Draft Procedures for the Annual Identification and Prioritization System

*Insurance Compact Compass*, Priority I, Action Item 6: Develop a system for identifying and prioritizing the development of new Uniform Standards including for new product lines and new products and benefit features for existing product lines to reflect product offerings accepted by the majority or more of Compacting States

**Background:**

There is currently no formal process for identifying and prioritizing the development of Uniform Standards for products or benefit features not currently within the scope of the adopted Uniform Standards. In 2018, the Product Standards Committee (PSC), at the direction of the Management Committee, conducted a gap analysis to develop a prioritization list. In the Insurance Compact’s strategic plan, the PSC is assigned to develop and recommend a system for identifying and prioritizing the development of Uniform Standards.

Outside of this one-time gap analysis, it is prudent to develop a process or a system for the annual identification and prioritization of new, or amendments to, Uniform Standards which allows input by Compacting States (Commissioners, regulators, and legislators), consumer representatives, insurers, the Legislative Committee, Consumer Advisory Committee (CAC), the Industry Advisory Committee (IAC), other interested parties, or the Compact Office. This system would include consideration of amendments to existing Uniform Standards to accommodate new products or benefit features where practical and address current regulatory or marketplace circumstances. This system is not intended to replace, but rather supplement, the five-year review process which may be incorporated into the prioritization for an annual period, as applicable.

This proposal is to develop an identification and prioritization system which outlines a member-driven process that operates on an annual calendar basis in a similar manner as the annual budget. By formalizing an annual process, the Compact members can determine if the prioritization list is aligned with the organization’s strategic initiatives and incorporate with budget planning if there are implications to the operating revenues or expenses of the organization.

As part of this recommended proposal, a standardized form for requests (Request Form) in Attachment A would be used to identify new Uniform Standards or amendments to Uniform Standards. This form would be accessible on the Insurance Compact website. Completed forms would be uploaded to the website so interested members and parties can follow the identification process.
**Procedures:**

Requesters will complete and submit requests for new standards and amendments to existing standards using the Uniform Standard Identification Form (US Form) which will be available on the Insurance Compact website.

The Insurance Compact would continuously accept submissions of the Request Form and within five days of receipt of a US form, will publish the information on the Uniform Standards Identification List that will be available on the Insurance Compact website.

The PSC will consider all items that are on the Uniform Standards Identification List as of June 30th of each year for purposes of providing a recommendation to the Management Committee with respect to prioritization for the next calendar year. Items added to the Uniform Standards Identification List after June 30th will not generally be considered for prioritization for the next calendar year but in the calendar year thereafter.

The PSC will consider pending requests along with the new requests added since the previous June 30th. The PSC will hold at least one public call prior to working on a prioritization recommendation and at least one public call before presenting its recommendation for the annual prioritization of Uniform Standards Development to the Management Committee.

If necessary, the PSC will identify any requests that might require additional resources as part of the annual budget process and prepare a request to submit to the Finance Committee.

The goal for the PSC is to present the recommended annual prioritization list to the Management Committee at the same meeting the Finance Committee recommends the annual budget for the coming calendar year.

Prior to acting on the annual prioritization list, the Management Committee will hold a 30-day comment period and public hearing to receive feedback from members and interested parties.

The Management Committee and Commission will consider for adoption the annual identification and prioritization list at the same meeting it considers the annual budget for adoption, generally at the Annual Meeting.

The final recommendation will be posted on the Product Standards Committee page on the Insurance Compact website.