NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

Big Data and Artificial Intelligence (H) Working Group

CALL TO ORDER

November 16, 2026

Roll Call

Nathan Houdek, Chair/ Coral Manning	Wisconsin
Doug Ommen, Co-Vice Chair	Iowa
Mary Block, Co-Vice Chair	Vermont
Richard Fiore	Alabama
Chad Bennett/Alex Romero	Alaska
Tom Zuppan	Arizona
Jimmy Harris	Arkansas
Ken Allen	California
Michael Conway/Debra Judy/ Jason Lapham	Colorado
Joshua Hershman	Connecticut
Karima M. Woods	District of Columbia
Stuart Jones	Florida
Matt Kilgallen	Georgia
Weston Trexler	Idaho
Jack Engle	Illinois
Holly W. Lambert	Indiana
Shaun Orme	Kentucky
Caleb Malone/ Saima Sanjida Shila	Louisiana
Sandra Darby	Maine
Marie Grant	Maryland
Caleb Huntington	Massachusetts
Kate Stojsih	Michigan
Sara Payne/Phil Vigliaturo	Minnesota
Brad Gerling/Patrick Lennon	Missouri
Michael Sweeney	Montana
Connie Van Slyke	Nebraska
Ned Gaines/Brandon Rocchio	Nevada
Sean Rosene	New Hampshire
Susan Ochs	New Jersey
Vanessa DeJesus/ Michael Lord	New Mexico
Nishtha Ram/Kevin Yan	New York
Chuck Myers	North Carolina
Jon Godfread/ Colton Schulz	North Dakota
Judith L. French/ Matt Walsh	Ohio
Nicole Nash	Oklahoma
TK Keen	Oregon
Michael Humphreys	Pennsylvania
Elizabeth Kelleher Dwyer	Rhode Island
Andreea Savu	South Carolina
Travis Jordan	South Dakota
Carter Lawrence	Tennessee
Rachel Cloyd/Nicole Elliott/ Jamie Walker	Texas
Scott A. White/Eric Lowe/ Michael Peterson	Virginia
Curt Kwak	Washington
Erin K. Hunter/ Joylynn Fix	West Virginia
Lela D. Ladd	Wyoming

NAIC Committee Support: Miguel Romero/Scott Sobel/Dorothy L. Andrews

1. Consider Adoption of its November 2 Meeting Minutes

Attachment A

–Commissioner Nathan Houdek (WI)

Draft: 11/10/26

Big Data and Artificial Intelligence (H) Working Group
Virtual Meeting
November 2, 2026

The Big Data and Artificial Intelligence (H) Working Group of the Innovation, Cybersecurity, and Technology (H) Committee met Nov. 2, 2026. The following Working Group members participated: Nathan Houdek, Chair, and Coral Manning (WI); Doug Ommen, Co-Vice Char (IA); Mary Block, Co-Vice Chair (VT); Alex Romero (AK); Richard Fiore (AL); Jimmy Harris (AR); Tom Zuppan and Lori Dreaver Munn (AZ); Ken Allen (CA); Jason Lapham (CO); Wanchin Chou (CT); Nicole Crockett and Stuart Jones (FL); Matt Kilgallen (GA); Stacy Goble (ID); Shannon Whalen (IL); Shaun Orme (KY); Caleb Huntington (MA); Salama Karim-Camara (MD); Sandra Darby (ME); Kate Stojsih (MI); Phil Vigliaturo (MN); Julie Lederer (MO); Tracy Biehn (NC); Colton Schulz (ND); Joshua Hilliard (NH); Randall Currier (NJ); Gennady Stolyarov and Brandon Rocchio (NV); Nishtha Ram and Richard Dowd (NY); Matt Walsh (OH); Shelly Scott and Nicole Nash (OK); John Haworth (OR); Michael McKenney (PA); Matthew Gendron (RI); Travis Jordan (SD); Michael Schulz (TN); Walter Harry (TX); Anthony Rich and Curt Kwak (WA); and Lela D. Ladd (WY).

1. Adopted its Oct. 8 Minutes

The Working Group met Oct. 8 and took the following action: 1) received an update on the Artificial Intelligence (AI) Risk Evaluation Supplement pilot; and 2) heard comments from interested parties summarizing their written comments.

Haworth made a motion, seconded by Colton Schulz, to adopt the Working Group's Oct. 8 minutes (Attachment 1). The motion passed unanimously.

2. Received an Update on the AI Risk Evaluation Supplement Pilot

Manning said the pilot is in its final month. Version 6.0 of the supplement was released Oct. 16 for a 14-day comment period that ended Oct. 30. The Working Group is continuing to review written comments that have been received. Version 7.0 is expected Nov. 9, with adoption planned for the Fall National Meeting. The supplement will continue to evolve, including through work with the Market Regulation and Consumer Affairs (D) Committee and the Financial Condition (E) Committee, as well as further study of agentic AI.

Manning said comment themes to date include agentic AI, consistency between the narrative and checklist versions of Exhibit B, human-in-the-loop controls, use of company documentation, materiality, and the inclusion of generalized linear models (GLMs).

3. Heard Comments from Interested Parties Summarizing Their Written Comments

Jared Kosky (American Council of Life Insurers—ACLI) said: 1) the exhibits should be used sequentially and in a risk-focused manner; 2) the exhibits should be applied consistently across states and by contracted examiners; and 3) states should rely on prior reviews by other regulators where practical.

Kristin Abbott (American Property Casualty Insurance Association—APCIA) commented that: 1) the risk-based approach should be applied consistently throughout the supplement; 2) Exhibits C and D should remain targeted to higher-risk AI uses; 3) key terms need greater clarity for more uniform implementation; 4) traditional GLMs should be excluded; and 5) vendor oversight should be risk-based and reflect information reasonably available to insurers, especially when insurers do not have access to vendor proprietary information.

© 2026 National Association of Insurance Commissioners

Lindsey Stephani (National Association of Mutual Insurance Companies—NAMIC) objected to new substantive additions in Version 6.0 this late in the process, particularly Exhibit C, Item 10a on proxy relationships or effects, which she said should be removed. She also said GLMs should be removed from the scope of the supplement.

Dwayne Clark (ReconAI) said examination depth should reflect AI's role in the workflow and its financial and consumer impact. He said examiners should be able to identify what AI may do independently and whether human reviewers had the information and authority to intervene, and should distinguish documented controls from evidence that controls actually operated.

Phillip Kangari (EasyEssence) recommended adding questions in column four of Exhibit A on whether consumer-impacting AI outputs are tested for accuracy after deployment and by what method. He also recommended clarifying that AI answers reaching consumers through a representative have a direct consumer impact.

Ramona Fellmy (Dapp Detroit) asked whether a side model could perform top-down risk assessments in connection with GLMs, starting with larger independent and field marketing organizations.

LaCosta Wix (AHIP) recommended assessing risk based on how AI is used rather than the type of AI and clarifying how materiality applies to consumer impact.

Nancy Crespo (Verisk) recommended excluding GLMs or, if retained, clarifying that the supplement addresses specific models used within an AI system rather than a modeling technique alone. Specifically, Exhibit A could be clarified to indicate whether GLMs are used in specific AI Systems.

Tim Fox (Execution Rights) recommended: 1) adding Exhibit A columns counting AI systems that take consequential actions and how many have controls; 2) verifying that each AI action is valid before it takes effect; 3) requesting evidence only where gaps exist; and 4) tracing payments back to decisions.

Kaenan Hertz (InsurTech Advisors) recommended: 1) preserving the statement that the supplement creates no new legal duties; 2) defining criteria for escalating beyond Exhibit A; 3) accepting existing documentation; 4) coordinating requests across states; and 5) keeping expectations proportional for smaller carriers, especially with regard to vendor oversight.

Mebrat Hill (Premium Audit Consultant) described the Evidentiary Validation Consistency Framework, Version 2.0, which: 1) distinguishes policy, control design, and evidence of operation; 2) traces material AI decisions back to model versions and data inputs; and 3) assesses whether human reviewers have authority to override AI. Hill asked the Working Group to consider adopting some of its principles.

Hill commented that a missing link in the current draft is the gap between documentation and demonstration. An examiner may have no idea whether a governance policy operated effectively when a specific material insurance decision was made. An examiner must be able to trace the outcome backwards from the final disposition through the model version used to the raw data inputs. Hill stated that effective AI governance is not about generating more paperwork, but about whether the supervisor can demonstrate how the outcome was reached.

4. Discussed Other Matters

Miguel Romero (NAIC) said the NAIC is rolling out an eight-part regulator webinar series on AI, the NAIC *Model Bulletin on the Use of Artificial Intelligence Systems by Insurers*, and the supplement, concluding in early 2027, to promote consistent implementation.

Scott Harrison (National Alliance of Life Companies—NALC) supported the training and suggested a separate forum for ongoing regulator-industry dialogue on best practices. Commissioner Houdek agreed.

Commissioner Houdek said written comments are available on the Working Group's web page. The version adopted at the Fall National Meeting will be available for voluntary state use next year, and no further substantive changes will be made before adoption. Discussion of incorporating the supplement into the *Market Regulation Handbook* or the *Financial Condition Examiners Handbook* will continue next year.

Having no further business, the Big Data and Artificial Intelligence (H) Working Group adjourned.

© 2026 National Association of Insurance Commissioners

2. Hear a Summary Report on the AI Risk Evaluation Supplement Pilot Process

Attachment B

–Coral Manning (WI)



Attachment B

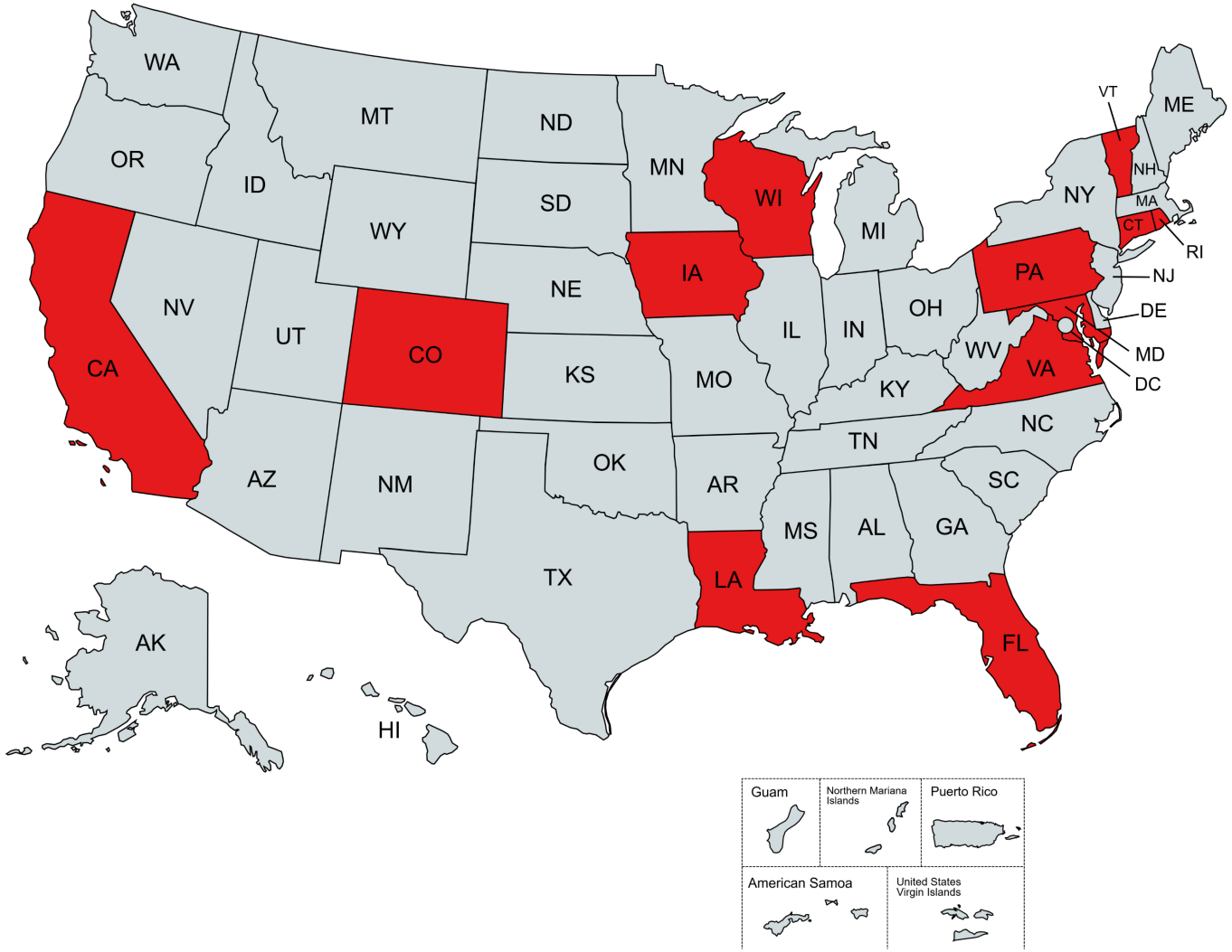
AI Pilot Summary

Coral Manning

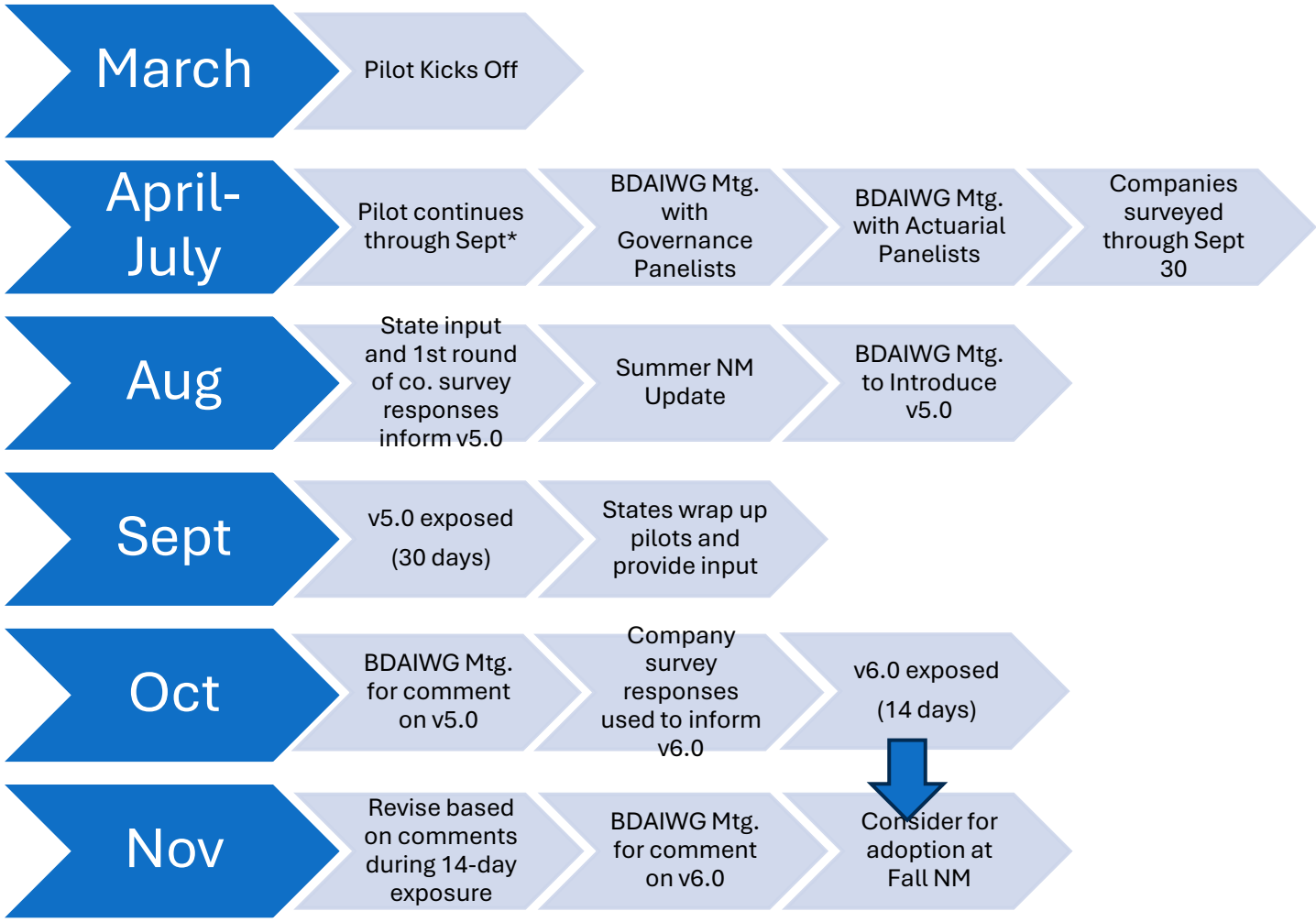
NAIC NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

Pilot Participation States

1. California
2. Colorado
3. Connecticut
4. Florida
5. Iowa
6. Louisiana
7. Maryland
8. Pennsylvania
9. Rhode Island
10. Vermont
11. Virginia
12. Wisconsin



AI Risk Evaluation Supplement Pilot—Timeline



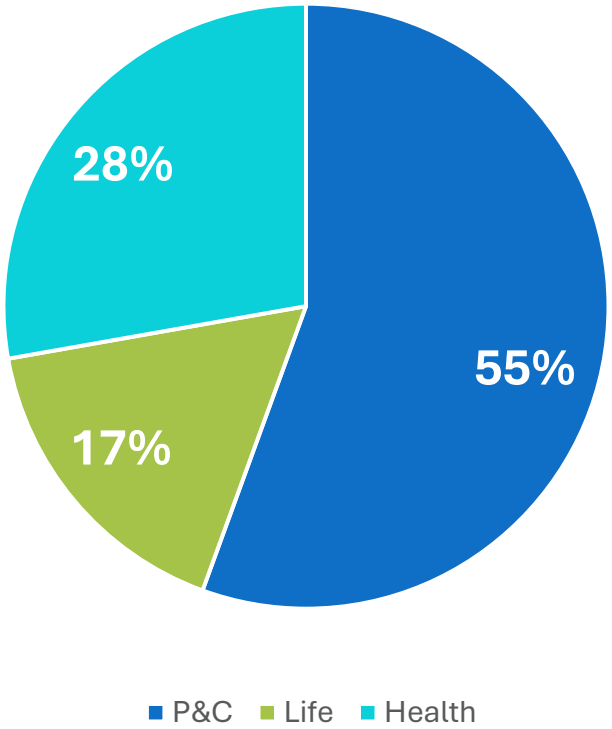
*Timing for each state's pilot will vary and every pilot may not be completed by 9/30/26. Information gleaned from the pilot experience will inform Supplement drafts through adoption and future iterations of the Supplement.

Pilot Survey

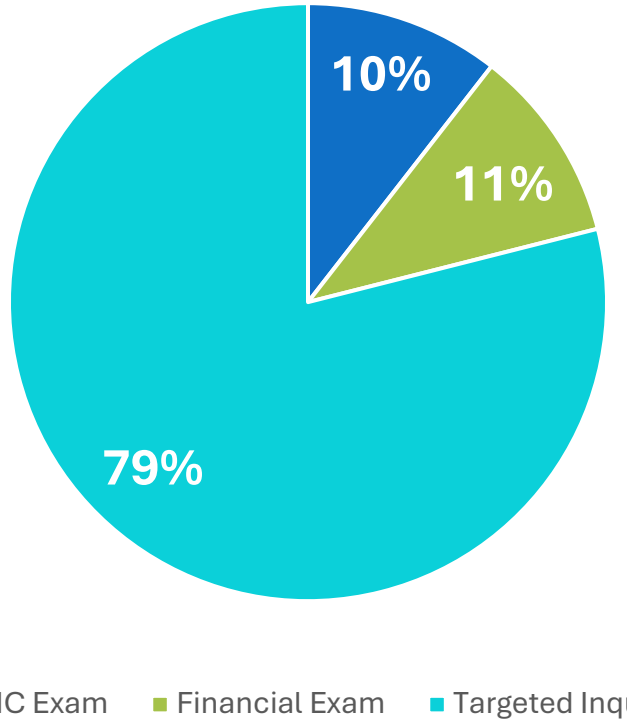
- Offered to any company that participated in the pilot
- Survey asked about experience of each company related to each Exhibit
- 30+ companies participated in the pilot
- 15+ submitted a survey response

Pilot Survey Demographics

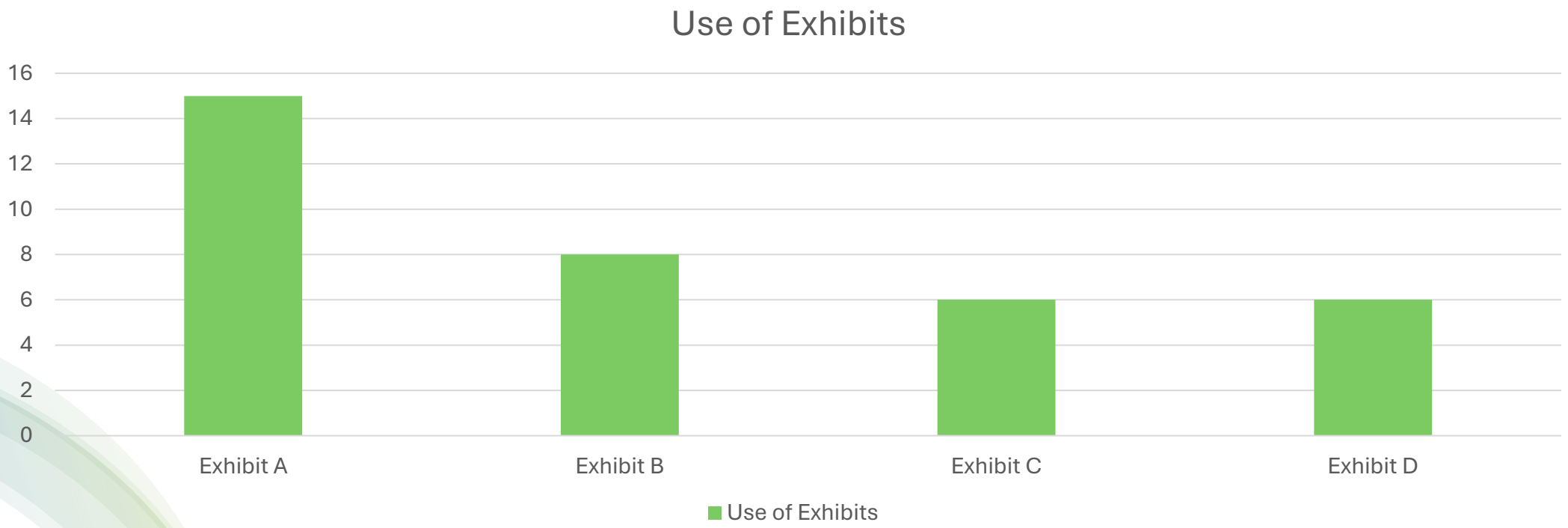
Line of Business



Use of the Supplement



Pilot Survey – Summary Responses



Pilot Survey – Summary Responses

- Positive Sentiments
  - Most companies reported being able to respond to inquiries leveraging existing documentation
  - Companies reported that they found the tool led to productive discussions with regulators where companies could tell their story
- Critical Sentiments
  - Many companies found instructions unclear
  - Companies would like more flexibility in how to respond (providing company documents in lieu of completing Exhibits)
  - Coordination in use of Supplement could be improved

Pilot Survey – Summary Responses

- Mixed Sentiments
  - Companies were split on whether they preferred to receive all Exhibits at once or in sequence
  - Companies had varying practices on their inclusion of GLMs in scope of their AI governance framework
- Other Observations
  - Extent of use of AI Systems varied widely
  - Use of Third-Parties did not appear to have a material impact on company responses


Questions?

3. Hear Comments from Interested Parties Summarizing Written Comments Received

–Commissioner Nathan Houdek (WI)

4. Consider Adoption of the AI Risk Evaluation Supplement v7.0

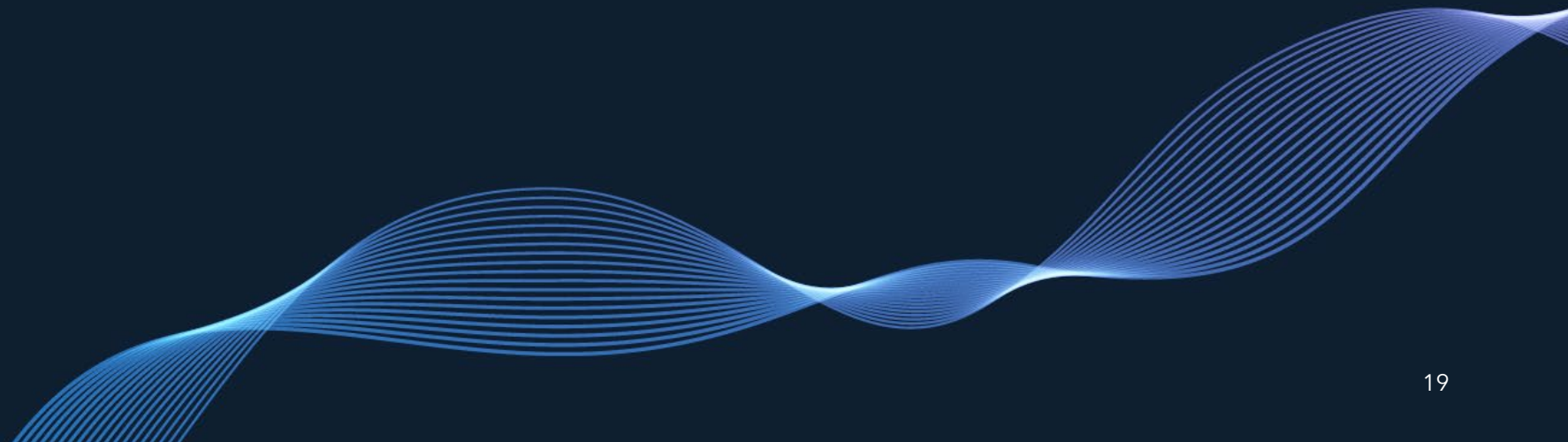
Attachment C

–Commissioner Nathan Houdek (WI)

5. Discuss Any Other Matters Brought Before the Working Group

—Commissioner Nathan Houdek (WI)

Thank you



NAIC NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS