Agenda Item 2. Review group term life insurance draft additional uniform standards for non-employer groups

The PSC reviewed the five additional standards. Andria Seip, vicechair, noted some typographical errors for correction. Maryland had a request regarding the Uniform Standards for Riders, Endorsements or Amendments Used to Effect Group Term Life Insurance Policy Changes. There was a request to require the policyholder signature. The PSC agreed to revise the provision to address the state concern:

(6) If the group policy change eliminates or reduces benefits or rights under the policy, the form shall require the signature of the policyholder. An insurance company may eliminate the signature requirement only if allowed by state law and if the change is required by state or federal law or if it has supporting documentation, such as an application signed by the policyholder or a signed request from the policyholder, supporting the policy change.

Mary Block from Vermont suggested that the Compact Office point out where the references to employee were retained in the draft for ease of review by interested parties. The Compact Office will prepare a cover memo for review by the PSC before the public call notice is sent out.

There were no other comments.

Agenda Item 3. Review Items from the public call

Andria Seip asked the Compact Office to summarize the requests to carry over requests from the 2023 List for New or Amended Uniform standards. The PSC agreed to add the following requests to the draft 2024 list:

- Uniform Standard for Registered Indexed-Linked Variable Life
- Amend Variability of Policy Form Provisions to Accommodate Agile Systems and Digital/Electronic Delivery
- Additional Standards for Graded Death Benefit Group Term Life
- Amendments to Individual Flexible Premium Adjustable Life Insurance Policy Standards and Individual Flexible Adjustable Variable Life Insurance Policy Standards

The PSC had questions about what changes are needed to address the agile system request. The Compact Office will follow up with the requester for further information. PSC members discussed the 2024 request for value-added services. Several members commented that only a few states have adopted amendments to the Unfair Trade Practices Act and there is discussion about reopening the model to address improper marketing practices. The members discussed the request to change the requirement that the company may not require that the premium be received within the grace period. The PSC members will discuss priorities for the requests on the next call.
Product Standards Committee (PSC)
Call Summary
September 15, 2023

The subgroup has not met since the last PSC call. The subgroup has received comments on the draft dated July 12, 2023, and had some follow-up questions.

Agenda Item 5. Any Other Matters
The next call will be a regulator call on October 3 to discuss the priorities for the 2024 Uniform Standards Development list.