



Background on Rulemaking Committee’s Discussions on Non-Employer Groups

Prepared by the Compact Office for Informational Purposes

This document provides a description of the key events in the discussions and development of the issue of whether to permit the use of Compact-approved products for non-employer groups. Referenced documents are hotlinked and located on the Compact’s website.

December 2019 – The Commission adopts its first formal strategic plan – [Insurance Compact Compass Strategic Plan: 2020 – 2022](#). Under Priority I entitled Uniform Standards States Support and Companies Willingly Use, the Commission assigns the following action item (Action Item #4) to the Rulemaking Committee: *Explore whether to expand the Uniform Standards to accommodate group types available in the Compacting States for the authorized product lines (other than the existing employer-employee group type), and if approved by the Commission, commence development.*

March 12, 2020 – Rulemaking Committee regulator-only call to discuss work agenda which includes Priority I, Action Item #4.

May 28, 2020 – Rulemaking Committee regulator-only call with presentation from Compact Office on existing group Uniform Standards and NAIC model definitions for non-employer groups. The Compact Office, working with Oregon, would develop draft surveys for regulators and filers. See [call summary](#).

June 24, 2020 – Rulemaking Committee regulator-only call to review and finalize survey questions for regulators and companies regarding group products. Compact Office was asked to distribute the survey. See [call summary](#).

July 15 – October 1, 2020 – conducted surveys

December 17, 2020 – Rulemaking Committee public call to review the [compilation of regulator and industry non-employer group survey responses](#). The RMC agreed the next step would be to hear from regulators and filers on different aspects of the regulatory filing process for groups. See [call summary](#).

February 25, 2021 – Rulemaking Committee public call to receive [presentation](#) from regulators and company filers: a) Conducting a Review of Non-Employer Group Approval Request (Iowa Insurance Division); b) Market Regulation of Non-Employer Group (Oregon Division of Financial Regulation); and c) Filing and Implementation Process for Association Groups (New York Life).

March 4, 2021 – Rulemaking Committee public call to receive [presentation](#) from regulators and company filers: a) Differences between Eligible Non-Employer Group and Discretionary Group (Washington Office of the Insurance Commissioner); b) Types of Trusts for Non-Employer Group Life and Disability Income (Milliman); and c) Non-Employer Group Annuity Considerations

including Pooled Employer Groups (Empower Retirement). Commissioner Stolfi indicated the next step of the Rulemaking Committee is to work towards a draft recommendation which will keep many of these considerations in mind and work to accommodate the use of Compact-approved group products for other eligible group types beyond employer groups.

June 22, 2021 – Rulemaking Committee regulator-only call to discuss an Outline of Proposed Rulemaking Committee Recommendation Framework for Use of Compact-Approved Products for Non-Employer Groups. Next step was to add more detail to the proposal.