

## PROJECT HISTORY - 2018

### LIFE INSURANCE DISCLOSURE MODEL REGULATION (#580)

#### REVISED LIFE INSURANCE BUYER'S GUIDE

##### 1. Description of the Project, Issues Addressed, etc.

The *Life Insurance Buyer's Guide* (Buyer's Guide) was removed as Appendix A to the *Life Insurance Disclosure Model Regulation* (#580). An updated stand-alone Buyer's Guide was drafted.

##### 2. Name of Group Responsible for Drafting the Model and States Participating

The Life Insurance Buyer's Guide (A) Working Group was responsible for drafting the revisions to the Buyer's Guide.

##### States Participating:

Missouri (Chair), Georgia, Nebraska, New York, Ohio, Pennsylvania and Rhode Island.

##### 3. Project Authorized by What Charge and Date First Given to the Group

In fall 2016, the Life Insurance and Annuities (A) Committee adopted a charge for the Working Group to "review and revise, as necessary, the *Life Insurance Buyer's Guide* in conjunction with Appendix A of the *Life Insurance Disclosure Model Regulation* (#580)."

At the 2017 Summer National Meeting, a Request for NAIC Model Law Development to remove the Buyer's Guide as an appendix to Model #580 was adopted by the Executive (EX) Committee and Plenary.

On April 9, 2017, the Working Group finalized a revised Buyer's Guide for consideration by the Life Insurance and Annuities (A) Committee.

The Life Insurance and Annuities (A) Committee met July 19, 2018, via conference call to adopt the revisions to Model #580 and the revised Buyer's Guide.

##### 4. A General Description of the Drafting Process (e.g., drafted by a subgroup, interested parties, the full group, etc). Include any parties outside the members that participated.

The Working Group agreed to remove the Buyer's Guide as an appendix to Model #580 on Feb. 27, 2017. The Working Group based the removal on efficiency and precedent with other NAIC buyer's guides. Like the annuity buyer's guides, which were removed as appendices from the *Annuity Disclosure Model Regulation* (#245) in 2011, there is no need to reopen Model #580 to update the Buyer's Guide. The existing definition in Model #580 states: "Buyer's Guide" means the current *Life Insurance Buyer's Guide* adopted by the National Association of Insurance Commissioners (NAIC) or language approved by the commissioner. No additional changes to this or any other language in the model are necessary."

The Working Group met via conference call 15 times to draft the revised Buyer's Guide. Drafts were distributed via email and posted to the Working Group's page on the NAIC website.

##### 5. A General Description of the Due Process (e.g., exposure periods, public hearings or any other means by which widespread input from industry, consumers and legislators was solicited)

The Working Group's decision to remove the Buyer's Guide as an appendix was swift. The Working Group met via conference call on the following dates to determine its course of action and draft the content of the revised Buyer's Guide: Nov. 29, 2016; Feb. 7, 2017; Feb 27, 2017; March 13, 2017; March 27, 2017; July 10, 2017; July 31, 2017; Nov. 6, 2017; Nov. 20, 2017; Jan. 29, 2018; Feb. 5, 2018; Feb 26, 2018; March 12, 2018; March 19, 2018; and April 9, 2018.

All drafts and comments were posted to the Working Group's page on the NAIC website.

**6. Discussion of the Significant Issues (e.g., items of some controversy raised during the due process and the group's response)**

The Working Group struggled with developing a Buyer's Guide that would be both succinct and sufficiently informative, to be provided to consumers in accordance with Model #580. A final guide in a question-and-answer format was agreed-upon, along with the decision to recommend that the Life Insurance and Annuities (A) Committee consider a charge for the Working Group to develop an online, interactive tool where more comprehensive information in an accessible format on the NAIC website could be developed.

**7. Any Other Important Information (e.g., amending an accreditation standard)**

None.