

NATIONAL CONFERENCE OF INSURANCE LEGISLATORS
EXECUTIVE COMMITTEE
WASHINGTON, D.C.
MARCH 10, 2013
MINUTES

The National Conference of Insurance Legislators (NCOIL) Executive Committee met at the Hyatt Regency on Capitol Hill in Washington, D.C., on Sunday, March 10, 2013, at 9:00 a.m.

Sen. Travis Holdman of Indiana, NCOIL Secretary, presided.

Other members of the Committee present were:

Rep. Matt Lehman, IN	Sen. Kevin Bacon, OH
Sen. Dan Morrish, LA	Sen. Jake Corman, PA
Rep. Pete Lund, MI	Rep. Bill Botzow, VT
Rep. George Keiser, ND	Sen. Mike Hall, WV

Other legislators present were:

Sen. Jason Rapert, AR	Sen. Jim Marleau, MI
Rep. Bryon Short, DE	Sen. David O'Connell, ND
Sen. Ronnie Johns, LA	Rep. Bob Hackett, OH
Rep. Jane Pringle, ME	Rep. Michael Stinziano, OH

Also in attendance were:

Susan Nolan, Nolan Associates, NCOIL Executive Director
Candace Thorson, Nolan Associates, NCOIL Deputy Executive Director
Ed Stephenson, Nolan Associates, NCOIL Director of Legislative Affairs–DC
Eric Ewing, Nolan Associates, NCOIL Director of Legislative Affairs

MINUTES

Upon a motion made and seconded, the Committee unanimously approved the minutes of its November 18, 2012, meeting in Point Clear, Alabama.

MEETING REPORT

Ms. Nolan reported that there were 278 attendees at the Spring Meeting, including over 40 legislators, 10 newcomers, and 55 one-day registrations.

FINANCIALS

Ms. Nolan presented the December 31, 2012, unaudited financials for NCOIL, the Insurance Legislators Foundation (ILF), and NCOIL Publishing LLC. She reported that in 2012:

- NCOIL had total income of \$617,538.01, total expenses of \$590,143.74, a change in net assets of \$27,394.27, and total net assets of \$284,164.43 at year-end.
- The ILF had total income of \$189,768.39, total expenses of \$158,492.43, a change in net assets of \$31,275.96, and total net assets of \$183,356.45 at year-end.
- NCOIL Publishing LLC had total income of \$26,134.86, total expenses of \$21,937.44, income from operations \$4,197.42, a change in net assets of \$2,098.00, and total net assets of \$31,200.78 at year-end.

Upon a motion made and seconded, the Committee unanimously approved Ms. Nolan's report.

NOMINATIONS

Upon a motion made and seconded, the Committee voted unanimously to accept Sen. Jason Rapert (AR), chair of the Arkansas Senate Insurance and Commerce Committee, as an automatic voting member of the NCOIL Executive Committee.

NON-CONTROVERSIAL CALENDAR

Ms. Thorson said that the non-controversial calendar included the following:

Articles of Organization & Bylaws Revision Committee

- a bylaws amendment clarifying that a contributing-state insurance committee chair can vote on standing NCOIL committees at his/her first meeting if the chair has joined those committees prior

Health, Long-Term Care & Health Retirement Issues Committee

- a *Resolution Regarding Discontinued Health Insurance Policies*

State-Federal Relations Committee

- a *Resolution Regarding the Prudential Regulation of Insurance*

Workers' Compensation Insurance Committee

- a *Model Act on Workers' Compensation Repackaged Pharmaceutical Reimbursement Rates*

Upon a motion made and seconded, the Committee unanimously approved the non-controversial calendar.

COMMITTEE REPORTS

Health, Long-Term Care & Health Retirement Issues

Sen. Corman, chair of the Committee, said the Committee had:

- adopted a *Resolution Regarding Discontinued Health Insurance Policies* (non-controversial)
- discussed oral chemotherapy coverage
- deferred the bylaws-required review of a *Mental Health Parity Model Act* to the Summer Meeting

Sen. Corman said the Committee had also adopted a *Resolution in Licensing Health Exchange Navigators*, as amended, and moved to consider the resolution. Rep. Botzow, who had opposed the resolution in the Health Committee, explained that he voted against the resolution because he feels that it is not necessary at this time.

Upon a motion made and seconded, the Executive Committee unanimously approved the report and the proposed health exchange navigator resolution.

International Insurance Issues

Mr. Stephenson, in the absence of the Committee chair, said the Committee had:

- heard a report on international activities of the National Association of Insurance Commissioners (NAIC)
- discussed international accounting standards
- heard a report on trade issues
- deferred consideration of principles of group supervision to the Summer Meeting

Upon a motion made and seconded, the Executive Committee unanimously approved the report.

Life Insurance & Financial Planning

Sen. Hall, chair of the Committee, said the Committee had:

- discussed federal proposals to change tax treatments for life insurance and annuities
- discussed principles-based reserving activity
- heard a report on state activity regarding a *Model Unclaimed Life Insurance Benefits Act*

Upon a motion made and seconded, the Executive Committee unanimously approved the report.

Property-Casualty Insurance

Rep. Lehman, chair of the Committee, said the Committee had:

- heard a report on flood insurance
- discussed title insurance regulation
- discussed consumer legal funding and determined to defer consideration of proposed model acts to the Summer Meeting
- heard a report on graduated driver license laws
- heard a report on a recent HUD disparate impact ruling
- set aside proposed amendments to an NCOIL insurance binder model in order to promote development of an enhanced ACORD binder document

Upon a motion made and seconded, the Executive Committee unanimously approved the report.

State-Federal Relations

Mr. Stephenson, in the absence of the Committee chair, said the Committee had:

- heard a report on NCOIL-NAIC Market Regulation Working Group activity
- adopted a *Resolution Regarding the Prudential Regulation of Insurance* (non-controversial)
- discussed the Multistate Tax Commission (MTC) Non-Income Taxpayer Project
- heard a report on producer licensing modernization
- heard a report on recent IIPRC activity

Upon a motion made and seconded, the Executive Committee unanimously approved the report.

NCOIL-NAIC Dialogue

Rep. Keiser, chair of the Committee, said the Committee had discussed with regulators:

- the Federal Insurance Office (FIO)
- international regulatory initiatives
- the Own Risk and Solvency Assessment (ORSA)

Upon a motion made and seconded, the Executive Committee unanimously approved the report.

Workers' Compensation Insurance

Rep. Botzow, chair of the Committee, said the Committee had:

- adopted a *Model Act on Workers' Compensation Repackaged Pharmaceutical Reimbursement Rates* (non-controversial)

- deferred consideration of a proposed model on volunteer firefighter coverage in order to draft clarifying amendments
- discussed farm worker insurance coverage
- heard a report on state fee schedule approaches and outpatient costs

Upon a motion made and seconded, the Executive Committee unanimously approved the report.

SPECIAL SESSIONS

Legislator Q&A with Federal Health Agency Representatives

Rep. Keiser, moderator of the session, said that it had featured representatives from the Center for Consumer Information and Insurance Oversight (CCIIO), the U.S. Office of Personnel Management, and the White House Office of National Drug Control Policy. He said that the session focused on the implementation of the Affordable Care Act (ACA), multi-state plan rulemaking, and drug treatment and mental health in essential health benefits.

Upon a motion made and seconded, the Executive Committee unanimously approved the report.

Special Session on Financial Services Regulatory Reform & GAO Report

Mr. Stephenson, in the absence of the moderator, said that the session had featured representatives from Confere Strategies, the American Insurers' Association (AIA), Property Casualty Insurers Association of America (PCI), the American Academy of Actuaries (AAA), the American Council of Life Insurers (ACLI), and the National Association of Mutual Insurance Companies (NAMIC). He said that the panel discussed federal and international regulatory developments related to insurance, as well as how to protect the state-based system from new layers of regulation.

Upon a motion made and seconded, the Executive Committee unanimously approved the report.

Special Joint Session on Opioid Abuse & State Reforms

Rep. Botzow, moderator of the session, said that the joint meeting of the Health & Workers' Compensation Committees revealed the need to develop best practices in confronting opioid abuse. He said that the session featured representatives from the National Alliance for Model State Drug Laws (NAMSDL), the Kentucky Office of Drug Control Policy, and the American Medical Association (AMA).

Upon a motion made and seconded, the Executive Committee unanimously approved the report.

OTHER MEETINGS

Bylaws Revision/Business Planning Committees

Ms. Thorson, in the absence of the Articles of Organization & Bylaws Revision Committee chair, said that the Committee had adopted an amendment regarding committee voting privileges (non-controversial).

Upon a motion made and seconded, the Executive Committee unanimously approved the report.

Ms. Nolan, in the absence of the Business Planning Committee chair, reported on NCOIL future meeting sites. She said that as per Committee direction, she continued to look into San Antonio as a possible Spring 2015 location and at Indianapolis as a possible Summer 2015 or 2016 location.

Upon a motion made and seconded, the Executive Committee unanimously approved the report.

Membership Committee

Rep. Keiser, co-chair of the Committee, said that starting at the next NAIC meeting the Committee would launch a series of efforts aimed at reaching out to non-contributing member states.

Upon a motion made and seconded, the Executive Committee unanimously approved the report.

ADJOURNMENT

There being no other business, the Committee adjourned at 10:00 a.m.