

Product Standards Committee  
Call Summary  
October 26, 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

The Compact Office reported that the Actuarial Working Group was unable to complete its review of the ACLI request to change the definition of Incidental Guaranteed Minimum Death Benefit. The AWG had requested information to help measure the impact of what it means for the death benefit to be incidental. The ACLI members sent a message that “they had decided not to provide any additional comments on this matter”. The AWG advised the PSC that they did not have a basis to recommend the change. Jason Lapham asked the PSC members if there were comments. There were no comments. The PSC accepted the AWG comments and will not recommend a change to the definition.

Jason Lapham asked the members if their states had a definition of child for employer group term life insurance in their state statutes. Maryland, North Carolina, Iowa, and Vermont provided comments that child coverage was optional and there were no references to age limits. The Compact Office provided examples of policies filed with the Compact that allowed variable options similar to the requirements in Texas. Texas said that the child coverage was optional, but if provided it was required through age twenty-five and could be provided beyond age twenty-five as stated in the policy. Jason Lapham said that the coverage of children was voluntary, and the coverage options were often at the discretion of the employer. He was hesitant to remove the flexibility allowed in the current uniform standard. Mary Block from Vermont observed that there did not appear to be a need to put guard rails around the coverage. Iowa and Rhode Island agreed that there did not seem to be areas of concern. Jason Lapham said there did not appear to be a willingness to make a change to the definition in the standard. He asked if there were any concerns. The PSC members did not express a desire to change the definition. Texas asked to abstain.

The Compact Office will add the comments from the meeting to the Five -Year Report.

**Agenda Item 3.** Continue discussing an 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 members if they had any examples of efforts in their states to promote the use of plain, understandable language in forms. The Compact Office has not received any comments from states. Jason Lapham asked if there was anyone from Texas available to discuss

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their Plain Language Initiative. There was no one available. The Compact Office provided the PSC members with a link to the Texas DOI Plain Language webinars and materials. The Compact Office suggested learning more about state initiatives and reaching out to the industry and consumer groups. Jason Lapham asked the PSC members if they had any comments and to review the Texas materials for the next call. The Compact Office will contact Texas to see if they would be available to describe their efforts.

**Agenda Item 4.** Any Other Matters

There were no other matters. The next meeting of the PSC will be a regulator call on November 9.