

From: insuranceresearch@comcast.net
Sent: Wednesday, April 08, 2009 6:07 PM
To: Dubsky, Sara
Cc: Binderup, Kara
Subject: Re: IIPRC Notice of Public Rulemaking Conference Call - 4/13

Due to competing obligations, I have not had the time to prepare a full comment letter on the latest "mix and match" proposal. While I understand the industry's concern over the 2 year limitation imposed by the current product filing rule, I oppose the elimination of this time limit in the absence of any other mechanism to encourage the migration of filings to the IIPRC.

The Center for Insurance Research originally opposed the adoption of the "mix and match" system when it was first proposed, and I still believe that mixing and matching compact and state approved policy forms could prove detrimental to consumers and the IIPRC. Without some sort of impetus to steer filers into using the IIPRC exclusively, the Commission may simply limp along for years, becoming merely an alternative resource rather than the national filing system it was designed to become.

There are two approaches that can be used with a stubborn donkey, the rider can either use stick to drive the animal forward by force, or seek to lure it into moving forward by dangling a carrot in front of the animal. The current proposal completely removes the stick (the strict 2 year time limit on mix and match), but offers no carrot to the industry to keep the IIPRC moving forward. I am not necessarily opposed to the concept of replacing the 2 year prohibition with an incentive that pushes industry to use the IIPRC, I do object to tossing away the stick before acquiring a carrot. A replacement for the 'mix and match' limit must be identified and established before altering the rule, otherwise I suspect unlimited mixing and matching may never come to end and the IIPRC will never fulfill the role it was created to serve.

Moreover, the unlimited mixing and matching of state and compact approved policies is an inherently bad idea. Even if product standards are designed well and mesh with state approved forms the vast majority of the time, any conflicts between state and IIPRC forms have the potential to create chaos for consumers and the Commission. The Commission lacks the tools and authority to recompense consumers injured by a conflict arising from a mix and match error, and such disputes will inevitably wind up in a courtroom, where the authority of the Commission may be challenged. As you will recall, this is precisely the scenario described by the National Association of Attorney Generals (NAAG) in their opposition to the development of the compact in which they questioned the constitutionality of the insurance compact.

The longer mixing and matching is allowed to continue, the greater the probability that a serious conflict will arise between state approved provisions and Compact approved

provisions. As a result, I believe it is inappropriate to completely strip out all "mix and match" limitations without the adoption of substitute provisions that ensure the Compact will become the one-stop filing center for member states by limiting the incentive to use state approved forms in products sold under the aegis of the IIPRC.

Brendan Bridgeland,
Center for Insurance Research

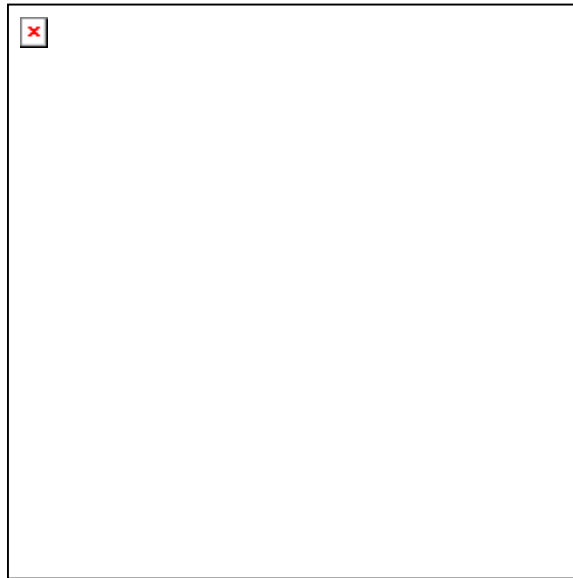
----- Original Message -----

From: "Sara Dubsy" <SDubsy@insurancecompact.org>

To: notice@insurancecompact.org

Sent: Wednesday, March 25, 2009 10:27:10 AM GMT -05:00 US/Canada Eastern

Subject: IIPRC Notice of Public Rulemaking Conference Call - 4/13



**IIPRC
RULEMAKING COMMITTEE
NOTICE OF PUBLIC CONFERENCE CALL**

The IIPRC Rulemaking Committee has scheduled a conference call for **Monday, April 13, 2009 at 3:00 pm ET / 2:00 pm CT / 1:00 pm MT / 12:00 pm PT**. The purpose of the call is to have a discussion on the proposed amendments to the IIPRC Operating Procedure for the Filing and Approval of Product Filings ("Product Filing Rule") with regard to the "mix and match" provisions.

Please find attached the Agenda for this conference call. Additional materials will be forthcoming under separate email cover.

Any written comments on the proposed amendments to the Product Filing Rule are requested to be emailed to kbinderu@naic.org no later than Wednesday, April 8.

Regulators: In order to participate in the conference call, please contact Chorus Call at (866) 332-4905 and ask for the "IIPRC-Thabault" call. We would like to ask for your assistance with helping the IIPRC Office operate in a cost efficient manner. We would like to ask that you please participate on one line if there is more than one participant from your office.

Interested Parties: Interested Parties need to pre-register for the call by using the link attached: <http://services.choruscall.com/client/iiprc/registration/>. A reservationist will give you the appropriate dial in number for the conference call at that time.

If you have any questions or comments, please contact staff support for this Committee, Kara Binderup, at kbinderu@naic.org or (816) 783-8023.

<<Agenda 4-13-09.doc>>

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