



April 21, 2023

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

RE: Draft Group Whole Life Insurance Policy and Certificate Standards for Employer Groups

Members of the Product Standards Committee:

New York Life appreciates the opportunity to comment on the Product Standards Committee's draft Group Whole Life Insurance Policy and Certificate Standards for Employer Groups.

We support the Compact's efforts to develop additional standards for the group market. It is our understanding that the draft Standards will serve as the foundation for the drafting of non-employer group standards. With that in mind, we would like to highlight a few key provisions in the draft Standards that may not be practical for non-employer group association business.

Group employer policies are generally issued through an enrollment process that does not involve underwriting. Conversely, group association coverage is generally underwritten. Given this, we request that the draft Standards be updated to reflect both guaranteed issued and underwritten policies.

In most group employer plans, the employer largely contributes to the premium – while in the non-employer group association business, the certificate holder pays most, if not all, of the premium. To effectively apply the draft Standards to non-employer groups, certain provisions relating to contributory insurance may require additional revisions.

Another important distinction between employer and non-employer group association insurance is the ownership of the certificate. For association business, the certificate holder may not be the insured as ownership can change after the coverage is issued. To ensure consistency, we suggest the draft Standards be revised to differentiate between the terms "covered person" and "certificate holder".

Additionally, the draft Standards requires that the person needs to be actively at work. Since many insureds under our association business may be retired (particularly under the AARP group), we suggest that the definition of "covered person" clarify that not all persons are employees. With respect to the specifications page, additional qualifiers may be needed throughout the draft Standards to clarify that dependent coverage is not required.

Finally, we request that the section relating to claim filings be revised to allow for more flexibility. The draft Standards appear to include specific requirements that are required in the certificate form, which could result in a more onerous process for the claimant. Since these requirements may change over time, providing more flexibility in the draft Standards would help facilitate a less burdensome process for the claimant over the longevity of the contract.

Thank you for the opportunity to provide comments. We look forward to working with you as you expand the scope of the draft Standards to non-employer groups.

Sincerely,

A handwritten signature in blue ink that reads "Douglas A. Wheeler".

Douglas Wheeler
Senior Vice President
Office of Government Affairs