

2020 Summer National Meeting
Virtual Meeting

INNOVATION AND TECHNOLOGY (EX) TASK FORCE

Friday, August 7, 2020

2:30 – 4:00 p.m. ET / 1:30 – 3:00 p.m. CT / 12:30 – 2:00 p.m. MT / 11:30 a.m. – 1:00 p.m. PT

Meeting Summary Report

The Innovation and Technology (EX) Task Force met Aug. 7, 2020. During this meeting, the Task Force:

1. Adopted its 2019 Fall National Meeting minutes, which included the following action:
 - a. Adopted its Oct. 18, 2019, minutes.
 - b. Adopted the reports of its working groups, including the Big Data (EX) Working Group, the Speed to Market (EX) Working Group, and the Artificial Intelligence (EX) Working Group.
 - c. Discussed options for addressing anti-rebating issues identified as potentially impeding innovation.
 - d. Heard a report on cybersecurity initiatives, including:
 - i. A legislative update on adoption of the *Insurance Data Security Model Law* (#668) and an update on recent and upcoming cybersecurity tabletop exercises.
 - ii. An update on the work of the Privacy Protections (D) Working Group and its workplan.
 - iii. Heard a presentation by Jennifer McAdam (NAIC) on the *NAIC Insurance Information and Privacy Protection Model Act* (#670), the *Privacy of Consumer Financial and Health Information Regulation* (#672), the General Data Protection Regulation (GDPR), the California Consumer Privacy Act (CCPA), and the State Data Privacy Legislation.
 - e. Heard an update on a request from the Center for Economic Justice (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.
 - f. Heard an update on the National Council of Insurance Legislators (NCOIL) insurance modernization activity from U.S. Rep. Matt Lehman (R-IN), vice president of NCOIL.
2. Adopted its July 23 minutes, which included the following action:
 - a. Discussed comments regarding the Artificial Intelligence (AI) Principles for the insurance industry adopted by the Artificial Intelligence (EX) Working Group on June 30.
 - b. Discussed comments related to the anti-rebating draft model law amendments to the *Unfair Trade Practices Act* (#880).
3. Adopted the reports of its working groups, including the Big Data (EX) Working Group, the Speed to Market (EX) Working Group, and the Artificial Intelligence (EX) Working Group.
4. Discussed and adopted the AI Principles as amended during the meeting. Amendments to the version adopted by the Artificial Intelligence (EX) Working Group include:
 - a. Adding “data providers” to the list of entities included as playing an active role in the AI system life cycle.
 - b. Adding “Consistent with the risk-based foundation of insurance” to the beginning of the Fair and Ethical part b.
 - c. Adding “and corrects and remediates such consequences when they occur” to the end of Fair and Ethical part b.
 - d. Deleting the last sentence in the Accountable and Compliant sections.
 - e. Deleting “including consumers” and adding “can be demonstrated” to the first and second sentences in the Transparent section part a.
 - f. Several other “clean up” type changes were made as well.
5. Heard presentations from Director Robert Muriel (IL), Chris Stehno (Deloitte) and Tricia Matson (Risk and Regulatory Consulting) on the topic of accelerated underwriting in life insurance and algorithmic auditing.
6. Received an update on the latest draft of the Section H.4. amendments to Model #880 and agreed to accept comments until Aug. 28 for discussion by the Task Force during an interim meeting prior to the Fall National Meeting.

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