

# National Meeting Preview

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TO: NAIC Members, State Insurance Regulators, and Interested Parties  
FROM: NAIC Committee Support Staff  
DATE: July 13, 2022  
SUBJECT: Preview of NAIC Committee and Task Force Activities for the Summer National Meeting

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The NAIC appreciates your active involvement and input. Our open meetings policy ensures the broadest access possible, while reserving the right to close a meeting for specific purposes as outlined in the NAIC Policy Statement on Open Meetings. To make your meeting experience as valuable as possible, we present this information to help you plan your schedule.

The *Preview* highlights key actions planned by the NAIC membership during its upcoming national meeting. The information should only be used as a general reference. These sessions are subject to change to reflect developments between the time this was written and the start of the national meeting.

**Important Note:** We strongly encourage you to check the detailed program agenda posted [here](#) on the NAIC website for the most current dates and times of all meeting sessions, as well as any events prior to or after the national meeting. Once the Event App is open, on-demand recordings for open interim meetings (Task Force and Working Groups) that were held in lieu of taking place at the national meeting will be available.

## **SPECIAL MEETINGS AND/OR EVENTS**

### **CIPR SUMMER EVENT: GAUGING THE POTENTIAL FOR INSURANCE INDUSTRY INVESTMENTS IN SOCIAL INFRASTRUCTURE AND COMMUNITY DEVELOPMENT INITIATIVES – AN INDUSTRY AND REGULATORY INITIAL DIALOGUE**

Please plan to join the NAIC Center for Insurance Policy and Research (CIPR) for its upcoming session. Insurance companies have long been a significant presence in *physical infrastructure* financing, with our recent estimate of total U.S. insurance industry exposure to economic infrastructure investments to be roughly \$566 billion. Although insurers have been increasingly investing in infrastructure-backed financial assets, we found in our recent research report, [\*Can Insurance Companies Help Fill the Infrastructure Gap?\*](#) (Czajkowski et al., 2021, NAIC), that insurers could potentially assist in closing the infrastructure investment gap, but only if these infrastructure investments meet financial performance expectations and regulatory requirements.

However, our definition and analysis of insurers' infrastructure investments excluded *social infrastructure*. Social infrastructure includes tangible community development activities, which are vital for all communities but critical for low- and moderate-income communities. Issues of affordable housing and community resilience to natural catastrophes are particularly significant in this regard.

## Preview

### NAIC 2022 Summer National Meeting

In an effort to expand our existing infrastructure research, this session will begin a social infrastructure investment dialogue between industry and regulators, aiming to highlight industry's current appetite and approach to social infrastructure investments, as well as how insurance regulators are currently and/or should be thinking through these types of social infrastructure investments from a regulatory solvency perspective. The program is scheduled for Wednesday, Aug. 10, 12:00 – 12:50 p.m. PT.

#### REGULARLY SCHEDULED MEETINGS

The **EXECUTIVE (EX) COMMITTEE** will consider adoption of the report of the joint meeting of the **Executive (EX) Committee** and the **Internal Administration (EX1) Subcommittee**, as well as the reports of its task forces and the Special (EX) Committee on Race and Insurance. The Executive (EX) Committee will consider for adoption the revisions to the NAIC Consumer Participation Program Plan of Operation. The Committee may consider adoption of Requests for NAIC Model Law Development that are currently pending with sponsoring letter committees. The Committee will: 1) receive an update on *State Ahead* implementation efforts; 2) receive progress reports regarding work on NAIC models currently under development; and 3) hear updates from the Interstate Insurance Product Regulation Commission (Compact) and the National Insurance Producer Registry (NIPR). A draft agenda and materials for this meeting will be made available for review on the [Meetings and Events](#) page on the NAIC website.

During the joint meeting of the **Executive (EX) Committee and Plenary**, NAIC members will consider adoption of reports from its eight standing committees, as well as minutes from the Spring National Meeting. Progress reports will be provided on the states' implementation efforts on NAIC-adopted model laws, regulations, and/or amendments. Members will also consider adoption of amendments to the *Valuation Manual*.

**Please Note:** An NAIC model law, regulation, bulletin, white paper, or other pertinent item for review and discussion by the **Executive (EX) Committee and Plenary** may be added to its agenda for consideration at any time prior to the Summer National Meeting. Please watch for updates on the [Interactive Agenda](#) on the [Meetings and Events](#) page on the NAIC website.

The **CLIMATE AND RESILIENCY (EX) TASK FORCE** will: 1) consider adoption of its Spring National Meeting minutes; 2) receive reports from its workstreams; 3) hear a panel discussion on wildfire mitigation from the California Department of Insurance (DOI), the Insurance Institute for Business & Home Safety (IBHS), the American Property Casualty Insurance Association (APCIA), and United Policyholders (UP); and 4) hear a federal update.

The **LONG-TERM CARE INSURANCE (EX) TASK FORCE** will: 1) consider adoption of its minutes; 2) receive a report on the current activity and progress on the various workstreams of the Task Force; and 3) hear a presentation on a research project on reduced benefit options (RBOs).

The **SPECIAL (EX) COMMITTEE ON RACE AND INSURANCE** will: 1) consider adoption of its Spring National Meeting minutes; and 2) receive reports on the current activity and progress of its workstreams.

The **LIFE INSURANCE AND ANNUITIES (A) COMMITTEE** will: 1) consider adoption of its July 20 minutes; and 2) consider adoption of its task force and working group reports. The **Accelerated Underwriting (A) Working Group** will not meet at the Summer National Meeting. The **Annuity Suitability (A) Working Group** will not meet at the Summer National Meeting. The Working Group will meet in lieu of the Summer National Meeting in July to discuss additional questions on the safe harbor provision and possibly more questions related to producer training for the frequently asked questions (FAQ) document. The Working Group developed the FAQ document as a guidance document for the states to use as they consider adoption and implement provisions in the revised *Suitability in Annuity Transactions Model Regulation* (#275).

The **LIFE ACTUARIAL (A) TASK FORCE** will: 1) continue the development of requirements for principle-based reserving (PBR); 2) discuss the development of PBR for non-variable annuities in VM-22, Statutory Maximum Valuation Interest Rates for Income Annuities; 3) hear an update on the status of the economic scenario generator (ESG) field test; 4) hear an update on experience reporting; 5) hear an update on the proposed actuarial guideline for index-linked variable annuities (ILVAs); 6) discuss considerations for indexed universal life (IUL) revisions; 7) consider a proposal from the Society of Actuaries (SOA) for mortality improvement; and 8) consider adoption of its subgroup reports.

The **HEALTH INSURANCE AND MANAGED CARE (B) COMMITTEE** will: 1) hear presentations on issues of interest to the Committee, including a discussion on the implementation and enforcement of the federal No Surprises Act (NSA), state exchanges, and Medicaid redeterminations; 2) consider adoption of its interim and Spring National Meeting minutes; and 3) consider adoption of its task force, working group, and subgroup reports. The **Consumer Information (B) Subgroup** will not meet at the Summer National Meeting. The **Health Innovations (B) Working Group** will discuss issues regarding restarting redeterminations in Medicaid, its work related to its charge from the Special (EX) Committee on Race and Insurance, and other topics.

The **HEALTH ACTUARIAL (B) TASK FORCE** will not meet at the Summer National Meeting. The Task Force will meet Aug. 1 in lieu of the Summer National Meeting to hear updates from the SOA and the American Academy of Actuaries (Academy), and to discuss an Academy/SOA Research Institute Group Life Waiver of Premium Valuation Table (GLWPVT) Work Group proposal for valuation tables to replace the 2005 Group Term Life Waiver Mortality and Recovery Tables in *Actuarial Guideline XLIV—Group Term Life Waiver of Premium Disabled Life Reserves* (AG 44). The **Long-Term Care Actuarial (B) Working Group** will not meet at the Summer National Meeting.

The **REGULATORY FRAMEWORK (B) TASK FORCE** will: 1) hear presentations on policy issues affecting state health insurance regulation, including a presentation on the biosimilar language in the *Health Carrier Prescription Drug Benefit Management Model Act* (#22); and 2) consider adoption of its working group and subgroup reports. The **Accident and Sickness Insurance Minimum Standards (B) Subgroup** will not meet at the Summer National Meeting. The Subgroup continues to meet about every two weeks to consider revisions to the *Model Regulation to Implement the Accident and Sickness Insurance Minimum Standards Model Act* (#171). The **Employee Retirement Income Security Act (ERISA) (B) Working Group** will discuss possible future projects and will adjourn into regulator-to-regulator session, pursuant to paragraph 3 (specific companies,

entities, or individuals) of the NAIC Policy Statement on Open Meetings, to share information about any investigations into potential sham plans. The **Mental Health Parity and Addiction Equity Act (MHPAEA) (B) Working Group** will meet in open session and in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings, to continue discussion of its work to provide additional compliance tools for the states in determining MHPAEA plan compliance, particularly related to non-quantitative treatment limitations (NQTLs). The **Pharmacy Benefit Manager Regulatory Issues (B) Subgroup** will continue to hear presentations from stakeholders on issues related to its new charge to develop a white paper related to pharmacy benefit manager (PBM) business practices, including the impact, if any, of the U.S. Supreme Court's *Rutledge v. Pharmaceutical Care Management Association (PCMA)* decision, and other issues related to the prescription drug supply distribution system.

The **SENIOR ISSUES (B) TASK FORCE** will: 1) adopt its interim meeting minutes and Spring National Meeting minutes; 2) hear a presentation on Medicare Part D plans and a problem with auto enrollment; 3) hear about Medigap COBRA Special Enrollment Period (SEP) Notice and Medicare/COBRA; 4) discuss a possible update to the 10 long-term care insurance (LTCI) policy options document; 5) discuss the status of the Long-Term Care Insurance Model Update (B) Subgroup; and 6) revise, as necessary, the NAIC models, consumer guides, and training material on Medicare supplement insurance, LTCI, senior counseling programs, and other insurance issues that affect older Americans.

The **PROPERTY AND CASUALTY INSURANCE (C) COMMITTEE** will: 1) consider adoption of its task force and working group reports; and 2) consider adoption of the Pet Insurance Model Act. The **Cannabis Insurance (C) Working Group** will not meet at the Summer National Meeting. The Working Group will meet July 12 in lieu of the Summer National Meeting to: 1) consider adoption of its minutes; and 2) discuss insurance issues around minor cannabinoids. The **Catastrophe Insurance (C) Working Group** and the **NAIC/Federal Emergency Management Agency (FEMA) (C) Advisory Group** will meet in joint session to: 1) hear federal updates; 2) discuss progress made on updates to the *Catastrophe Modeling Handbook*; 3) hear an update regarding Alabama's private flood insurance initiatives; 4) hear updates from New Mexico regarding recent wildfires; 5) hear an update on Cascadia Rising; 6) hear an update on Northeast Zone activities; and 7) hear an update on the FEMA Region 6 event. The **Terrorism Insurance Implementation (C) Working Group** and the **Transparency and Readability of Consumer Information (C) Working Group** will not meet at the Summer National Meeting.

The **CASUALTY ACTUARIAL AND STATISTICAL (C) TASK FORCE** will: 1) consider adoption of its minutes; and 2) discuss the regulatory review of tree-based models.

The **SURPLUS LINES (C) TASK FORCE** will not meet at the Summer National Meeting. The Task Force will meet in lieu of the National Meeting to: 1) consider adoption of the report of the **Surplus Lines (C) Working Group**; and 2) discuss comments received on the exposure of the *Nonadmitted Insurance Model Act (#870)*.

## Preview

### NAIC 2022 Summer National Meeting

The **TITLE INSURANCE (C) TASK FORCE** will: 1) consider adoption of its minutes; 2) hold a roundtable discussion with states sharing how they regulate rates; and 3) discuss new title insurance-like alternatives and how they fit into regulation.

The **WORKERS' COMPENSATION (C) TASK FORCE** will not meet at the Summer National Meeting. The Task Force will meet in lieu of the Summer National Meeting to discuss current workers' compensation issues.

The **MARKET REGULATION AND CONSUMER AFFAIRS (D) COMMITTEE** will: 1) consider adoption of its July 15 minutes; 2) consider adoption of revisions to Chapter 21—Conducting the Property and Casualty Examination of the *Market Regulation Handbook*; 3) consider adoption of revisions to Chapter 24B—Conducting the Mental Health Parity and Addiction Equity Act of the *Market Regulation Handbook*; 4) consider adoption of procedures for amending the NAIC uniform producer licensing applications; and 5) consider adoption of its task force and working group reports. The **Market Actions (D) Working Group** will meet in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings, to continue work on its goals. The **Advisory Organization (D) Working Group, Market Analysis Procedures (D) Working Group, Market Conduct Annual Statement Blanks (D) Working Group, Market Conduct Examination Guidelines (D) Working Group, Market Regulation Certification (D) Working Group, and Speed to Market (D) Working Group** will not meet at the Summer National Meeting.

The **ANTIFRAUD (D) TASK FORCE** will not meet at the Summer National Meeting. The Task Force met June 30 to adopt the *Antifraud Plan Repository Workflow*. The Task Force will meet in July in lieu of the Summer National Meeting to: 1) consider adoption of its June 30 minutes; 2) consider adoption of the reports of the **Antifraud Technology (D) Working Group** and the **Improper Marketing of Health Insurance (D) Working Group**; and 3) hear updates from interested parties about their recent activities to address insurance fraud. The Task Force will meet in regulator-to-regulator session, pursuant to paragraph 3 (specific companies, entities, or individuals) of the NAIC Policy Statement on Open Meetings, to continue work on its goals. The **Improper Marketing of Health Insurance (D) Working Group** will hear public comments regarding the improper marketing of health insurance and recommendations on how to prevent such practices.

The **MARKET INFORMATION SYSTEMS (D) TASK FORCE** will not meet at the Summer National Meeting. The Task Force met June 16 to: 1) adopt its March 25 minutes; and 2) adopt the Market Information Systems Research and Development (D) Working Group recommendations regarding the incorporation of artificial intelligence (AI) abilities in the NAIC Market Information Systems (MIS).

The **PRODUCER LICENSING (D) TASK FORCE** will not meet at the Summer National Meeting. The Task Force met May 5 to: 1) adopt its 2021 Fall National Meeting minutes; 2) adopt procedures for amending the NAIC Uniform Applications; 3) appoint an Adjuster Licensing (D) Working Group; 4) receive an update on the draft Pet Insurance Model Law; and 5) hear a report from the NIPR Board of Directors.

The **FINANCIAL CONDITION (E) COMMITTEE** will hear a presentation from the Federal Reserve on an overview of changes to its Supervisory Framework and the interaction for state insurance regulators.

The Committee will also consider adoption of its task force and working group reports. The **Restructuring Mechanisms (E) Working Group** will not meet at the Summer National Meeting. The Working Group will meet in lieu of the Summer National Meeting regarding modifications to a previously exposed draft white paper.

The **ACCOUNTING PRACTICES AND PROCEDURES (E) TASK FORCE** will consider adoption of its working group reports. The **Statutory Accounting Principles (E) Working Group** will hear comments on previously exposed items, including: 1) agenda item *2021-01: Conceptual Framework – Updates*, which was drafted in response to recent updates by the Financial Accounting Standards Board (FASB) to consider revisions to the definitions of an asset and liability; and 2) agenda item *2021-20: Effective Derivatives – ASU 2017-12*, which considers potential revisions to *Statement of Statutory Accounting Principles (SSAP) No. 86—Derivatives* regarding expanding effective hedge assessment exceptions as allowed under U.S. generally accepted accounting principles (GAAP). Additionally, the Working Group is expected to consider adoption of several other clarifications to statutory accounting and is anticipated to consider new items for exposure. The **Blanks (E) Working Group** will not meet at the Summer National Meeting but will provide its report of interim activity.

The **CAPITAL ADEQUACY (E) TASK FORCE** will: 1) consider adoption of its working group and subgroup reports; 2) adopt its current working agenda; and 3) discuss the affiliated investments instructions and structures. The **Health Risk-Based Capital (E) Working Group** will not meet at the Summer National Meeting. The Working Group will meet July 21 in lieu of the Summer National Meeting to: 1) consider adoption of its minutes; 2) consider adoption of its revised working agenda; 3) consider adoption of the 2022 health risk-based capital (RBC) newsletter; 4) consider adoption of the 2021 health RBC statistics; 5) receive comments on the affiliated investment proposal; and 6) discuss the Academy's update on the H2 – Underwriting Risk project. The **Risk-Based Capital Investment Risk and Evaluation (E) Working Group** will: 1) discuss its working agenda; and 2) consider exposures to prioritize and move forward with key projects. The **Life Risk-Based Capital (E) Working Group** will not meet at the Summer National Meeting. The Working Group will meet July 27 in lieu of the Summer National Meeting to: 1) consider adoption of its minutes; 2) consider adoption of its 2022 life and fraternal newsletter; 3) consider adoption of the 2021 life and fraternal RBC statistics; and 4) discuss comments received on the affiliated investments proposal. The **Property and Casualty Risk-Based Capital (E) Working Group** and the **Catastrophe Risk (E) Subgroup** will meet in joint session to: 1) consider adoption of the Subgroup's June 14 and April 19 minutes; 2) consider adoption of the Working Group's June 24, June 7, and April 26 minutes; 3) consider adoption of proposal 2022-04-CR (2013-2021 Wildfire Event Lists); 4) consider adoption of the 2022 Property and Casualty Risk-Based Capital newsletter; 5) consider exposure of proposal 2022-07-P (PR035 Line of Business); 6) discuss the independent model review instruction in the Rcat component; 7) evaluate other catastrophe risks for possible inclusion in the Rcat component; 8) discuss 2021 property/casualty (P/C) RBC statistics; 9) hear a presentation regarding severe thunderstorms; 10) discuss its working agenda; and 11) hear updates on current P/C RBC projects from the Academy.

## Preview

### NAIC 2022 Summer National Meeting

The **EXAMINATION OVERSIGHT (E) TASK FORCE** will: 1) consider adoption of its minutes; and 2) consider adoption of the reports of the **Electronic Workpaper (E) Working Group**, the **Financial Analysis Solvency Tools (E) Working Group**, the **Financial Examiners Coordination (E) Working Group**, the **Financial Examiners Handbook (E) Technical Group**, and the **Information Technology (IT) Examination (E) Working Group**.

The **FINANCIAL STABILITY (E) TASK FORCE** and the **Macroprudential (E) Working Group** will meet in joint session to: 1) adopt its joint June 27 and April 5 minutes and Working Group's April 22 minutes; 2) receive an update from the Macroprudential (E) Working Group on private equity (PE) and liquidity stress test (LST); and 3) hear an international update.

The **RECEIVERSHIP AND INSOLVENCY (E) TASK FORCE** will: 1) consider adoption of its June 2 minutes; 2) consider adoption of its working group and subgroup reports; and 3) hear updates on federal and international resolution activities.

The **REINSURANCE (E) TASK FORCE** will not meet at the Summer National Meeting. The Task Force will meet July 25 in lieu of the Summer National Meeting to: 1) consider adoption of its minutes; 2) consider adoption of the report from the **Reinsurance Financial Analysis (E) Working Group**; 3) receive a report from the **Mutual Recognition of Jurisdictions (E) Working Group**; and 4) discuss the progress of other ongoing projects.

The **VALUATION OF SECURITIES (E) TASK FORCE** will: 1) consider adoption of its minutes; 2) discuss comments and consider adoption of proposed *Purposes and Procedures Manual of the NAIC Investment Analysis Office (P&P Manual)* amendments to: a) update the role of the Securities Valuation Office (SVO) regarding interpreting accounting and reporting; b) update part 4 for NAIC designation category and additional price points; and c) update the definition of principal protected securities (PPS); 3) receive and expose 2023 proposed charges for the Valuation of Securities (E) Task Force; 4) discuss comments received on Investment Analysis Office (IAO) issue paper on the risk assessment of structured securities – collateralized loan obligations (CLOs); 5) receive and consider exposure of a P&P Manual amendment with a revised updated definition of other non-payment risk assigned a subscript "S"; 6) receive and discuss a referral from Statutory Accounting Principles (E) Working Group on its adoption of the related party reporting agenda item; and 7) receive staff reports on the Statutory Accounting Principles (E) Working Group's projects and updates on the ad hoc credit rating provider (CRP) study group.

The **FINANCIAL REGULATION STANDARDS AND ACCREDITATION (F) COMMITTEE** will: 1) consider adoption of updates to the accreditation standards related to coordinated exam changes in the *Financial Condition Examiners Handbook*; 2) consider adoption of a referral from the Financial Condition (E) Committee regarding the applicability of the accreditation program to captive insurers that reinsure variable annuity business; and 3) consider adoption of a referral from the Receivership and Insolvency (E) Task Force regarding inclusion of the 2021 revisions to the *Insurance Holding Company System Regulatory Act (#440)* and the *Insurance Holding Company System Model Regulation with Reporting Forms and Instructions (#450)*, which relate to receiverships, in the accreditation program.

The **INTERNATIONAL INSURANCE RELATIONS (G) COMMITTEE** will: 1) discuss progress on initiatives of the International Association of Insurance Supervisors (IAIS), including: a) the implementation and

## Preview

### NAIC 2022 Summer National Meeting

assessment of the updated Insurance Core Principles (ICPs), the Common Framework for the Supervision of Internationally Active Insurance Groups (ComFrame), and the holistic framework for systemic risk assessment; b) ongoing work on the global insurance capital standard (ICS), aggregation method (AM), and comparability; and c) plans for addressing emerging risks and trends; 2) hear an update on work in progress at other international organizations, including the Organisation for Economic Co-operation and Development (OECD) and the Sustainable Insurance Forum (SIF); and 3) receive updates on ongoing activities to enhance cooperation with international insurance regulators.

The **INNOVATION, CYBERSECURITY, AND TECHNOLOGY (H) COMMITTEE** will: 1) hear reports from its working groups; 2) consider for adoption the Request for NAIC Model Development from the Privacy Protections (H) Working Group to revise the *NAIC Insurance Information and Privacy Protection Model Act* (#670) and the *Privacy of Consumer Financial and Health Information Regulation* (#672); 3) discuss other committee-level projects; and 4) hear presentations on the methods that insurers are currently using to manage and mitigate the risk of unfair discrimination when developing and using AI/machine learning (ML)-supported decision-making. The **Big Data and Artificial Intelligence (H) Working Group** will: 1) discuss draft AI/ML private passenger auto (PPA) survey analysis; 2) review draft surveys regarding the use of AI/ML in homeowners insurance and life insurance and a timeline for completion; 3) discuss the role of third-party data and model vendors and the regulatory framework for the oversight of these activities; 4) discuss model governance frameworks with a specific focus on bias mitigation and detection through model governance; and 5) discuss potential deliverables and next steps toward developing regulatory guidance for monitoring industry's use of big data, algorithms, and AI. The **Privacy Protections (H) Working Group** will: 1) submit its Request for NAIC Model Law Development to the Innovation, Cybersecurity, and Technology (H) Committee to revise Model #670 and Model #672; and 2) discuss the compiled results of the survey to be used in drafting the white paper on consumer data ownership and use. The **Cybersecurity (H) Working Group**, **E-Commerce (H) Working Group**, and **Innovation in Technology and Regulation (H) Working Group** will not meet at the Summer National Meeting.

The **NAIC/CONSUMER LIAISON COMMITTEE** will: 1) discuss health and non-health (life, annuity, P/C, etc.) insurance issues currently affecting consumers; and 2) discuss the results of surveys to enhance consumer presentations and participation with NAIC members.

The **NAIC/AMERICAN INDIAN AND ALASKA NATIVE LIAISON COMMITTEE** will continue to discuss the lack of consumer education and outreach regarding tribal members' access to insurance products, which is complicated by tribal differences in experience, funding, internet, geographic locations, traditions, and tribal governments.

The **INTERSTATE INSURANCE PRODUCT REGULATION COMMISSION (COMPACT)** will convene in a joint meeting of the Management Committee and Commission to consider adopting its Position Statement 1-2022 and Phase 9 Five-Year Review Amendments to Certain Uniform Standards. The Compact will also receive recommendations from the Product Standards Committee and consider adoption of its consent agenda. The members will continue strategic planning discussions on priorities, objectives, and action items for the coming three years.