

MIX-AND-MATCH NEXT STEPS

1. Working with interested regulators, identify the purpose and goal(s) of the mix-and-match process.
2. Review the Reasons for the Use of Mix and Match in Attachment A to discuss with interested regulators whether the reason is consistent with the purpose and goal of mix and match and whether rules, process, guidance, or training is recommended to address mix-and-match use for this reason.
3. Rulemaking Committee to review Section 111 (see Attachment B) of the [*Operating Procedure for the Filing and Approval of Product Filings*](#) to recommend changes to clarify or to add more specificity regarding proper uses of mix and match using information prepared under Steps 1 & 2.
4. Compact Office to identify additional submission requirements, checklists, and review steps in the Compact filing process for forms that will be used in combination between Compact-approved and state-approved.
5. Compact Office provides reporting, including information on the collaboration space, to increase awareness of mix-and-match issues and search functionality for regulators.
6. Review with interested regulators proposed mix-and-match guidance from the Compact Office for regulators and filers on the proper uses of mix and match and the requirements in the filing process.
7. Compact Office, working with interested regulators, to identify training needs for regulators and filers to understand, apply or comply with the mix-and-match process to ensure the proper use of mix and match.
8. Compact Office, working with interested filers and regulators, to update Statement of Intent information and functionality within the SERFF redesign including leveraging data mapping.

ATTACHMENT A

Reasons for the Use of Mix and Match

1. Companies using Compact-approved forms with older state approved forms. Companies put legacy forms on Statement of Intent (SOI) Schedule. Most common for Reinstatement Applications, Policy/Application Change Forms though policy and rider filings include older state forms.
2. Companies using Compact-approved forms with state-approved application forms. All forms that will make up an application should be filed wholly with the Compact or with the state. Provision in Submission Requirements of Application Uniform Standards indicates all sections and questions of an application must be filed for compliance with Applications Standards. In practice, companies break their applications into parts with questionnaires, so some companies have not moved over their application parts or questionnaires and use mix and match.
3. Companies using Compact-approved forms with state approved forms where the state had not yet joined the Compact when the forms were originally filed for approval. This generally affects Arizona, Connecticut, District of Columbia, and Delaware.
4. Companies using Compact-approved forms with state approved forms where the state has opted out of the Uniform Standards for a product line for one or more of the components. This generally affects Compacting States that are currently or previously opted out of individual long-term care insurance Uniform Standards.
5. Companies using Compact-approved forms with state approved forms for products or benefit features not within the scope of the adopted Uniform Standards.
6. Companies using Compact-approved forms with state-approved forms for products and benefits features that are within the adopted Uniform Standards, but the state-approved forms would not comply with one or more provisions of the Uniform Standards.

ATTACHMENT B

**EXCERPT FROM THE OPERATING PROCEDURE FOR THE FILING AND
APPROVAL OF PRODUCT FILINGS**

§ 111. State Filings.

- (a) Nothing in this Rule shall be construed to restrict or otherwise prevent an Insurer from filing its Products, Rates or Advertisements with the insurance department in any Compacting State wherein the Insurer is licensed to conduct the business of insurance and, in such case, the filing shall be subject to the laws of the State where filed. Nothing herein shall be construed to preclude or limit the enforcement of any laws of a Compacting State regarding the filing, approval or use of State Product Components.

- (b) (1) Any Commission Product Component, approved before or after the effective date of this amended Rule, may be used with any State Product Component, subject to the requirements of paragraph (b)(2) of this section and the restrictions contained in paragraphs (b)(3), (4), and (5) of this section.

- (2) With respect to any combination use of a Commission Product Component with a State Product Component that is offered or sold in a Compacting State wherein the Insurer is licensed to conduct the business of insurance, the Insurer may offer or sell such combined Product Components provided that the Insurer includes in its filing of a Commission Product Component both of the following:
 - (i) a statement of intent to use one or more State Product Components with a Commission Product Component, which identifies the Compacting State(s) wherein the combined Product Components will be offered or sold, and which sufficiently identifies for each of such Compacting State(s) the State Product Component(s) that will be used with the Commission Product Component. At the request of a Compacting State described in the previous sentence, an Insurer shall promptly provide the Compacting State with copies of the State Product Components identified with respect to such Compacting State. Such Compacting State may make a standing request with an Insurer for such copies, in which case the Insurer shall provide the copies as to all future Product Filings that involve combined Product Components that will be offered or sold in such Compacting State; and
 - (ii) a certification that the combination of a Commission Product Component and a State Product Component does not contain inconsistent, ambiguous, unfair, inequitable or misleading clauses, or exceptions or conditions that unreasonably affect the risk purported to be assumed. This certification shall not give rise to any presumption that the combination of Product Components, in fact, meets this standard for purposes of any action by the Commissioner of a Compacting State to prohibit the combined use of a Commission Product Component with a State Product Component pursuant to paragraph (b)(3) of this section.

- (3) Notwithstanding the Insurer's compliance with the provisions of paragraph (b)(2) of this section, if an Insurer proposes to combine or has combined the use of a Commission Product Component with a State Product Component and the Commissioner of a Compacting State in which the Insurer offers or sells or intends to offer or sell such combined Product Components determines that such combination results in inconsistent, ambiguous, unfair, inequitable or misleading clauses, or exceptions or conditions that unreasonably affect the risk purported to be assumed, the Commissioner of the Compacting State where the Insurer offers or sells or intends to offer or sell such combined Product Components shall have authority, consistent with the laws of such Compacting State, to take any action authorized under the laws of such Compacting State to prohibit the offer or sale of such combined Product Components in such Compacting Date: 2/28/11 Amended by the IIPRC 9 State. The Commissioner shall not be required to obtain the approval of the Commission prior to taking such action.
- (4) An Insurer shall not offer or sell the combination of a Commission Product Component and a State Product Component, and an Insurer shall not offer or sell a rider, amendment or endorsement to a Product that would result in the combination of a Commission Product Component and a State Product Component, unless specifically authorized by the applicable Uniform Standard. Uniform Standards adopted by the Commission prior to July 31, 2009, and amendments thereto, shall be authorized to allow Commission Product Components to be combined with State Product Components unless the Commission has specifically determined otherwise.
- (5) Nothing in this Rule shall be construed to authorize an Insurer to offer or sell in any Compacting State a combination of a State Product Component with a Commission Product Component if the State Product Component is for a line of business that is not subject to the jurisdiction of the Compact.