

Product Standards Committee (PSC)
Regulator-only Call Summary
September 24, 2024

Agenda Item 2. Discuss remaining requests on the 2024 list and suggested priorities

The PSC reviewed the remaining to-dos from the 2024 Uniform Standards Development prioritization. Two of the remaining items have been or will be in progress before the end of 2024. The PSC is sending out a survey to Compacting States on their laws and filing activity with respect to value-added services benefits for life, annuity, long-term care and disability income products. The PSC will also address the item for graded death benefit feature for group term life insurance products.

The PSC agreed the entry for “Indexed-Linked Individual Adjustable Life” should be combined with the entry for “Additional Standards for Index-Linked Crediting Benefit Features for Individual Adjustable Life Policies” as they both involve standards for non-unit linked products. The PSC wanted more information from the industry/companies to keep the “VERY HIGH” priority for standard development of this product and benefit feature.

The reason for the current priority was that there could be synergies with the recent development of the index-linked variable annuity standards. The regulators questioned how similar the index-linked variable life products are with ILVAs. They want more information on how many companies are filing/issuing these life products as it does not seem as common as ILVAs. One state pointed out that it may be more beneficial to season the ILVA standards before using them, if applicable, to develop standards for life. Others expressed concern that the new Actuarial Guideline 54 facilitated the development of the ILVA standards as it set parameters for the interim value. There is no equivalent actuarial guideline for the life product. The PSC is considering changing this priority to MEDIUM or HIGH instead of VERY HIGH. It seeks public feedback on how common or the volume of the index-linked variable life products in states and what the equivalent “interim value” approach would be for the life product.

Agenda Item 3. Product Standards Committee page on NAIC Connect

The Compact Office explained that NAIC Member Connect is the new application for regulators to view member information and will be replacing the I-SITE Compact Collaboration Space. The Compact Office stepped through how to access and navigate the Compact content which is only for regulators in Compacting States.

Agenda Item 4. Any Other Matters

The next meeting of the PSC will be a public call on October 8. There were no other matters.