The Information Systems (EX1) Task Force met in New York, NY, Aug. 2, 2019. The following Task Force members participated: Al Redmer Jr., Chair, represented by Paula Keen (MD); Ricardo Lara, Vice Chair, represented by David Noronha (CA); Lori K. Wing-Heier represented by Anna Latham; (AK); Allen W. Kerr represented by Letty Hardee (AR); Michael Conway represented by Damion Hughes (CO); Trinidad Navarro represented by Frank Pyle (DE); Colin M. Hayashida represented by Gordon I. Ito (HI); Robert H. Muriel represented by Judy Mottar (IL); Vicki Schmidt (KS); Nancy G. Atkins represented by Russell Hamblen (NV); Barbara D. Richardson represented by Anna Latham; (AK); Jillian Froment represented by Angela Dingus and Michelle Brugh Rafeld (OH); Glen Mulready represented by Cuc Nguyen (OK); and Scott A. White represented by Eric Lowe (VA). Also participating were: Doug Ommen (IA); Geoff Baker (ID); Timothy Schott (ME); Kathy Shortt (NC); TK Keen (OR); and Rebecca Rebholz (WI).

1. **Adopted its Spring National Meeting Minutes**

Commissioner Richardson made a motion, seconded by Mr. Hughes, to adopt the Task Force’s Aug. 2 minutes (see NAIC Proceedings – Spring 2019, Information Systems (EX1) Task Force). The motion passed unanimously.

2. **Adopted its 2020 Proposed Charges**

Ms. Amann made a motion, seconded by Ms. Nguyen, to adopt the Task Force’s 2020 proposed charges (Attachment One), which remain consistent with 2019. The motion passed unanimously.

3. **Received the IT Operational Report**

Scott Morris (NAIC) highlighted four sections included in the Information Technology (IT) Operational Report the Task Force members received, which outlines work the NAIC Information Technology Group (ITG) performs and provides insight about technology initiatives.

   a. **Product Highlights**

The State Based Systems (SBS) team, in partnership with Nebraska, New Jersey and South Carolina, achieved its project objectives in this time period. Nebraska and New Jersey were transitioned from legacy SBS to the new platform, and South Carolina implemented the Continuing Education (CE) Service. Seven states remain to transition from the legacy SBS to the new platform. Three states plan to transition in 2019: Missouri (August), West Virginia (September) and Alaska (December). Four states plan to transition in 2020: New Hampshire (February), Iowa (April), North Carolina (June) and Tennessee (August).

   In June, the System for Electronic Rate and Forms Filing (SERFF) advisory board approved the elimination of third-party data hosting vendors from the SERFF product offering. A financial impact statement (fiscal) was made available for comment in early July, and the fiscal will be considered for approval at the Summer National Meeting.

   The redesigned Market Conduct Annual Statement (MCAS) system was released to the NAIC’s new Amazon Web Services (AWS) cloud framework in March, in advance of the April 30 filing deadline for several lines of business. Industry users who prepared and submitted their MCAS filings benefited from redesign improvements, such as the new “wizard-like” design, and from the AWS infrastructure’s ability to automatically scale up as more compute capacity is needed. The Production Support team monitored activity using some of the new cloud tools (Dynatrace, VictorOps and Slack) that enabled the team to take proactive measures and prevent issues.

   b. **Innovation and Technology**

The Platform Engineering Team is in the process of migrating the first two legacy applications to AWS cloud: Product Requirements Locator and Common User Interface. Product teams will start additional migrations this summer. The initial migrations test the continuous integration/continuous delivery (CI/CD) pipeline, cloud platform, user guide and migration processes, as well as start to train the migration teams.
A cross-functional team is focused on implementing Service Organization Control (SOC) 2 standards to ensure that the proper people, policies and procedures are in place for the NAIC’s cloud computing environment. An internal SOC 2 cloud audit is planned, which will be followed by a security assessment conducted by an external experienced consultant.

c. Service and Support

The NAIC’s service request and incident volume remains steady around 12,000–13,000 per month. The NAIC anticipates overall volume remaining steady throughout the remainder of the second and third quarters. Key call drivers included: SBS transition for Nebraska; New Jersey—Internet filing annual and quarterly deadlines for New Jersey; MCAS filing deadlines; and qualified health plan (QHP) management submissions in SERFF.

As part of continuous improvement activities, the NAIC enhanced its toolset to enable delineation among requests, incidents and events. This information is used across the enterprise to assist with product or service enhancement decision-making, gauging customer impact of outages or defects, and monitoring the overall health of a product or service.

d. Team

The SBS team is implementing the Scaled Agile Framework (SAFe) to improve agility and drive towards a faster, more efficient and continuous delivery for customers. SAFe is a “knowledge base of proven, integrated principles, practices and competencies for Lean, Agile and DevOps.” SAFe case studies show that it results in 10%–50% happier, more motivated employees; a 20%–50% increase in productivity; a 30%–75% faster time-to-market; and a 25%–75% defect reduction. To varying degrees, other teams at the NAIC and National Insurance Producer Registry (NIPR) are using SAFe practices and principles.

The Information Technology Group (ITG) started quarterly leadership planning meetings this year to improve communication and visibility across the division. These meetings include approximately 50 leaders (managers, architects, project managers, scrum masters, etc.), and they use an agile facilitator and scaled agile techniques. The sessions provided insights to dependencies, honest communication and collaboration across departments with executive leadership (chief technology officer—CTO), resource and technical constraints, and visibility into how the priority work affects each area.

4. Received a Portfolio Update and Project Status Reports

Cheryl McGee (NAIC) reported on the project portfolio contained in the operational report and the project status reports available in the state insurance regulator packet and posted on StateNet.

As of July, the NAIC’s technical project portfolio includes 22 active technical projects, 20 of which are projects of the State Head strategic plan. Seven projects have been completed since the last report: 1) Consumer Information Source (CIS) Integration with Insurance Department Websites; 2) Cloud Transition Phase II: Cloud Development Tools Modernization; 3) CIS Redesign; 4) Financial Analysis Tools Redesign Phase I; 5) Lender-Placed MCAS; 6) MCAS Redesign; and 7) Membership Management System.

5. Discussed Other Matters

Ms. McGee reported the Task Force will meet September in regulator-to-regulator session for technical review of Appendix A for the new fiscals.

Having no further business, the Information Systems (EX1) Task Force adjourned into a regulator-to-regulator session, pursuant to paragraph 4 (internal or administrative matters of the NAIC or any NAIC member) of the NAIC Policy Statement on Open Meetings, to share the SBS Journey to Improve Customer Satisfaction.
Draft: 6/7/19
Adopted by the Executive (EX) Committee and Plenary, xxx.x, 2019
Adopted by the Internal Administration (EX1) Subcommittee, xxx.x, 2019
Adopted by the Information Systems (EX1) Task Force, Aug. 2, 2019

2020 PROPOSED CHARGES

INFORMATION SYSTEMS (EX1) TASK FORCE

The mission of the Information Systems (EX1) Task Force is to: 1) provide regulator-based technology expertise to the Internal Administration (EX1) Subcommittee; and 2) support committee activities and objectives by monitoring projects that provide technical services or systems for state-based insurance regulation, as prioritized by the Executive (EX) Committee.

Ongoing Support of NAIC Programs, Products or Services

1. The Information Systems (EX1) Task Force will:
   A. Serve as the Internal Administration (EX1) Subcommittee’s project-independent technology monitor and consultant. This involves monitoring the development, deployment and operations of NAIC information technology (IT) systems and services for state insurance regulators and, based on this effort, providing reports and recommendations to the Subcommittee as appropriate. To achieve this, the Task Force will receive regular portfolio and technical operational reports.
   B. Provide consultation to the NAIC technology staff, as well as the interpretation of intent and specific technology direction where needed. For example, from time to time, NAIC technology staff may request approval of a specific technology approach, such as a proposal to drop support for a particular version of software. The Task Force will provide direction in such matters, either directly or through a working group. Task Force members will also communicate current and future state technology changes planned for their state to alert NAIC technology staff of potential impacts and requirements for NAIC systems and services used by state insurance regulators.
   C. Review, with technical recommendations for the Subcommittee: 1) Fiscal Impact Statements Appendix A for all State Ahead projects, as well as others involving a technology component exceeding $100,000 or 1,150 hours of technology staff development and which is not limited to the support of the internal operations; and 2) project requests that involve technology being submitted to the Subcommittee or directly to the Executive (EX) Committee.

NAIC Support Staff: Cheryl McGee/Sherry Stevens

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