1. Roll Call

2. Report of the Finance Committee and Consideration by the Management Committee to Approve the Report of the Finance Committee

3. Report of the Product Standards Committee and Consideration by the Management Committee to Approve the Report of the Product Standards Committee

4. Report of the Rulemaking Committee and Consideration by the Management Committee to Approve the Report of the Rulemaking Committee

5. Report of the Technology Committee and Consideration by the Management Committee to Approve the Report of the Technology Committee

6. Management Committee Consideration of Approval of Meeting Minutes from the March 27th Joint Meeting of the Management Committee and Commission

7. Operational Update

8. Any Other Matters

9. Adjourn
Minutes of the Meeting of the Management Committee of the Interstate Insurance Product Regulation Commission  
Monday, June 22, 2015

Members of the Commission and Department Staff in Attendance:
Commissioner Jacqueline Cunningham, Vice Chair, Virginia  
Commissioner Angela Weyne, Treasurer, Puerto Rico  
Yada Horace, Alabama  
Director Germaine Marks, Arizona  
Donna Daniel, Idaho  
Cindy Colonius as a designated representative for Acting Director James Stephens, Illinois  
Mihir Nag, Indiana  
Jason Lapham, Kansas  
Barry Ward, Louisiana  
Joseph Garcia as a designated representative for Director Patrick M. McPharlin, Michigan  
Roger Stefani as a designated representative for Commissioner Mike Rothman, Minnesota  
Jay Eads, Mississippi  
Bob Williams, Mississippi  
Mary Mealer as a designated representative for Director John Huff, Missouri  
Rosann Grandy, Montana  
Karl Hug, Nebraska  
Barbara Richardson, New Hampshire  
Felix Schirripa as a designated representative for Commissioner Ken Kobylowski, New Jersey  
Terry Seaton, New Mexico  
Ted Hamby, North Carolina  
Peter Weber as a designated representative for Director Mary Taylor, Ohio  
Joel Sander as a designated representative for Commissioner John Doak, Oklahoma  
Commissioner Laura Cali, Oregon  
Peter Camacci as a designated representative for Acting Commissioner Teresa Miller, Pennsylvania  
Jan Graeber as a designated representative Commissioner David Mattax, Texas  
Betsy Jerome, Utah  
Don Beatty, Virginia  
Susan Ezalarab, Wisconsin

Members of the Consumer Advisory Committee in attendance:  
Sonja Larkin-Thorne, NAIC Consumer Liaison Representative

Members of the Industry Advisory Committee in attendance:  
Hugh Barrett, Massachusetts Mutual Life Insurance Company  
Miriam Krol, American Council of Life Insurers (ACLI)  
Amanda Matthiesen, America’s Health Insurance Plans (AHIP)

Interested Parties in attendance:  
Craig Hopkins, Pacific Life Insurance Company  
Beth Lindsey, Voya Financial  
Marianne Sherman, ACORD

IIPRC staff in attendance:  
Karen Schutter, Executive Director  
Sara Dubsky, Senior Operations Manager
Commissioner Cunningham called to order the Meeting of the Management Committee of the Interstate Insurance Product Regulation Commission (Commission). Ms. Schutter took the roll call of the Management Committee, Commission, members of the Legislative Committee, and members of the Industry Advisory and the Consumer Advisory Committees. Commissioner Cunningham noted that as provided in the Bylaws, when one or more member participates by telephone, a roll call vote upon each action item is to be taken.

Commissioner Cunningham proceeded to give the Report of the Finance Committee and noted that a member-only call was held at the end of May to receive an update from the IIPRC Office regarding the development of the 2016 Annual Budget. The IIPRC earned over $1,000,000 in revenues which is approximately $49,000 more than this time last year. Operating expenses continue to run under budget by approximately 10%, which is largely due to the timing of certain expenses – especially the retention of the three new full-time employees. The IIPRC Office provided the Finance Committee with an overview of the process for preparing and reviewing the 2016 Annual Budget including proposed changes to the Schedule of Fees. Commissioner Cunningham announced that the Finance Committee will propose an increase in the IIPRC filing fees under the Schedule of Fees without a change in registration fees to address the growth in operating expenses associated with the growth in product operations since the last time fees were amended in 2012. If there is a proposed revision to the Schedule of Fees, the Finance Committee will receive public comments prior to making a recommendation to the Management Committee which will be made in conjunction with the 2016 Annual Budget recommendation in the August and September time frame. Commissioner Cunningham concluded the Report and there were no comments or questions.

Commissioner Cunningham advanced to the Report of the Product Standards Committee, which was presented by Mr. Lapham. Mr. Lapham explained that the Product Standards Committee continues to review the group disability income uniform standards drafts. Much of the Committee’s work has been on the Core Group Disability Income Insurance Policy and Certificate Uniform Standards, which are the most extensive of the draft group disability income insurance standards. Five public calls of the Committee have been held in 2015 to receive comments on the group disability income uniform standards over the course of the drafting process. Mr. Lapham explained that the Committee’s goal is to finalize the remaining group disability insurance uniform standards and have the complete suite of uniform standards finalized for recommendation to the Management Committee at the August 14th meeting. The Product Standards Committee is also preparing to issue a Notice for Phase 6 of the 5-year review, which includes all of the individual Long-Term Care Uniform Standards. Notice will be issued on or around July 1st to seek public comments on the need for continuation, repeal or amendment of these Uniform Standards. Mr. Lapham concluded the Report and there were no comments or questions.

The next item on the agenda was the Report of the Rulemaking Committee, which was presented by Mr. Beatty. Mr. Beatty announced that the Rulemaking Committee recently held a regulator-only conference call to discuss the five-year review of one Operating Procedure - the Rule for the Self-Certification of Product Components Filed with the IIPRC (Self-Certification Rule) - and also reviewed a draft survey
regarding the mix and match process. Notice of the five-year review of this Rule was issued on January 1 with a comment due date of March 7th. There were no comments submitted regarding this Rule and the IIPRC Office does not have any suggested clarifications or changes to recommend either. Mr. Beatty noted that the Rulemaking Committee will convene a public call at the end of July to receive comments on the no-change recommendation for the Self-Certification Rule before finalizing the five-year review of this Rule. In regards to the mix and match survey, it will be presented by the Committee during the public call scheduled for the end of July in order to receive feedback from both regulators and interested parties before issuing to the Compacting states for completion. There were no comments or questions for Mr. Beatty.

Commissioner Cunningham moved to the Report of the Technology Committee, which was presented by Mr. Hamby. Mr. Hamby explained that the Technology Committee has met a few times earlier this year and will lead the charge on enhancements to the Search functionality within the Compact’s instance in SERFF. The IIPRC Office and the NAIC SERFF Team developed a survey to receive feedback from the Compact member states and their staff regarding the Search functionality in SERFF pertinent to the Compact filing submissions. The IIPRC Office distributed the survey to all known regulators with access to the Compact instance within SERFF at the beginning of June. The IIPRC Office will review the results and present a report to the Technology Committee along with any recommendations to enhance the Search functionality in SERFF. Mr. Hamby concluded the report and there no comments or questions. Commissioner Cunningham then asked for a motion from a member of the Management Committee to approve the Reports of the Finance, Product Standards, Rulemaking, and Technology Committees. Commissioner Weyne made a motion and Ms. Mealer seconded the motion. A voice vote was taken and the motion passed.

Commissioner Cunningham advanced to the Management Committee Consideration of Approval of Meeting Minutes of the March 27th Joint Meeting of the Management Committee and Commission. Commissioner Weyne made a motion to approve the minutes and Mr. Camacci seconded the motion. A voice vote was taken and the motion passed.

As the final agenda item, Ms. Schutter discussed several items under Operational Matters. Ms. Schutter announced that the Compact has two new form reviewers - Ed Charbonnier and Mindy Bradford. The actuary position was also filled by Katie Campbell who was most recently the Life/Health Actuary with the Alaska Division of Insurance. With respect to product filing statistics, 163 companies have registered which is a 5% growth over last year and there have been 480 product filing submissions which is a 20% growth over this time last year. On July 1, the IIPRC prorates its registration fee allowing companies that have not yet registered to file for 2015 to do so at half the cost of a full registration. Also on July 1, the IIPRC will issue the 60-day public notice and comment period for the five-year review of the individual Long-Term Care Uniform Standards. With respect to legislation in non-Compacting states, the Connecticut bill requiring the Connecticut Department to study and provide recommendation of the Compact and Uniform Standards did not pass before the end of session. In New York, the Compact legislation, Senate Bill 3287, passed the Senate on June 15th and is now being considered by the New York Assembly.

Commissioner Cunningham advised that the second three-year term of the IIPRC Executive Director is coming to a close and that an electronic vote of the full Commission will be conducted regarding the retention of Karen Schutter as the IIPRC Executive Director. Commissioner Cunningham reported that under the Compact Bylaws, a closed electronic vote may be conducted and that the Commissioners and their designated representatives will be receiving an email regarding this electronic vote for action before the end of June. As there were no further matters or questions, Ms. Mealer made a motion to adjourn and the meeting was adjourned.