

Strategic Plan Action Items

Updated 6/29/2020

<i>Priority</i>	<i>Item No.</i>	<i>Action Item (by Committee)</i>	<i>Projected Start</i>	<i>Projected Completion</i>	<i>Anticipated Projects</i>	<i>Projected Cost</i>
Commission						
III	10	Conduct review of the Insurance Compact Bylaws to assess consistency with current governance structure and with governance best practices and solicit feedback from the Compacting States to develop a report and recommendation regarding the effectiveness of the current structure, procedures, communications and opportunities for improvements [in cooperation with the Management Committee]	1st Quarter 2020	4th Quarter 2021	1) Present draft RFP and form Governance Committee at March in-person meeting; 2) Issue RFP and Retain Consultant by June 30; 3) Commission consideration of budget request by June 30; 4) Consultant work and final deliverable by November in-person meeting; 4) Commission adoption of a Report and Recommendation for improvements at Spring 2021 in-person meeting; 5) Implementation of recommendations by Fall 2021 in-person meeting.	Estimated \$75,000 - \$125,000. Separate budget request will be presented to Commission for consideration

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Management Committee						
I	8	Identify specific areas of product regulation, where uniformity would be conducive to the goals of Compacting States and state-based insurance regulation and determine if they are within the existing authority of the Insurance Compact.	1st Quarter 2020	Ongoing/4th Quarter 2022	1) Follow/Participate in NAIC LTC TF Charge to Pilot the Insurance Compact for a multi-state/national review process for in-force rate increase filings on state-approved LTC products; 2) Develop project plan for pilot for notice to Commission members and LTC TF members; 3) Conduct pilot and report to members and LTC TF; 4) Survey members to identify areas in life, annuities, LTC, DI conducive to further uniformity (e.g. illustrations, advertising, notices)	No additional budget impact for 2020 expected
II	2	Identify enhancements within the Insurance Compact instance in SERFF or the regulatory review processes to better assist the Compacting States in easily identifying the product, product features and other pertinent information of a Compact filing and work with SERFF to ensure a smooth transition for the Insurance Compact instance during its reengineering project.	3rd Quarter 2020	1st Quarter 2022	1) Compact Office participate as a user in SERFF's business assessment to identify needs; 2) Survey members (SERFF users) regarding additional functionality and reporting information for Compact filings; 3) Work with SERFF and its Product Steering Committee to identify, prioritize and complete enhancements for the Compact, including during SERFF's reengineering project; 4) periodically reporting to and review by the Management Committee.	No additional budget impact for 2020 expected. SERFF development hours under License Agreement may be used to perform this work.
II	3	Partner with the NAIC to develop automated tools for the Insurance Compact Office, company filers and regulators to create useful reports and search functionality as well as business intelligence to increase consistency and compliance with the Uniform Standards at the time of filing.	3rd Quarter 2020	1st Quarter 2022	1) Compact Office participate as a user in SERFF's business assessment to identify needs; 2) Identify product type (such as term life policy or simplified application) to map Compact review process; 3) Identify areas of review where automation would assist in the review; 4) Work with NAIC to identify, prioritize, and complete enhancements for the Compact to develop or improve automated review tools; 5) Periodically reporting to and review by the Management Committee.	No additional budget impact for 2020 expected. SERFF development hours under License Agreement may be used to perform this work.
II	9	Implement an audit process either through an outside party or through participation of regulators in Compacting States to verify randomly selected Compact-approved product filings across product and filing types and companies are subject to consistent, thorough quality reviews for compliance with the applicable Uniform Standards.	3rd Quarter 2020	Ongoing / 4th Quarter 2022	1) Survey Compacting States to solicit best practices for and steps in an audit process of regulatory work product by August 31; 2) Receive presentations from regulators involved in NAIC peer review programs to understand best practices and steps to take in process(es) by September 30; 3) Draft and expose a recommendation regarding an audit process approach by December 31; 4) Finalize and provide a recommendation to the Management Committee at the Spring 2021 in-person meeting; 5) Commission consideration of recommendation at Summer 2021 in-person meeting.	No additional budget impact for 2020 expected. Possible budget proposal in 2021.

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Management Committee (continued)						
III	1	Provide regular and ongoing information to Compacting States through weekly, monthly, and quarterly communications and reports about its committee and product operations activities.	1st Quarter 2020	Ongoing / 4th Quarter 2022	1) Provide monthly e-mail to members re: upcoming meetings, committee activities and product operation activities; 2) Provide quarterly reporting to members re: registered companies and product approvals; 3) Provide meeting overview e-mail to members in advance of Management Committee and Commission meetings; 4) Provide annual report on LTC approvals and rate certifications; 5) Solicit feedback from members regarding additional reporting needs.	No additional budget impact for 2020 expected
III	2	Provide live and on-demand training programs and tutorials for Compacting States, company filers, and consumer representatives about various aspects of the Compact and offer ongoing training on Uniform Standards and current product development.	1st Quarter 2020	Ongoing / 4th Quarter 2022	1) Develop an online training program for regulators and filers new to the Compact; 2) Provide two opportunities each year for an online Compact refresher for regulators, filers and others; 3) Provide at least six webinars each year (every other month) with new content for regulators on regulatory aspects of the Compact such as specific product approvals or specific aspects of product review; 4) Solicit feedback from regulators and filers regarding topics for webinars and on-demand tutorials; 5) Periodically reporting to and review by Management Committee.	No additional budget impact for 2020 expected
III	3	Convene focus groups of Compacting States (regulators and legislators), industry representatives and company filers, and consumers and consumer representatives to identify informational needs and improvements to the website.	2nd Quarter 2020	1st Quarter 2021	1) Solicit survey feedback on usefulness of current Insurance Compact website and suggestions for improvements; 2) Publish / report on survey feedback; 3) Between April and June 2020, convene focus group calls through Webex to walk through key areas of the website (Record, Docket, Member, Filer, Consumer, etc.); 4) Present recommendations for website enhancement to the Management Committee during September conference call; 5) Implement website enhancements by the November in-person meeting.	No additional budget impact expected
III	4	Develop a program to create product line discussion groups coordinated by Insurance Compact Office staff composed of interested regulators, legislators, industry and company representatives, consumer representatives and interested parties to discuss current activities and items of interest on a regular basis for the purpose of exchange of information and informed decision making by Compact members.	2nd Quarter 2021	Ongoing / 4th Quarter 2022	2021 Project	No additional budget impact for 2020 expected

Management Committee (continued)

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III	6	Engage members and state and federal partners to explore ways to strengthen the legal foundation of the Insurance Compact.	1st Quarter 2020	Ongoing / 4th Quarter 2022	1) Identify and/or solicit Compacting State Commissioners to form a team to lead this item by April 30; 2) Receive a briefing from outside counsel on considerations for addressing this item as third-party litigation is ongoing; 3) Commissioner team to develop a proposed plan of action for accomplishing this item by Summer in-person meeting; 5) Periodically reporting to and review by the Management Committee.	\$50,000 currently in budget for legal fees and may require separate budget request.
III	8	Work with the NAIC to restructure the Commission's repayment of start-up capital to maximize the Commission's ability to balance repayment with sustainability over the next ten years [in cooperation with Audit Committee].	Commenced in 2019	2nd Quarter 2020	1) Work with NAIC to finalize term sheet and draft legal documents; 2) Present agreement to Management Committee for approval at the March meeting); 3) Periodically reporting to and review by the Management Committee.	Net positive impact on cash balance
III	9	Working with the NAIC, provide regular updates to Committees, Task Forces and Working Groups with jurisdiction over product lines authorized by the Insurance Compact regarding its activities. Working with other state-based organizations including NCOIL, NCSL and CSG, provide regular updates on the Insurance Compact at its meetings or through other forms of targeted communication.	1st Quarter 2020	Ongoing / 4th Quarter 2022	1) Working with Officers identify NAIC Committees, TFs and WGs to present Compact updates; 2) Work with NAIC Chairs / staff support to offer Compact updates as desired; 3) Develop a quarterly written report for NCOIL, NCSL and CSG (and other stakeholder state member organizations); 4) Accept invitations to provide reports to NCOIL, NCSL, CSG members / committees at in-person meetings; 5) Periodically reporting to and review by Management Committee.	No additional budget impact for 2020 expected

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Product Standards Committee						
I	2	Provide wider and easy-to-follow public notice and detailed information with respect to Uniform Standards development for members, interested parties and constituents/ stakeholders.	1st Quarter 2020	4th Quarter 2020	1) Outline the rulemaking and notice requirements for Uniform Standards development by April 30; 2) Review current practice for documenting and providing notice of changes to and discussion of Uniform Standards during the development process by April 30 ; 3) Solicit regulator and public comment on improvements to the current practice and implementation of rulemaking and notice requirements by June 30; 4) Develop and present recommendations to the Management Committee at its Summer in-person meeting; 5) Implement adopted recommendations by December 31.	No additional budget impact for 2020 expected
I	3	Provide guidance for Compacting States and interested parties to be used in the Uniform Standards development process for drafting, submitting and considering proposals or changes to Uniform Standards to focus on the robust, relevant and reasonable objectives.	2nd Quarter 2020	2nd Quarter 2021	1) Outline the process and steps for uniform standards development (advanced rulemaking, informal rulemaking, formal rulemaking) by May 31; 2) Draft and expose for comment outline of guidance document for uniform standards development by July 31; 3) Draft and expose for comment guidance document for uniform standards development by September 30; and 4) Finalize and present recommendation to the Management Committee by Fall in-person meeting; 5) Commission consider for adoption at Spring 2021 in-person meeting.	No additional budget impact for 2020 expected
I	6	Develop a system for identifying and prioritizing the development of new Uniform Standards including for new product lines and new products and benefit features for existing product lines to reflect product offerings accepted by the majority or more of Compacting States.	3rd Quarter 2020	Ongoing / 4th Quarter 2022	1) Outline current process for identifying and prioritizing the development of new Uniform Standards by August 31; 2) Solicit comments on factors to consider in developing an identification and prioritization system for uniform standards development by October 30; 3) Draft and expose recommendation for a system for identifying and prioritizing uniform standards development by December 31; 4) Finalize and present recommendation to the Management Committee by Spring 2021 in-person meeting; 5) Commission consideration by Summer 2021 in-person meeting.	No additional budget impact for 2020 expected
I	7	Develop groups within the Compacting States, state legislators, consumer representatives and industry/company representatives to provide product-specific or issue-specific expertise and feedback to the member regulators in the Uniform Standards development process.	4th Quarter 2020	Ongoing / 4th Quarter 2022	1) Discuss and develop approach for identifying expertise groups by December 31; 2) Draft and expose approach by March 1, 2021; 3) Finalize and expose approach by May 31, 2021; 4) Finalize and present recommendation to the Management Committee by Summer 2021 in-person meeting.	No additional budget impact for 2020 expected

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Product Standards Committee (continued)						
I	9	Identify ways that the Uniform Standards can promote the use of plain, understandable language in forms, potentially through a generally applicable Uniform Standard or amendments to individual standards.	3rd Quarter 2020	Ongoing / 4th Quarter 2022	1) Have experts (regulators, academics, others) in plain language for insurance forms make public presentations between August and September 2020; 2) Solicit comments on factors to consider when developing requirements to promote plain language in forms by November 30; 3) Draft and expose a recommendation for an approach to promote plain language in Compact-approved forms by January 31; 4) Finalize and present recommendation to the Management Committee by June 2021	No additional budget impact for 2020 expected
II	6	Provide samples of simplified forms or provisions deemed consistent with the Uniform Standards for use by company filers when submitting a Compact filing.	1st Quarter 2021	4th Quarter 2021	2021 Project	Possible source of additional revenue
II	8	Study and provide a recommendation regarding the pros, cons and considerations for the development of a process for working with Compacting States willingly wanting to assist in a coordinated state review of a product filing where aspects of the product may not be able to be approved under current Uniform Standards	3rd Quarter 2020	2nd Quarter 2021	1) Form a group of Compacting States willingly wanting to assist in a coordinated state review of a product filing by June 30; 2) Working with this group, outline a process for assisting in a coordinated state review of a product filing that is outside scope of current Uniform Standards by September 30; 3) Conduct a pilot of the process on a product filings by December 31; 4) Report to PSC on the pilot program by January 31, 2021; 5) Draft and expose recommendation on pros, cons and considerations of Compact role in coordinated state review of product filing currently outside scope of Uniform Standards by May 31; 6) Finalize and present recommendation at 2021 Summer in-person meeting; 7) Periodically reporting to and review by Product Standards Committee.	Possible budget impact but currently unknown

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Rulemaking Committee						
I	2	Provide wider and easier participation by all Compacting States in the drafting process for Uniform Standards development including discussions of the Product Standards Committee.	Commenced in 2019	2nd Quarter 2020	1) Present Rulemaking Committee recommendation to the Management Committee at February 24 conference call; 2) Commission to consider changing the meeting practice at February 24 conference call; 3) Expose recommendation of committee guidelines for comments for 60-days; 3) Commission consideration of recommendation of committee guidelines at June conference call or Summer 2020 in-person meeting.	No additional budget impact for 2020 expected
I	4	Explore whether to expand the Uniform Standards to accommodate group types available in the Compacting States for the authorized product lines (other than the existing employer/employee group type), and if approved by the Commission, commence development.	2nd Quarter 2020	2nd Quarter 2021	1) Receive briefing from Compact Office on Group Standards 2) Develop and expose questions to solicit comments from regulators and industry, among others, on the type of groups available in the Compacting States for the type of Compact-authorized group product lines by April 30; 3) Draft and expose a recommendation on whether to accommodate group types other than employer/employee group and if so, a suggested approach by August 31; 4) Finalize and present recommendation to the Management Committee by Fall in-person meeting; 5) Consider recommendation for adoption at Spring 2021 in-person meeting; 6) Develop next steps to implement recommendation.	No additional budget impact for 2020 expected
I	5	Review current five-year review process and activities to recommend changes, while ensuring continued transparency and wide opportunities for member and public input, to make it a more iterative, flexible and efficient review of the Uniform Standards focused on the robust, relevant and reasonable objectives.	1st Quarter 2021	2nd Quarter 2022	2021 Project	No additional budget impact for 2020 expected

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Rulemaking Committee (continued)						
II	7	Study and analyze the types of Mix and Match for product filings over the last three years and provide a report to the Commission with detailed information and recommendations to improve the process and further minimize the need for Mix and Match and include guidance, with input of Compacting States, regarding whether additional forms are required to be filed with Compacting States for a Compact-approved product.	3rd Quarter 2020	3rd Quarter 2021	1) Rulemaking Committee to identify key items / outline for the Compact Office to report on with respect to mix and match by June 30; 2) Compact Office to provide a report pursuant to the Rulemaking Committee's parameters by September 30; 3) Develop and expose questions to solicit comments from regulators and industry, among others, on ways to improve the process and further minimize the need for mix and match by December 31; 4) Develop and expose a recommendation on changes to the mix and match process by March 1, 2021; 5) Present report and recommendation to the Management Committee on changes to the mix and match process at the Spring 2021 in-person meeting; 6) Rulemaking Committee may be asked to provide feedback on any comments submitted during comment period; 7) Management Committee / Commission consider recommendation for adoption at Summer 2021 in-person meeting; 8) Develop next steps to implement recommendation.	No additional budget impact for 2020 expected

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Finance Committee						
II	1	Create a new position for a member services coordinator to work closely with regulators in Compacting States to provide regular and consistent communications on a variety of Compact matters including updates and issues in the regulatory review process.	Commenced in 2019	3rd Quarter 2020	1) Recruit and retain Regulatory Coordinator Consultant; 2) In consultation with candidate, identify job duties and qualifications for new member services coordinator in 2020 budget; 3) Executive Director, Regulatory Coordinator Consultant, and Member Services Coordinator to present to Management Committee outreach plan for regular and consistent member communications by September 30.	No additional budget impact for 2020 as part of adopted annual budget
II	4	Provide a continuing path for expedited review for product filings meeting eligibility criteria to optimize compliant filings.	2nd Quarter 2020	4th Quarter 2020	1) Provide report to Finance Committee on 2019 Expedited Review Pilot Program by April 30 (and Management Committee at next meeting thereafter); 2) Survey all registered companies to understand usage, benefits, issues, and suggestions for improvement of ERP by June 30; 3) Draft and expose recommendation for consideration of long-term expedited review program by August 31; 4) Finalize and present recommendation to the Management Committee by September 30; 5) Commission consideration of recommendation at Fall National Meeting.; 6) Develop next steps to implement recommendation.	No additional budget impact for 2020 expected (Source of revenue)
II	5	Develop a program to create resource groups of Compacting State regulators with form review or actuarial experience in the Insurance Compact's authorized product lines to train and be available as a resource to the Insurance Compact Office in the regulatory review process.	1st Quarter 2021	4th Quarter 2022	2021 Project	No additional budget impact for 2020 expected
III	5	Develop a comprehensive professional development program for the Insurance Compact Office team to ensure training in current best practices and developments in respective professional fields and creation of a succession planning strategy.	1st Quarter 2021	4th Quarter 2021	2021 Project	No additional budget impact for 2020 expected

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Regulatory Counsel Committee						
III	7	Develop reference materials regarding the Insurance Compact to be used as a resource for executive, legislative and judicial branches of government to use in understanding the Insurance Compact.	2nd Quarter 2021	2nd Quarter 2022	2021 Project	No additional budget impact for 2020 expected