

**Agenda Item 2. Receive Public Comments on the PSC Final Recommendations Regarding Comments Received on the Proposed Amendments to the Individual Disability Income Insurance Uniform Standards under Phase 8 of the Five-Year Review**

Mary Mealer, Chair of the Product Standards Committee (PSC) noted that written comments were received from the Oregon Division of Insurance and the Industry Advisory Committee (IAC).

David Bolton, Oregon summarized his comments opposing a change for the first year of DI benefits from “own occupation” to “any occupation” and indicating concerns about Mix and Match. Ellen Owens, Ameritas commented that Mix and Match of disability products is not permitted under the Compact standards. She summarized the IAC comments noting that they are not seeking innovation, just the two requests they have made before for “any occupation” and to extend the look back period to unlimited for certain medical conditions. She noted that these two items are allowed in the majority of states and they provide benefits to consumers, allowing for more affordable products. The Chair asked Ms. Owens to clarify how looking at health conditions beyond 10 years benefits the consumer and was advised that the information assists them in accurately pricing the product and without such information they may have to build it into all policyholder rates. In reference to the “any occupation” issue, Ameritas noted that potential policyholders are educated via the company agents regarding opportunities to purchase different levels/types of benefits to suit their needs and the request is simply to allow such options. Tomasz Serbinowski, Utah noted that in reference to the look back period, the PSC had previously asked for data and information regarding the cost and it has not been provided. He commented that it is difficult to give consideration to the request without data to understand the rate impact.

Fred Nepple, Consumer Advisory Committee spoke in support of the current recommendations of the PSC and commented that he did not think that Compact should simply pass through the current majority of states practices, rather it should discuss and consider underlying policy issues. Miriam Kroll, representing ACLI responded that the premise of the Compact from early on was that uniformity was achieved based on what the majority of states were doing and that in some situations where specific states had requirements that were not the same as the majority of states, some exceptions based on state law were made within the standards.

There were no further comments on this item.

**Agenda Item 3 - Receive Public Comments on the Proposed Prioritization and Plan to Address Gaps in the Individual Life and Annuity Uniform Standards.**

Ms. Mealer summarized the PSC’s work to date on soliciting feedback and comment on features of life insurance or annuity products in the marketplace today that are not within the scope of the current Uniform Standards and preparing an analysis of gaps in the current standards as well as a listing and prioritization of products or benefit features that the PSC should consider going forward to decide if new or amended standards should be developed. She noted that written comments were received from the Oregon Division of Insurance.

David Bolton, Oregon, summarized his comments indicating that he believed that these issues should be addressed during Five-Year Review, and that many of the items on the list were previously discussed.

Ms. Mealer asked if he could provide examples of items previously discussed and Mr. Bolton responded that he believed Janice Hartt of his department had communicated information regarding annuity products and he stated that some items on the life list have been previously discussed.

There were no further comments on this item.

**Agenda Item 4 - Any other Matters.** The Chair stated that the PSC will review the comments from today's call and finalize its recommendations to the Management Committee on the comments regarding the proposed amendments to the Individual Disability Income Insurance Uniform Standards for the in person meeting on August 3rd. She noted that the amendments to the IDI standards will be considered for adoption during this meeting. The PSC will also present its recommendations regarding the Proposed Prioritization and Plan to Address Gaps in the Individual Life and Annuity Uniform Standards to the Management Committee during that meeting and ask for their feedback and guidance.