'm glad you both are where you are. So thank you for sharing your insights and really thank you for sharing, you know, your thoughts and recollections of your impact of your family members on your careers. But before I let you go, every podcast has its gimmick and we have ours, which is Regulator Risk Roulette. It's designed really to let our listeners get to know perhaps a different side of our guests. There are six categories we get to play around with Risky Business, Keep it Professional, Childish Things. Very interesting, Getting Personal and That's Entertaining. So I hope you both are ready to play?


Dir. Lori K. Wing-Heier [00:27:35] Let's go.

Mike Consedine [00:27:36] All right. Well, let me give the virtual wheel a spin here and see what we end up with. All right, well, we end up with Childish Things, which is a fun category, and I think probably ties in is not a personal assessment in any way, but it gives us a good time to some of our discussions about your family histories.

[00:28:04] And here's the question, Lori. I'll start with you. What did you want to be when you were 10? Because I'm guessing it maybe wasn't an insurance regulator, but maybe it was given your family history?

Dir. Lori K. Wing-Heier [00:28:15] You know, Mike, I tell everybody, nobody ever grows up thinking I'm going to be an insurance.

[00:28:21] I don't think -- I wanted to go to law school. And in many ways, when I'm sitting at night working and reading through a statute book, I think I did. Yea, I wanted to go to law school.
Mike Consedine [00:28:38] Well as a recovering lawyer, I will tell you, I think you're getting to do the best parts of being a lawyer in terms of advocacy and policy making. And given your expertise in it, I think you certainly didn't need an additional three years of education. It's a great profession. And being a regulator does give you the impact ability to impact policy in such a profound way. Kathleen, your turn. So when you were 10, what did you look up at the stars and dream of becoming?

Commissioner Kathleen A. Birrane [00:29:07] Well, you know, I think I was in, like the fifth grade then and then that's when I decided I wanted to be a surgeon. Like, I was just fascinated with the idea of surgery and probably date myself if I talked about some of the medical TV shows that were on at that time when my dad was a lawyer. So that was always interesting in the insurance stuff. But we didn't have any doctors in our family and that seemed to me to be the coolest thing you could possibly be. But as I said, you know, that first year college physics wasn't working out for me.

Mike Consedine [00:29:41] Oh, well, I can commensurate it again. I think many of us who ended up going to law school, that was driven by the fact that we were mathematically and scientifically challenged in some way. So I hear you.

[00:29:55] Thank you both again for playing along. And thank you all for listening to The Regulators. Please join us each month and subscribe to the regulators wherever you get your podcasts. We'll see you next time.