

MARKET INFORMATION SYSTEMS (D) TASK FORCE

Market Information Systems (D) Task Force April 6, 2019, Minutes

Draft Pending Adoption

Draft: 4/15/19

Market Information Systems (D) Task Force
Orlando, Florida
April 6, 2019

The Market Information Systems (D) Task Force met in Orlando, FL, April 6, 2019. The following Task Force members participated: Lori K. Wing-Heier, Chair (AK); Chlora Lindley-Myers, Vice Chair (MO); Keith Schraad represented by Maria Ailor (AZ); Ricardo Lara represented by Pam O'Connell (CA); Michael Conway represented by Damion Hughes (CO); Stephen C. Taylor represented by Sharon Shipp (DC); Dafne M. Shimizu (GU); Robert H. Muriel represented by Erica Weyhenmeyer (IL); Nancy G. Atkins represented by Russ Hamblen (KY); James J. Donelon represented by Jeff Zewe (LA); Steve Kelley represented by Paul Hanson (MN); Mike Chaney represented by David Browning (MS); Mike Causey represented by Tracy Biehn (NC); Bruce R. Ramage represented by Matt Holman (NE); Marlene Caride represented by Ralph Boeckman (NJ); John G. Franchini represented by Robert Doucette (NM); Jillian Froment represented by Angela Dingus (OH); Glen Mulready represented by Landon Hubbart (OK); Kent Sullivan represented by Ignatius Wheeler (TX); Michael S. Pieciak represented by Christina Rouleau (VT); Mike Kreidler represented by John Haworth (WA); James A. Dodrill represented by Tom Whitener (WV).

1. Adopted its 2018 Fall National Meeting Minutes

Mr. Doucette made a motion, seconded by Mr. Haworth, to adopt the Task Force's Nov. 15, 2018, minutes (*see NAIC Proceedings – Fall 2018, Market Information Systems (D) Task Force*). The motion passed unanimously.

2. Adopted the Report of the Market Information Systems Research and Development (D) Working Group

Mr. Haworth said the Market Information Systems Research and Development (D) Working Group has not met since the last Task Force meeting.

Mr. Haworth said in 2019, the Working Group will review the Market Information Systems (MIS) data analysis metrics results for 2018. He said the metrics are designed to identify potential data-quality issues related to completeness, timeliness and accuracy. He said the Working Group will also review the updated *Insurance Department Resources Report (IDRR)* instructions for the Market Conduct Examinations and Market Conduct Actions sections to better clarify what should be entered in these sections. He noted that the IDRR data is used in the Market Action Tracking System (MATS) completeness metrics.

Mr. Haworth also said the Working Group will review the outstanding Uniform System Enhancement Request (USER) forms, including a new request to include all Market Conduct Annual Statement (MCAS) data in the MCAS Market Analysis Prioritization Tool (MCAS-MAPT).

Ms. O'Connell made a motion, seconded by Ms. Dingus, to adopt the report of the Market Information Systems Research and Development (D) Working Group. The motion passed unanimously.

3. Reviewed Outstanding USER Forms

Ginny Ewing (NAIC) said USER form 10053 is a request to enhance the Regulatory Information Retrieval System (RIRS). She said an NAIC business analyst is working with a state insurance regulator subject-matter expert (SME) group on the detailed analysis of the USER form to clarify the requirements and define design options. She said the SME group is currently focusing on additions, changes and deletions in the existing RIRS codes. She said the changes require minimal technical resources and should be implemented easily. She said they can be implemented before the other, more complex proposed changes.

Ms. Ewing said the other proposed changes include: 1) adding a "reporting of action" attribute to describe the area of the state insurance department that is reporting the action; 2) adding a "line of business" attribute; 3) adding functionality to enter and display multistate actions; 4) clarifying functionality for entering and displaying aggregate monetary penalty disposition; 5) adding functionality to identify the relationship between regulatory actions and actions in MATS; 6) adding functionality to update actions with the history of updates to users; 7) allowing market actions entered in MATS to populate RIRS; 8) providing "tool tips" for each field in RIRS; and 9) adding functionality to submit portable document format (PDF) files of actions to RIRS.

Ms. Ewing said USER form 10063 is a request to ensure state insurance regulators are aware of Financial Industry Regulatory Authority (FINRA) actions on producers who are in the NAIC's State Producer Licensing Database (SPLD). She said the request includes four steps, of which the first three are complete. The first three steps were:

- 1) NAIC staff reviewed FINRA's monthly disciplinary reports and conducted "name searches" against the SPLD to determine if there was a potential match between a barred broker-dealer and a licensed insurance producer. If there was a potential match, NAIC staff emailed the producer licensing director of the home state where the insurance producer was licensed and requested additional research be conducted to determine if the FINRA action should be associated with the identified producer.
- 2) Updated the definition of RIRS and RIRS codes to facilitate the entry of FINRA actions in RIRS.
- 3) Provided an electronic alert whereby all states in which a producer is licensed are notified when a producer's record is updated with a FINRA action.

Ms. Ewing said the final step is to add FINRA's unique identifier, the Central Registration Depository (CRD) number, to the NAIC database. She said the NAIC has entered into an information-sharing agreement with FINRA and is now receiving the CRD numbers directly from FINRA and, in return, the NAIC is sending FINRA the associated National Producer Numbers (NPNs). She said the process is to compare specific entity attributes—such as the last four digits of the Social Security number (SSN), the last name and the first name—from FINRA with the data the NAIC has in the SPLD. She said the NAIC is exchanging data files with FINRA weekly, and analysis is being done to ensure the matches are correct. She said, once this is complete, the NAIC will make CRD numbers available in iSite+. She said the CRD numbers will first be added to the Business Entity selection criteria, and then NAIC staff will work with the Market Information Systems Research and Development (D) Working Group to determine where else it will be displayed.

Ms. Ewing said USER form 10065 is a request to provide functionality to access and download data from NAIC systems. She said detailed analysis began with surveys and interviews with NAIC-member jurisdictions. The surveys included questions about financial and market data access and presented options for how to move forward. However, she said the analysis for this request is on hold and will pick up again in June 2019 as a part of the *State Ahead* strategic plan. She said this allows the Enterprise Data Platform and Data Strategy, Governance and Management projects to layout the framework that can be leveraged. She said analysis will resume in the next couple of months, and NAIC staff will most likely recommend a phased approach beginning with complaint and regulatory action data.

Ms. Ewing said USER form 10066 is a Market Analysis Procedures (D) Working Group request to merge the Market Analysis Review System (MARS) Level 1 and Level 2 reviews. She said a MARS Redesign project was approved to begin in August 2019, in order to allow NAIC staff time to build more of the new cloud infrastructure.

Ms. Ewing said USER form 10080 is a request that the RIRS data-retention policies and other system definitions be documented and made more widely available. She said the Market Information Systems Research and Development (D) Working Group directed NAIC staff to complete preliminary analysis and have a recommendation for the Working Group by its next conference call.

Ms. Ewing said USER form 10081 is a request to include all MCAS data in the MCAS MAPT results. She said NAIC staff will complete their preliminary analysis and make a recommendation to the Market Information Systems Research and Development (D) Working Group by its next conference call.

4. Received Updates on the CIS Redesign and the MCAS Redesign

Director Wing-Heier said the Consumer Information Source (CIS) redesign and MCAS redesign went into production within days of each other. She said the redesigned CIS went public on March 15, 2019, and, on March 18, 2019, the redesigned MCAS became available to companies to file their 2018 MCAS data. She asked Ms. Ewing and Lois Alexander (NAIC) to give updates on both projects.

Ms. Ewing said the objective of the MCAS redesign project was to address technical and business issues. She said the legacy MCAS application was built on older toolsets such as Struts and C++, as well as systems that are candidates for reengineering such as the Insurance Data Repository (IDR) framework. She said the old MCAS system requires a lot of support and maintenance from the NAIC Information Technology Group (ITG) and the NAIC Market Regulation Department.

Ms. Ewing said the MCAS redesign includes a cloud framework using components of the Regulatory Data Collection (RDC) application. She said this requires less maintenance, adjusts for peak usage and easily scales for the addition of new lines of business. She said the use of common components and style guides ensures a more consistent user experience across NAIC applications.

Ms. Ewing said industry users will benefit from an improved user interface that uses a “wizard-like” design to guide them through various sections of the statement. In addition, she said an improved overview of the status of the filing components and the file upload process is also available.

Ms. Ewing said webinars demonstrating the new system are available, and NAIC staff are also available to help users regarding any system questions or concerns. She said NAIC staff are actively monitoring the system for potential problems which are being addressed immediately. She noted that as of April 5, 2019, industry users have uploaded more than 20,000 data files as they prepare their filings; and about 1,100 filings from more than 80 companies have actually been submitted, processed and are available to state insurance regulators in the NAIC database.

Ms. Alexander said the Consumer Information Source (CIS) is renamed the Consumer Insurance Search (CIS) to better capture its intent and make it easier for consumers to find when they are searching for insurance tools online. She said the new CIS will provide a more consumer-driven experience with enhanced search capabilities and data display. She noted that the design includes Tableau dashboards and a search component that will be incorporated into the NAIC website.

Ms. Alexander said the current CIS application will remain in place until all stakeholders are satisfied that the new CIS components meet the current users’ needs. She said—after interviewing volunteer state insurance regulators, consumers, consumer representatives, industry representatives and NAIC staff—the following project objectives were defined:

- Ensure all data available in the legacy CIS system is available in the redesigned system.
- Incorporate additional search criteria to provide more targeted company search results.
- Improve user experience by providing helpful terminology and context for the consumer.
- Provide links to jurisdictions’ websites for producer information.
- Leverage improved filtering and sorting features available in Tableau.
- Increase probability that internet searches for data in the CIS are successful.
- Ensure compliance with the Americans with Disabilities Act (ADA).
- Ensure scalability to provide for future content releases.

Ms. Alexander noted that a mobile application for the CIS is also being developed.

Ms. Ewing provided a live demonstration of the redesigned CIS, and she outlined how it accomplishes the states’ objectives.

Birny Birnbaum (Center for Economic Justice—CEJ) thanked Ms. Alexander and Ms. Ewing for their excellent work on the new CIS. He noted that state insurance regulators have a tendency to focus on areas they know are important to consumers, but of which consumers are unaware. He suggested educating consumers on important factors they may not be aware of, such as the value of reputable and licensed insurance agents. He also suggested providing the ability for users to provide immediate feedback when using the CIS. This is a common feature on many company websites.

Mr. Birnbaum also suggested providing context for consumers that will help them understand what they are viewing. Director Wing-Heier agreed and suggested pop-ups. Ms. Alexander said this is under consideration.

Mr. Hanson said many consumers have policies from companies whose names they are unaware of. He said the consumer may believe the policy is underwritten by the parent company when, in fact, it is underwritten by a subsidiary. He suggested the possibility for consumers to be able to identify the subsidiaries of parent companies.

Ms. Ailor asked if more lines of business are going to be added to the CIS. Ms. Ewing said they can be added if directed to do so.

Mr. Hughes asked if consumers would be directed to the state insurance department if they have complaints or additional inquiries about a company. Ms. Ewing said efforts to file complaints are directed to the appropriate state insurance department, and the CIS has information on every NAIC-member jurisdiction. Ms. Ailor asked if the states can place the CIS content on their state websites. Ms. Ewing said, technically, that should be possible, but other business questions may need to be decided first.

Director Wing-Heier said the new CIS is a valuable tool providing a one-stop shop for consumers. She noted that consumers can obtain high-level information and then delve deeper, if needed. She said the development team worked incredibly hard and did an outstanding job.

5. Discussed Public Data Improvements

Director Wing-Heier said, at the 2018 Fall National Meeting, Commissioner Kreidler asked for comments from state insurance regulators and interested parties concerning the Task Force charge to develop a plan for making public data collected in the MIS more meaningful and widely available. She said only one comment was received. She said the comment suggested more public access to the information in RIRS and an additional categorization of complaints that identifies complaints that are justified but do not violate any state laws and/or regulations.

Director Wing-Heier said because the request for comments was made just before the holiday season and the start of the new year, she is asking for comments to be sent to NAIC staff by July 1.

Having no further business, the Market Information Systems (D) Task Force adjourned.

W:\National Meetings\2019\Spring\TF\MIS\4-MISTF