

From: Julie Fairbanks <Julie.Fairbanks@scc.virginia.gov>
Sent: Friday, May 1, 2026 11:34 AM
To: Cook, Jennifer <JCook@naic.org>
Cc: Blauvelt, Julie <julie.blauvelt@scc.virginia.gov>; McCauley, Amanda <Amanda.McCauley@scc.virginia.gov>; Gerachis, Melissa <melissa.gerachis@scc.virginia.gov>
Subject: FW: (A) Committee - Market Data and Scanning Priority -- Question for Comment by 4-30-26

Jennifer,

Virginia has not adopted MODEL 582: LIFE INSURANCE ILLUSTRATION MODEL REGULATION, so we have limited regulatory authority over life illustrations. However, we have provided the following thoughts in response to the survey (in blue):

Are there ways that technology can be used to improve market regulation (related to advertising, marketing and sales) for the benefit of consumers? In particular, are there ways that regulators can be more proactive rather than retrospective. For example:

- ***Are there tools to evaluate and compare projected accumulations in an annuity illustration at time of sale with subsequent actual performance? This could help identify which annuities significantly fail to meet projections or require an update to the illustration. On an individual product basis, an Excel tool could be developed to compare the interest rates illustrated to the actual return. VA does not currently have this tool, but believe it could be developed.***
- ***Are there tools that could be used to monitor IMO compensation incentives? Other than verifying that the IMO has the appropriate licenses, we have limited regulatory authority over IMOs.***
- ***Are there efficient ways to monitor what consumers actually see? We cannot identify an efficient process other than doing a data call and asking for sample illustrations.***
- ***Are there ways to aggregate findings to provide early feedback to industry to encourage course correction in real time? Possibly issuing guidance based on examples of what to do or what not to do when designing illustrations.***
- ***Are there any other ideas or suggestions we should consider? Tie the interest rates included in illustrations to a public, published index.***

Please let us know if any additional information or clarification is needed.

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