

February 1, 2011

To: Commissioners, Superintendents, Administrators, and Directors  
From: Julienne Fritz, Director of Insurance Products and Services  
Subject: NAIC and NIPR Funding of State Regulatory Staff for E-Reg 2011

For more than a decade the NAIC and NIPR have jointly held the E-Reg Conference for regulatory and industry participants interested in rate and form filing, producer licensing, company licensing, market regulation, and information technology. Attendance in the past has reached over 600.

For this year's conference, we will continue a practice that began in 2003, which involves funded regulatory attendance. The NAIC and NIPR will fund four positions specifically for the E-Reg conference in 2011.

**Funded positions must be used as follows:**

- 1 position specifically allocated for producer licensing (funded by NIPR);
- 1 position specifically allocated for rate and form filing;
- 2 additional positions, with a maximum of one position per exchange, which may be used for the following: market regulation, company licensing, and information technology (IT).

The following illustrates how these final two positions could be allocated:

- One IT position and one Market Regulation position *or*
- One IT position and one Company Licensing position *or*
- One Market Regulation and one Company Licensing position.

**Zone/Grant Funding Option**

Please note that the E-Reg conference also qualifies for reimbursement under zone funds or grant funds, which would be a great way to fund attendance in excess of the four per state mentioned above or to fund additional staff in one or more of the conference exchanges.

Please note that the zone/grant funding rules have changed; based on the new rules, grant funds are no longer cumulative. Grant funds per state designated for 2010 must have been used by the end of 2010. Grant funds issued in 2011 (\$13,000) must be used by year end 2011. Any grant funds on balance at year end 2008 remain available until used.

Note that since the use of zone or grant funds is to fund attendance in addition to the funded regulator positions, they can therefore be applied to attendance in any exchange.

**Benefits/Importance in Attending**

This year we have a full agenda planned for each of the above business areas, including a keynote panel featuring several State Insurance Commissioners. This panel will feature pertinent discussion on relevant topics facing insurance regulation in today's environment. We also will feature several keynote sessions on Healthcare Reform topics of interest.

The conference is designed to illustrate how technology can assist in meeting regulatory objectives established within the NAIC committee structure. Through the conference sessions, regulators can easily envision how their own state might leverage membership solutions delivered via the NAIC and NIPR.

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In addition, the conference is an opportunity for the state insurance regulators who may or may not attend national meetings to become more familiar with current and future NAIC business and technology initiatives aligned with NAIC membership activities.

State participation is a key ingredient in drawing industry to this conference. Regulatory direction established by various NAIC committees is most effectively communicated by state insurance regulators and industry participants look for guidance from the regulatory community.

### **How the Regulator Funding Works**

As a part of the 2011 Budget, the Internal Administration (EX1) Subcommittee and NIPR have approved requests to assist the states with registration and travel costs associated with attending the E-Reg conference to be held May 2-4 in Kansas City, Missouri. This request is designed to cover the reasonable cost of four attendees, at the discretion of the Commissioner, Director, Administrator, or Superintendent. This includes registration, airfare, airport parking, hotel, shuttle to and from the airport, and meals for the length of the conference, assuming arrival on Sunday or Monday, May 1 or 2, and departure on Wednesday, May 4. For those attending post-conference events held after noon on Wednesday, departure on Thursday, May 5 may be allowed.

For ease in administration, it will be necessary for the attendee to fax a copy of the attached form to Brandon Smith at the NAIC prior to registration. This form requires Commissioner or Deputy Commissioner signature. Once this form is received by the NAIC, the regulator will receive notification to register online and the online system will show the registration cost as \$0. The notification letter will also include the contact information to book the flights. The deadline for online registration is April 19, 2011. The faxed forms should be sent no later than April 11, 2011. Note that the cut-off date for the Hyatt Regency Hotel is Saturday, April 9; rooms and rates are not guaranteed after this date.

### **How the Zone/Grant Fund Usage Works**

Zone or grant funds may be used at state discretion to offset expenses associated with attendance at the E-Reg conference if the state desires to send more staff than the four funded positions discussed above. Those attendees utilizing zone or grant funds are not considered funded regulator positions, and therefore must submit expense reports upon registration. Zone/grant expense reports for the registration fee must be submitted with the registration form to Brandon Smith no later than April 11, 2011. The forms and expense reports must be received and the funds verified prior to registration. When registering online, the only option is to pay by credit card. If the department wishes to be billed, please submit a registration form and note "Bill" on the form. It is important to note that attendees paying with zone/grant funds, checks, or credit card are responsible for making their own travel/hotel arrangements.

Note that the cutoff date for the Hyatt Regency Hotel is Saturday, April 9; rooms and rates are not guaranteed after this date.

For questions about the zone/grant fund program, please contact Brandon Smith of the Education and Training Department at 816-783-8209 or [BSmith@naic.org](mailto:BSmith@naic.org); he will be happy to assist you.

### **Thank you for your support of the E-Reg Conference**

The NAIC strongly encourages state insurance departments to leverage this opportunity. In past years, regulators have indicated this conference is one of the most valuable events they have had the opportunity to attend. Attendees generally say that this is the best opportunity to learn about initiatives and technology solutions available to them. We appreciate your continued support of this important initiative.

# *E-Reg Conference 2011*

## *Authorization to Use NAIC/NIPR Travel Funds or Zone Funds*

**NAME:** \_\_\_\_\_  
**STATE:** \_\_\_\_\_  
**ATTENDEE E-MAIL ADDRESS:** \_\_\_\_\_  
**ATTENDEE PHONE:** \_\_\_\_\_

**NAIC FUNDED REGULATOR EXCHANGE** – please select one:

- \_\_\_\_\_ Company Licensing (NAIC Funding)
- \_\_\_\_\_ Information Technology (NAIC Funding)
- \_\_\_\_\_ Market Regulation (NAIC Funding)
- \_\_\_\_\_ Rate and Form Filing (NAIC Funding)
- \_\_\_\_\_ Producer Licensing (NIPR Funding)

NOTE: Each state may have only one funded regulator for each exchange, a maximum of 4 positions for each state. To qualify for all 4 funded regulator positions, one *must* be for producer licensing and one *must* be for rate and form filing.

**ZONE OR GRANT FUNDING:**

*Only select this funding alternative if you are not applying for one of the Funded Regulator positions above and wish to apply state-specific zone/grant funds to offset the costs of attendance. Please select which exchange you will be attending below.*

- \_\_\_\_\_ Company Licensing (NAIC Funding)
- \_\_\_\_\_ Information Technology (NAIC Funding)
- \_\_\_\_\_ Market Analysis (NAIC Funding)
- \_\_\_\_\_ Rate and Form Filing (NAIC Funding)
- \_\_\_\_\_ Producer Licensing (NIPR Funding)

Signature below denotes agreement that the NAIC/NIPR or grant or zone funds will cover the following expenses:

- Conference registration
- Airfare – for Funded Regulator positions, airfare must be booked through NAIC’s travel agency
- Hotel – for Funded Regulator positions, hotel accommodations must be booked by NAIC staff

Signature below denotes agreement that the NAIC/NIPR will reimburse only the following expenses according to NAIC/NIPR guidelines and that **receipts are required** for all expenses except mileage:

- Airport parking in home city or hotel parking *if* the attendee drives to the conference as opposed to flying (**receipts required**).
- Mileage to and from the airport in home city or reasonable mileage reimbursement for individuals driving to the conference (driving must be less costly than airfare).
- Shuttle service to and from the airport (**receipts required**).
- Meals throughout the conference with following qualifications:
  - If the meal is provided as a part of the conference program (breakfasts, lunches and scheduled dinners), no other reimbursement is permitted.
  - In confirmation notices for attendees, NAIC will provide expense guidelines for meal reimbursement limits.
  - All meal reimbursements **require** receipts be submitted. The NAIC/NIPR does not operate on a per diem basis.

\_\_\_\_\_  
(Signature of Authorizing Party – must be Commissioner, Director, Administrator or Superintendent – or Deputy/Assistant thereof)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

This form should be faxed to the NAIC, attention Brandon Smith at 816-460-7520. Once the form has been verified, the attendee will receive a confirmation letter with instructions for registering online. This confirmation will also outline the procedures on how to reserve your airline reservation.

Additional information for the conference is located at: <http://www.naic.org/ereg/>.