Product Standards Committee (PSC)
Regulator-only Call Summary
September 1, 2026

Agenda item 2. Review comments from the public call on the Additional Standards for Bonus Benefits for Individual Adjustable Life Insurance Policies

Andria Seip, Chair of the PSC, asked the Compact Office to go over the comments from ACLI. The Compact Office is reviewing the draft and will propose clarifying to make it clear that the standard applies to guaranteed bonus benefits. Members supported amending the scope.

Agenda item 3. Review comments from the public call on the 2027 requests for new and amended uniform standards

Andria Seip asked the Compact Office to go over two comments that were received after the public call. PSC members discussed a private letter ruling that the benefits qualified as life insurance. Compact members had questions about the private letter ruling that might affect how the standard is drafted. Members discussed questions about turning a life insurance policy into a lifetime income benefit rider. Mary Block, Vice Chair of the PSC, raised the issue of the tax implications. The PSC agreed additional discussion is needed.

At the public call, the PSC asked for examples of wellness benefits that have been approved by the states. The PSC discussed one example provided after the call for a health screening rider that provided a fixed indemnity benefit for listed wellness services. Andria Seip said she had questions about how beneficial this benefit would be for consumers as these services would be covered under a major medical policy. Several members expressed concern about the benefit overlapping with benefits under medical insurance policies.

The Compact Office went over the remaining requests and noted that the ACLI has sent an email to withdraw the request for adding a repayment option to the Waiver of Premium Standards.

Agenda item 4. Review comments from the public call on the 2026 requests to carry over to 2027

There was only one written comment from the ACLI asking for a higher priority for a standard for Contingent Deferred Annuities. The Compact Office went over the remaining items on the 2026 List.

On 2026 List – Work in Progress

New standard: Individual Adjustable Life Bonus benefits

New standard: Group variable annuity (including Additional Benefit Features - GLB, index-linked)

On 2026 List but not Started with Priorities:

New standard: Income payment Solutions – ILVA -**Very high**

Amendment: ILVA standards -Compact Office requests plus Right to Examine – **Very High**

Amendments: Compact office - Flexible premium adjustable life - **High**

New standard: Registered Index Linked adjustable variable life- **Medium**
New standard: Group structured settlement annuities - **High**
New standard: Group private placement VUL - **Medium**
Amendment: expand Group term life scope to allow AD&D-only for dependents - **High**

2026 Items on Hold:
New standard: Paid family leave – group disability
New Standard: Contingent Deferred Annuities
New Standard: Stand-alone group life Accidental Death and AD&D
New Standard: Stand-alone individual life Accidental Death and AD&D

There were no questions or comments about the status of the 2026 items.

Agenda Item 5. Group Variable Annuity Subgroup and Actuarial Working Group update

The Compact Office has completed work on the group variable annuity contract standards and has referred the draft to the PSC for further review. There will not be a subgroup review. The full PSC will consider the draft contract and the additional standards as they are drafted. The Actuarial Working Group will meet in September to begin work on amendments to the index-linked variable annuity standards.

Agenda Item 6. Any Other Matters

Andria Seip announced that she is leaving the Iowa Department and this was her last meeting as Chair of the PSC. The PSC thanked Andria for her leadership over the past six years as Vice-Chair (2021-2023)and Chair of the PSC(2024-2026).

The next call will be a regulator-only call on September 15. There were no other matters.

Attachment: ACLI request withdrawing request to amend the Waiver of Premium Standards to allow for Repayment Plans

ACLI Withdraws Repayment Plan Request
8/27/2026

Email from ACLI 8/27/2026 Withdrawing Request

ACLI agrees that it would better to consider repayment plans as an administrative process related to reinstatements rather than as a contractual policy provision, and that such plans should be addressed as a reinstatement-related initiative rather than a revision to the waiver of premium standards. Therefore, ACLI would like to withdraw our request to amend the waiver of premium standards to allow for insurers to offer repayment plans to those policyholders who are behind on their premiums.

Wayne Mehlman
Sr. Counsel, Insurance Regulation
ACLI

USIR-2027-002: Addition of Repayment Plan Options to Waiver of Premium Standards

Name of Person Requesting Change: American Council of Life Insurers (ACLI)

Affiliation: Industry Advisory Committee

Request for: Amendment to Existing Standard

Section and subsection(s) of Uniform Standard if applicable:
* Additional Standards for Waiver of Premium Benefits for Total Disability and Other Qualifying Events
* Additional Standards for Waiver of Premium Benefits for Child Insurance in the Event of Payor's Total Disability or Death
* Group Term Life Insurance Uniform Standards for Waiver of Premium While the Employee is Totally Disabled
* Additional Standards for Waiver of Premium Benefits for Total Disability and Other Qualifying Events for Whole Life Insurance Policies and Certificates

Detailed description of the request, including the scope if a new Uniform Standard, and if appropriate also include proposed language for consideration: We request that the above-listed standards for waiver of premium benefits be amended to also allow for insurers to offer repayment plans to those policyholders who are behind on their premiums and are either (a) at risk of lapsing their policies or (b) have already lapsed their policies and desire reinstatement.

Detailed explanation of the reason for the request. If a new Uniform Standard, please provide support that this type of product has been filed and approved in

ACLI Withdraws Repayment Plan Request
8/27/2026

Compacting States. If an amendment to an existing Uniform Standards, please provide support for how circumstances or underlying assumptions (whether in regulation, in the marketplace or otherwise) have changed. Amending these standards to allow for repayment plans, in addition to the waiver of premium, would give both insurers and policyholders additional flexibility during financially challenging times.

State insurance departments have encouraged carriers to offer repayment plan options for financial hardship under certain circumstances. During the pandemic, many states required insurers to offer repayment plans to their policyholders after their Do Not Lapse (DNL) periods expired. Additionally, some states require insurers to offer repayment plan options in their premium grace period bulletins after a natural disaster.

Is this change currently accepted in Compact states? Unknown

Would this change conflict with any NAIC Model laws or regulations? Unknown