



MEMORANDUM

TO: IIPRC Management Committee

FROM: Product Standards Committee

DATE: February 19, 2013

SUBJECT: Group Term Life Insurance Benefit Feature Uniform Standards

The Product Standards Committee (“PSC”) of the Interstate Insurance Product Regulation Commission (“IIPRC”) is charged with developing proposed drafts of uniform standards. In carrying out its charge, the PSC has finalized the following draft uniform standards in the group term life insurance product line and is recommending that the Management Committee initiate the rulemaking procedure¹ with respect to these proposed uniform standards:

- Group Term Life Insurance Uniform Standards for Accidental Death Benefits
- Group Term Life Insurance Uniform Standards for Accidental Death and Dismemberment Benefits
- Group Term Life Insurance Uniform Standards for Waiver of Premium While the Employee Is Totally Disabled

The NAIC National Standards (EX) Working Group developed and transmitted to the PSC initial drafts of the proposed uniform standards. The PSC has thoroughly reviewed the proposed uniform standards, including comparison to the corresponding individual life insurance uniform standards.

The PSC added required customary language about mix-and-match and self-certification. The PSC recommends the proposed uniform standards be available for mix and match to be used in combination with state-approved group life insurance forms in accordance with §111 of the IIPRC Operating Procedure for the Filing and Approval of Product Filings. The PSC recommends product filings submitted the proposed uniform standards be subject to prior review and approval and not subject to self-certification.

The proposed Uniform Standards were subject to public participation by written comment and a teleconference meeting on February 5. The Group Term Life Insurance Uniform Standards for Accidental Death were also subject to an earlier comment period and public meeting on

¹ The rulemaking procedure is set forth in the Rule for Adoption, Amendment and Repeal of Rules for the IIPRC.

November 15. The PSC received written comments from the Industry Advisory Committee and implemented most of the suggestions.

The PSC is near completion on a recommendation involving Group Term Life Insurance Uniform Standards for Accelerated Death Benefits. The PSC intends to recommend these additional standards as soon as possible, but determined that more time is needed to evaluate certain features of accelerated death benefits in the context of other existing life insurance and annuity uniform standards with similar features. The PSC is available to respond to any questions or requests for information to assist the Management Committee during its rulemaking process.