Role of Rating Agencies in State Insurance Regulation

Panel 1: Use of Ratings in State Insurance Regulation
8:30 AM - 10:00 AM

State insurance regulators are responsible for ensuring solvency of the regulated insurance companies. As part of this process, the NAIC and the states use ratings to determine the risk-based capital charge for rated bonds, as well as setting many limits for insurance company risk exposures. How did that system evolve, and how well does it work today?

Participants:

- Chris Evangel, Managing Director
  Managing Director
  NAIC Securities Valuation Office

- Nancy Bennett, FSA, CERA, MAAA
  Senior Life Fellow
  American Academy of Actuaries

- Michael Moriarty
  Deputy Superintendent
  New York State Insurance Department

- Eric Steigerwalt
  Senior Vice President, CFO
  Metropolitan Life Insurance Company

- Birny Birnbaum
  Center for Economic Justice

Break - 10:00 AM - 10:30 AM
Panel 2: Rating Agencies - What Happened?

10:30 AM - 1:00 PM

Investors rely on credit ratings to be a forward-looking reflection of risk. Did those ratings fulfill investor expectations? Looking back, in what ways could the rating agencies have fulfilled those expectations better? Have rating agencies changed their approach in response to the economic crisis, in particular when rating structured securities? If so, in what way? Should there be other changes? Should ratings be comparable, signifying an equal probability of loss, across corporate, structured, and municipal securities?

Participants:

- Representative TBD
- Moody’s
  - Grace Osborn
  - Managing Director, North American Head of Insurance Ratings
  - Standard & Poors
- Keith Buckley
  - Group Managing Director, Head of Insurance Group
- John Olert
  - Group Managing Director, Head of ABS and Structured Credit Group
  - Fitch Ratings
- Mary Keogh
  - Managing Director
  - DBRS Limited
- Josh Rosner
  - Managing Director
  - Graham Fisher & Co
- Jerome Fons
Principal
Fons Risk Solutions

David P. Marks
Executive Vice President & Chief Investment Officer
CUNA Mutual Group

Lunch Break & Press  - 1:00 PM - 2:00PM

Panel 3: Recommendations and Alternatives to how the NAIC uses ratings

2:00 PM - 4:00PM
The economic crisis has resulted in steep rating downgrades and drops in asset values. Is the current ratings model adequate in measuring risk, especially the risk of structured securities? Are there better alternatives for measuring risk of fixed income securities than credit ratings?

Participants

- Mani Sabapathi, CFA
  Principal, Structured Product Research
  Prudential Insurance

  Rod Dubitsky
  Executive Vice President
  PIMCO Advisory

  Robert Dobilas
  President & CEO
  Realpoint LLC

  Matt Richardson
  Charles E. Simon Professor of Financial Economics, Director, Salomon Center
  New York University
Heather Brilliant, CFA
Director of Stock Analysis
Morningstar, Inc.

Michael Macchiaroli
Associate Director of the Division of Trading and Markets
United States Securities and Exchange Commission