



National Association of Insurance Commissioners International Fellows Program Project Description

Background

In 2004, the NAIC International Regulatory Cooperation (G) Working Group (IRCWG) sponsored an experimental training initiative through which five professional staff members from the China Insurance Regulatory Commission (CIRC) interned at five U.S. state insurance departments. The purpose was to transfer applied regulatory know-how for practical application in their home market.

Based upon the success of the 2004 pilot program, the NAIC received a class of 10 international regulators in the fall of 2005, which included insurance specialists from China, Vietnam, Korea, and Brazil. An experimental off-calendar program was also held in the summer 2005 for eight members of India's IRDA staff.

Fellows Program Guidelines

Based upon the experience in 2004 and 2005, the NAIC currently schedules International Fellows Programs twice a year - a spring and fall class. It is anticipated that each class will be approximately 10 to 12 participants and have a duration of approximately 5-6 weeks.

Interested candidates from all countries are encouraged to apply; however, the total number of fellows from one country is subject to limitation. Candidates for the program must be recommended and sponsored by their country's regulatory authority. Participation is subject to formal acceptance by the NAIC at least two to three months prior to the program's start date.

NAIC acceptance of a candidate for the Fellows program is based on: 1) the candidate's education including command of spoken and written English; 2) professional experience; 3) qualification in a senior technical or managerial position; 4) substantial prior regulatory experience in the home regulatory office; 5) commitment by the Fellow to return and work for *three years* in the regulatory authority; and 6) the candidate's presentation of the practical objectives and regulatory applications which they hope to advance through the Program.

The IRCWG has exclusive control over the acceptance of the Fellows from among the applicants. Once candidates are accepted into the program, NAIC sends them an invitation letter, which is used to secure their U.S. visa, as required. Two to three months before the Fellows arrive, the NAIC selects the individual state insurance departments who will host the Fellows work program. Each host state assigns a professional staff member to mentor the Fellow. The Fellows are matched with a state based on their area of regulatory specialization and their goals and objectives, as noted in their submitted applications. The NAIC has exclusive control over the Fellows' host-state assignment.

Prior to their arrival, the Fellows will need to sign a Confidentiality Agreement. The Fellows are also asked to provide a letter or certificate confirming their level of English proficiency.

The NAIC has devised a Confidentiality Agreement that can be used as a template for participating states to create an agreement between the Fellow's home country, regulatory agency, and the host state. This agreement should be reviewed by the state's own legal counsel and revised as necessary to fulfill the requirements of the host-state law with regards to identification, disclosure and preservation of confidential information. The host state will alter the confidentiality agreement if needed, and will send it to the Fellow for his/her signature at their discretion. The non-U.S. regulatory agency might also be asked to sign the agreement in addition to the Fellow. Once fully signed, a copy will be sent to NAIC in Washington, DC.

Funding

The costs of each Fellow's program are shared between the NAIC and the Fellow's home country regulatory authority, unless otherwise determined. In general, the NAIC assumes the costs of the U.S. educational program ("tuition costs"), while the Fellow is responsible for the cost of international and domestic U.S. travel, and for their room and board expenses in the U.S. These costs may be covered by the Fellow's agency or, in some cases, through outside sources.

Host State/NAIC Preparations

A letter of agreement is signed between a host state and the NAIC to confirm participation by the state in the program and to set forth the terms of the Fellows program. It is very important that each host state possess a solid organization structure and is otherwise committed and able to meet the requirements of a successful program. The host state is responsible for coordinating all logistical and technical aspects of their Fellows program that will occur during the Fellow's four-five week stay, in advance of the Fellow's arrival and throughout his/her stay with the non-US regulatory agency.

These preparations include:

- Scheduling arrival and departure time in the U.S., arranging local transportation during the Fellow's stay with the host state agency, and transportation to the closing ceremony.
- Providing a list of hotels, necessary training materials, workstation, transportation options, tourist information, laundry facilities, and background information on the state insurance department.
- Preparing the Fellow's program agenda. (This is requested from each host state before the Fellows arrive and highlights the work and orientation activities planned for them, including visits with industry and other interested parties.)
- Identifying a suitable mentor. (The role of the mentor is to provide on-site support to the Fellow. The mentor functions as a logistical coordinator and is required to be on call 24 hours a day/7 days a week should an emergency situation arise while the Fellow is working at the host insurance department. An NAIC staff member will also be on-call 24/7 during the program should the mentor require assistance.)

The Fellow is required to:

- Participate in a weekly conference call with the NAIC and other state staff to share their experiences with other Fellows and to discuss any concerns or questions they may have.
- Actively record their experience by completing a weekly report, due each Friday during the program, which highlights their various activities.

Program Plan

The Fellows program begins with a five-day training session at NAIC's Central Headquarters in Kansas City, Missouri. This training includes an overview of the U.S. regulatory system and the role of the NAIC in insurance regulation. Fellows will be sent a draft agenda prior to their arrival in the U.S. to give them a period to review the agenda. The Fellows should arrive at least one day before the five-day training session begins. While in Kansas City, the Fellows will visit a local U.S. insurance company. Then, the Fellows will travel to their host states to spend four-five weeks at a state insurance department for on-the-job training in areas of their specialization.

The Fellows program concludes in New York City, NY, where the training focuses on the role of the NAIC's Capital Markets and Analysis Office. At this time, the Fellows also participate in a roundtable meeting with representatives of key U.S. insurance trade associations to discuss the best means for regulator-industry interaction. At a formal closing ceremony and dinner, the Fellows are awarded their certificates as NAIC Fellows.

Timeline of the Spring 2012 Program*

*Below please find a tentative timeline for the Spring 2012 Program. Schedule is subject to change. **

Friday, February 17, 2012: Deadline for Applications, CVs or Resumes and Photos

NAIC Central Headquarters, Kansas City, Missouri

Training: Dates: April 9 – 13, 2012

Fellows arrive on Saturday, April 7 and depart for Host State on Saturday, April 14

Host State—State Insurance Department

Week 1: April 16 - 20

Week 2: April 23 - 27

Week 3: April 30 – May 4

Week 4: May 7 – May 11

Week 5: May 14 - 18

Fellows depart for New York City on Sunday, May 20

Closing Activities – NAIC Capital Markets New York Office, New York City, NY

Dates: May 21-22

Fellows depart New York City on Wednesday, May 23

Timeline of the Fall 2012 Program*

*Below please find a tentative timeline for the Fall 2012 Program. Schedule is subject to change. **

Friday, August 17, 2012: Deadline for Applications, CVs or Resumes and Photos

NAIC Central Headquarters, Kansas City, Missouri

Training: Dates: October 15 – 19, 2012

Fellows arrive on Saturday, October 13 and depart for Host State on Saturday, October 20

Host State—State Insurance Department

Week 1: October 22 - 26

Week 2: October 29 – November 2

Week 3: November 5 - 9

Week 4: November 12 - 16

Fellows depart for New York City on Sunday, November 18

Closing Activities – NAIC Capital Markets New York Office, New York City, NY

Dates: November 19 - 20

Fellows depart New York City on Wednesday, November 21