

## Draft Pending Adoption

Attachment One  
SERFF Advisory Board  
7/28/20

Draft: 7/22/20

SERFF Advisory Board  
Austin, Texas  
December 7, 2019

The SERFF Advisory Board met in Austin, TX, Dec. 7, 2019. The following Advisory Board members participated: Barbara D. Richardson, Chair (NV); Lori K. Wing-Heier (AK); Robert H. Muriel represented by Mike Chrysler (IL); Chlora Lindley-Myers represented by Angela Nelson (MO); Mike Causey represented by Ted Hamby (NC); John G. Franchini (NM); Birny Birnbaum (Center for Economic Justice—CEJ); Rena Brown (Anthem Inc.); Andrea Davey (Athene Annuity and Life Company); Tony Pedoto (Great American Insurance Company); and Karen Schutter (Interstate Insurance Product Regulation Commission—Compact). Also participating was: Paula Keen (MD).

### 1. Reviewed its Summer National Meeting Minutes

There were no changes to the Advisory Board's Aug. 3 minutes (Attachment One).

### 2. Received a Report on SERFF Activity

Bridget Kieras (NAIC) reported on System for Electronic Rates and Forms Filing (SERFF) activity (Attachment Two). The SERFF team published several releases since the Summer National Meeting. These releases included: 1) security updates; 2) a fix for PDF Pipelines that failed due to attachment sizes; 3) an update to the text of the license agreement for third-party filers; 4) functionality to support the block expiration policy; 5) work to support the decommission of external hosters and the implementation of the NAIC hosting service; 6) a new feature to allow state insurance regulators to set state specific lists of "labels" and apply them to filings, which will undergo a beta period with several states, later to be rolled out to additional states and extended to industry; and 7) fundamental enhancements and fixes. Development for plan management plan year 2021 is underway. The SERFF Product Steering Committee (PSC) has held two conference calls to discuss potential enhancement and ongoing development. The next PSC conference call is planned for January.

SERFF has experienced a slight increase in rate and form filing submissions across all lines and has currently surpassed projections by 1%. As of Oct. 31, 464,621 filing transactions have been received. There has also been an increase in Plan Management filings; 25,390 plan transactions were received through the end of October. The SERFF Marketing team participated in the Association of Insurance Compliance Professionals' (AICP) annual conference in Denver, CO. The Marketing team has additionally been working to create a proof of concept collaboration space using SharePoint online for the Big Data (EX) Working Group. The team is waiting for state insurance regulator review of the space before releasing it to a wider group.

The SERFF Implementation team has been working on communication and outreach regarding the new NAIC Data Hosting feature for SERFF.

Mr. Birnbaum asked for an update on his enhancement request to indicate, in SERFF Filing Access (SFA), public access filings that have some portion of the filing redacted. Ms. Kieras said the project had been prioritized, and the documentation is being written for the enhancement.

### 3. Received an Update on the Data Hosting Solution

Joy E. Morrison reported that the SERFF Data Hosting fiscal was approved by NAIC membership at the Summer National Meeting. Since its approval, initial efforts were put towards reaching affected customers, those who have previously been hosted with one of two vendors. This outreach has become one of the more challenging aspects of the project. The NAIC negotiated a Dec. 31 end date for both vendors after extensions were requested. This resulted in a project change request, which was submitted and approved in October to accommodate the project close date change into early 2020. Currently, the biggest risk to the project is the difficulty in reaching hosted customers for a decision regarding their hosting into next year. Ongoing efforts are being made to identify appropriate contacts and further explain the data hosting changes to customers prior to Dec. 31.

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#### 4. Received an Update on NAIC Financials as They Relate to SERFF

Donna L. Powers (NAIC) presented a review of the NAIC financials (Attachment Five) as they relate to SERFF. SERFF is expected to earn approximately \$6 million in 2020. This revenue is comprised of \$622,808 in license fees; \$964,750 in data hosting fees; and \$4,503,570 in transaction fees. Ms. Powers reminded the Board that there is a fiscal for 2020 that will remove the filing block structure. Going forward, the transaction rate paid by the company will be based on a pattern of usage. For 2019, there has been approximately \$25,000 in data hosting fees, well under the amount proposed in the fiscal, but this is due, in large part, to an extension for the hosting vendors until year end. It was difficult to predict hosting revenue because the hosting vendors each used different models and, when working with the companies on their license process, it was discovered that the model was not applied in many cases as some customers were paying a much lower rate than the hoster's pricing structure would dictate.

Relative to expenses, Ms. Powers said expenses for SERFF continue to go up year after year. Since SERFF does not have its own budget, she applied a percentage of NAIC expenses to SERFF based upon the ratio of SERFF headcount (49) to NAIC total headcount (496.5). Mr. Birnbaum asked why the NAIC only makes \$6 million on SERFF. He said the fees paid for the use of SERFF were trivial to the industry and that more revenue could be generated for the NAIC from SERFF.

#### 5. Discussed the Process for 2020 SERFF Advisory Board Appointments

Commissioner Richardson presented the application process for industry and consumer representative seats for the 2020 SERFF Advisory Board, which will begin in mid-December. Three industry seats and one consumer representative seat will be appointed by the NAIC Executive (EX) Committee in February 2020. Interested parties should plan to have their application submitted by Jan. 17, 2020. Terms run from March 1, 2020, to Feb. 28, 2021.

#### 6. Discussed Other Matters

Commissioner Richardson provided an update on the SERFF Assessment Request for Proposal (RFP). Interviews have been conducted with respondents, and a recommendation will be given to the NAIC Executive (EX) Committee at this meeting. Contract completion is expected to occur in the next several weeks, with the assessment beginning by early January 2020.

Having no further business, the SERFF Advisory Board adjourned.

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## SERFF Activities Report

### SERFF Development

#### SERFF Production Releases

Since the report provided at the 2020 Spring National Meeting, the System for Electronic Rates and Forms Filing (SERFF) team has introduced three releases to production.

- SERFF 7.50.3 was released on April 16. This release introduced the final phase of state data retention, which would allow filings hosted by the NAIC on industry accounts to be retained while the state access is removed from the filing.
- SERFF 7.51.3 was released on April 30. The release included several redesigns including: Quick Text, Filing Log, instance switcher, and profile information. Additionally, there were updates to user admin allowing deactivations to be completed at submission rather than requesting the action. Finally, there were small updates to add hyperlinking to schedule items and to allow industry users to search by type of insurance (TOI).
- SERFF 7.52.3 was released on June 4. This release completed the first phase of the billing project. Updates were made to allow industry users the ability to maintain their own banking information within the application. The functionality allowed the ability to add new banking information, deactivate banking information, and associate bank accounts to individual companies. There were new reports added for internal users to assist with Security Operations Center (SOC) reporting and the release.

#### Upcoming Work

SERFF 7.53 will be released on July 30. This release will complete the second phase of the billing project. The updates will include the ability for the NAIC to collect fees that are applicable for the Form Filing Review Fee. The release accommodates the pilot project that Texas is undertaking with Verisk Analytics. The fees will be assessed at submission of applicable filings, and they will be collected via ACH Debit.

Development is underway to implement credit cards as a payment option. This payment option would be for only the NAIC Transaction Fee, and it would be assessed at submission. This work is expected to complete in the fourth quarter of 2020.

The team is also beginning analysis for the final phase of the SERFF Billing Project. The final phase of the project will transition all NAIC transaction fees from invoicing and pre-paid blocks to payment at the time of submission via ACH Debit or credit card. This work is slated to be completed in the first quarter of 2021.

#### SERFF Product Steering Committee

The SERFF Product Steering Committee (PSC) held conference calls on April 8 and June 15. The PSC heard updates on completed and in progress work, updates on the roadmap for 2020, and updates on the SERFF Assessment project.

## SERFF Marketing/Implementation

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### **SERFF Transaction Volume**

SERFF has received 276,386 transactions year-to-date (YTD) through June. Plan Management saw an increase in submissions by 30% of what is projected; 19,862 plan transactions were submitted thus far. The Marketing and Implementation team have completed the Plan Year 2021 implementation and will continue to support the states as needed throughout the remainder of the submission window.

### **SERFF Marketing Activities/Events**

The SERFF Implementation team is preparing for and adapting to the changes of a virtual conference. There will also be a virtual exhibit hall featured this year. The NAIC's Annual Insurance Summit registration is now available and will provide on-demand recordings for sessions that registered attendees are unable to attend. SERFF staff will host both industry and regulator sessions discussing enhancements and time saving tips around the application.

### **SERFF Implementation**

The SERFF Implementation team has been heavily involved in the transition of users to the new Electronic Funds Transfer (EFT) Self Service module. This has been an integral piece of the SERFF Billing Project, which will continue to streamline processes for industry users and support staff. The billing project will eliminate the need to pre-purchase filing transactions and provide an alternative payment solution in real time using either an Automated Clearing House (ACH) debit or credit card to pay transaction fees at a rate based on prior usage at the instance level. The Marketing team is working on communication and outreach to inform all users of the projected changes coming to the application.

SERFF is continuing to see expansion on the use of NAIC data hosting, with 414 enabled instances to utilize this feature. We have successfully migrated all paper filings from the external vendors, and now all customers have one place to view filings in SERFF. State Data Retention (SDR) was enabled in production on May 18 for enabled hosted instances, and filings are now being removed from the states' views. With the enablement of NAIC data hosting, SDR will allow state insurance regulators to delete filings in accordance with their record retention policies. Filers that have opted into NAIC data hosting will still maintain access to those destructed filings on the industry side.

Effective Jan. 1, 2020, the Speed to Market (EX) Working Group has adopted new changes to the uniform product coding matrices (PCMs). The changes include one sub-TOI for property/casualty (P/C), as well as a few description changes for both lines of business. The Implementation team is in the process of communicating with the states that would like to enable these changes. Nearly half of the states are ready to receive filings under these new TOIs.

The SERFF team completed a state collaboration space using SharePoint online for the Big Data (EX) Working Group. The project itself has been a collaborative effort with the actuarial staff at the NAIC pitching in to identify processes and procedures to meet the requirements of the members. The application features the ability to upload attachments and input SERFF PCM information and a built-in correspondence module to initiate emails based on filing activity. Longer term, it is anticipated that the Working Group will want to integrate SERFF with this tool so that filing documents within SERFF can be automatically moved to the collaboration space for additional review. There will also be a session regarding the Big Data Sharing tool during the annual NAIC Insurance Summit.

### **SERFF Filing Access**

SERFF Filing Access (SFA) currently has 48 states using SFA in at least one area of business. In 2020, there have been more than 835,000 searches in the application through June. The Marketing and Implementation teams continue outreach in efforts to transition additional states.

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**NAIC** National Association of Insurance Commissioners  
**SERFF Dashboard for July 2019 - June 2020**  
**SERFF** Healthy. Secure. Connected. Growing.

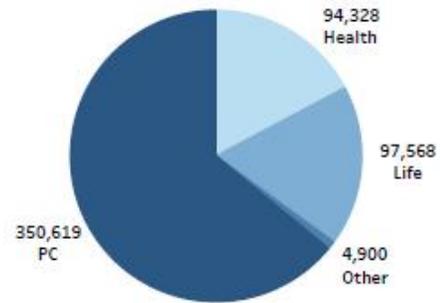
**Transaction Counts - Year over Year**



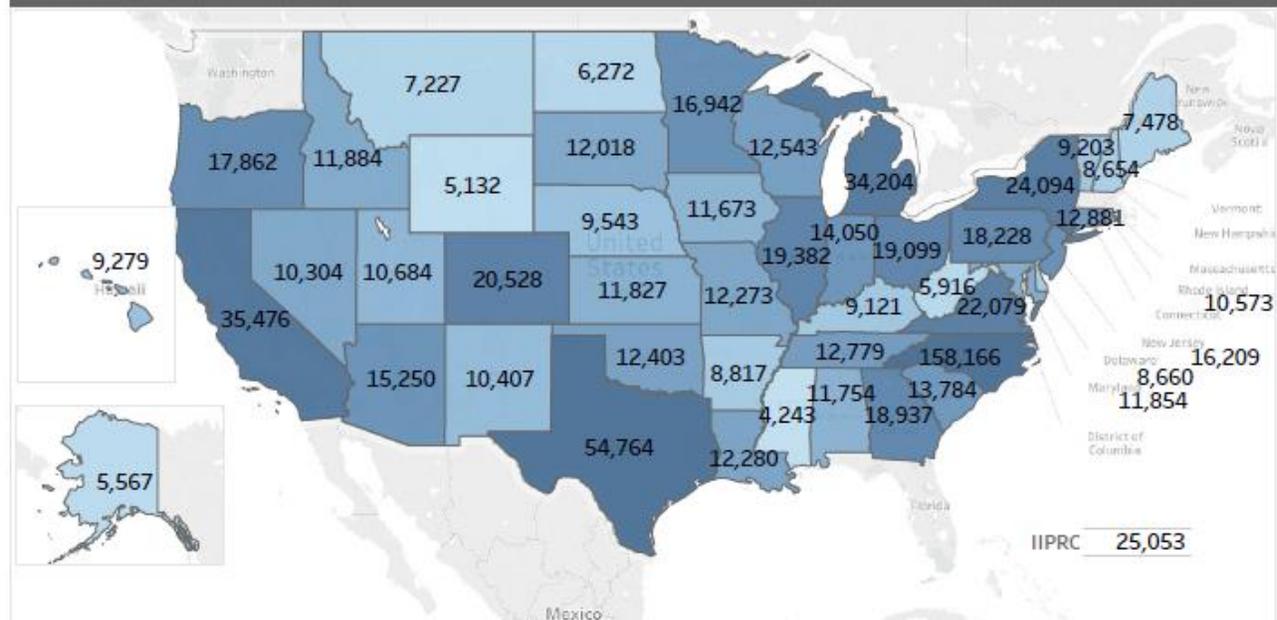
**Logins**



**Filing Experience**



**SERFF Filing Access Searches**



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| EPMO Project Name: SERFF Billing Enhancements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                              | Status Date: 7/1/2020          |                        |                                            |            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|------------------------|--------------------------------------------|------------|
| CurrentPhase*:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2-Execution                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Project Sponsor:                                                                                                                                                                                                                                                                         | Joy Morrison                                                                                                                                                                                                                                                                                                                                 | Business/Product Owner:        | Brandy Woltkamp        |                                            |            |
| Project Manager:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Joy Morrison                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Project Start Date:                                                                                                                                                                                                                                                                      | 1/1/2020                                                                                                                                                                                                                                                                                                                                     | Project End Date:              | 9/30/2020              |                                            |            |
| State Ahead Goal*:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | State Ahead Objective*:                                                                                                                                                                                                                                                                  | N/A                                                                                                                                                                                                                                                                                                                                          | IT Impact Yes/No:              | Yes                    |                                            |            |
| <b>Description:</b><br>This project will streamline the process of charging SERFF transaction fees and eliminate the significant manual effort to administer the collection of these fees, as well as eliminating the financial liability of pre-paid filing blocks. First, prepaid blocks will be eliminated; instead, a fixed per-transaction rate will be assigned to customers for a calendar year based on filing volume in the previous calendar year. This will preserve the tiered fee structure currently approved by the SERFF Advisory Board and advocated by industry. Second, this project will modify the filing process to collect transaction fees along with applicable state fees at the time of filing, eliminating manual efforts on the NAIC's part to invoice and collect fees after the filing has been made and manual efforts on customers' part to log into a separate system in order to pay the invoices. This step includes creating a credit card option for current Pay As You Go customers who do not want to use ACH Debit. | <b>Milestones/Task</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                          | <b>Start Date</b>                                                                                                                                                                                                                                                                                                                            | <b>End Date</b>                | <b>Status</b>          |                                            |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Project Initiation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                          | 01/01/2020                                                                                                                                                                                                                                                                                                                                   | 01/31/2020                     | Complete               |                                            |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Resource Allocation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                          | 01/01/2020                                                                                                                                                                                                                                                                                                                                   | 02/01/2020                     | Complete               |                                            |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Communication Plan Created                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                          | 01/02/2020                                                                                                                                                                                                                                                                                                                                   | 02/01/2020                     | Complete               |                                            |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Stripe Familiarization                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                          | 07/15/2020                                                                                                                                                                                                                                                                                                                                   | 08/31/2020                     | Not Started            |                                            |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Onboard consulting resource and begin documentation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                          | 03/02/2020                                                                                                                                                                                                                                                                                                                                   | 03/31/2020                     | Complete               |                                            |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Development                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                          | 04/01/2020                                                                                                                                                                                                                                                                                                                                   | 09/01/2020                     | In Progress            |                                            |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Project close out activities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                          | 09/01/2020                                                                                                                                                                                                                                                                                                                                   | 09/30/2020                     | Not Started            |                                            |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Executive Status/Support Needed:</b><br>Submitting July PCR to extend hours and end date. We inserted the Filing Review Tools project in the middle of this one which caused most of the change in the end date. The JBoss migration project also came into being after this project was approved and it will require ~ 6 sprints of work over the duration of the Billing Enhancements project. The hours extension is because when we detailed business requirements and established phase by phase estimates on the project, the estimates increased for the CECI self-service phase and the credit card (Stripe) phase. |                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                              |                                |                        |                                            |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Recent Accomplishments</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Upcoming Activities</b>                                                                                                                                                                                                                                                               | <b>Key Issues/ Risks</b>                                                                                                                                                                                                                                                                                                                     | <b>Issue/Risks Action Plan</b> | <b>Project Health*</b> | <b>Overall Status: At Significant Risk</b> |            |
| <ul style="list-style-type: none"> <li>Phase 1 released to production June 4.</li> <li>Business requirements for Stripe Implementation/Credit Card (Phase 3) are complete</li> <li>Plan for expiring blocks drafted</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>Draft communication of block removal changes—not to be distributed to customers yet.</li> <li>Development on Phase 2 finishes 7/15.</li> <li>Phase 2 scheduled for late July release to production</li> <li>Phase 3-Credit Card Implementation should begin 7/16-2 wks ahead of schedule.</li> </ul>                                                                                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>Will need other NAIC resources to assist with Stripe Implementation.</li> <li>Introducing SERFF Filing Review Tools Pilot analysis feature requires additional time.</li> <li>JBoss migration tasks in Q3 are larger than those in Q2.</li> </ul> | <ul style="list-style-type: none"> <li>Working with other areas to communicate needs and timing for credit card implementation.</li> <li>Built some flexibility into the implementation of the SERFF Filing Review Tool feature to account for potential changes by the state.</li> <li>Monitoring JBoss migration tasks closely.</li> </ul> | % Complete                     | 35%                    |                                            |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                              | Financial Update               | Approved               | Actual Inception To Date                   | On Budget? |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                              | Budget Revenue                 | N/A                    | N/A                                        | N/A        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                              | Budget Capital                 | N/A                    | N/A                                        | N/A        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                              | Budget Expense                 | \$86,275               | \$15,215                                   | Below      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                              | Staff Hours                    | 1,360                  | 1,093                                      | Yes        |

**EPMO Project Name:** SERFF Billing Enhancements **Status Date** 7/1/2020

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|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Additional Comments:</b></p> <ul style="list-style-type: none"> <li>This project does not include hours to remove the lines of code in the application that are currently used to manage filing blocks. That work will have to be completed as operational work at some point or will be eliminated as SERFF is redesigned.</li> <li>The SERFF Filing Review Tools Pilot fiscal was approved and, although the projects will be reported separately, the work will be folded into the timeline for this project. This may require the project deadlines to be extended by a few months.</li> <li>There is significant business work to be done related to expiring filing blocks. The prepaid block process will have to be modified to expire blocks in Sept or Oct 2021 which will require a communication plan. Similarly, the team will need to stop selling prepaid blocks to coincide with the implementation of block elimination.</li> <li>Technology deliverables have to be matched to the business milestones in order for customers to use their prepaid blocks without needing to purchase new ones.</li> <li>Business partners in Finance and SBI have been notified of and are in agreement with new milestone estimate dates for credit card and deletion of filing blocks as a result of bringing the SERFF Filing Review Tools Pilot work into this project timeline.</li> </ul> | <p><b>Major Features / Deliverables:</b></p> <ol style="list-style-type: none"> <li>Introduction of a credit card payment option for non-ACH Debit, infrequent filers.</li> <li>Collect a SERFF transaction fee via ACH debit at the time of filing/binder submission.</li> <li>Create/document/communicate process to calculate a customer's transaction fee based on prior transaction volume.</li> <li>Create self-service interface to CECL.</li> <li>Develop Reporting Tools for Billing.</li> <li>Develop People Soft integration.</li> </ol> |
| <p><b>Financial Comments:</b></p> <p>Staff hour will be over the project budget based on current estimates, but we do not currently anticipate using the consulting dollars (beyond the \$15K already spent). The project completion percentage is based on the number of sprints completed over the total number of sprints planned for the project rather than staff hours. Project hours for Phase 2 are reported in the Filing Review Tool project report.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| States / Territories Impacted                                                                                                                                           |  | States / Territories Participating |  | Reference Information                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                  |                                                                        |                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                         |  |                                    |  | State Ahead Goals                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | State Ahead Objectives                                           | Project Phases                                                         | Project Health Legend                                                                                                                                                                                                                                                                                                   |
| <ul style="list-style-type: none"> <li>States should not be impacted by this project as it is strictly related to the <i>transaction</i> fees NAIC collects.</li> </ul> |  |                                    |  | Goal 1. Provide insurance regulators with the data, training, and tools required to support a collaborative regulatory environment that fosters reliable and affordable insurance products<br><br>Goal 2. Ensure consumer protection keeps pace with changes in the marketplace and consumers have information and education needed for informed decision-making<br><br>Goal 3. Provide optimal services to support state insurance regulators and equip them with talent and resources<br><br>Goal 4. Optimize the efficiency and effectiveness of the NAIC structure to focus on member priorities and maximize member engagement | A<br><br>B<br><br>C<br><br>D<br><br>E<br><br>F<br><br>G<br><br>H | 1. Initiation<br><br>2. Execution<br><br>3. Closeout<br><br>4. On Hold | <p><b>On Schedule:</b><br/>Project will likely meet schedule, budget, scope /quality</p> <p><b>At Risk:</b> Change is needed to get back on schedule, budget, scope/quality.</p> <p><b>At Significant Risk:</b> Probable that project will not meet at least one of the following: schedule, budget, scope/quality.</p> |

**EPMO Project Name:** SERFF Filing Review Tools Pilot **Status Date:** 7/1/2020

|                    |              |                         |              |                         |                 |
|--------------------|--------------|-------------------------|--------------|-------------------------|-----------------|
| Current Phase*:    | 2-Execution  | Project Sponsor:        | Joy Morrison | Business/Product Owner: | Brandy Woltkamp |
| Project Manager:   | Joy Morrison | Project Start Date:     | 4/1/2020     | Project End Date:       | 10/31/2020      |
| State Ahead Goal*: | N/A          | State Ahead Objective*: | N/A          | IT Impact Yes/No:       | Yes             |

| <b>Description:</b><br>This is a three-year pilot project to provide add-on capability to the System for Rates and Forms Filings (SERFF). This pilot project will be coordinated with the Texas Department of Insurance (TDI), in order to meet business needs identified by the Department. The new capability is expected to provide TDI regulators improved product filing review capabilities. To cover the costs of providing this capability, the NAIC will implement a new analytics surcharge on all form filings submitted to TDI through SERFF. The analytics surcharge will be implemented as part of the billing enhancement project that is currently underway for SERFF as approved in the 2020 Budget. | Milestones/Task                 | Start Date | End Date   | Status      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|------------|------------|-------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Project Initiation              | 04/01/2020 | 05/15/2020 | Complete    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Customer communication/training | 04/01/2020 | 8/15/2020  | In Progress |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Filing Fee Enhancement          | 05/01/2020 | 8/1/2020   | In Progress |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Project close out tasks         | 08/01/20   | 08/15/20   | Not Started |
| <b>Executive Status/Support Needed:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |            |            |             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                 |            |            |             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                 |            |            |             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                 |            |            |             |

| Recent Accomplishments                                                                                                                                                                                                                                                                                                                                        | Upcoming Activities                                                                                                                                                                                                                                                                                                                                                       | Key Issues / Risks | Issue/Risks Action Plan | Project Health*  | Overall Status: On Schedule |                          |            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------------|------------------|-----------------------------|--------------------------|------------|
| <ul style="list-style-type: none"> <li>Business requirements completed.</li> <li>Most of the development work or this feature was completed by June 30.</li> <li>Requirements were changed to allow for business type configuration in the event that Texas or a subsequent state using this functionality wants to apply the fee more granularly.</li> </ul> | <ul style="list-style-type: none"> <li>Customer communication will be drafted and shared with TDI for their input/additions prior to being sent to customers.</li> <li>Identify TX customers who need to be setup up for EFT.</li> <li>Work with TDI to communicate with those customers about new fee process.</li> <li>Prod release expected around 7/30/20.</li> </ul> |                    |                         | % Complete       | 80%                         |                          |            |
|                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                           |                    |                         | Financial Update | Approved                    | Actual Inception To Date | On Budget? |
|                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                           |                    |                         | Budget Revenue   | \$464,000                   | \$0                      | Yes        |
|                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                           |                    |                         | Budget Capital   | N/A                         | N/A                      | N/A        |
|                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                           |                    |                         | Budget Expense   | \$464,000                   | \$0                      | Yes        |
|                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                           |                    |                         | Staff Hours      | 1,000                       | 765                      | Yes        |

**EPMO Project Name:** SERFF Filing Review Tools Pilot **Status Date** 7/1/2020

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Additional Comments:</b><br/>*Functionality will be available by June 1, 2020, and fee assessment will begin by October 31, 2020. The pilot will continue through May 31, 2023</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <p><b>Major Features / Deliverables:</b></p> <ol style="list-style-type: none"> <li>1. Three-year pilot project to provide add-on capability to the System for Rates and Forms Filings (SERFF) with improved filing review capabilities.</li> <li>2. Work with TDI to determine informational needs for filers submitting products in Texas.</li> <li>3. Set up and configuration of any companies currently filing in Texas that are not already configured for ACH debit (estimated to be around 75 companies)</li> <li>4. Development and implementation of a new filing fee to offset the cost of licensing and support for the enhanced filing review capabilities.</li> </ol> |
| <p><b>Financial Comments:</b></p> <ul style="list-style-type: none"> <li>• This project includes a 3-yr license with Verisk to provide additional review capabilities to Texas as a pilot project. Software licensing is \$99,000 per year.</li> <li>• Also included is \$89,000 in consulting costs for the development of the fee collection piece in SERFF.</li> <li>• The final component of the project cost is \$78,000 in consulting over the life of the pilot to assist with maintenance and support of the vendor using SERFF's state API.</li> <li>• Total revenue and expenses are reported on Page 1. Revenue is expected to be collected, beginning Oct 31-Aug 1, 2020.</li> </ul> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| States / Territories Impacted                                                                                                                                             |  | States / Territories Participating                        |  | Reference Information                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                               |                                                                                                                                |                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                           |  |                                                           |  | State Ahead Goals                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | State Ahead Objectives                                                        | Project Phases                                                                                                                 | Project Health Legend                                                                                                                                                                                                                                                                                                   |
| <ul style="list-style-type: none"> <li>• States should not be impacted by this project as it is strictly related to the <i>transaction</i> fees NAIC collects.</li> </ul> |  | <ul style="list-style-type: none"> <li>• Texas</li> </ul> |  | <p>Goal 1. Provide insurance regulators with the data, training, and tools required to support a collaborative regulatory environment that fosters reliable and affordable insurance products</p> <p>Goal 2. Ensure consumer protection keeps pace with changes in the marketplace and consumers have information and education needed for informed decision-making</p> <p>Goal 3. Provide optimal services to support state insurance regulators and equip them with talent and resources</p> <p>Goal 4. Optimize the efficiency and effectiveness of the NAIC structure to focus on member priorities and maximize member engagement</p> | <p>A</p> <p>B</p><br><p>C</p> <p>D</p><br><p>E</p> <p>F</p> <p>G</p> <p>H</p> | <ol style="list-style-type: none"> <li>1. Initiation</li> <li>2. Execution</li> <li>3. Closeout</li> <li>4. On Hold</li> </ol> | <p><b>On Schedule:</b><br/>Project will likely meet schedule, budget, scope /quality</p> <p><b>At Risk:</b> Change is needed to get back on schedule, budget, scope/quality.</p> <p><b>At Significant Risk:</b> Probable that project will not meet at least one of the following: schedule, budget, scope/quality.</p> |

# SERFF Assessment

## Deloitte's Progress



### Project Initiation

*Project Kickoff  
Documentation  
Document Review*  
**COMPLETE**



### Analysis & Interviews

*Current and Future  
State Analysis  
Interviews*  
**COMPLETE**



### Survey & Report

*Technical Analysis  
Survey  
Report Draft*  
**COMPLETE**



### Report Finalization

*Initial Stakeholder  
Readout  
Communication  
Plan for Report*  
**COMPLETE**



### Project Close

*Report Readout to  
wider audience  
Project Close  
Activities*



# Memorandum

To: SERFF Advisory Board  
 From: Lauren Bandle, Business Analyst – Filing Solutions  
 CC: Joy E. Morrison, Assistant Director – Filing Solutions  
 Date: July 2020  
 Re: PSC Membership

Per the charter of the System for Electronic Rates and Forms Filing (SERFF) Product Steering Committee (PSC), the SERFF Advisory Board is asked to review and provide feedback relating to the appointment of new members.

Eight SERFF PSC seats have expired.

The members currently holding Industry Seats 4 and 5 have left their positions.

New member recommendations are primarily based on current PSC participation, including monthly conference calls, surveys, email requests for information, and peer nominations. A few of the recommendations involve individuals not currently active in the PSC. These candidates were chosen based on their participation in other forums, such as submission of design suggestions. In these cases, the candidate is expected to be a strong addition to the PSC and would bring new ideas and perspective to the process.

In the event that an invitee is unable to accept, alternates have been provided for each. All holders of expiring seats have been notified, and most have indicated that they will serve another term if asked.

| Seat            | Business Type | Term Expires | Member Name                            | Recommendation                      | Alternate                        |
|-----------------|---------------|--------------|----------------------------------------|-------------------------------------|----------------------------------|
| State Seat 7    | LH            | 8/31/20      | Pam Koenig, Montana                    | Tom Zuppan, Arizona                 | Colleen Rumsey, New York         |
| State Seat 8    | LH            | 8/31/20      | Rocky Patterson, Washington            | Beth O'Quin, Louisiana              | Chris Wright, Ohio               |
| State Seat 9    | PC            | 8/31/20      | Heather Droge, Kansas                  | John R. Said, California            | Donna Stuart, Wyoming            |
| State Seat 10   | PC            | 8/31/20      | Donna Archuleta, Colorado              | Daniel J. Smith, Massachusetts      | Sharalyn Taylor, Texas           |
| Industry Seat 4 | LH            | 8/31/22      | Debbie Tom, John Hancock Life Ins. Co. | Tim Howard, Aetna                   | Greg Guffey, Anthem              |
| Industry Seat 5 | LH            | 8/31/22      | Kim Steggall, CUNA Mutual Group        | Steve Kane, UHC                     | Erin Mand, Humana                |
| Industry Seat 7 | LH            | 8/31/20      | Courtney Burke, Perr & Knight          | Susan Coulter, Coulter & Associates | Randall Doctor, Doctor Law Group |

|                  |    |         |                                          |                                         |                                    |
|------------------|----|---------|------------------------------------------|-----------------------------------------|------------------------------------|
| Industry Seat 8  | LH | 8/31/20 | Claire Miller, First Consulting          | Kim Hefner, Allen Bailey and Associates |                                    |
| Industry Seat 9  | PC | 8/31/20 | Melanie Bassler, Liberty Mutual Ins. Co. | Michael Prendes, Allstate               | Ryan Rush, Year to Year Consulting |
| Industry Seat 10 | PC | 8/31/20 | Melanie (Lanie) Schleef, Deans & Homer   | Mary Anne Perruccio, Travelers          | Deb Matthews, Old Republic         |

**Full PSC List**

For the Advisory Board’s convenience, a complete list of the current PSC membership is provided.

| <b>SERFF Product Steering Committee Term Rotation</b> |               |              |                                          |
|-------------------------------------------------------|---------------|--------------|------------------------------------------|
| Seat                                                  | Business Type | Term Expires | Member Name                              |
| State Seat 1                                          | LH            | Non-expiring | Susan Ezalarab, for the Compact          |
| State Seat 2                                          | LH            | Non-expiring | Ed Charbonnier, Compact *                |
| State Seat 3                                          | PC            | 8/31/22      | Alan Goren, New York                     |
| State Seat 4                                          | LH            | 8/31/22      | Donna Lambert, Arkansas                  |
| State Seat 5                                          | PC            | 8/31/22      | Tammy Vance, Oregon                      |
| State Seat 6                                          | PC            | 8/31/22      | Barry Haney, Wisconsin                   |
| State Seat 7                                          | LH            | 8/31/20      | Pam Koenig, Montana                      |
| State Seat 8                                          | LH            | 8/31/20      | Rocky Patterson, Washington              |
| State Seat 9                                          | PC            | 8/31/20      | Heather Droge, Kansas                    |
| State Seat 10                                         | PC            | 8/31/20      | Donna Archuleta, Colorado                |
| Industry Seat 1                                       | LH            | 8/31/21      | Melanie Glassic, Guardian                |
| Industry Seat 2                                       | PC            | 8/31/21      | Jill A. Wood, Travelers                  |
| Industry Seat 3                                       | PC            | 8/31/21      | Mike Puchner, AAIC                       |
| Industry Seat 4                                       | LH            | 8/31/22      | Debbie Tom, John Hancock Life Ins. Co.   |
| Industry Seat 5                                       | LH            | 8/31/22      | Kim Steggall, CUNA Mutual Group          |
| Industry Seat 6                                       | PC            | 8/31/22      | Jill Wilson, Lloyds                      |
| Industry Seat 7                                       | LH            | 8/31/20      | Courtney Burke, Perr & Knight            |
| Industry Seat 8                                       | LH            | 8/31/20      | Claire Miller, First Consulting          |
| Industry Seat 9                                       | PC            | 8/31/20      | Melanie Bassler, Liberty Mutual Ins. Co. |
| Industry Seat 10                                      | PC            | 8/31/20      | Melanie (Lanie) Schleef, Deans & Homer   |

\* Indicates PSC Chair