INSURANCE COMPACT COMMISSION

MEMORANDUM

TO: Members of the Interstate Insurance Product Regulation Commission

FROM: Commissioner Marie Grant, Treasurer

DATE: November 16, 2026

SUBJECT: **Report of the Insurance Compact Treasurer (*As of September 30, 2026)**

- To date, the Insurance Compact has collected a total of $6,342,641 in both Compact fees and state filing fees in 2026.

- Of this total amount, the Insurance Compact received $3,740,792 in its self-generated revenue since January 1, 2026. This amount is 13% over 2025 actuals. Actual 2026 revenues year-to-date are approximately $62,805 or 1.8% above the 2026 budget. More specifically, the Insurance Compact has earned:

    - $2,190,917 in Compact Per Filing Fees – 3,013 products have been submitted.
    - $1,549,875 in Annual Registration Fees – 272 companies have registered.

- The remainder of the fees collected by the Insurance Compact represents state filing fees of $2,601,849, which are remitted directly to the Member States. This is 11% over the amount as of September 30, 2025.

- The Insurance Compact is currently operating approximately 13.5% or $439,535 under budgeted expenses. Actuals related to salaries, travel and expenses related to meetings are the drivers of the expense savings. There were two openings due to attrition starting in March through the middle of October.

- The Insurance Compact has a change in net assets of $963,975, which is approximately $505,023 over the budgeted change in net assets. The Insurance Compact has a cash balance of $1,503,722, which is $530,531 over the cash balance as of September 30, 2025.

- During the NAIC Summer National Meeting, the NAIC Executive Committee approved the conversion of the remaining debt balance of $1,808,789 – a principal balance of $1,096,056 plus the imputed interest balance of $712,733 – to a contribution. Over the course of the 10-year repayment period, the Compact made six payments in the amount of $274,013 each for a total of $1,644,078.

- There is an increase of $2,367,717 from the prior year in net assets due to converting the loan balance to a contribution from the NAIC.

- The Insurance Compact Office monitors the performance of its revenues to budget and keeps the Officers, Management Committee, and Finance & Audit Committees regularly informed of its financial condition.

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

Thursday, August 13, 2026
12 pm ET | 11 am CT | 10 am MT | 9 am PT | 8 am AKT | 6 am HT
AGENDA

1. **Roll Call**

2. **Welcome and Dialogue with the Members of the Legislative**

3. **Management Committee and Commission Consideration of Adoption of Amended Uniform Standards: Consider final action on proposed amendments to Uniform Standards for annuity, life insurance, and long-term care products**
    a. **Individual Deferred Paid-Up Non-Variable Annuity Contract Standards (Commonly Marketed as Deferred Income Annuities or Longevity Annuities)**
    b. **Individual Immediate Non-Variable Annuity Contract Standards Rate Filing Standards for**
    c. **Individual Long-Term Care Insurance – Issue Age Rate Schedules Rate Filing Standards for**
    d. **Individual Long-Term Care Insurance – Modified Rate Schedules**
    e. **Additional Standards for Accidental Death and Dismemberment Benefits**
    f. **Standards for Accidental Death Benefits**

4. **Management Committee and Commission Consideration of Adoption of the Proposed Intermediate Review Operating Procedure: Consider final action on proposed Operating Procedure**

5. **Report of the Product Standards Committee and Management Committee Consideration of Report Adoption**

6. **Management Committee Vote Report of the Finance Committee and Management Committee Consideration of Report Adoption**

7. **Management Committee Vote Management Committee and Commission Consideration of Extension of Stay for North Dakota Opt-Out of Individual and Group Disability Income Insurance Uniform Standards**
8. **Consent Agenda**

9. **Executive Director's Operational Update Commission Vote**

10. **Any Other Matters & Closing Remarks**

Members of the Commission and Department Staff in Attendance:

Director Eric Dunning, Chair, Nebraska
Commissioner Ned Gaines, Vice Chair, Nevada
Commissioner Marie Grant, Treasurer, Maryland
Director Elizabeth Kelleher Dwyer, Past Chair, Rhode Island
Gioconda Espinosa as a designated representative for Director Charles Bassett, Arizona
Commissioner Mark Fowler, Alabama
Acting Director Heather Carpenter, Alaska
Commissioner Jimmy Harris, Arkansas
Commissioner Michael Conway, Colorado
Chris Peissig, Colorado
Acting Commissioner Joshua Hershman, Connecticut
Jessica Luff as a designated representative for Commissioner Trinidad Navarro, Delaware
Howard Liebers as a designated representative for Commissioner Karima Woods, District of Columbia
Scott Sanders as a designated representative for Commissioner John F. King, Georgia
Kathleen Nakasone as a designated representative for Commissioner Scott Saiki, Hawaii
Director Ann Gillespie, Illinois
Victoria Hastings as a designated representative for Commissioner Holly W. Lambert, Indiana
Commissioner Doug Ommen, Iowa
Andria Seip, Iowa
Craig Van Aalst as a designated representative for Commissioner Vicki Schmidt, Kansas
Lauren Dick as a designated representative for Commissioner Sharon P. Clark, Kentucky
Kasey Lytell as a designated representative for Commissioner Tim Temple, Louisiana
Tim Schott as a designated representative for Superintendent Robert Carey, Maine
Nour Benchaaboun, Maryland
Sherri Cullen as a designated representative for Commissioner Michael T. Caljouw, Massachusetts
Tammy Lohmann as a designated representative for Acting Commissioner Julia Dreier, Minnesota
Director Angela L. Nelson, Missouri
Erin Snyder as a designated representative for Commissioner James Brown, Montana
Victoria Fowler as a designated representative for Commissioner D.J. Bettencourt, New Hampshire
Brittany O'Dell as a designated representative for Superintendent Alice Kane, New Mexico
Bobby Croom as a designated representative for Commissioner Mike Causey, North Carolina
Chrystal Bartuska as a designated representative for Commissioner Jon Godfread, North Dakota
Director Judith French, Ohio
Brian Downs as a designated representative for Commissioner Glen Mulready, Oklahoma
Acting Commissioner T.K. Keen, Oregon
Commissioner Suzette Del Valle, Puerto Rico
Richard Hendrickson as a designated representative for Commissioner Michael Humphreys, Pennsylvania
Matt Gendron, Rhode Island
Jill Kruger as a designated representative for Director Larry Deiter, South Dakota
Debra Diaz-Lara as a designated representative for Commissioner Amanda Crawford, Texas
Commissioner Jon Pike, Utah
Mary Block as a designated representative for Commissioner Kaj Samson, Vermont
Mary Ashby Brown as a designated representative for Commissioner Scott A. White, Virginia
Todd Lovshin as a designated representative for Commissioner Patricia Kuderer, Washington
Interim Commissioner Erin Hunter, West Virginia
Commissioner Nathan Houdek, Wisconsin
Commissioner Jeff Rude, Wyoming

Legislative Committee:
Representative Matt Lehman, Indiana
Speaker Pro *Tem* Brian Patrick Kennedy, Rhode Island
Speaker Pro *Tem* James Dunnigan, Utah
Senator Laura Fine, Illinois
Representative Ellen Hefner, Oklahoma
Delegate Dean Jeffries, West Virginia

Consumer Advisory
Brendan Bridgeland, Center for Insurance Research
Janes Cline, Former Insurance Commissioner, Retired
Deb Darcy, American Kidney Fund
Anna Howard, Cancer Action Network
Dick Weber, Life Insurance Consumer Advocacy Center (LICAC)

Industry Committee:
Amanda Herrington, AHIP
Andrew Baron, Lincoln
Eric Weinstein, MassMutal
Roger Moore, NAIFA
Sarah Wood, IRI
Wayne Mehlman, ACLI

Insurance Compact Staff in Attendance:
Karen Schutter, Executive Director
Becky McElduff, Chief of Operations
Sara Dubsky, Chief of Staff
Sarah Neil, Regulatory Affairs Senior Manager

Director Dunning called the joint meeting of the Commission and Management Committee to order. Director Duning noted he appointed Nevada Commissioner Gaines as the Vice Chair due to the vacancy created when Commission McVey retired in June. Director Dunning noted the Compact Bylaws provide for the Chair to make appointments to vacant positions. Director Dunning, further explained, Nevada was recently named to the Management Committee to serve as the Western Zone representative. Commissioner Harris was appointed to fill the vacancy as the Southeastern Zone Management Committee representative. Director Dunning thanked Commissioner Rude for his tenure as the Western Zone representative on the Management Committee. Director Dunning asked Ms. Schutter to conduct the roll call of the Management Committee, Commission, Legislative Committee, and Consumer Advisory Industry and Advisory Committees.

Director Dunning welcomed the members of the Legislative Committee and recognized the role of state legislators in supporting the Compact and thanked the Legislative Committee, NCOIL staff, and NCSL staff for their service and engagement. Representative Lehman expressed his appreciation of the Compact and the continued work and dialogue with the Compact and legislators.

Director Dunning moved to Agenda item three, the amendments for the individual long-term care uniform standards. Director Dunning asked Ms. Schutter to provide an overview of the amendments as requested by the State of Colorado. Ms. Schutter explained the proposed amendments to the provision in the rate standards. Ms. Schutter noted the State of Missouri and ACLI each have proposed additional language to further clarify the intent of the amendments. The language was presented. Director Dunning asked Mr. Mehlman to make comments regarding the comment letter submitted by ACLI. Mr. Mehlman stated the ACLI members continues to maintain their opposition to the amendments proposed by the State of Colorado. The ACLI members do appreciate the willingness to include specific language to the proposed amendments.

Commissioner Clark asked Mr. Mehlman to explain why the ACLI opposed Colorado's request and would prefer Colorado opt out of the individual long-term care standards. Mr. Mehlman explained the members were concerned about the state variabilities undermining the general principal of the Compact as well as the continuity of maintaining previously approved products.

Commissioner Gaines asked why there was opposition from industry as the solution appears to alleviate the uncertainty that could exist with how the Colorado Supreme Court decisions apply. Mr. Mehlman explained the main concern is the chipping away at the uniformity the Uniform Standards offer and the effect it would have on the utility of the Compact.

Commissioner Conway recognized and expressed appreciation to those involved in the process to this point. Commissioner Conway noted this is a difficult position to be in, but the State has to abide by its Supreme Court's decision. Commissioner Conway noted Colorado does not want to opt out of long-term care Uniform Standards which would disrupt its marketplace.

Mr. Bridgeland noted he appreciates Colorado's position and it is important for the state to abide by its Supreme Court's decision.

Director Dunning noted the Officers have reviewed the proposed language offered by Missouri as well as by the ACLI. The Officers' position is that the Missouri language aligns better with the way the provision is drafted and ACLI's amendments reflect how the state law exception is

intended to work. Director Dunning asked if there were any further comments or questions about the proposed language before the Commission.

Hearing no other comments, asked if there was a motion to adopt the amendment to the following Uniform Standards – Rate Filing Standards for Individual Long-Term Care Insurance – Issue Age Rate Schedules and Rate Filing Standards for Individual Long-Term Care Insurance – Modified Rate Schedules. The Amendments would add a new paragraph (7), which states: *the premiums use gender as a rating characteristic where gender-based rating is prohibited by applicable statute, together with a binding court ruling or opinion that a conflicting standard from the Interstate Insurance Product Regulation Commission cannot be used in the state where the policy delivered or issued for delivery*. *This provision only applies to stand-alone long-term care insurance policies and not to long-term care benefits provided under a life insurance policy or annuity contract*. Commissioner Grant made the motion and Commissioner Gaines seconded the motion. A roll call vote was conducted. The motion passed with Delaware abstaining.

Director Dunning noted that 2026 marked the 20th anniversary of the Compact's operational milestone. The Compact began operations in 2006 after 27 Compacting States representing 40 percent of nationwide premium volume joined. Director Dunning recognized the contributions of former Compact leaders Eric Cioppa and Kathleen Birrane, both of whom had passed away in May.

Director Dunning reported that the recent Compact Roundtable in Boston included representatives from 21 states and 23 companies and other organizations. Director Dunning recognized the Commissioners and State Legislators who participated in the Roundtable. Participants discussed the use of artificial intelligence in product development and compliance, ways to improve consumer understanding of insurance products, and near- and long-term opportunities and challenges for the Compact. Members were encouraged to participate in future roundtables, including the October 21 event in Omaha. Director Dunning asked if there were any additional comments about the Boston Roundtable.

Commissioner Grant remarked that the discussion during the Boston Roundtable was robust and she appreciated the ability to have these events. Representative Dunnigan expressed his appreciation for the format and the ability to have these conversations. Mr. Weber noted he was appreciative of the ability to be heard and to hear the perspectives of others. Jillian Froment (ACLI) remarked the industry values the opportunity for a candid conversation about what is going in the market and to hear back from others around the table. This dialogue provides for practical solutions to add to the value of the Compact.

Director Dunning proceeded to the third Agenda item, the amendments to certain individual life and annuity Uniform Standards. Ms. Schutter provided an overview of the proposed amendments to the Standards for Accidental Death Benefits, Additional Standards for Accidental Death and Dismemberment, Individual Deferred Paid-Up Non-Variable Annuity Contract Standards, and the Individual Immediate Non-Variable Annuity Contract Standards. Ms. Schutter noted Utah has proposed additional amendments to the Individual Immediate Non-Variable Annuity Contract Standards to provide specific clarity to the proposed amendment.

Director Dunning explained the two accidental death standards were added to the Agenda late due to being deferred from the July 30, 2026 joint conference call as the two-thirds voting threshold required by the Bylaws was not met. Because those standards were added after issuance of the

final agenda for the August 13 meeting, Commission approval was required to add them to the agenda. Director Dunning asked for a motion to agree to the addition of the two accidental death standards to the Agenda for the meeting and to adopt the amendments proposed to the Standards for Accidental Death Benefits, Additional Standards for Accidental Death and Dismemberment Standards, Individual Deferred Paid-Up Non-Variable Annuity Contract Standards, and the Individual Immediate Non-Variable Annuity Contract Standards. Commissioner Grant made the motion and Director Gillespie seconded. The vote was unanimous.

Director Dunning moved to the fourth Agenda item, the proposed Operating Procedure for the Intermediate Review of the Application of Uniform Standards or Operating Procedures during the Review of a Product Filing Submission. Director Dunning explained the Rulemaking Committee brought forward this recommendation at the March 2026 in-person meeting. During the public comment period, the ACLI made comments which the Management Committee asked the Rulemaking Committee to review. The Rulemaking Committee reviewed ACLI's written and oral comments, published a response chart, and held a public call on July 27, 2026. No additional comments were received. The Rulemaking Committee recommended one clarifying amendment addressing requests to withdraw. Director Dunning asked Ms. Schutter to review the amendment proposed.

Ms. Schutter explained the amendment pertains to the ACLI comments and addressed their questions about the proposed process. A new provision was proposed regarding the request to withdraw the initial request before the final report. Ms. Schutter recognized the members of the Rulemaking Committee for their turnaround in completing this request.

A motion was requested to adopt the proposed Operating Procedure, including the Rulemaking Committee's recommended amendment. Commissioner Gaines made the motion and Commissioner Grant seconded the motion. The vote was unanimous.

Director Dunning proceeded to the fifth Agenda item, the Report of the Product Standards Committee. Director Dunning asked Ms. Seip to report on the Committee's recent activities, ongoing standards development, and other committee business. Ms. Seip reported the PSC has been working on the Uniform Standards Development Prioritization process for 2027 request. The recommendation will be made during the Annual Meeting. The Committee has been working on new uniform standards for group variable annuity products. There were no comments. The Management Committee received the report, and no action was required.

Director Dunning progressed to the next item on the Agenda, the Report of the Finance Committee. Director Dunning asked Commissioner Grant to provide the report.

Commissioner Grant reported that the Compact earned over $3 million in revenues which is 1.5%, or almost $45,000, over budget. The revenue earned to date demonstrates an 8% growth over the revenue earned this time last year. Expenses are under budget by about 13%, or approximately $283,000. A large part of the savings is due to the timing of a few initiatives as well as open positions. The Compact Office had two employees leave in March with one of the positions having just been filled at the end of last month. The Compact Office has collected and remitted over $1.89 million in filing fees to the member states. This is an 18% increase over this time last year. As part of the update received, the Compact Office advised on the timing of the 2027 annual budget. Commissioner Grant reported there is not an increase in filing fees scheduled for 2027.

Hearing no comments, Director Dunning progressed to the next item on the Agenda, North Dakota's request for an extension of stay regarding the opt-out of the Individual and Group Disability Income Uniform Standards. Director Dunning asked Ms. Schutter to provide an overview.

Ms. Schutter reviewed North Dakota's request for an extension of the stay concerning their opt-out of the Individual and Group Disability Income Insurance Uniform Standards. Director Dunning requested a motion to extend the stay retroactively from May 1, 2026, through May 1, 2027, while North Dakota continued working with the Compact Office on a proposed solution for Commission consideration. Commissioner Gaines made the motion and Commissioner Fowler second the motion. A voice vote of the full Commission was conducted and adopted

Director Dunning proceeded to the Consent Agenda item. A motion was made by Director Carpenter and seconded by Director Gillespie. A voice vote of the full Commission was conducted and adopted.

Director Dunning invited members to raise any other matters. Hearing none, Director Dwyer made a motion to adjourn and Director Cameron seconded the motion. The meeting was adjourned.