

PROPOSED 2010 CHARGES
MARKET REGULATION AND CONSUMER AFFAIRS (D) COMMITTEE
10/14/09

The mission of the Market Regulation and Consumer Affairs (D) Committee is to monitor all aspects of the market regulatory process for continuous improvement. This includes market analysis, regulatory interventions with companies, and multi-jurisdictional collaboration. The Committee will also review and make recommendations regarding the underwriting and market practices of insurers and producers as those practices affect insurance consumers, including availability and affordability of insurance.

Ongoing Support of NAIC Programs, Products, or Services:

1. Provide policy recommendations regarding centralized data collection and storage at the NAIC and monitor implementation, with a specific focus on confidentiality and public availability of data.—*Essential*
2. Finalize formal accreditation standards for market regulation to provide minimum standards for market regulation which all states should follow.—*Essential*
3. Appoint a Market Actions Working Group of 16 individuals to facilitate interstate communication and coordinate collaborative state regulatory actions.—*Essential*
4. Appoint a Market Analysis Procedures Working Group to (1) clarify the definition of what it means for a state to have “formal and rigorous market analysis program;” (2) develop, prioritize and coordinate data collection and analysis techniques including recommendations regarding the expansion of the data elements for Market Conduct Annual Statement; and (3) develop analysis techniques to ensure states expand their focus on company-specific issues to general market problems, market analysis is completed at both the company and group level, market analysis is completed on a state, regional and national basis.—*Essential*
5. Appoint a Market Conduct Examination Standards Working Group to develop market conduct examination standards.—*Essential*
6. Appoint a Consumer Connections Working Group to: (1) provide a forum for dialogue among the state consumer service representatives to share best practices and enhance consumer advocacy efforts; (2) provide a forum for dialogue among state consumer service representatives, consumer groups, and industry regarding current marketplace issues; and (3) provide policy oversight for the NAIC’s Consumer Information Source.—*Essential*
7. Develop a work product outlining best practices and guidelines for use by state insurance regulators in developing information disclosures to insurance consumers. The product would include a discussion of situations in which consumer disclosures are appropriate and can reasonably be expected to address a market problem and/or empower consumers. The best practices and guidelines in the work product would address both effective ways to create information disclosures as well as to deliver them and would be applicable across product lines.
8. Monitor activities of the Antifraud (D) Task Force.—*Essential*
9. Monitor the underwriting and market practices of insurers and producers, and conditions of insurance marketplaces, including urban markets, to identify specific market conduct issues of importance and concern and hold a public hearing on these issues at the NAIC Fall National Meeting.—*Important*
10. In collaboration with Property & Casualty (C) Committee, continue to evaluate the effects of credit based insurance scores on the affordability and accessibility of personal insurance products.

New Objectives and Goals (representing new NAIC programs, services, or initiatives):

1. Monitor the activities of the Market Information Systems (D) Task Force. —*Essential*
2. Assess the current process for multi-jurisdictional activities including how to increase the emphasis on market analysis over examinations and the scope of domestic state responsibility. —*Essential*
3. Coordinate with the International Insurance Relations (EX) Leadership Group to develop input and comments to the International Association of Insurance Supervisors (IAIS) or other related groups on issues regarding market regulation concepts. —*Important*