

## **NAIC/CONSUMER LIAISON COMMITTEE**

NAIC/Consumer Liaison Committee March 22, 2026, Minutes

NAIC/American Indian and Alaska Native Liaison Committee March 16, 2026, Minutes

## Draft Pending Adoption

Draft: 4/1/26

NAIC/Consumer Liaison Committee  
San Diego, California  
March 22, 2026

The NAIC/Consumer Liaison Committee met in San Diego, CA, March 22, 2026. The following Liaison Committee members participated: D.J. Bettencourt, Chair (NH); Marie Grant, Vice Chair (MD); Heather Carpenter (AK); Mark Fowler (AL); Charles Bassett (AZ); Ricardo Lara (CA); Michael Conway (CO); Joshua Hershman represented by Nick Gill (CT); Trinidad Navarro (DE); Dean L. Cameron represented by Weston Trexler (ID); Ann Gillespie represented by Jeff Varga (IL); Anita G. Fox represented by Renee Campbell (MI); Grace Arnold (MN); Angela L. Nelson (MO); Mike Chaney represented by Aaron Cooper (MS); Mike Causey represented by Angela Hatchell (NC); Jon Godfread represented by John Arnold (ND); Eric Dunning (NE); Alice T. Kane represented by Viara Ianakieva (NM); Judith L. French represented by Jana Jarrett (OH); Glen Mulready represented by Donna Dorr (OK); TK Keen (OR); Michael Humphreys (PA); Amanda Crawford (TX); Jon Pike (UT); Scott A. White (VA); Kaj Samson (VT); Patty Kuderer (WA); and Nathan Houdek represented by Sarah Smith (WI).

### 1. Adopted its 2025 Fall National Meeting Minutes

Commissioner Grant made a motion, seconded by Commissioner Conway, to adopt the Liaison Committee's Dec. 8, 2025, minutes (*see NAIC Proceedings – Fall 2025, NAIC/Consumer Liaison Committee*). The motion passed unanimously.

### 2. Received a Summary of the NAIC/Consumer Participation Board of Trustees Meeting

Commissioner White said the Board of Trustees met March 22. During this meeting, the Board discussed collaboration with the Center for Insurance Policy and Research (CIPR) to develop and implement a structured feedback mechanism to solicit input from current consumer representatives and NAIC Members regarding potential improvements to the NAIC Consumer Participation Program. The discussion focused on identifying opportunities to enhance participation, engagement, and overall program effectiveness. Commissioner White said the Board discussed the Consumer Participation Scholarship Program beginning in 2026. The program is intended to support participation by individuals with issue-specific expertise not currently represented among consumer representatives, particularly in emerging or underrepresented policy areas. As part of the 2026 budget, the NAIC Members approved \$15,000 to fund the program in 2026.

The Board reviewed the status of three consumer representative recommendations submitted to NAIC Membership in 2025. Two recommendations were directed to the Health Insurance and Managed Care (B) Committee and one to the Property and Casualty Insurance (C) Committee. Following consultation with committee leadership, the Board noted that many health-related recommendations were incorporated into the 2026 charges of the Health Insurance and Managed Care (B) Committee. In response to the recommendation to the Property and Casualty Insurance (C) Committee, NAIC committee support will conduct research to identify state laws or regulations requiring insurers to proactively provide policy language to consumers or provide such language upon request.

### 3. Heard a Presentation on 2026 Consumer Representative Health Priorities

Lucy Culp (Blood Cancer United) said consumer representatives annually submit a letter to the Health Insurance and Managed Care (B) Committee outlining key consumer issues and priorities and that the presentation reflected the major themes contained in that letter. Culp said the current health insurance landscape is increasingly strained, citing rising premiums, increasing deductibles and out-of-pocket costs, and the expiration of enhanced premium tax credits as significant contributors to affordability challenges. Culp said that lower-cost plans fail to

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provide meaningful coverage and do not constitute affordable care for consumers who ultimately need to access services. Culp said there is a need to address the compounding effects of Medicaid coverage losses and increased consumer migration toward non-Affordable Care Act (ACA)-compliant plans.

Carl Schmid (HIV+Hepatitis Policy Institute) discussed barriers consumers face after obtaining insurance, including insurers' utilization management and prior authorization practices. Schmid commended NAIC efforts on prior authorization, including the development of a white paper, and encouraged continued updates and transparency regarding state implementation of prior authorization laws. Schmid suggested consideration of a dedicated working group to provide sustained focus on prior authorization reform and oversight. Schmid said there is a need for improved transparency in market conduct data, noting limitations in existing NAIC Market Conduct Annual Statement (MCAS) health data and the lack of consistent state-level metrics. He also highlighted the growing use of artificial intelligence (AI) in utilization management and its impact on access to care. Schmid recognized NAIC work on pharmacy benefit managers (PBMs) and prescription drug transparency and encouraged additional examination of group purchasing organizations and vertical integration. Schmid urged state insurance regulators to continue engaging with the federal Centers for Medicare & Medicaid Services (CMS) on cost-sharing definitions, formulary practices, and consumer complaints related to access to medications.

Deborah Steinberg (Legal Action Center—LAC) discussed state enforcement of the Mental Health Parity and Addiction Equity Act (MHPAEA). Steinberg said state-level parity analyses have identified systemic barriers to care and led insurers to take corrective actions. Steinberg referenced recent enforcement actions in multiple states and encouraged continued state enforcement. Steinberg expressed concern about the continued growth of non-ACA-compliant plans that lack parity protections.

Janay Johnson (American Heart Association—AHA) discussed concerns regarding non-ACA-compliant plans, including deceptive marketing practices and their impact on ACA risk pools. Johnson discussed findings from consumer outreach and secret shopper efforts demonstrating consumer confusion and misinformation. Johnson said there are potential risks associated with Section 1333 state compacts, including legal uncertainty and potential weakening of consumer protections. Johnson urged state insurance regulators to continue to focus on disparities affecting historically marginalized communities.

Amy Killelea (Equality Arlington) discussed consumer challenges related to access to no-cost preventive services and immunizations. Killelea described recent federal actions affecting vaccine recommendations and resulting in uncertainty for consumers and insurers. Killelea encouraged continued state insurance regulatory oversight, including the use of market conduct examinations and data calls, to ensure compliance with no-cost coverage requirements.

Bonnie Burns (California Health Advocates—CHA) discussed the increasing complexity of senior issues, including Medicare Advantage, Medigap, and long-term care. Burns proposed the creation of specialized workstreams at the NAIC to address these topics and expressed concern regarding consumer understanding of complex life and annuity products used to fund long-term care (LTC). Burns said there is a need for clearer disclosures and improved consumer education. Killelea presented a newly released consumer representative report on the long-term care insurance market, highlighting disparities in access and affordability, particularly for women, people of color, and individuals with disabilities. Killelea said there is a need for additional research and potential involvement of the CIPR to inform future regulatory efforts.

Wayne Turner (National Health Law Program—NHLP) discussed the role of state insurance regulators as consumer educators. Turner said there is a need for increased consumer education due to changes in premium subsidies, Medicaid eligibility transitions, and aggressive marketing of non-compliant plans. Turner encouraged public awareness campaigns, partnerships with advocacy organizations, and continued work through the NAIC

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Consumer Information (B) Working Group to ensure consumers have access to accurate, timely, and understandable insurance information.

### 4. Heard a Presentation on How Death Records Are Not Locating All Beneficiaries of Unclaimed Benefits

Richard Weber (Life Insurance Consumer Advocacy Center—LICAC) said insurers have historically relied heavily on the Social Security Administration’s Death Master File (DMF), which has become less comprehensive over time due to statutory and administrative changes limiting the availability and accuracy of death data.

Weber discussed variability in insurer practices and state regulatory requirements, noting that gaps in death data can delay or prevent the identification of deceased policyholders and beneficiaries. Weber said these gaps disproportionately affect beneficiaries who are unaware of existing policies, particularly older policies, group life coverage, or policies issued many years ago. Weber said there are varying state unclaimed property and escheatment laws, emphasizing that differences in statutory triggers and timelines can lead to inconsistent consumer outcomes.

Weber recommended that the NAIC consider developing a model regulation requiring insurers to use multiple death data sources, establish standardized validation and review protocols, and report metrics on death matches, beneficiary outreach efforts, and benefit payments. Weber said increased transparency and uniform expectations could improve consumer outcomes while providing clarity to insurers.

### 5. Heard a Presentation on Affordability and Availability of Property Insurance in Wildfire-Prone Regions

Amy Bach (United Policyholders—UP) said insurance policyholders face numerous challenges after wildfire events, including delays in claims processing, disputes over the scope of loss, and inconsistencies in insurers’ determinations of smoke damage. Bach said consumers frequently report difficulty obtaining clear explanations of coverage for smoke infiltration, ash contamination, and related property damage, particularly when damage is not readily visible.

Bach discussed concerns related to indoor air quality following wildfire events, noting that smoke particles and contaminants can persist within structures even after visible debris is removed. Bach said consumers face uncertainty regarding whether remediation measures, such as professional cleaning, HVAC system inspection, duct replacement, or temporary relocation, are covered under homeowners or renters policies.

Bach said there is variability in claims outcomes based on insurer guidance to adjusters and the use of third-party vendors. Bach encouraged state insurance regulators to examine whether existing claims standards and market conduct tools sufficiently address smoke and indoor air quality-related losses and to consider whether additional guidance or best practices are needed to promote consistent and fair treatment of policyholders. Bach said there is a need for clear consumer communication during catastrophic events, including timely notice of rights, transparent explanations of coverage determinations, and access to meaningful appeal or reconsideration processes.

### 6. Heard a Presentation on Insurer Automobile Total Loss Valuation Practices

Erica Eversman (Automotive Education and Policy Institute—AEPI) said consumers whose vehicles are declared total losses often experience confusion and dissatisfaction with settlement amounts, particularly when valuation methodologies are not clearly explained. Eversman discussed common valuation approaches used by insurers, including the use of third-party valuation reports, and noted that consumers frequently report difficulty understanding how comparable vehicles are selected and adjusted.

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Eversman raised concerns about the accuracy and transparency of vehicle valuations, including issues with the condition, mileage, options, and geographic relevance of comparable vehicles used in settlement calculations.

Eversman said consumers face difficulties when disputing total loss valuations, including limited access to underlying valuation data and unclear appeal processes. Eversman also noted broader trends in the auto insurance market that may affect total-loss determinations, including rising repair costs and advances in vehicle technology. Eversman said state insurance regulators should review whether existing laws, regulations, and bulletins adequately protect consumers' ability to meaningfully contest valuations and to understand how settlement amounts are determined.

### 7. Discussed Other Matters

Commissioner Bettencourt recognized Brenda J. Cude (Individual Consumer Advocate) for her induction into the University of Georgia's College of Family and Consumer Sciences Honor Hall of Recognition. A video tribute was presented highlighting Cude's contributions to consumer education, insurance literacy, and academic research.

Having no further business, the NAIC/Consumer Liaison Committee adjourned.

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NAIC/American Indian and Alaska Native Liaison Committee  
Virtual Meeting  
March 16, 2026

The NAIC/American Indian and Alaska Native Liaison Committee met March 16, 2026. The following Committee members participated: Heather Carpenter, Chair (AK); Peter M. Fuimaono and Elizabeth Perri (AS); Charles Bassett represented by Fausto Burrueal (AZ); Ricardo Lara and Kathryn Taras (CA); Trinidad Navarro represented by Christina Miller (DE); Dean L. Cameron represented by Shannon Hohl (ID); Grace Arnold represented by Jackie Dionne (MN); James E. Brown and Erin Snyder (MT); Mike Causey represented by Angela Hatchell (NC); Jon Godfread represented by John Arnold (ND); Eric Dunning represented by Martin Swanson (NE); Ned Gaines (NV); Glen Mulready (OK); TK Keen (OR); Larry D. Deiter represented by Tony Dorschner (SD); Jon Pike represented by Tanji J. Northrup (UT); Patty Kuderer represented by Jane Beyer (WA); and Nathan Houdek (WI).

1. Heard a Presentation from CMS and CCIIO on the Body Brokering Issue and DHS Enforcement Actions

Nicholas Eckart (Centers for Medicare & Medicaid Services/Center for Consumer Information and Insurance Oversight—CMS/CCIIO) works on the marketplace enrollment team and is involved with marketplace misconduct activities, including unauthorized enrollments and rescissions. Eckart said CMS/CCIIO has a process that allows issuers to report policies they think should be rescinded or cancelled. These situations come to light when the issuer believes the enrollee, or someone acting on their behalf, knowingly provided false information that allowed a consumer into a plan they would otherwise be ineligible for, possibly in a state where they are not living.

Eckart said these situations often involve consumers recruited by unlicensed insurance producers (typically called “body brokers”) to seek treatment at certain substance-use disorder facilities. The CMS/CCIIO frequently hears that the consumer is either not getting substance-use disorder treatment and is getting subpar treatment in the facilities, or the enrollees are provided drugs or alcohol in these facilities.

Eckart said they have seen a significant increase in requests from plans for intervention within the last few years. These involve a disproportionate number of American Indians and Alaska Native enrollees. Requests from health insurance plans for intervention tend to come from states with higher American Indian populations, such as Alaska, North Dakota, and South Dakota. Eckhart said it appears these body broker recruiters are targeting this population.

Eckart said there could be a wide variety of reasons for targeting this population. One reason is that recruiters take advantage of this population because it frequently seeks substance-use disorder treatment. Also, this population has no special enrollment periods (SEPs). In addition, Eckart said rescission requests often involve policies with open network types of PPOs.

Eckart said there is a growing issue with enrollees who are already enrolled in Medicaid. Body brokers will advise enrollees to drop Medicaid coverage and instead get marketplace coverage to obtain treatment at these facilities. They also coach consumers on how to enroll and what information to provide. This is problematic when the enrollee cannot afford the cost-sharing requirements of Affordable Care Act (ACA) plans compared to Medicaid.

Eckart said the CMS/CCIIO advises issuers on the rescission process and encourages them to take steps to prevent these situations in the future. Rescission requires issuers to demonstrate that the enrollee committed fraud by knowingly providing false information, which helps the CMS/CCIIO when issuers provide detailed information. Unlicensed body broker situations generally do not fall within CMS/CCIIO’s authority to investigate; therefore, issuers are encouraged to contact their state department of insurance. There are state engagement coordinators

at the CMS/CCIIO to help with certain situations, as well as the Center for Program Integrity, which has oversight over many types of misconduct.

Eckart said the CMS/CCIIO's role is limited to reviewing issuer requests and approving policy cancellations. They do not have law enforcement investigative authority for remediation actions involving facilities or body brokers. They advise issuers to report information to federal agencies that have the proper authority, such as the Department of Justice and the Health and Human Services (HHS) Office of Inspector General.

## 2. Heard a Presentation from Montana on a Fraudulent Health Care Scheme

Snyder said Eckart accurately described the body-brokering situation, and Montana has been working with three issuers on this problem. The situations they have seen involve out-of-state treatment centers targeting Native American populations and the exploitation of the SEP in the ACA marketplace enrollment. Snyder said the fraudsters also exploit mental health parity laws. Native American populations are flown or driven out of state to treatment centers (primarily in California) with promises of luxurious living places. These facilities admit enrollees under urgent or emergent criteria. Evidence suggests individuals have been provided substances while enroute to justify this classification, allowing facilities to bypass network and coverage restrictions. They are billed for services they have found are often unsupported or inadequate, and even for services never rendered.

Snyder said 80 to 85 Native Americans in Montana have been included in this scheme. The monetary impact is about \$55 million. With CMS/CCIIO's cooperation, Montana has prevented about \$23.3 million of this amount from being lost.

Snyder said Montana has devoted numerous agency resources to investigating this issue—approximately 10% of their workforce, including fraud investigators, executive staff, and legal personnel. Montana identified patterns such as multiple enrollees using the same address (including vacant properties), altered W-2 forms with identical financial data, reused or falsified utility bills, and Medicaid records showing individuals transitioning rapidly from Medicaid to ACA plans using falsified income documentation.

Commissioner Brown said that Montana would like to see greater urgency in processing CMS/CCIIO-requested rescissions. Brown said referrals to federal law enforcement have not yet gained traction.

Director Carpenter said the similarities with Alaska's situation are significant. The main difference is that Alaska does not have reservations, which makes it trickier, but the issues and frustrations are the same, especially regarding rescissions and dealing with falsified income. Carpenter would like CMS/CCIIO to find a way to streamline the rescission process.

## 3. Discussed Membership Topics for the Liaison Committee to Address in 2026

Director Carpenter asked the Committee for suggestions on topics to address in 2026. Beyer said tribal clinics continue to face challenges with issuers regarding out-of-network claims, especially under Indian Tribal Employer/Employee Arrangement (ITEA) and ACA provisions. They have seen issues with credentialing and claim payments. Burrue said Arizona recently heard from tribal members homeowners' insurance concerns around affordability and availability, similar to the broader property/casualty (P/C) insurance challenges in wildfire-prone regions. Robinette said Washington has similar issues with storms and floods, making insurance increasingly unaffordable or unavailable in rural areas.

#### 4. Discussed California's Hearing on Insurance Availability and Affordability for Tribal Committees

Commissioner Lara said the California Assembly's select committee recently held a hearing on insurance availability and affordability for tribal committees in San Diego. Familiar concerns were raised by tribal members at the hearing, especially regarding property/casualty (P/C) insurance issues such as wildfire and flooding. Tribal communities often live in environmentally sensitive areas and are therefore disproportionately affected. They are facing rising costs and mitigation efforts that insurers do not recognize. Commissioner Lara said there is also a lack of understanding around tribal governance and conditions.

Commissioner Lara said tribal leaders expressed interest in meeting with the NAIC/American Indian and Alaska Native Liaison Committee at an informal roundtable during the Spring National Meeting. He offered to facilitate these connections to coordinate such a meeting. Director Carpenter agreed with this suggestion.

Having no further business, the NAIC/American Indian and Alaska Native Liaison Committee adjourned.

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