

Agenda Item 2. Receive an update on PSC workplan through December.

The Compact staff provided an update on the recent and remaining work for the committee. It was noted that the *Additional Standards for Return of Premium for Individual Disability Income Insurance* and the *Single Premium Group Fixed Annuity Contract Uniform Standards* were adopted on September 30th and are now in the 90-day promulgation period. During that meeting of the Management Committee and the full Commission, the Product Standards Committee (PSC) also recommended that the rulemaking process start for the *Uniform Standards for Group Guaranteed Interest Contracts for Non-Variable Annuities for Employer Groups* and amendments to the *Group Policyholder Application Uniform Standards*. Compact staff stated that the remaining goals for the year are to complete the proposed amendments to the *Additional Standards for Qualifying Events for Waiver of Premium Benefits* and *Additional Standards for Qualifying Events for Waiver of Monthly Deductions* and finalize recommendations for the Management Committee, and to introduce, discuss, and finalize new *Additional Standards for Waiver of Surrender Charge Benefit for Life Insurance Policies*.

Agenda Item 4. Discuss public comments for the proposed *Additional Standards for Return of Premium for Individual Disability Income Insurance* and finalize recommendation for the Management Committee.

Mary Mealer, Chair of the PSC, requested that the Compact staff lead a review of the final public comments for the proposed amendments to the *Additional Standards for Qualifying Events Waiver of Premium Benefits*, noting that any recommended changes would also be made to the *Additional Standards for Qualifying Events Waiver of Monthly Deductions*.

The PSC reviewed comments from Yvonne Hunter, Consumer Advisory Committee (CAC), suggesting clarification of certain items under the definition of “qualifying event.” They agreed to the following revisions:

“Qualifying event” means any of the following, as long as the event meets the requirements of this standard:

- (1) Diagnosis of limited life expectancy or life-threatening condition;
- (2) Diagnosis of cognitive impairment;
- (3) Assessment by a qualified professional establishing inability to perform certain activities of daily living;
- (4) Receipt of care from a health care facility;
- (5) Disability; or
- (6) Unemployment.

The committee next reviewed §3.A(2)(b) and Ms. Hunter’s comments regarding students who are disabled but participating in online course work. The PSC agreed that the provision could use clarification and following discussion agreed to the following revision:

The waiver benefit form may include homemakers or students in the definition of employment. If ~~applied~~ included, the definition shall provide that the homemaker is

unable to perform the customary duties of a homemaker or that the student is unable to attend regularly scheduled classes, including online, if applicable.

The Chair stated that the Compact staff would update the proposals and prepare them for recommendations to the Management Committee later this year. Since these standards are very similar to the new draft of the *Additional Standards for Waiver of Surrender Charge Benefit for Life Insurance Policies*, the three sets of Uniform Standards will be presented as a package.

Agenda Item 5. Review initial draft of *Additional Standards for Waiver of Surrender Charge Benefit for Life Insurance Policies*.

The PSC reviewed the initial discussion draft of the *Additional Standards for Waiver of Surrender Charge Benefit for Life Insurance Policies*. It was noted that a request for these standards was a high priority item on the 2018 list of Uniform Standard development requests. The draft was based on the existing adopted standards for annuity products. The PSC was asked to review the draft to determine if all provisions in the draft would be considered applicable for life insurance products. The committee agreed to expose the draft for public comment.

Agenda Item 6. Any Other Matters.

The Chair stated that the next call would be a public call that would be scheduled for November 5th to receive comments on the draft *Additional Standards for Waiver of Surrender Charge Benefit for Life Insurance Policies*.