

## **Retirement Security Working Group**

Insurance is a key part of a comprehensive retirement plan. Personal financial security involves not only robust pension and retirement savings plans, but also annuities and life, health, disability, and long-term care insurance coverage. Because insurance plays an important role, state insurance departments should play a major part in helping put Americans on a path toward secure retirement.

Thus, insurance regulators through the NAIC developed its Retirement Security Initiative in 2016.

The Working Group has the following charge: Explore ways to promote retirement security consistent with the NAIC's continuing Retirement Security Initiative. The Working Group shall promote retirement security through the following Work Plan.

### **Education**

1. Investigate the cause(s) of American's low savings rate and propose solutions to improve the savings rate and retirement plan participation of everyone.
2. Research and develop a financial education curricula/ resources for individuals for each life stage beginning with high school through retirement to plan and save for retirement (subjects should include financial literacy and good financial decision-making, time value of money, long-term care, and debt/credit/credit scoring).
3. Explore whether women and members of the "sandwich generation" may need extra attention in this area as they often have less money saved for retirement due to being out of the work force caring for children and/or parents.
4. Review education/CE requirements for insurance producers to ensure requisite knowledge of suitability requirements as well as prohibitions such as unfair trade/marketing/advertising practices and determine if additional CE requirements are needed.
5. Develop an education campaign targeting employers to provide retirement plans and assist employees with saving for retirement.

### **Consumer Protection**

1. Develop a NAIC produced document identifying top 10 insurance/annuity scams and fighting various types of insurance fraud and teaching consumers about possible scams/fraud and suitability.

2. Inventory and support further enactment of consumer protection laws (e.g., NAIC suitability; disclosure model laws; long-term care) that enhance retirement security

### **Innovation**

1. Hold an Innovation Forum with industry to identify and address areas where current laws/ regulations unnecessarily stifle innovation.
2. Examine the compensation structures of insurance products and services and explore other structures and incentives to ensure better inclusiveness (e.g., to ensure that all levels of net worth have access to expert advice).
3. Explore how new technologies and big data/analytics can be used to benefit consumers (affordability and accessibility?) and the insurance industry.
4. Research and identify initiatives that state and federal governments could take to assist individuals and employers to improve and increase retirement options.

### **“Plan of Action”**

Develop and adopt a final issue document that incorporates an education campaign, education curricula, anti-fraud alerts related to insurance and how insurance impacts and can aid with retirement security. The document should include a plan for continued support and promotion of retirement security.