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May 20, 2021

Interstate Insurance Product Regulation Commission (IIPRC)
Management Committee
444 North Capitol Street, NW
Hall of the States, Suite 700
Washington, DC 20001-1509
comments@insurancecompact.org

RE: *Additional Standards for Qualifying Events for Waiver of Premium Benefits*

To the Management Committee:

The American Council of Life Insurers (“ACLI”) appreciates this opportunity to comment on the proposed amendments to the *Additional Standards for Qualifying Events for Waiver of Premium Benefits*.

We do not have any additional comments on the proposed amendments to the *Additional Standards for Qualifying Events for Waiver of Monthly Deductions Benefits* or on the proposed *Additional Standards for Waiver of Surrender Charge Benefit for Life Insurance*. Nor do we have any additional comments on the proposed amendments to the various individual deferred annuity standards that have been exposed or on the proposed *Uniform Standards Development Guidelines* (including its *Draft Procedures for the Annual Identification and Prioritization System*).

With regard to the *Additional Standards for Qualifying Events for Waiver of Premium Benefits*, we would like some clarification on Section 3.A.(2)(d) and the Preexisting Condition clause in Section 3.G. In the current draft, Section 3.A.(2)(d) states:

(2) A waiver benefit may be triggered by the occurrence of a qualifying event. The qualifying event shall be described in the waiver benefit form and may include:

(d) The insured is determined to have a disability that prevents him or her from engaging in the substantial and material duties of an occupation for which he or she is or becomes qualified by reason of education or training for a period of time. The period of time shall not

be longer than twelve (12) months. The waiver benefit form shall not include a requirement that the insured be eligible for Social Security benefits.

Could the Committee elaborate on the meaning and purpose of this subsection and address the interplay between this qualifying event and total disability?

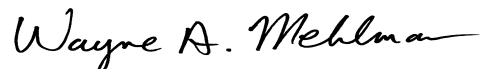
In the current draft, Section 3.G. – Preexisting Conditions states:

A waiver benefit form shall not exclude disability, services, treatment or diagnosis caused by a preexisting condition. Therefore, the waiver benefit form shall not require that disability or need for services, treatment or diagnosis be caused by injury or sickness beginning, commencing, originating, occurring, sustained or manifesting or first manifesting itself after the waiver benefit issue date.

This Preexisting Conditions clause appears to be more appropriate for a health policy, as we are not aware of any state that requires it to be in a Waiver of Premium Disability form. Could the Committee explain why the Compact would impose a new condition that does not currently exist in the states?

Thanks again for this opportunity to provide comments. If you have any questions, feel free to contact me at waynemehlman@acli.com or 202-624-2135.

Sincerely,

A handwritten signature in black ink that reads "Wayne A. Mehlman". The signature is written in a cursive, flowing style.

Wayne Mehlman
Senior Counsel, Insurance Regulation