

**Agenda Item 2. Discuss outstanding items in the draft GROUP DISABILITY INCOME INSURANCE POLICY AND CERTIFICATE UNIFORM STANDARDS FOR EMPLOYER GROUPS.**

- a) **§4 REQUIRED PROVISIONS - New C. CONTINUATION OF GROUP DISABILITY INSURANCE PROVISIONS APPLICABLE WHEN SUCH INSURANCE IS TRANSFERRED FROM ONE GROUP DISABILITY INSURANCE COMPANY TO ANOTHER.** The Product Standards Committee (PSC) reviewed the Industry Advisory Committee (IAC) response recommending revisions to 2 D. in this provision, Credit for the Certificate Incontestability Period. The Committee agreed to the suggested changes and had no further recommendations.
- b) **§ 9. BENEFIT PROVISIONS - Disability Benefits Reduced On Account of Other Benefits or Income Item (B) (1) (g).** The Committee discussed the comments submitted by the Consumer Advisory Committee (CAC). After discussion they agreed not to make any changes to the provision. It was noted that these standards did not distinguish between short term and long term plans in any other provisions and they did not wish to do so now. Members also did not believe it beneficial for this optional provision to allow deviation based on state law.
- c) **§ 9. BENEFIT PROVISIONS - Disability Benefits Reduced On Account of Other Benefits or Income Item (B) (1) (m).** The PSC reviewed the comments submitted by the CAC. IIPRC staff also discussed findings following review of several national submissions by group disability insurers, noting that approximately two thirds of the filings did not include an offset for third party settlements. One insurer allowed offsets in a manner similar to the Industry draft provision and the rest that did allow offset for third party settlements, limited it specifically to lost income recovered through a third party settlement, minus legal fees. The PSC agreed to retain the provision with revisions to specify it was only for recovered lost income and to allow deduction for legal expenses.
- d) **§10 INCIDENTAL BENEFIT PROVISIONS - COBRA Insurance Premium Benefit.** The Committee reviewed the CAC's comments agreeing that a notification would be helpful, but noting that the draft notice could be confusing to the *Covered Person* since it was written for the policyholder. The Committee agreed that the notice was primarily to avoid confusion on the part of the policyholder, and as such, that it should be a part of the policy, not the certificate. They also agreed to clarify the language so that if an insurance company chose to include a notice, the provision did not imply that the exact language in the standard was required.

**Agenda Item 3. Discuss the Group Disability Income Subgroup recommendations for UNIFORM STANDARDS FOR RIDERS, ENDORSEMENTS OR AMENDMENTS USED TO EFFECT GROUP DISABILITY INCOME INSURANCE POLICY CHANGES.**

The Committee discussed the Subgroup recommendations for the draft standards as well as comments submitted by David Bolton of Oregon. After discussion, they agreed to make no further revisions.

**Agenda Item 4. Discuss the Group Disability Income Subgroup recommendations for UNIFORM STANDARDS FOR RIDERS, ENDORSEMENTS OR AMENDMENTS USED TO EFFECT GROUP DISABILITY INCOME INSURANCE CERTIFICATE CHANGES.**

The Committee discussed the Subgroup recommendations for the draft standards and had no further revisions.

**Agenda Item 5. Review proposed timeline for finalizing Group Disability Income Uniform Standards.**

IIPRC staff reviewed a proposed work plan and timeline for finalizing the recommendations to the Management Committee for the suite of Group Disability Income Uniform Standards for the August Joint Meeting in Chicago.

**Agenda Item 6. Any other matters.**

The Chair noted that the Group Disability Income Subgroup will meet on Tuesday, June 9 to start discussing the draft standards for Group Disability Income Insurance Enrollment Forms and Statement of Insurability Forms as well as the Statement of Insurability Change Form. The PSC will hold a Public Call on June 16 to hear public comments on the items discussed on today's call.