



**JOINT MEETING OF THE MANAGEMENT COMMITTEE AND THE
INTERSTATE INSURANCE PRODUCT REGULATION COMMISSION**

Monday, December 9, 2019

**4:00 pm ET / 3:00 pm CT / 2:00 pm MT / 1:00 pm PT / 12:00 pm AKT / 11:00 am HT
Austin, TX**

1. Roll Call
2. Report of the Legislative Committee
3. Management Committee Consideration of Approval of Proposed Uniform Standards and Amendments to Uniform Standards:
 - i. *RAUS 2019-2: Group Policyholder Application Uniform Standards*
 - ii. *RNUS 2019-3: Group Annuity Certificate Uniform Standards for Employer Groups*
 - iii. *RNUS 2019-4: Uniform Standards for Group Guaranteed Interest Contracts for Non-Variable Annuities for Employer Groups*
4. Commission Consideration of Adoption of Uniform Standards Approved by the Management Committee
5. Management Committee Consideration of Approval of the Proposed Strategic Plan
6. Commission Consideration of Adoption of the Propose Strategic Plan Approved by the Management Committee
7. Management Committee Consideration of Approval of the Proposed 2020 Annual Budget and Schedule of Fees
8. Commission Consideration of Adoption of the 2020 Annual Budget and Schedule of Fees as Approved by the Management Committee
9. Report of the Audit Committee and Consideration by the Commission to Adopt the Report of the Audit Committee
10. Report and Recommendation of the Product Standards Committee and Consideration by the Management Committee to Approve the Report and Recommendation of the Product Standards Committee
11. Report of the Rulemaking Committee and Consideration by the Management Committee to Approve the Report of the Rulemaking Committee

12. Management Committee and Commission Consideration of Adoption of Meeting Minutes of the September 30, 2019 Joint Meeting of the Management Committee and Commission
13. Management Committee Consideration of Approval of Meeting Minutes of the October 28, 2019 Meeting of the Management Committee
14. Formation of Insurance Compact Member Committees
15. Appointments to the Industry Advisory Committees
16. Annual Formation of Management Committee for 2019/2020
17. Elections of the 2019/2020 Officers
18. Treasurer's Report
19. Operational Update
20. Any Other Matters
21. Adjourn

**Minutes of the Joint Meeting of the Management Committee and the Interstate Insurance Product
Regulation Commission
Monday, December 9, 2019**

Members of the Commission and Department Staff in Attendance:

Director Jillian Froment, Chair, Ohio
Superintendent Elizabeth Kelleher Dwyer, Vice Chair, Rhode Island
Director Chlora Lindley-Myers, Treasurer, Missouri
Jerry Workman as a designated representative for Commissioner Jim L. Ridling, Alabama
Director Lori K. Wing-Heier, Alaska
Erin Klug, Arizona
Bill Lacy as a designated representative for Commissioner Allen W. Kerr, Arkansas
Peg Brown as a designated representative for Commissioner Michael Conway, Colorado
Paul Lombardo as a designated representation for Commissioner Andrew N. Mais, Connecticut
Howard Liebers as a designated representative for Commissioner Stephen C. Taylor, District of
Columbia
Steve Manders as a designated representative for Commissioner John F. King, Georgia
Kathleen Nakasone as a designated representative for Commissioner Colin Hayashida, Hawaii
Martha Im, Hawaii
Director Dean L. Cameron, Idaho
Mike Chrysler as a designated representative for Director Robert H. Muriel, Illinois
Alexandria Peck as a designated representative for Commissioner Stephen W. Robertson, Indiana
Commissioner Doug Ommen, Iowa
Andria Seip, Iowa
Craig Van Aalst as a designated representative for Commissioner Vicki Schmidt, Kansas
Commissioner Nancy G. Atkins, Kentucky
Frank Opelka as a designated representative for Commissioner James J. Donelon, Louisiana
Tim Schott as a designated representative for Superintendent Eric A. Cioppa, Maine
Nour Benchaaboun as a designated representative for Commissioner Al Redmer, Jr., Maryland
Sheri Cullen as a designated representative for Commissioner Gary D. Anderson, Massachusetts
Karen Dennis as a designated representative for Director Anita G. Fox, Michigan
Tammy Lohmann as a designated representative for Commissioner Steve Kelley, Minnesota
Bob Williams as a designated representative for Commissioner Mike Chaney, Mississippi
Ashley Perez as a designated representative for Commissioner Matthew Rosendale, Montana
Director Bruce R. Ramage, Nebraska
Matthew Holman, Nebraska
Commissioner Barbara Richardson, Nevada
Jason Dexter as a designated representative for Commissioner John Elias, New Hampshire
Commissioner Marlene Caride, New Jersey
Olukemi Sotimehin, New Jersey
Kika Pena, New Mexico
Mark Hendrick, New Mexico
Ted Hamby as a designated representative for Commissioner Mike Causey, North Carolina
Amada Baird, Ohio
Cuc Nguyen as a designated representative for Commissioner Glen Mulready, Oklahoma
Commissioner Andrew Stolfi, Oregon
Tashia Sizemore, Oregon
Tracie Gray as a designated representative for Commissioner Jessica K. Altman, Pennsylvania

Matthew Gendron, Rhode Island
Sarah Neil, Rhode Island
Director Raymond G. Farmer, South Carolina
Kendall Buchanan, South Carolina
Commissioner Hodgen Mainda, Tennessee
Doug Slape as a designated representative for Commissioner Kent Sullivan, Texas
Doug Danzeiser, Texas
Commissioner Todd E. Kiser, Utah
Tanji Northrup, Utah
Emily Brown as a designated representative for Commissioner Michael S. Pieciak
Don Beatty as a designated representative for Commissioner Scott A. White, Virginia
Van Thompkins, Virginia
Molly Nollette as a designated representative for Commissioner Mike Kreidler, Washington
Justin Parr as a designated representative for Insurance Commissioner James A. Dodrill, West Virginia
Joylynn Fix, West Virginia
Rebecca Rebholz as a designated representative for Commissioner Mark Afable, Wisconsin
Sue Ezalarab, Wisconsin
Commissioner Jeff Rude, Wyoming

Members of the Legislative Committee in Attendance:

Representative Matt Lehman, Chair, Indiana
Senator Dan “Blade” Morrish, Vice Chair, Louisiana
Senator Laura Fine, Illinois
Assemblywoman Maggie Carlton, Nevada

Members of the Industry Advisory Committee in Attendance:

Anne Correia, Allianz Life Insurance Company of North America
Wayne Mehlman, American Council of Life Insurers
Charles Perin, Nationwide Life Insurance Company
Shawn Pollock, Mutual of Omaha

Members of the Consumer Advisory Committee in Attendance:

Brendan Bridgeland, Center for Insurance Research
Yvonne Hunter, Consumer Liaison Representative
Peter Kochenburger, NAIC Consumer Liaison Representative
James McSpadden, AARP
Fred Nepple, Consumer Liaison Representative
Roger Sevigny, Consumer Liaison Representative
Andrew Sperling, National Alliance on Mental Illness

Insurance Compact Staff in Attendance:

Karen Schutter, Executive Director

Becky McElduff, Director of Product Operations & Chief Counsel
Sara Dubsy, Assistant Director of Administrative Operations
Lucy Conley-Smoucha, Communications Coordinator
Jeanne Daharsh, Actuary
Karen Givens, Senior Product Reviewer
Naomi Kloepersmith, Actuary
Anne Marie Narcini, Regulatory Consultant
Maureen Perry, Product Review Consultant

Interested Parties in Attendance:

Michael Tobin, New York Life Insurance Company
Craig Hopkins, Pacific Life
Bret Taber, Principal Life Insurance Company

Director Froment called to order the Joint Meeting of the Management Committee and the Interstate Insurance Product Regulation Commission (Insurance Compact or Commission). Ms. Schutter took the roll call of the: Management Committee, Commission, Legislative Committee, and Industry and Consumer Advisory Committees.

Director Froment welcomed the members of the Legislative Committee, and Industry and Consumer Advisory Committees who attended in person and on the phone. Representative Lehman delivered brief remarks as the Chair of the Legislative Committee. Senator Morrish, Vice Chair of the Legislative Committee, reported that he is retiring from the Louisiana State Senate. Director Froment thanked Senator Morrish for his service on the Legislative Committee.

Director Froment proceeded to the next agenda item and summarized the rulemaking history for the Uniform Standards under consideration of approval by the Management Committee: proposed amendments to *RAUS 2019-2: Group Policyholder Application Uniform Standards* (“RAUS 2019-2”); and the proposed new Uniform Standards *RNUS 2019-3: Group Annuity Certificate Uniform Standards for Employer Groups* (“RNUS 2019-3”) and *RNUS 2019-4: Uniform Standards for Group Guaranteed Interest Contracts for Non-Variable Annuities for Employer Groups* (“RNUS 2019-4”). Director Froment stated that RNUS 2019-3 was recommended to the Management Committee on August 3rd and was subject to a public hearing on September 30th. Director Froment reported that comments were received from the Pennsylvania Insurance Department. The Product Standards Committee (“PSC”) reviewed these comments and recommended two clarifying changes in §3J and §3K of the Uniform Standards. Director Froment stated that RAUS 2019-2 and RNUS 2019-4 were recommended to the Management Committee on September 30th and were subject to a public hearing on October 28th. Director Froment reported that the Management Committee did not receive any comments regarding these Uniform Standards. Director Froment concluded her summary and there were no questions. Director Froment requested a motion from a member of the Management Committee to approve RAUS 2019-2, RNUS 2019-3, and RNUS 2019-4. Director Lindley-Myers moved and Mr. Chrysler seconded. There were no further comments or discussion and the motion carried via voice vote with none opposed.

Director Froment proceeded to the next agenda item and requested a motion from a member of the Commission to adopt RAUS 2019-2, RNUS 2019-3, and RNUS 2019-4, as approved by the Management Committee. Director Range moved and Director Wing-Heier seconded. There was no further discussion and the motion carried via roll call vote with none opposed. Director Froment stated that the adopted Uniform Standards will be promulgated in 10 business days and are expected to become effective for filing by late March 2020.

Director Froment proceeded to the next agenda item and provided background on the drafting process of the proposed strategic plan. She stated that the draft strategic plan was presented at the September 30th joint teleconference and exposed for written comments through mid-November. Director Froment stated that the Insurance Compact Office held four webinar sessions to explain the plan and its action items, which were attended by nine Compacting states and eight interested parties, and also provided an opportunity for discussion of the plan during the October 28th Management Committee teleconference. No comments were received during the October 28th meeting. Director Froment stated that written comments regarding the proposed Strategic Plan were received from the Colorado Division of Insurance, the Oregon Division of Financial Regulation, the Texas Department of Insurance, the Consumer Advisory

Committee, the Industry Advisory Committee, and the ACLI. The Strategic Planning Committee reviewed all comments received and proposed further changes to the plan in response.

Director Froment asked the Compacting States that provided written comments if they wished to expand on the comments prior to walking through the redline plan. Commissioner Stolfi expressed support for the strategic planning process and stated it is past time for Compacting States to come to a written agreement on the future direction of the Compact. Mr. Slape appreciated the willingness of the Commission to consider comments and continue discussion regarding the strategic plan.

Ms. Schutter summarized each action item under Priority I and solicited further comments and questions.

Mr. Slape proposed that the plain language clause at the end of Priority I, Action Item 3 be removed and proposed draft language be added under Priority II as a new Action Item 6. Mr. Slape stated that plain language is a very important initiative in Texas and deserves its own action item. There were no objections to this proposal, and it was incorporated.

Commissioner Stolfi questioned the prescriptive nature of Priority I, Action Item 4, particularly whether and how Uniform Standards should be expanded. Commissioner Stolfi proposed that Priority I, Action Item 4 be revised to read: “Explore whether to expand Uniform Standards...” instead of “Develop procedures...” Ms. Klug expressed support for this change and stated that Arizona has encountered issues with discretionary groups. Mr. Schott questioned whether the action item would still fall under the jurisdiction of the Rulemaking Committee if this proposed change were made. Director Froment confirmed that the Rulemaking Committee would retain jurisdiction for this revised action item. Director Froment stated that the Rulemaking Committee would explore the issue and bring forth a recommendation to the Management Committee and then the full Commission for further discussion. Ms. Schutter stated this could be a joint effort between the Rulemaking Committee and the PSC. Ms. Hunter stated that the Strategic Plan should task a Committee with developing this action item to encourage timely action. Commissioner Stolfi stated that Oregon is not ready to agree whether procedures should be developed by the Commission. Mr. Tobin stated that New York Life supports exploration of expansion of the Uniform Standards to accommodate group types available in the Compacting States, and particularly Association groups, provided there is the intent to develop. Superintendent Dwyer proposed the action item state: “Explore whether to expand Uniform Standards...and make a recommendation to the Commission, and if approved by the Commission, initiate development.” Commissioner Stolfi questioned who would determine whether it is appropriate. Director Froment suggested the language be amended to “Explore whether to expand Uniform Standards... and if approved by the Commission, commence development.” Commissioner Stolfi stated that Oregon would support this change. There were no further comments on this action item, and the revisions were incorporated.

Commissioner Stolfi proposed that Priority I, Action Item 6 state “new” rather than “emerging,” because emerging or innovative product designs should be reviewed and approved directly by states. There were no further comments regarding this proposal, and it was incorporated. There were no further comments regarding the action items under Priority I.

Ms. Schutter then summarized each action item under Priority II and solicited further comments and questions.

Ms. Schutter clarified that the redline language in Priority II, Action Item 6 would be struck due to the proposed new action item regarding plain language. Mr. Slape agreed with this change.

Ms. Klug requested an example of a product that might fall under Priority II, Action Item 8. Ms. Schutter suggested a term life policy with an on-demand format that is generally compliant with the Uniform Standards but could not be approved by the Compact due to the lack of free look period.

Mr. Kochenburger expressed concern that the audit process in Priority II, Action Item 9 could consume valuable time and resources and stressed the importance of ensuring the auditors be independent. Director Froment stated that the action item was placed under the purview of the Audit Committee due to the Committee's independence requirement. There were no further comments regarding the action items under Priority II.

Ms. Schutter then summarized each action item under Priority III and solicited further comments and questions.

Mr. Slape proposed that Priority III, Action Item 6 be split into two action items under Priority III, as they are distinct issues. The first item would state "Engage members and state and federal partners to explore ways to strengthen the legal foundation of the Insurance Compact." Superintendent Dwyer supported the suggestion and proposed that the first of the split action items be assigned to the Management Committee rather than the Regulatory Counsel Committee. There were no objections regarding these proposals, and they were incorporated.

Mr. Slape proposed that "interstate membership organizations" be struck from Priority III, Action Item 9 to allow for a broader action item. Commissioner Stolfi supported this proposal. There were no objections, and it was incorporated. There were no further comments regarding the action items under Priority III.

Director Range expressed support for the Strategic Plan but asked whether a fiscal impact analysis of this plan had been conducted. Director Froment stated that the action items are largely the view of what the organization would do naturally, however some items that require third parties would be undertaken during the budget process to assure appropriate funding. Director Wing-Heier questioned whether the Compact can carry out all action items without additional resources, other than Priority III, Action Item 9. Ms. Schutter reported that many items are within current resources, although Priority II, Action Item 9 and Priority III, Action Item 9, and a long-term Expedited Review program would call for budget plans, and Priority II, Action Item 1 includes a new resource that was included in the adopted 2020 Annual Budget. Director Wing-Heier stated that it will be challenging to simultaneously address retiring the debt and undertake a strategic plan that calls for additional expenditures.

Director Froment stated that the Commission Officers are working with the NAIC Officers to restructure the \$3.4 million outstanding debt owed to the NAIC. Director Froment stated that the Commission is projecting to end 2019 with a net positive revenue in excess of \$250,000, which under current terms would trigger repayment of principal and interest within sixty months or five years of the end of the first quarter of 2020. Director Froment stated that the Commission does not expect to be able to service the debt over a five-year period without having to seek an additional line of credit from the NAIC or raise fees. Director Froment reported that the Officers are working to amend the term of the loan to allow more flexible repayment over a ten-year period, with payment deferred if cashflow is under \$250,000. Under the

potential amended terms, the interested would be converted by the NAIC to a grant at the successful repayment of principal. Director Froment affirmed that any final plan would be subject to approval by the Management Committee. As part of that agreement, the Commission would agree to prioritize outside audit of certain existing action items in the strategic plan to help understand future pitfalls to sustainability. Director Froment stated that agreement on the Strategic Plan would allow the Commission to proceed both with the repayment of the debt and with the implementation of the Strategic Plan.

Commissioner Mainda expressed his support for the proposed Strategic Plan and lauded the plan's focus on efficiency, consumer protections, and credibility. There were no further questions or comments.

Director Froment requested a motion from a member of the Management Committee to adopt the Insurance Compact Commission Strategic Plan for 2020-2022, including the changes suggested by the Strategic Planning Committee and amended by the additional changes identified during this meeting. Commissioner Ommen moved and Commissioner Caride seconded. The motion carried via voice vote with none opposed.

Director Froment proceeded to the next agenda item, Commission Consideration of Adoption of the Proposed Strategic Plan Approved by the Management Committee. Commissioner Richardson commented that Nevada would vote 'No' absent an understanding of the strategic plan's budgetary impact or finalization of the debt reduction plan. There was no further discussion. Director Froment requested a motion from a member of the Commission. Commissioner Ommen moved and Mr. Lombardo seconded. The motion carried via voice vote and the Commission adopted the Insurance Compact Commission Strategic Plan. Nevada, Nebraska, and Indiana opposed the motion.

Director Froment continued to the next agenda item, Management Committee consideration of approval of the Proposed 2020 Annual Budget and Schedule of Fees. Director Froment stated that the proposed 2020 Annual Budget package includes a request for a new member services coordinator resource, an extension of the Expedited Review Program through December 31, 2020, and a minor change to the Schedule of Fees reflecting how the Advance Fee Calculation is charged. Director Froment reported that the Finance Committee held a public call regarding the budget recommendation on September 16th and presented the recommendation to the Management Committee on September 30th. The budget package was published for notice and comment and the Management Committee held a public hearing on the recommended budget package on October 28th. Director Froment reported that no comments were received during this process and concluded her summary of the 2020 budget process. There were no questions or comments. Director Froment requested a motion from a member of the Management Committee to approve the 2020 Annual Budget and Schedule of Fees. Mr. Chrysler moved and Superintendent Dwyer seconded. There was no further discussion and the motion carried via voice vote with none opposed.

Director Froment proceeded to the next agenda item and requested a motion from a member of the Commission to adopt the 2020 Annual Budget package as approved by the Management Committee. Director Wing-Heier moved and Ms. Rebholz seconded. The motion carried via voice vote with Indiana opposed.

Director Froment proceeded to the next agenda item and asked Director Ramage to provide the report of the Audit Committee. Director Ramage reported that the Audit Committee recently held a regulator-only meeting to hear an update on the September financials and an overview of the budget package from the Insurance Compact Office. Director Ramage reported that as of September 30, the Insurance Compact had earned 117% of budgeted revenues and operating expenses were 2% under budget. Director Ramage stated that the Audit Committee was informed the Compact Officers have been in discussions with the NAIC Officers about possibly restructuring the repayment of the deferred amount owed to the NAIC under the line of credit. Director Ramage reported that the Audit Committee has agreed to continue the engagement of the independent audit firm RSM US LLP to conduct the independent audit of the Commission's 2019 financials. Meetings with the audit firm and work of the auditor will begin in early 2020. Director Ramage concluded his report and there were no questions. Director Froment requested a motion from a Commission member to adopt the report of the Audit Committee. Superintendent Dwyer moved and Director Lindley-Myers seconded. The motion carried via voice vote with none opposed.

Director Froment proceeded to the next agenda item and asked Director Lindley-Myers to provide the report of the PSC. Director Lindley-Myers reported that the PSC is recommending to the Management Committee new Uniform Standards and amendments to two Uniform Standards for the purpose of commencing the formal rulemaking process – the *Additional Standards for Waiver of Surrender Charge Benefit for Life Insurance*, and amendments to *Additional Standards for Waiver of Premium Benefits* and *Additional Standards for Waiver of Monthly Deduction Benefits*. Director Lindley-Myers reported that all three uniform standards are in the life insurance product line and are recommendations based on the Priority List for Uniform Standards Development adopted by the Management Committee.

Director Lindley-Myers reported that the recommended amendments to the *Additional Standards for Waiver of Premium Benefits* and *Additional Standards for Waiver of Monthly Deduction Benefits* add additional qualifying event triggers, such as terminal illnesses and cognitive impairment, to the Uniform Standards, and are modeled after qualifying event triggers in the Insurance Compact *Additional Standards for Waiver of Surrender Charge Benefit* for Annuity products. The current Uniform Standards only allow the benefit for a total disability trigger. Director Lindley-Myers reported that the draft amendments were published for public comment in June and two public calls to discuss the proposal were held in July and September. Director Lindley-Myers stated that clarifying changes were made as a result of comments received, but there were no substantive comments or controversial issues raised regarding the proposals.

Director Lindley-Myers reported that the new *Additional Standards for Waiver of Surrender Charge Benefit for Life Insurance* recommended by the PSC closely mirror the existing *Additional Standards for Waiver of Surrender Charge Benefit* for Annuity products. Director Lindley-Myers stated that the proposed Uniform Standards were posted for comment on October 16th and were the subject of a public call. Comments were received from the ACLI and two member states. Director Lindley-Myers stated that the PSC considered several technical and clarifying edits as a result of the submitted comments. Director Lindley-Myers reported that one member state raised an issue related to reserving and the use of a certain valuation table; however, the PSC concluded the issue was beyond the scope of product form standards and that it is the responsibility of the insurance company to ensure that its waiver benefit meets member state valuation requirements.

Director Lindley-Myers reported that in 2019, the PSC developed five new Uniform Standards, including three Uniform Standards in the Group Annuity product line, and proposed amendments to four previously

adopted Uniform Standards. Director Lindley-Myers stated the Actuarial Working Group will continue its exploratory work on developing uniform standards for Index-linked Variable Annuities in 2020. Director Lindley-Myers thanked Mary Mealer for her work as PSC Chair since 2016 and reported that Ms. Mealer retired at the end of November. Director Lindley-Myers concluded her report and there were no questions.

Director Froment requested a motion from a member of the Management Committee to adopt the report of the PSC, including the recommendation to publish the *Additional Standards for Waiver of Surrender Charge Benefit for Life Insurance* and amendments to the *Additional Standards for Waiver of Premium Benefits* and *Additional Standards for Waiver of Monthly Deduction Benefits* for notice and comment. Mr. Chrysler moved and Commissioner Caride seconded. The motion carried via voice vote with none opposed.

Director Froment reported that Anne Marie Narcini is also retiring from her position as the Compact's Regulatory Consultant at the end of the year, although she will be available on a limited basis in early 2020 for special projects and transition. Director Froment thanked Ms. Narcini and Ms. Mealer for their collaborative work via the PSC to achieve uniformity and alignment across the Compacting States.

Director Froment proceeded to the next agenda item and asked Mr. Beatty to provide the report of the Rulemaking Committee. Mr. Beatty reported that the Rulemaking Committee will hold a public call on December 16th to receive comments on the draft recommendation for guidelines for member committees. Mr. Beatty reported the recommendation is in response to a request by the Management Committee to study and recommend proposed written criteria for the committee assignment process, and to look at the issue of whether it is feasible to have states who are not members of a committee to participate in member-only committee drafting calls. Mr. Beatty reported that the Rulemaking Committee plans to present this recommendation to the Management Committee at its next conference call in early 2020. Mr. Beatty concluded his report and there were no questions.

Director Froment requested a motion from a member of the Management Committee to approve the report of the Rulemaking Committee. Mr. Hamby moved and Director Cameron seconded. The motion carried via voice vote with none opposed.

Director Froment proceeded to the next agenda item and requested a joint motion of the Management Committee and Commission to adopt the meeting minutes of the September 30, 2019 joint meeting of the Management Committee and Commission. Superintendent Dwyer moved and Mr. Chrysler seconded. There was no further discussion. Director Froment called a voice vote of the Commission and the motion carried with none opposed.

Director Froment proceeded to the next agenda item and requested a motion of the Management Committee to adopt the meeting minutes of the October 28, 2019 meeting of the Management Committee. Commissioner Caride moved and Commissioner Ommen seconded. There was no further discussion. Director Froment called a voice vote of the Management Committee and the motion carried with none opposed.

Director Froment proceeded to the next agenda item, Formation of the Insurance Compact Member Committees. Director Froment stated that the Officers and the Insurance Compact Office met at the end

of November to review committee preferences. Director Froment reported that every effort was made by the Compact Officers to accommodate member state requests to serve on committees, although more than 20 states requested to serve on the PSC, which has a 20-member capacity. Director Froment reiterated that the Management Committee expects to hear a recommendation from the Rulemaking Committee in 2020 regarding changing meeting practices to open member calls to all Compacting State regulators.

Director Froment recognized Mr. Beatty for his service as chair of the Rulemaking Committee since 2011. Director Froment reported that Mr. Beatty agreed to serve as Vice Chair of the Rulemaking Committee in 2020, and the Officers recommend that Oregon Commissioner Andrew Stolfi serve as the Chair. Director Froment reported that the Officers are still reaching out to member states on the 2020 PSC to gauge interest in serving as Chair or Vice Chair, as neither Missouri nor Minnesota wishes to serve in these roles in 2020. Director Froment stated that the Officers will report at the next meeting of the Management Committee regarding filling these positions from the 2020 PSC membership. Director Froment concluded her summary of the member committee recommendation and there were no questions.

Director Froment requested a motion from a member of the Management Committee to approve the 2020 Committee Assignment Recommendation from the Compact Officers. Commissioner Ommen moved and Director Cameron seconded. There was no further discussion. Director Froment called for a voice vote and the motion carried with none opposed.

Director Froment proceeded to the next agenda item and summarized the composition of the Industry Advisory Committee, as designated in the Bylaws. Director Froment stated that the Officers recommend that the current members – Wayne Mehlman of the American Council of Life Insurers (ACLI); Amanda Matthiesen of America’s Health Insurance Plans (AHIP), Steve Kline of National Association of Insurance and Financial Advisors (NAIFA), and Shawn Pollock of Mutual of Omaha – be reappointed to another two-year term on the Industry Advisory Committee. There were no questions or discussion regarding the recommendation. Director Froment requested a motion to appoint the recommended industry organization and company representatives to the Industry Advisory Committee. Director Cameron moved and Mr. Chrysler seconded. Director Froment called for a voice vote and the motion carried with none opposed.

Director Froment proceeded to the next agenda item and summarized the composition of the 2020 Management Committee and the selection process, as written in Article 3 of the Bylaws. Director Froment reported that six seats on the 14-member Management Committee go to the six largest member states based on premium volume, which are: Texas, Pennsylvania, New Jersey, Illinois, Ohio and Michigan. Four seats go to states with 2% or more of asset-based premium volume; for 2020 those include Massachusetts, Minnesota, Tennessee, and Wisconsin. Director Froment stated that for states with less than 2% of the premium volume, each zone selects their representative. For 2020, Rhode Island will represent the Northeastern Zone; West Virginia will represent the Southeastern Zone; Kansas will represent the Midwestern Zone; and Wyoming will represent the Western Zone. Director Froment acknowledged the 2019 Management Committee members who roll off the Committee after the meeting: Georgia, Idaho, Iowa, Missouri, and North Carolina.

Director Froment proceeded to the Election of the Insurance Compact Officers for 2020. Director Froment stated that under the Bylaws, the Officers are elected by the entire Commission, but must be from the membership of the Management Committee. Director Froment recognized Director Chlora Lindley-Myers

for her service and leadership as Commission Treasurer in 2019. Director Froment announced that she is not seeking a fourth term as a Compact Officer after two years as Commission Chair, and as such would facilitate the election. Director Froment opened the floor for nominations for the offices of Chair, Vice Chair, and Treasurer of the Commission. Commissioner Ommen nominated Superintendent Dwyer for the office of Chair, Commissioner Afable for the office of Vice Chair, and Mr. Chrysler for the office of Treasurer of the Commission. There were no additional nominations. Director Wing-Heier moved to close the nominations and elect the nominated Officers by acclamation. Director Cameron seconded. The motion carried via voice vote with none opposed.

Director Froment reported that the 2019 Treasurer's Report is available in the published meeting materials.

Director Froment proceeded to the next agenda item and asked Ms. Schutter to provide an operational update. Ms. Schutter reported that the Insurance Compact Office prepared a report on Compact-Approved individual long-term care rate schedule certifications which was provided to each Compact member and published to the Insurance Compact website. Ms. Schutter summarized the purpose of the report and stated that the Insurance Compact Office plans to release state-specific reports with regulator-only information soon.

Ms. Schutter reported that the Insurance Compact Office offered an eight-part webinar series for regulators in August and September, and repeat sessions open to interested parties in November. Ms. Schutter stated that regulators from 28 states and 19 interested parties attended one or more of these sessions. Ms. Schutter reported that the Insurance Compact Office has also begun offering webinars for regulators that facilitate the exchange of information between companies and Compacting States by highlighting a product approval and allowing the company to present aspects of the product that are outside the content of the form, such as the target market or manner in which the product will be sold. Two companies presented on their respective product and regulators from 17 states attended each presentation. Ms. Schutter reported that more opportunities for these webinars will be available in 2020.

Ms. Schutter provided an update on the *Amica v. Wertz* appeal and stated that in August, the Colorado Supreme Court issued an order accepting certification from the 10th Circuit Court of Appeals and reframed the question it would determine. The case was fully briefed to the Colorado Supreme Court as of November, and the NAIC and Commission filed a joint amicus brief. Ms. Schutter reported that the party litigants have both requested oral arguments. Ms. Schutter affirmed that the membership and the Regulatory Counsel Committee would be kept apprised of developments in this matter. Ms. Schutter concluded her report and there were no further questions.

There were no other matters and Director Lindley-Myers moved to adjourn. Superintendent Dwyer seconded and the meeting was adjourned.