



MEMORANDUM

TO: Insurance Compact Management Committee

FROM: Product Standards Committee

DATE: August 15, 2023

SUBJECT: Group Whole Life Insurance for Employer Groups Uniform Standards

The Product Standards Committee (“PSC”) of the Interstate Insurance Product Regulation Commission (“Commission”) is charged with developing proposed drafts of Uniform Standards. In carrying out its charge, the PSC has finalized the following draft uniform standards for the employer group whole life insurance product line. The PSC is recommending that the Management Committee initiate the rulemaking procedure¹ with respect to these proposed uniform standards:

- Group Whole Life Insurance Policy and Certificate Uniform Standards for Employer Groups
- Uniform Standards for Group Whole Life Insurance Enrollment Forms and Statement of Insurability Forms
- Uniform Standards for Group Whole Life Insurance Statement of Insurability Change Form
- Uniform Standards for Riders, Endorsements or Amendments Used to Effect Group Whole Life Insurance Certificate Changes
- Uniform Standards for Riders, Endorsements or Amendments Used to Effect Group Whole Life Insurance Policy Changes
- Group Whole Life Insurance Uniform Standards for Accelerated Death Benefits
- Group Whole Life Insurance Uniform Standards for Accidental Death Benefits
- Group Whole Life Insurance Uniform Standards for Accidental Death and Dismemberment Benefits
- Additional Standards for Graded Death Benefit for Whole Life Insurance Policies and Certificates for Employer Groups
- Additional Standards for Waiver of Premium Benefits for Total Disability and Other Qualifying Events for Whole Life Insurance Policies and Certificates for Employer Groups

¹ The rulemaking procedure is set forth in the *Rule for Adoption, Amendment and Repeal of Rules for the Interstate Insurance Product Regulation Commission*.

This recommendation is to initiate the rulemaking procedure with respect to ten new uniform standards for group whole life insurance for employer groups.

These drafts were developed based on the Group Term Life Insurance Uniform Standards, the *Individual Whole Life Insurance Policy Standards*, and the *Additional Standards for Graded Death Benefit for Individual Whole Life Insurance Policies* and modified for the features of group whole life insurance.

The Committee recommends these uniform standards be available for Mix and Match to be used in combination with State Product Components as described in §111 of the IIPRC *Operating Procedure for the Filing and Approval of Product Filings*. The PSC also recommends that filings submitted under these Uniform Standards continue to be subject to prior review and approval and not self-certification.

The PSC exposed the drafts for public comment and held two public calls on April 25, 2023, and June 6, 2023, to obtain further input. Comments were received from two company filers and one member state. The PSC agreed to edits in §4 T.(1)(h), Participating Policy, to allow dividend payments to certificateholders and a clarification to §4 V.(2), Policy and Certificate Changes in the *Group Whole Life Insurance Policy and Certificate Uniform Standards for Employer Groups*. The PSC agreed to modify §2 I.(1)(e) in the *Group Whole Life Insurance Uniform Standards for Accelerated Death Benefits* to allow a reference to the portability option.

Given the extensive, transparent, and documented drafting process preceding these recommendations, the PSC suggests that any additional comments or concerns about these recommended Uniform Standards be raised, considered, and discussed by all members and interested parties during the Management Committee's formal rulemaking process.

The PSC is available to respond to any questions or requests for information to assist the Management Committee.