

Agenda Item 2. Receive Public Comments on the Rulemaking Committee Feedback to the Management Committee for Recommended Changes to the Group Operating Procedure and Framework

Commissioner Stolfi said the Rulemaking Committee reviewed the comments from Vermont and ACLI and recommended changes to the operating procedure and a proposed workflow. Stolfi summarized the changes. The committee removed portability trusts, labor unions and PEOs from the definition of employer and put them under the non-employer group section of the operating procedure. The committee took out the requirement that the Compact office maintain a list of state requirements. Karen Schutter provided more detail about the operating procedure. She said the drafting note clarifies there is no intention to change existing state law regarding eligible groups.

Karen Schutter went over the proposed workflow process. There would be a new submission requirement where the filer would indicate the type of group. The Compact will notify the member state when a group filing is approved by the Compact. Some states require approval of each nonemployer group. State approval of nonemployer groups would be recorded in the Statement of Intent in the SERFF filing. The filers would list the groups in the SERFF filing once the state had approved the groups.

Susan Bajusz had a question about a multiple employer trust which is created solely for the purpose of insurance. She said the states allow these types. Karen Schutter said these are the characteristics of the types of groups, but the decision would still be up to the states. Commissioner Stolfi said the drafting note indicates that the state gets to determine if the filer can sell the product in the state.

There were no other comments. Commissioner Stolfi said the Rulemaking Committee will forward the draft operating procedure and workflow to the Management committee for its consideration.

Agenda Item 3. Review the Regulator and Filer Responses to the Mix-and-Match Survey and the Common Themes

Karen Schutter summarized the survey responses. Utah suggested adding a question to the survey to ask filers if the forms could be filed with the Compact.

Karen Schutter summarized the common themes and next steps. The next steps included working with regulators to identify the purpose and goals of mix and match and to review the reasons for mix and match. Commissioner Stolfi asked if there were comments. Washington said the information was helpful to them in better understanding mix and match.

Commissioner Stolfi asked for additional volunteers for the subgroup to work on the next steps. He said the subgroup would also work with the Consumer Advisory Committee and the Industry Advisory Committee to get feedback. He said the subgroup will work on the next steps and will report back to the Rulemaking Committee.