

Product Standards Committee
Call Summary
August 10, 2021

Agenda Item 2. Receive Comments on Report of Five-Year Review Changes for Group Term Life and Incidental Guaranteed Minimum Death Benefits for Individual Deferred Non-Variable Annuities

Jason Lapham, the Chair of the Product Standards Committee, (PSC) asked the Compact Office to provide a summary of the draft report and asked for comments. There were no written or oral comments.

Agenda Item 3. Receive Comments on Items on the Identification of Requested Uniform Standards Development list and Remaining Items From the 2018 Prioritization List

The Chair said that one written comment was received from Swiss Re asking that another item be added to the list of requested Uniform Standards. The Chair asked if a representative of Swiss Re was present to discuss the request. The representative explained that the individual term life product was designed for immigrant families and included a rider to provide a benefit for funeral expenses for dependents. There is a reduced death benefit for an initial term with a return of premium feature that is a key part of the product. Karen Schutter explained that there is no Uniform Standard for a graded death benefit for term life insurance. Hawaii observed that a death benefit cannot be conditioned on the manner of death. Becky McElduff stated that the current standard does not permit a reduction of the death benefit due to accident during the graded period.

The Chair asked if there were other comments. There were no comments. The Chair asked that the written comment be added to the list of items for Uniform Standards development.

Agenda Item 4. Receive Comments on Referral from the Governance Committee to address conflicts in Colorado statutes

Karen Schutter provided a summary of the referral from the Governance Committee requesting the PSC recommend changes to the Uniform Standards to address two conflicts with Colorado statutes, the one-year suicide exclusion and a prohibition on the use of gender as a rating characteristic for long term care insurance.

The Chair asked if there were any comments. Iowa asked about the next steps. Karen Schutter said that the PSC would prepare proposed changes to the Uniform Standards, and these would be the subject of another public call before referral to the Management Committee. There were no other comments.

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Agenda Item 5. Any Other Matters

The Chair noted that the next meeting of the PSC will be a regulator only call on August 24. The Actuarial Working Group will hold a regulator only call on August 17.