

Pandemic Business Interruption Federal Insurance Mechanism - Learning from the Past, Thinking About the Future

Tuesday, December 8, 2020

11:00 a.m. ET / 10:00 a.m. CT / 9:00 a.m. MT / 8:00 a.m. PT

DURATION: 3 HOURS





Given the systemic, correlated, and non-diversifiable nature of the pandemic peril, many including the NAIC, the insurance industry, and the small business community believe a federal mechanism is likely necessary to ensure widespread availability of business interruption coverage for pandemics. However, the optimal design of such a mechanism has been the subject of ongoing debate. A number of proposals have been put forward that will be detailed here during our session. Importantly, we will also explore lessons learned from other existing federal insurance programs such as those for flood, crop, and terrorism , as well as discuss other lines of business impacted by the pandemic that may have not received as much attention.

Agenda

Tuesday, December 8, 2020

11:00 a.m. ET / 10:00 a.m. CT / 9:00 a.m. MT / 8:00 a.m. PT

Welcome and Opening Remarks

10:00 a.m. – 10:05 a.m. CT

- > Ray Farmer, Director, South Carolina Department of Insurance, NAIC President

Panel 1: Setting the Stage - BI Background & Federal Insurance - Flood, Crop, Terrorism - Key Lessons Learned

10:05 a.m. – 10:50 a.m. CT

Moderator:

- > Mark Sagat, NAIC

Panelists:

- > Jeff Czajkowski, Director, NAIC Center for Insurance Policy and Research (CIPR)
- > Baird Webel, Congressional Research Service (CRS)

Panel 2: Pandemic Business Interruption - Overview of Current Proposals

10:50 a.m. – 12:05 p.m. CT

Moderator:

- > Brooke Stringer, NAIC

Panelists:

- > Jake Friedman, Legislative Assistant, Congresswoman Carolyn B. Maloney (NY-12)
- > Don Griffin, American Property Casualty Insurance Association (APCIA)
- > John Fielding, Chubb
- > Brandon Fick, Zurich Insurance
- > Charles Landgraf, (Arnold & Porter), Business Continuity Coalition

Panel 3: The Pandemic Risks Landscape

12:05 p.m. – 12:30 p.m. CT

Moderator:

- > Mark Sagat, NAIC

Panelists:

- > Jason Schupp, Centers for Better Insurance, LLC

NAIC Perspective and Concluding Remarks

12:30 p.m. – 12:35 p.m. CT

- > Ethan Sonnichsen, Managing Director of Government Relations, NAIC

Welcome and Opening Remarks

Ray Farmer

Director, South Carolina Department of Insurance
NAIC President

Welcome and Opening Remarks

Ray Farmer

Director, South Carolina Department of Insurance, NAIC President



Raymond G. Farmer was appointed by South Carolina Governor Nikki Haley to serve as Director for the South Carolina Department of Insurance on November 13, 2012. With more than 40 years' experience, Farmer earned his bachelor's degree in insurance from the University of Southern Mississippi and earned his law degree from Atlanta's John Marshall Law School.

Farmer served as the Deputy Insurance Commissioner of the Enforcement Division for the Georgia Department of Insurance and more recently as vice president for the American Insurance Association. As a part of his service, Farmer has served for more than 30 years on the board of directors of the Georgia Arson Control Program, an organization aiding firefighters and prosecutors combating arson. He is a member of the State Bar of Georgia and a member of the Tort and Insurance Practice section, as well as the Workers' Compensation section.

In 2012, Farmer was awarded the Herman Hass Award by the Independent Insurance Agents of Georgia for service to the insurance industry. Also in 2012, he received a Presidential Citation for Outstanding Service to the insurance industry from the Professional Insurance Agents of Georgia. Recently, Farmer received the 2014 Industry Person of the Year from the Independent Agents and Brokers of South Carolina.

Farmer is a native of Atlanta, and he and his wife, Gayle, have two children and five grandchildren.

Panel 1

Setting the Stage: BI Background & Federal Insurance –
Flood, Crop, Terrorism – Key Lessons Learned

Jeff Czajkowski

Director, NAIC Center for Insurance Policy and Research (CIPR)

Baird Webel

Specialist in Financial Economics, Congressional Research
Service (CRS)

Dr. Jeffrey Czajkowski

Director, NAIC Center for Insurance
Policy and Research (CIPR)



Dr. Jeffrey Czajkowski serves as the Director of the Center for Insurance Policy and Research (CIPR) for the National Association of Insurance Commissioners (NAIC). The CIPR provides research and education to drive discussion and advance thought leadership as well as action on current and emerging insurance issues amongst insurance regulators, policymakers, industry, and academics. This is accomplished through CIPR's events, research publications, newsletter and website, the Journal of Insurance Regulation, and its extensive NAIC research library holdings.

Prior to joining the CIPR, he served as the Managing Director for the Wharton Risk Management and Decision Processes Center at the University of Pennsylvania, conducting research on various economic and risk-related issues of natural disasters and resilience, as well as on issues of environmental economics. His work has been published in leading risk management, insurance, natural hazards, and environmental economics journals. A significant amount of his research involves working collaboratively in cross-disciplinary research teams and applying research findings through various interactions with top policymakers and senior executives in the insurance industry. This has included serving on two National Academy of Sciences committees, being an academic advisory board member for the World Economic Forum's Global Risk Report, and a member of the Federal Alliance for Safe Homes (FLASH) Resilience Policy Council amongst other appointments.

He holds a B.S. from Carnegie Mellon University, an M.S. in environmental and urban systems from Florida International University, and a Ph.D. in economics from Florida International University. Preceding graduate school, he worked in New York City as a research associate for Coopers & Lybrand Consulting and was a vice-president for JP Morgan. He has taught economic courses for over 15 years at a number of universities, and was an adjunct assistant research professor at the International Hurricane Research Center (IHRC) at FIU.

Panel 1

Baird Webel

Specialist in Financial Economics,
Congressional Research Service (CRS)



Mr. Webel has worked in the Congressional Research Service for more than fifteen years. His focus is on financial institution policy, particularly non-health insurance issues. He has written on most insurance issues before Congress including the Terrorism Risk Insurance Act, the insurance provisions in the Dodd-Frank Act, the National Association of Registered Agents and Brokers, and international insurance issues. He coordinated the general CRS report on the Dodd-Frank Act and addressed in detail the Troubled Asset Relief Program and other policies undertaken to address the 2008 financial crisis. Before joining CRS he worked as a congressional staffer for seven years handling a wide variety of issues. He holds two Master's degrees, in Economics and in Foreign Service, from Georgetown University and a Bachelor's degree in International Relations from Stanford University.

Panel 2

Pandemic Business Interruption - Overview of Current Proposals

Jake Friedman

Legislative Assistant, Congresswoman Carolyn B. Maloney (NY-12)

Don Griffin

Department Vice President, American Property Casualty
Insurance Association

John Fielding

Senior Vice President, General Counsel, Global Government,
and Industry Affairs, Chubb

Brandon Fick

Chief Underwriting Officer, Zurich

Charles Landgraf

Senior Counsel, Arnold and Porter, Business Continuity Coalition

Panel 2

Jake Friedman

Legislative Assistant, Congresswoman
Carolyn B. Maloney (NY-12)



Jake Friedman is a Legislative Assistant for Congresswoman Carolyn B. Maloney, who represents the 12th Congressional District of New York. He oversees the financial services legislative portfolio and the Congresswoman's work on the U.S. House Committee on Financial Services.

Panel 2

Don Griffin

Department Vice President, American
Property Casualty Insurance Association



Don Griffin is Department Vice President, with the American Property Casualty Insurance Association (APCIA). APCIA is the largest property and casualty insurance trade association with over 1,200 member companies nationwide. APCIA's members write nearly 60 percent of the all the property and casualty insurance in the U.S.

Don and his staff are responsible for the development of public policy on automobile, property, and catastrophe issues at both the state and federal level.

He is APCIA's point person on catastrophe and flood insurance issues and has helped lead the organization's policy-related pandemic response. Including more than 22 years with APCIA, Don has over 35 years of experience in the property and casualty insurance business including management responsibilities at both agency and company levels.

Prior to joining APCIA, Don worked in product development for the California Casualty Management Group based in San Mateo, California. His experience also includes personal lines management at Hall's Insurance Agency, Inc. in southeast Texas, business insurance sales for Liberty Mutual and life insurance sales for Integon Life Insurance Company.

Don is a member of the Society of Chartered Property Casualty Underwriters, and holds the Associate in Regulation and Compliance, Associate in Reinsurance, Associate in Risk Management, and Associate in Underwriting designations.

Panel 2

John Fielding

Senior Vice President & General Counsel
Chubb



John Fielding is Senior Vice President and General Counsel, Global Government and Industry Affairs, for Chubb. John provides legal, regulatory and policy guidance and advice in connection with state, federal and international legislative and regulatory matters, representing the company in a wide range of regulatory and industry settings.

Prior to joining Chubb earlier this year, John served as General Counsel for the Council of Insurance Agents & Brokers (CIAB). He was also Of Counsel with law firm Steptoe & Johnson, where, for over a decade, he represented CIAB, as well as other insurance trade associations, carriers and producers before Congress, the National Association of Insurance Commissioners (NAIC), the National Council of Insurance Legislators (NCOIL), and state insurance regulators with respect to policy and regulatory matters. John served on the Board of Directors of the National Insurance Producer Registry (NIPR) for many years, including four years as Vice President of the board. Prior to his tenure with Steptoe, he was Senior Counsel for Financial Services at the NAIC.

Panel 2

Brandon Fick

Chief Underwriting Officer, Zurich



Brandon Fick is Zurich's Chief Underwriting Officer in North America. He is responsible for underwriting, risk selection, pricing, portfolio management, predictive analytics and the management of the product suite offered by Zurich in North America. He was named to his current position in 2018.

His previous roles at Zurich included Head of Casualty for North America Commercial Insurance, Head of Casualty for Global Corporate in North America and Senior Vice President of Casualty for Global Corporate's large corporate customer segment. He joined Zurich in 1999 as an Underwriting Manager and has held a variety of underwriting and management roles. Prior to joining Zurich, Fick held a variety of underwriting and management roles at AIG.

Fick serves on the board of directors for the National Council on Compensation Insurance. Founded in 1923, the NCCI's mission is to foster a healthy workers' compensation insurance system.

Fick holds a bachelor's degree in risk management and Insurance and a bachelor's degree in business law from Temple University in Philadelphia.

L. Charles Landgraf

Senior Counsel, Arnold and Porter,
Business Continuity Coalition



Charles Landgraf is widely recognized by his clients and peers as a leading "go-to" practitioner for challenging regulatory and commercial problems in the insurance/reinsurance sector. Mr. Landgraf has been named one of "Washington's Best Lawyers in Insurance" by Washingtonian Magazine, and a "Top Ten Lobbyist (Financial Services)" by The Hill newspaper in Washington, and well as earning recognition from The Legal 500 and Who's Who in Insurance. Mr. Landgraf has extensive experience in formation and licensing of insurers and in representation of insurance and reinsurance clients in transactional and regulatory matters as well as public policy work before Congress, the Executive branch, and State regulators and legislatures. Among the insurance companies which he has helped organize and license have been innovative solutions for the private mortgage insurance industry following the S&L crisis and at least two unique public-private partnerships organized in response to the terrorism insurance challenge after September 11th. Mr. Landgraf has been involved in helping develop or advocate most Federal legislation concerning property-casualty, financial guaranty and general insurance matters during the past two decades, as well as various federal environmental, aviation and maritime statutes affecting insurers and reinsurers.

He has represented reinsurers and related parties in numerous insurance company (life and non-life) insolvency proceedings and restructurings, and has extensive experience in producer licensing matters. Regulation of cross-border trade in financial services and harmonization of prudential regulatory standards is also an emphasis of his practice. He assisted in drafting the 1993 Russian insurance code, and has advised the China Insurance Regulatory Commission on various matters.

Prior to joining Arnold & Porter, Mr. Landgraf was the Managing Partner of Dewey & LeBoeuf's Washington, DC office and a Co-Chairman of that firm. He had two tours of duty managing that law firm's London office. He has a working knowledge of Russian and Thai.

Panel 3

The Pandemic Risk Landscape

Jason Schupp

Centers for Better Insurance, LLC

Panel 3

Jason Schupp

Center for Better Insurance, LLC



Jason Schupp is the founder and managing member of the Centers for Better Insurance (CBI). CBI is an independent, self-funded organization committed to optimizing the value the insurance industry delivers to all stakeholders (including policyholders, employees, shareholders, and society at large). CBI does so by making available unbiased analysis and insights about key regulatory issues facing the industry. Prior to founding CBI, Jason served for over two decades in various legal and regulatory roles, including Group Compliance Officer, with a Switzerland-based multinational insurance group. He is the author of *The Terrorism Risk Insurance Act: Policy, Processes and Controls*.