

Product Standards Committee  
Call Summary  
October 12, 2021

**Agenda Item 2.** Continue to work on the Report of Five-Year Review Changes for Group Term Life and Incidental Guaranteed Minimum Death Benefits for Individual Deferred Non-Variable Annuities - Discuss Substantive Item #2 – Definition of Child

Jason Lapham, Chair of the Product Standards Committee, asked Texas to provide a summary of its comments on the definition of child in the Group Term Life Uniform Standard. Lynnette Bentley of Texas provided a summary of the Texas law and said that coverage is provided for children through age twenty-five. The Texas law did not permit some of the eligibility requirements in the uniform standard. The Group Term Life Insurance Uniform Standard provides coverage for children to the age of 19 and allows coverage over that age with some permitted requirements. Jason Lapham also noted that Texas provides coverage for grandchildren of a covered child. Andria Seip, the Vice-Chair, asked if Texas could provide any history of complaints or concerns that caused the change. Texas agreed to provide the information for the next call. Texas said the changes were made to align with federal law. Vermont asked if the reference was to the Affordable Care Act standards for health plans. Texas law regarding dependents was rewritten to align with the ACA requirements. Jason Lapham asked the committee members to review the requirements for the definition of child for group term life insurance in their states in preparation for the discussion on the next call.

**Agenda Item 3.** Outline plan for Priority I, Action Item 9, to 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.

Jason Lapham asked the Compact Office for background on the strategic plan item to promote the use of plain, understandable language in forms. The Compact Office summarized the request from Texas. Texas suggested that the Compact consider the creation of a uniform standard that would impose minimum plain language requirements. Texas had an initiative to make insurance clearer and more understandable for consumers. Jason Lapham asked members if they were aware of any initiatives at the state level. Andria Seip said she would be interested to learn about what has been done and where there were successful outcomes. The Compact Office will contact Texas to see if they would be available to describe their efforts. Karen Schutter suggested that the PSC look at academic resources to explore the issue. Jason Lapham asked the Compact Office to prepare an outline for the PSC to review at its next meeting.

**Agenda Item 4.** Any Other Matters

The Compact Office reported that the Actuarial Working Group was reviewing the ACLI request to change the definition of Incidental Guaranteed Minimum Death Benefit. There were no other matters. The next meeting of the PSC will be a regulator call on October 26.