National Association of Insurance Commissioners

An Overview for Congressional Staff
History of the NAIC

- Created in 1871 by state insurance regulators to facilitate regulation of multi-state insurers
- Standard-setting and regulatory support organization governed by the chief insurance regulators of the United States
- Represents the collective views of state insurance regulators domestically and internationally
- Non-profit, 501(c)(3) organization
Mission Statement

The NAIC assists state insurance regulators, individually and collectively, in serving the public interest and achieving fundamental insurance regulatory goals in a responsive, efficient, cost-effective manner:

- Protect the public interest
- Promote competitive markets
- Facilitate the fair and equitable treatment of insurance consumers
- Promote the reliability, solvency and financial solidity of insurance institutions
- Support and improve state regulation of insurance
Membership: Strength in Numbers

• 56 members
  • 50 States and the District of Columbia
  • 5 U.S. territories (American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands)
Leadership

Adam Hamm
NAIC President
North Dakota Insurance Commissioner

Monica J. Lindeen
NAIC President-Elect
Montana Insurance Commissioner, State Auditor

Michael F. Consedine
NAIC Vice President
Pennsylvania Insurance Commissioner

Sharon P. Clark
NAIC Secretary-Treasurer
Kentucky Insurance Commissioner

Ben Nelson
Chief Executive Officer

Andrew Beal
Chief Operating Officer and Chief Legal Officer

THE NAIC:
• 3 Offices
• More than 500 Full Time Employees
NAIC Offices

WASHINGTON, D.C. – Executive Office
Monitors and advises on policy implications of federal and international actions affecting state authority over the business of insurance.

KANSAS CITY, MO – Central Office
Provides financial, actuarial, legal, technical, market conduct and economic expertise.

NEW YORK, NY – Capital Markets and Investment Valuation Office
Assists in monitoring investment risk and helps policymakers understand the interaction between the insurance sector and the broader capital markets.
NAIC Activities & Products

- Financial Regulatory Services (uniform statutory accounting & reporting requirements, Financial Data Repository)
- Market Regulatory Services (producer licensing standards, consumer assistance)
- Actuarial & Statistical Services
NAIC Activities & Products

- NAIC’s Center for Insurance Policy and Research provides expert resources for state and federal regulators, consumers, media and industry
- NAIC’s Technology Center offers a repository of historic insurance data
  - Info on more than 4,800 insurance companies
  - Info on more than 5.6 million insurance agents
Our Committee Structure

- Executive Committee (EX)
- Life Insurance & Annuities (A)
- Health Insurance & Managed Care (B)
- Property & Casualty Insurance (C)
- Market Regulation & Consumer Affairs (D)
- Financial Condition (E)
- Financial Regulation Standards & Accreditation (F)
- International Insurance Relations (G)
Meetings and Discussions

- Tri-Annual National Meetings
- Interim Meetings
- Regulator and Public Conference Calls
- EU-U.S. Dialogue meetings on Insurance
- Working Groups and meetings of the International Association of Insurance Supervisors
What are We Watching on the Federal Level?

- ACA Implementation (Health Care)
- Dodd-Frank Implementation (Financial Services)
- Natural Catastrophe Response (NFIP)
- Terrorism Response (TRIA)
- Producer Licensing (NARAB II)
- Reinsurance
- Captive Lines of Insurance (RRGs)
Interaction with State Legislatures

- ACA Implementation
- Interstate Insurance Compact
- Uniformity in Producer Licensing
- Protecting Seniors from Abusive Practices
- Passage of Model Laws

The NAIC works with state organizations including NCOIL, NCSL, NGA, and CSG on state initiatives.
NAIC’s Affiliates

- NIPR
  National Insurance Producer Registry
- SERFF
  Providing flexibility, promoting uniformity
- Interstate Insurance Product Regulation Compact
  States, Strength & Speed Aligned
NAIC affiliate offering one-stop shopping for all aspects of electronic producer licensing (producers = agents, brokers & adjusters)
Producer database links participating state regulatory licensing systems into one repository
Increased productivity, less cost, real-time information, national verification of licenses and statuses
Processes more than 19 million transactions annually

www.nipr.com
The System for Electronic Rate Form & Filing

Automated rate and form filing process
- Used by more than 3,900 companies
- 648,000+ filings in 2013 (up almost 350% from 2005)
- Vehicle for Interstate Compact product filings

www.serff.com
The Interstate Insurance Product Regulation Commission (IIPRC)

- A state-based regulatory modernization initiative that enhances the efficiency and effectiveness of the way insurance products are filed, reviewed and approved

- Provides speed-to-market for the insurance industry, giving consumers faster access to more competitive products

- 43 Member States and Territories: AK, AL, CO, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, NE, NH, NJ, NM, NV, OH, OK, OR, PA, PR, RI, SC, TN, TX, UT, VA, VT, WA, WI, WV, WY

- Pending or Introduced Legislation in 2013 (3): CT, FL, NY

www.insurancecompact.org
Consumer Education

Insure U: Get Smart About Insurance (www.InsureUonline.org)

Insurance information categorized by life stage:

- Young Singles & Families
- Established Families
- Domestic Partners
- Single Parents
- Seniors
- Grandparents Raising Grandchildren
- Members of our Armed Forces
InsureU Public Service Initiatives

Public Service Announcements

Consumer Alerts

Two free NAIC-developed insurance apps for the iPhone and Android devices

“myHome Scr.APP.book” – Home inventory app

“WreckCheck” – An Accident reporting checklist app
InsureU and Health Insurance

Health Care Reform Link (www.naic.org/index_health_reform_section.htm) offers guidance to consumers, small business owners, and seniors on ACA implementation.

Consumer Web Page:
- Health Insurance FAQ and tips
- Explanation Charts
- Links to relevant NAIC Committees and Working Groups
- Links to NAIC Letters, Testimony, Press Releases, and Consumer Alerts
Education & Training

In-person conferences and seminars for regulators and interested parties

Professional development courses in insurance regulation for individuals at all career and expertise levels

Structured professional development path offered – the **NAIC Insurance Regulator Professional Designation Program**
NAIC Goals Moving Forward

- Enhanced regulatory modernization efforts
  - Upgrades to technology
  - Improvements to policies & processes
- Maintain strong consumer protections
  - State insurance regulators fielded 2.3 million inquiries in 2010
- Continue to work with state and federal counterparts
- Maintain dialogue with international regulators
- Remain abreast of industry trends and hot topics
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