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Sent: Friday, April 21, 2023 10:34 AM
To: Ezalarab, Susan <sezalarab@insurancecompact.org>
Cc: Ianno, Dominick <DIanno22@massmutual.com>
Subject: RE: MassMutual follow-up

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Good Morning –

Concerning the revisions to the group whole life for employer group standards, MassMutual offers the following comments:

1. **Definitions of “Cash surrender value” and “cash value”** - We would like to request a clarification to these definitions allowing flexibility for policies/certificates paying dividends to include dividend accumulations or paid-up additions, when applicable, to determine “cash surrender value.” This would also align these definitions with the notion stated in Section 4(T)(1)(h) allowing dividend accumulations and cash value of any paid up additions to be paid to policyholder or certificate holder when the policy ends.
2. **Section 4(R), Misstatement of a Covered Person’s Smoking Status** – We would like to request a modification to replace “smoking status” references with “use of tobacco and other nicotine containing products” to account for expanded array of nicotine and tobacco use and delivery methods.
3. **Section 4(T), Participating Policy** – We appreciate the Committee clarifying in Section 4(T)(1)(h) that dividends may be paid to a certificate owner when the policy ends and request similar updates throughout Section 4(T) to accommodate group whole life products that allow for payment of dividends to certificate owners responsible for paying the premiums.
4. **Section 4(V), Policy and Certificate Changes** – We would like to request that the Committee reconsider the policyholder signature requirement stated in Section V(2). A signature requirement may create delays and confusion for policyholders and insureds if signed riders, endorsements or amendments are not returned to carriers timely and could lead to misalignment between plan documents and insurance policy and certificates. Group policies generally include a requirement to provide advance notice to the policyholder before any changes are made to the policy and the policyholder has a right to reject the changes and terminate the policy. Substantive changes to benefits may also require a new group application to be signed by the policyholder. Changes, if any, in our experience, apply prospectively and do not impact any coverage already issued. Also, in practice, any changes are usually discussed with policyholders in advance.

In the alternative, we request a clarification to be added to this provision that the signature requirement does not apply to any policy changes required by applicable law, state filings, or when requested by the policyholder.

5. **Section 5(C), Conversion** – We would like to request the Committee to consider making conversion requirement optional or, alternatively, clarify that conversion requirement applies unless portability is offered to certificate holders. Based on the nature of the group whole life product, we consider certificates to be owned by certificate holders and they can keep their certificates inforce (subject to payment of premiums) even if the underlying employer group policy terminates or eligibility under the group policy is lost. Portability is a better option for insureds because they can keep their coverage at group premium rates and are not required to submit evidence of insurability if premiums are paid timely to the carrier.