

## **THE REGULATORS: Season 5: Episode 2 – Announcing the NAIC's 2023 Strategic Priorities**

**(Preview) NAIC President and Missouri Department of Commerce and Insurance Director Chlora Lindley-Myers:** *It's the curiosity. It's the wanting to, you know, do better, be better. We're going to continue to look at the challenges. We're going to continue to communicate. That is the key.*

**NAIC CEO Mike Consedine:** Welcome to *The Regulators*, a podcast where we break down important insurance issues facing consumers, regulators, and the industry. I'm your host, Mike Consedine, CEO of the NAIC. Today, I'm talking to the NAIC's 2023 president and the director of the Missouri Department of Commerce and Insurance, Director Chlora Lindley-Myers. We'll be discussing topics including her priorities for the year ahead, her "CALM" approach to the tasks ahead this year, her goals that have guided her throughout her life, and how important it is to promote the many career options within the insurance industry. Director, the last time you joined us on *The Regulators*, you had just been elected the NAIC's secretary-treasurer, and we released the episode in February of 2020. So, it seems like an eon ago, but what a way to start your time as an insurance officer. And, again, I want to thank you for your leadership over these past three years as we've navigated our way through a global pandemic and so many other challenges. I know, speaking for the NAIC staff, we are really excited for the year ahead of us and for our audience to hear more about how the NAIC will be working to protect consumers and markets in 2023. So, first of all, congratulations again on being named the NAIC's president for the year and welcome back to *The Regulators*, Director.

**NAIC President Lindley-Myers:** Thank you so much, Mike. It is great to be here.

**NAIC CEO Mike Consedine:** Well, we appreciate your time. I know we are off to what feels like an already sprint-like start to the year. We're recording this in February, and it's the time of the year when our membership, led by our officers and you as our president, sort of set our priorities for the year. And I know we have a lot on our plate, but maybe you can give our audience a little bit of a sneak preview of the six priorities that we'll soon be talking about publicly here.

**NAIC President Lindley-Myers:** Absolutely. Thank you, Mike. The first, you know, priority we're going to be looking at is the insurer financial oversight and transparency. This is not new; we're just reemphasizing it. It is where we are looking at the financial solvency of our companies, making sure that they are available to pay claims when need be. We are looking at the prolonged low interest rate environment, which created a search for yield in insurer portfolios. And, so, we're, you know, kind of concerned about "What does that mean?" And whether or not, you know, rising rates will have an effect. So, you know, that is something that we will continue to look at to make sure that companies are operating appropriately and making sure that they are transparent in their effort. Secondly, we'll be looking at the H Committee's deliverables, which is a new committee for the NAIC. We will be looking at advancing their committee deliverables in key areas of cybersecurity, data/AI, and innovation. Of course, just like with anything else, when you have these insurance products that are out on the marketplace, you know, the concern is for what data is out there, whether or not it is usable data, what the data is used for. At cybersecurity risk. You know, is your information, personal information, at risk of being divulged to the black market? We're also looking for innovation in products, and, so, those are our areas that we have been looking at ever since insurance has been around. We've been looking at these areas, making sure that people feel safe and secure in their financial

transactions. Next, we're going to be looking at the marketing of insurance products. That's our third initiative that we have going forward. Again, nothing new here. It is just how we're going to be, you know, making sure that with the rising health care costs, which has driven up the cost of health insurance, and it's leading individuals to utilize inexpensive and seek inexpensive health plans, which may be marketed in an unfair and a deceptive manner. So, we're keeping an eye out to make sure that we amend our Unfair Trade Practices Act and make sure that we're up to date on some of those strategies and making sure that we are keeping the consumers safe and the markets stable. Next, we'll be looking at a possible transition of the long-term care strategy. We're trying to resolve the inconsistent rate review practices among the state insurance departments and ensure that a consistent regulatory oversight and reduced benefit options that are available, that customers who have these products get what they are paying for. So, we want to make sure that, you know, that those items are strictly looked at and that we are being cognizant of what is out there in the marketplace. Fourth will be our race and insurance protection gap and financial inclusion. This, again, isn't new. Race and insurance has been around, you know, for a long, long time. There have been some inequities related to race. We're going to make sure that those inequities are on the road to being eliminated and making sure that people are being evaluated for their insurance products appropriately based on the risk that they pose. And to ensure that there is not a protection gap for those that are looking for insurance products. To provide that and to make sure that there is financial inclusion. Our next item on the list is the climate risk, natural catastrophe, and resiliency. You know, this is definitely an issue. If you look at, you know, the wildfires and flooding and hurricanes and the like, we want to make sure that we are paying attention to the climate risk and natural catastrophes and making sure that states are, you know, resilient in that practice. As you've noted, we've had some issues in the last few years. It was very, very bone dry in California for the last, you know, two to three years. And then, all of a sudden, just a deluge of water, which has caused some shifting in California and some places in the Pacific Northwest. So, we're going to be, you know, continuing to look at that. Going to try to develop a consumer education campaign on the coverage gap and, you know, make sure that consumers, as well as our companies, are well aware of the issues and how we are going to be looking at them. And finally, you know, I want to talk about our existing member priorities. The things that I've gone over have been out there. It isn't anything new. It's just continuing and stepping up a practice of looking at these issues. But, you know, as a membership organization, we're going to be looking at enhanced committee governance, oversight, and accountability. Again, to make sure that our own house is in order and that we're doing what needs to be done and to make sure that we stay abreast of the arising issues and some of the issues that might have sort of languished over the last few years and make sure that we are on top of those issues. We're going to be looking at model laws and regulation review, making sure that the laws are up to date. In some areas, there might be, you know, a sizable time difference between the last time we looked at the model and now, and, so, we're going to continue to look at that going forward. Also, we're going to, in 2023, launch our three-year strategic plan *State Connected*, which represents a significant member-driven effort that should be positioned as a top member priority for our members for 2023 to make sure that we, again, continue to be in step and do the things that need to be done, not only internally, but also externally, as well. So, those are sort of our top priorities for the NAIC going forward. Again, nothing incredibly new, just stepping up the initiatives that we've already had and trying to enhance those going forward.

**NAIC CEO Mike Consedine:** So, what I hear you telling me, Director, is that basically you and pretty much none of the NAIC Members are gonna be getting any sleep for the next 350 days, because that is a lot on the plate of the membership. But all really, critically important issues that go right to NAIC's members' focus on consumer protection and market protection. But, wow, that is a lot! But I guess, also, it calls to mind, and I'm looking at it now here in my office,

I've got this old sort of British World War II "Keep Calm and Carry On." So, I love for you your President's Newsletter for this year that you send around to your fellow regulators and the NAIC staff, which is appropriately titled, given what you've just laid out, *The CALM Regulators Manual*. And I know there's a little bit of a play on words there. So, can you walk us through what that "CALM" acronym means and how it really relates to your goals and objectives for the year ahead as NAIC president?

**NAIC President Lindley-Myers:** Absolutely. You know, "CALM" are my initials: my first name, middle name, my maiden name, and married name. So, when I look at it, you know, I look at the "C" as, you know, we're going to continue to look at the *challenges*. We're going to continue to *communicate*. That is the key. We're going to continue to *collaborate*. To make sure that, you know, we are interacting appropriately, understand what is going on in the marketplace, and understand, frankly, what's going on in our individual markets and how it relates to other states and their marketplace. States and the territories. We're gonna also look at the "C" for *colleagues*. We're gonna try to do the best we can to work amicably and work, you know, successfully to achieve the goals that we have, you know, set before us. When we look at "A," it is for *accountability*. We're going to be accountable for the actions that we take here at the NAIC. We're gonna remain *alert*. Make sure that we are, you know, keeping focus on the things that are going on in the marketplace with not only our companies, but also our citizens, or the consumers, so that we can then take *action* on those issues. So, accountability, being alert, and action would be the "A." For the "L," we're going to *look* and make sure that we are being ever vigilant of what is going on in the marketplace. We're gonna *learn* what is going on in the marketplace and try to do the best we can to make sure that we are being attentive to those things and create the best marketplace we possibly can. And, when need be, we will take action and make sure that those things are being looked at. We are also going to be *listening*. Again, *listening*. We can't really learn if we're always talking. We've got to listen to what the marketplace is telling us, our counterparts are telling us, what other regulators, you know, are telling us, and, frankly, our consumers, so that we can be the best regulatory community that they can hope for going forward. And the "M" is mainly two things: *mentoring*, making sure that we are instilling the regulatory zeal into the people that are coming behind us and making sure that we are equipping them to do the job that is set before them, which will take into account the *methodology* and making sure that we are utilizing the methodology needed and changing it when necessary. So, when we're looking at how these things relate to our goals and objectives, they are the things that we envision and embody, frankly, in life, in order to move forward and try to stay abreast of the situations set before us.

**NAIC CEO Mike Consedine:** I love all of that. I've been reading a lot about leadership philosophies of late, and sort of your "CALM" approach is, I think, a really great one. So, I see a future t-shirt or something in the making, Director, that we'll have, but definitely we will all "Keep Calm and Carry On" through the year ahead. So, I mentioned we're recording this in February, which also kicks off Insurance Careers Month. And, really, for all of us, it's an important time to get the word out on what we do, what you all do as regulators, and, frankly, why so many of us really love this work. I mean, listen, I know we didn't lay in bed as children, looking up at the stars, dreaming of becoming insurance regulators, but here we find ourselves, and I can tell, and hopefully you can speak to it a little bit, about, you know, your passion for this industry and your passion for this sector. And it may be possible that we've got some of our younger audience out there considering their futures, and I know your department is participating in three college career fairs this month, really in recognition of it being Insurance Careers Month. So, as someone whose career path has consisted in working in both insurance regulation and the industry and in a number of different capacities, I know, can you tell us about how your own goals have guided you throughout your many different roles in the sector?

**NAIC President Lindley-Myers:** When I look at this, and I think about it, and no, I didn't, you know, sit and stare at the stars and say, "Hey, I want to be an insurance regulator" or "I want to be in insurance when I grow up," I think, you know, it is sort of a part of life's lessons. And I think for me, you know, I grew up in a time when the insurance agent would come, especially for people who were African American, they would come door to door. It wasn't, you know, any type of computer-generated type of billing from insurance companies. They would come door to door and collect your premiums. And, so, you know, I was interested in that. You know, I was wondering "what does that mean?" And, you know, I was certainly guided by my grandmother, who said, you know, "I want to make sure that, first of all, I can be buried and there's a little something for you guys when I'm gone." And, so, I think, you know, just sort of the thought of that, you know, made me curious. And I have to admit, I'm probably a curious person even now. I mean, you know, I kind of want to know "How does that work?" and "What do you do to get that?" and "How do you get that?" And I'm interested in it, and, so, I do think that, you know, it's the curiosity. It's the wanting to, you know, do better, be better. And in insurance careers today, I don't know, I can't speak to what kind of money people were making back then, in the late sixties and early seventies, but I can say that, you know, insurance is a lucrative field. You know, you can come into insurance from a lot of different fields and disciplines. You know, if you're interested in health care, you know, you can certainly utilize that health care knowledge in health insurance. If you're interested in cars and in the marketplace and what is out there, you can certainly, you know, utilize that in the P&C arena. You know, and if you're interested in, again, going back to life, and it may not just be positioned on health, but going back to life, you know, how long are people living, what things affect people's lives and how long they might live. So, I think, you know, when you're looking at all of that, that all feeds into the realm of insurance, and for me that's kind of, you know, how I got into it. I started out, you know, being a biochemistry major. I was going to be a doctor. And I knew all along, I mean I kind of knew I was squeamish and didn't really like a lot of blood and fluid. I could deal with it, but I didn't really like it, and, so, I was like, "Yeah, I need to pick something else, because, unless I'm just doing research, it's not going to work out for me." So, I do think the path of being in insurance is great. You can certainly affect it. I have a law degree. So, you can affect it by the laws that is put on the books that lawmakers will pick up and utilize to help citizens, consumers in your area. You can, you know, be into numbers, economics. Again, you can work at an insurance department in their financial area and making sure that companies remain solvent. You can work at the insurance company to make sure your company remains solvent. And there, unlike maybe here in state government, you can actually get bonuses for saving the company money. But there's never, you know, a wrong path in insurance, because I do think that, you know, you have to kind of look at it truly holistically. Now I am not one that, I mean I did it for a while, but I am not one that looked at policy forms and rates, you know, day in and day out. I did do that, but I recognize that was just not for me. So, I liked doing some of the other, innovative-type things, which would be creating laws, fixing problems that were there. And, so, all of that feeds into me wanting, as the director here at the Missouri Department of Commerce and Insurance, to make sure that those that are interested in insurance or in insurance products actually get a start and come and work with us here at the department. They also get a chance to go out and work with some of the companies, our domestic companies, here in Missouri. We have certainly a great number of domestic companies here, as well as domestic reinsurers that operate here in Missouri. And, so, there is a wide variety of opportunity for them to look at insurance careers and find one that best suits them. So, you know, I think that when you are living life, in or out of insurance, it is your curiosity, your want to know more, be better, and to help those that come along behind you and those that you are serving with. So, you know, that is probably the one thing that I still love about, you know, working in insurance. I probably don't love some of the budget things I have to do as the insurance director, but those are part of the job, and I have to kind of do that, as well.



So, I do have to keep my eye on the bottom line, making sure that we do have people that are able to do the work that is needed to ensure that the marketplace is safe and secure and that consumers are getting the value for their buck.

**NAIC CEO Mike Consedine:** Well, I really appreciate you sharing sort of your experience and why you're so passionate and curious, as you said. And I think that curiosity is really a hallmark of our world. There is so much to be curious about, because there are so many issues, as you talked about at the very beginning, that we have to really understand because of the impact they're having on consumers and our markets. And you also, again, I think, touched on sort of your background growing up, and I know that continues to the work that we're doing today at the NAIC to really focus on how we get more minority and underrepresented community involvement in the insurance sector. How we really focus on their needs through a lot of the initiatives that we're working on, be it sort of the work we're doing on AI and big data, you know, algorithmic bias, its impact, again, on minority communities. What we did last year, that I know you are a huge part of, in terms of launching the NAIC Foundation, which is focused on getting, again, minorities and underrepresented community engagement in the insurance sector. But, given your experience, Director, and now as our first Black female president, if you had to give one piece of advice to somebody who was looking to advance or start their career in the insurance industry, especially somebody from a minority or underrepresented community, what would that advice be?

**NAIC President Lindley-Myers:** Wow. You said one piece of advice. I mean, I could go on and on. It's more than one, but I guess, you know, I would say that, you know, again, the curiosity, the wanting to be better, do better, and figure out, you know, what you can do to make your life a little bit better. And, so, for me, I mean, I try to make sure that those that are in the underrepresented communities understand that, you know, you've got to be a part of the solution. You've got to be a part of making sure that it gets better. Because without your insight, without your thoughts, without, you know, frankly, your experiences, it won't get any better if you keep quiet and keep that information enclosed and closed down. So, I do think, you know, and it is not just for, you know, people that are underrepresented. It's really for all people. I would hope that people want to know as much as they possibly can about, you know, the people that live around us. And, so, we don't all look alike. We don't all think alike. So, I do think having different perspectives, a variety of experiences, contribute not only to my life, but also to those that, you know, those lives around me, which may or may not look like me. So, when you're talking about advancing your career, for most of us, we're gonna have to work, so you might as well work at something you like, something that you love, and something that you're passionate about. And, so, I guess, you know, it's to find your passion and to develop it. And to develop it, it requires you to get a lot of different viewpoints and, probably, you know, not only the viewpoints, but also people's stance on why they feel the way they feel. So, I do think that, you know, it is important that we do that, that we examine those thoughts, those ideas, and that, then, will contribute to making all of our lives a little bit better. More products will be invented to cover different issues, you know, that arise. So, I do think that, you know, it is important that we do that, not only in my community, but in all of our communities.

**NAIC CEO Mike Consedine:** Well, there's a lot of good stuff in there, Director, and thank you for sharing a little bit of that wisdom with our audience. But before I let you go and spend, you know, every waking moment you have left working on all of those priorities that you have in the year ahead, we play a little game on this podcast called "Regulator Risk Roulette." It's a time-honored tradition, even for repeat guests like yourself, and it's a chance for our listeners to get to know a different side of our insurance regulators. There are six categories: Risky Business, Keep It Professional, Childish Things, Very Interesting, Getting Personal, and That's

Entertainment. We'll spin the virtual wheel once, and the category it lands on will be the question you can answer. So, are you ready to play again, I guess, Director?

**NAIC President Lindley-Myers:** Yes! Of course!

**NAIC CEO Mike Consedine:** Well, you're a good sport. So, let's spin the virtual wheel here. (Wheel spins.) Okay, well, it ended up on That's Entertainment, and I get to pick the question. And I'll go with one of the perennial favorites here, but if you could have lunch with any famous person, and I'll say living or dead, who would it be and why?

**NAIC President Lindley-Myers:** Well, I didn't watch it, but I got the recap of the Grammys. It would be Viola Davis. She's now an EGOT. And, I guess, you know, again, it's to get her perspective. Every person you meet really is a person that I would want to sit down and talk to them about why they think what they think, what they think, and what are their goals, what are things that they are striving for. Because you get to know, of course, that person. You get to know how they think, and a lot of times you get to discern that they don't think like you do. And, so, it's just yet another rabbit hole, I guess, you can kind of go into and learn a little bit more about another person. Because it's all of us that makes the world go round. So, I think, you know, that would be the person, but I have to say Viola Davis mainly because she is an EGOT, or I would pick Beyonce, because now she's surpassed every other musician of getting these awards. And, so, I do think, you know, "How does that make you feel? What are you still striving for? You've already reached a pinnacle. What more are you looking for?" And, so, I do think that that's important to try to find out about other people, what they think and how they think and why they think, whatever that is. And, so, can I spin the wheel and ask you that same question?

**NAIC CEO Mike Consedine:** [Laughter] Well, that's never been done before, Director. But, you know, you're the president, so ...

**NAIC President Lindley-Myers:** Well, there you go! See, let's try something new!

**NAIC CEO Mike Consedine:** ... you get to make the rules, especially when it comes to me. But, gosh, that's, you know, I'm a history buff, and, you know, I've read a lot of biographies about historical figures. And one who has always impressed me, just because of sort of his experience and his leadership challenges, is Winston Churchill. And, you know, he just had this incredible life and his time as prime minister during World War II and just his ability to rally his country through just his words. There was a movie about him, and one of the characters, you know, after Churchill gave this rousing speech in Parliament, just said, "He's just weaponized the English language." And I've always just been so impressed by him and, again, his ability to take just words and literally motivate a country in its worst time to survive all it did and thrive. So, thank you for giving me the opportunity!

**NAIC President Lindley-Myers:** Yes! Absolutely. I have spent time with you, but I do think that, you know, having the podcast community know a little bit more about you, you know, is very, very helpful and how we interact together. So, I do think that that is important. And, again, history is history, but there are some things that we can take into the future and into our lives in the present. So, I do appreciate you sharing that with me.

**NAIC CEO Mike Consedine:** Well, thank you, Director. And thank you again for joining me once more on *The Regulators*. And we truly wish you all the best in working with you this year to make sure your year as an NAIC president is a success, because I know of your commitment

to policyholders and to markets and, frankly, to your fellow colleagues. So, it will be a great year, and we are honored to support you.

**NAIC President Lindley-Myers:** Thank you, Mike.

**NAIC CEO Mike Consedine:** And thank you all for listening to *The Regulators*. Join us each month and subscribe to *The Regulators* wherever you get your podcasts. We'll see you next time!