2019 Fall National Meeting  
Austin, Texas  

INNOVATION AND TECHNOLOGY (EX) TASK FORCE  
Monday, December 9, 2019  
10:30 a.m. – 12:00 p.m.  

Meeting Summary Report  

The Innovation and Technology (EX) Task Force met Dec. 9, 2019. During this meeting, the Task Force:  

1. Adopted its Oct. 18 minutes, which included the following action:  
   a) Adopted its Summer National Meeting minutes.  
   b) Adopted the Sept. 5 minutes of the Artificial Intelligence (EX) Working Group.  
   c) Adopted its 2020 proposed charges, which include a few relatively minor changes from its 2019 charges.  
   d) Heard a consumer representative request for an InsurTech bulletin.  
   e) Adopted a Request for NAIC Model Law Development to revise the Unfair Trade Practices Act (#880).  
   f) Discussed comments related to the North Dakota anti-rebating bulletin.  

2. Adopted the report of the Big Data (EX) Working Group, which met Dec. 7 and took the following action:  
   a) Adopted its Oct. 7 minutes.  
   b) Discussed the use of big data in fraud detection and claim settlement.  
   c) Received an update on the work of the Casualty Actuarial and Statistical (C) Task Force.  
   d) Received an update on the work of the Accelerated Underwriting (A) Working Group.  
   e) Received an update on NAIC technical and non-technical rate review trainings.  
   f) Received a presentation on entities not licensed as advisory organizations.  

3. Adopted the report of the Speed to Market (EX) Working Group, which met Dec. 3 and Sept. 12 and took the following action:  
   a) Discussed System for Electronic Rate and Form Filing (SERFF) enhancements and prioritization of several focus areas, including: submission validations, review tools, workload management, performance and reliability, the Search function, document management, reporting and data export, streamlined correspondence and user experience.  
   b) Heard an update on the survey sent to states about SERFF functionality and received a brief overview of the Request for Proposal (RFP) to conduct a business and technical assessment of SERFF.  
   c) Discussed suggestions for 2019 changes to the Life, Accident/Health, Annuity and Credit Uniform Product Coding Matrix (PCM) effective Jan. 1, 2020. Changes related to existing Types of Insurance (TOIs)/sub-TOIs and the addition of new TOIs/sub-TOIs were determined not to be needed, but the Working Group voted to remove references to 2010 dates on Medicare Supplement instructions for all TOIs and sub-TOIs.  
   d) Discussed suggestions for 2019 changes to the Property/Casualty (P/C) Uniform PCM effective Jan. 1, 2020, and adopted two description changes and a sub-TOI under 16.0 Workers’ Compensation.  

4. Adopted the report of the Artificial Intelligence (EX) Working Group, which met Dec. 7 and took the following action:  
   a) Reviewed a draft principles document from the North Dakota Insurance Department as a “strawman” for moving forward to complete the deliverable.  
   c) Decided to meet at least once via conference call to discuss the comments and the draft prior to the 2020 Spring National Meeting.  

5. Heard a report from Denise Matthews (NAIC) on the activity of the Innovation and Technology State Contacts group from the meeting it held at the Fall National Meeting.  

6. Discussed options for addressing the anti-rebating issues identified as potentially impeding innovation. Commissioner Jon Godfrey (ND) presented an updated version of North Dakota’s draft guideline for addressing the anti-rebating issue in his state. The Task Force decided to call that work complete and discontinue work on a bulletin to begin work on development of language to amend Model #880 since the Executive (EX) Committee adopted the Request for NAIC Model Law Development to do so. The Task Force asked for volunteers to work on a drafting group to develop this model law language.
7. Heard a report on cybersecurity initiatives. Director Raymond G. Farmer (SC) provided a legislative update on adoption of the *Insurance Data Security Model Law* (#668) and an update on recent and upcoming cybersecurity tabletop exercises. Cynthia Amman (MO), Privacy Protections (D) Working Group chair, also provided an update on data privacy issues. She said the Working Group is in the process of building the membership list as well as the distribution lists for interested state insurance regulators and interested parties. Additionally, she that the Working Group met Dec. 8 and took the following action:
   a) Discussed its proposed workplan to meet monthly via conference calls to keep on track so it can accomplish its charges by the deadline established.
   b) Heard a presentation by Jennifer McAdam (NAIC), during which she reviewed: the *NAIC Insurance Information and Privacy Protection Model Act* (Model #670); the *Privacy of Consumer Financial and Health Information Regulation* (Model #672); the General Data Protection Regulation (GDPR); the California Consumer Privacy Act (CCPA); and the State Data Privacy Legislation;
   c) Received an Update from Kendall Cotton, Montana state auditor, on current legislative activities in the state.
   d) Discussed comments received from the Center for Economic Justice (CEJ), the National Association of Mutual Insurance Companies (NAMIC) and the American Property Casualty Insurance Association (APCIA).

8. Heard an update on a request from Birny Birnbaum (CEJ) regarding development of a document that would outline the difference between insurance products and banking and other consumer products for the benefit of startups and other companies new to the insurance industry. The Task Force agreed this should not be a charge to the Task Force but discussed other avenues available to get this information communicated and made available through Center for Insurance Policy and Research (CIPR) products, as well as the NAIC’s professional designation program.

9. Heard an update on the National Conference of Insurance Legislators (NCOIL) insurance modernization activity from U.S. Rep. Matt Lehman (R-IN), vice president of NCOIL.