



December 5, 2025

Commissioner Humphreys (PA), Chair  
 Deputy Commissioner Block (VT), Co-Chair  
 Commissioner Ommen (IA), Co-Chair  
 NAIC Big Data and Artificial Intelligence (H) Working Group

Sent via email: Miguel Romero - [maromero@naic.org](mailto:maromero@naic.org)  
 Scott Sobel - [ssobel@naic.org](mailto:ssobel@naic.org)

Re: NAIC Big Data and AI (H) Working Group's AI Systems Evaluation Tool

Commissioner Humphreys, Deputy Commissioner Block and Commissioner Ommen,

On behalf of ACLI, AHIP, APCIA, BCBSA, CAI, IRI, NAMIC, and RAA, thank you for the opportunity to express our concerns regarding the process for developing the pilot (Pilot) for the Big Data and AI (H) Working Group's AI Systems Evaluation Tool (the "Tool"). Some of the undersigned associations may have more detailed comments to make on the Tool itself.

First, we appreciate the NAIC's continued commitment to working with all stakeholders in a transparent and collaborative way. Consistent with that, we request that a Version 3.0 be exposed for stakeholder comment before taking any next steps, including before any state initiates the Pilot.

To date, the Big Data and AI (H) Working Group has held four meetings and exposed two versions of the Tool, and stakeholder comments have been acknowledged and at times incorporated into the draft Tool. However, the industry remains significantly concerned about the lack of detail and guidance around the proposed Pilot of the Tool namely that:

- The Pilot is one-sided, voluntary for regulators while compulsory for companies.
- The Pilot lacks a defined duration.
- The Tool can be used in either a financial and / or a market conduct exam.
- Companies can apparently be penalized for any "negative" findings based on the data gathered via the Tool in the Pilot phase; and
- As we understand it, the Pilot may begin before the final version of the Tool is exposed for comment.

We understand that the Working Group expects the Tool to be a living document during the course of the Pilot and has expressed an intent to work and be flexible with companies in its use. However, the joint trades respectfully request that before the Pilot is used by states the Working Group release additional Pilot details.

Additional details / parameters that should be considered are:

- Version 3.0 of the Tool should be exposed for comment ahead of states deploying any Pilot.
- Stakeholders should be made aware of which states will be participating in the Pilot.
- Participation in the Pilot by insurers should be voluntary and not subject to regulatory action or penalty.
- If regulators determine that the Tool will be piloted on financial exams, the NAIC should consider aligning the roll out of the Pilot with the 2026 financial exam cycle so that companies who are up for examination in that year can be natural volunteers.
- During the pilot phase, the Tool should be used for information gathering only and not as a compliance tool; and
- Further details and expectations for state-to-state coordination should be provided prior to the launch of the Pilot to address multi-state companies' concern about duplication of efforts and the burden associated with producing information.

The NAIC has successfully administered several pilots in the last decade, where participation has been voluntary for the regulators and for the companies. These have yielded meaningful information for the regulators while still allowing for stakeholder input which significantly improved the final product for regulators, industry, and ultimately consumers. Some examples of those pilots are: the Own Risk and Solvency Assessment (2014), the IT Examination Questionnaire (2015), and the Corporate Governance Annual Disclosure (2016). In all three of these cases, the work product and pilot were fully vetted by the stakeholders prior to the pilot being deployed. We are committed to working with the NAIC on successful implementation of the Tool, and because these previous pilots were successful, we recommend this Pilot follow a similar approach; specifically, we recommend company participation be voluntary and that information gathered be for development of the tool only and not for compliance purposes.

Your favorable consideration of these requests is critical to ensure that state regulators, companies, other interested parties, and stakeholders fully understand how the Tool can best be used in examinations. Thank you again for this opportunity to share our concerns. We look forward to continuing to engage in this important process, working collaboratively to develop a Tool that is effective and operationally efficient.