



INSURANCE
COMPACT
COMPASS

STRATEGIC PLAN 2020-2022 REPORT

PRIORITY I: UNIFORM STANDARDS STATES SUPPORT AND COMPANIES WILLINGLY USE

- ★ *Objective 1: **Robust*** – Reflect strong consumer protections
- ★ *Objective 2: **Relevant*** – Reflect product offerings available in Compacting States
- ★ *Objective 3: **Reasonable*** – Reflect product requirements that are not unduly prescriptive

PRIORITY II: NATIONALLY RECOGNIZED REGULATORY REVIEW PROCESS

- ★ *Objective 1: **Responsive*** – Provide prompt review and turnaround times
- ★ *Objective 2: **Reliable*** – Provide consistent, thorough quality reviews
- ★ *Objective 3: **Regulatory Collaboration*** – Provide information and processes working with Compacting States to facilitate their state market and financial regulatory functions with respect to Compact-approved products

PRIORITY III: RESOURCE FOR COMPACTING STATES, REGULATED ENTITIES & CONSUMERS

- ★ *Objective 1: **Responsible*** – Provide excellent and accountable information and services
- ★ *Objective 2: **Respected*** – Retain qualified and experienced staff
- ★ *Objective 3: **Ready*** – Provide proactive information on Compact activities and be an accessible source of information

PRIORITY I: UNIFORM STANDARDS STATES SUPPORT AND COMPANIES WILLINGLY USE

The action items under this priority achieve multiple objectives pertaining to Uniform Standard development: expand participation in and streamlining the Uniform Standard development process, prepare easy to follow notices and information about Uniform Standard development, expand existing Uniform Standards to accommodate non-employer groups, review the five-year review process, explore other services the Insurance Compact can provide, and promote the use of plain language in forms.

DELIVERED

- ★ Opened committee drafting calls to all Compacting State regulators.
- ★ Redesigned website launched February 2023.
- ★ Improved meeting materials, e.g., annotated and consent agendas, briefing sheets, etc.
- ★ Commission implemented Annual Identification and Prioritization process in 2021 and incorporated Uniform Standard Development Guidelines in March 2023.
- ★ PSC concluded additional legislative or regulatory guidance needed to incorporate plain language into Uniform Standards.
- ★ Published call summaries of both regulator-only and public calls.
- ★ Preview meetings with states to address questions/concerns.
- ★ Commission adopted *Operating Procedure for the Use of Compact-Approved Products for Other Than Employer Groups* and framework in December 2022.
- ★ Compact Roundtables included discussions regarding issues and requests related to Uniform Standards Development and expansion of Compact services.

IN PROGRESS

- ★ Created the Adjunct Services Committee in March 2023 to explore other services Compact can provide to member states.

NOT YET STARTED

- ★ Five-year review action item is on the work plan for the Rulemaking Committee in 2023.

PRIORITY II: NATIONALLY RECOGNIZED REGULATORY REVIEW PROCESS

The action items under this priority achieve objectives pertaining to communication and regulatory oversight, including enhancements to communications and electronic platforms, establish a permanent expedited review process, create resource groups of filing and actuarial expertise, develop an accelerated review process, analyze mix and match in more depth, and explore implementing coordinated state review and audit processes.

DELIVERED

- ★ Enhanced communications: Collab Space, Compact Chronicles, webinars.
- ★ Permanent expedited review service established as of January 1, 2021.
- ★ New Communications & Outreach Coordinator.
- ★ Conduct regular Compact Roundtables of members, legislators, industry, and consumer representatives to discuss Compact activities and improvements.

IN PROGRESS

- ★ SERFF modernization project - Compact instance will be the first to be built and deployed.
- ★ Proposal in works to provide an accelerated review process for companies using sample application provisions deemed consistent with the Uniform Standard.
- ★ Proposal in works for a secondary level of regulatory review of certain Compact Office product review decisions.
- ★ Rulemaking Committee currently working on mix and match action item, including reviewing compiled data, surveying Compacting States and company filers, and developing recommendations for process changes.
- ★ Created the Adjunct Services Committee in March 2023 to explore other services Compact can provide to member states.

PRIORITY III: RESOURCE FOR COMPACTING STATES, REGULATED ENTITIES, AND CONSUMERS

The action items under this priority achieve multiple objectives, including improve weekly, monthly, and quarterly communications, reports and reference materials, deliver relevant trainings, assemble focus groups for website improvement, create product-line discussion groups, develop a comprehensive professional development program for Compact staff, strengthen legal foundation of the Compact, work with the NAIC to restructure its debt and report on its product-based activities, and review the Compact Bylaws.

DELIVERED

- ★ Enhanced communications: Collab Space, Compact Chronicles, Value of Services reports, redesigned website launched February 2023.
- ★ Bi-annual webinar series for members and company filers; webinars for members on specific topics or products; on-demand access to previous webinars.
- ★ Conducted focus groups of Compacting State regulators, filers, consumer, and legislative representatives; issued report outlining suggestions; feedback incorporated into website redesign.
- ★ Implemented a Comprehensive Professional Development Program including new employee orientation, cross-training, professional development, and succession planning.
- ★ Created Governance Committee.
- ★ Adopted Position Statement 2022-1; NCOIL and NCSL adopted resolutions supporting adoption of the Position Statement 1-2022 by the Compacting States.
- ★ Entered into new agreement with NAIC for restructure and repayment of debt.
- ★ Compact Office provides regular updates to the Legislative Committee, Industry and Consumer Advisory Committee, at NCOIL and NCSL in-person meetings, and to LATF, Speed-to-Market, and A Committee and Senior Issues Task Force upon request.
- ★ Conducted an independent governance review by Squire Patton Boggs; Compact Bylaws amended in 2022, Governance review recommendations incorporated into planning and prioritization.

NOT YET STARTED

- ★ Develop a program to create product line discussion groups composed of regulators, legislators, and consumer and industry representatives to discuss current activities and items of interest on a regular basis to exchange information and inform decision making by Compact members.