

NATIONAL CONFERENCE OF INSURANCE LEGISLATORS
EXECUTIVE COMMITTEE
POINT CLEAR, ALABAMA
NOVEMBER 18, 2012
MINUTES

The National Conference of Insurance Legislators (NCOIL) Executive Committee met at the Grand Hotel Marriott Resort in Point Clear, Alabama, on Sunday, November 18, 2012, at 9:00 a.m.

Sen. Carroll Leavell of New Mexico, NCOIL President, presided.

Other members of the Committee present were:

Rep. Greg Wren, AL	Sen. Dan Morrish, LA
Rep. Barry Hyde, AR	Sen. Dean Kirby, MS
Sen. Travis Holdman, IN	Rep. George Keiser, ND
Rep. Matt Lehman, IN	Rep. Don Flanders, NH
Sen. Ruth Teichman, KS	Sen. Neil Breslin, NY
Sen. Thomas Buford, KY	Assem. Nancy Calhoun, NY
Rep. Robert Damron, KY	Rep. Charles Curtiss, TN
Rep. Jeff Greer, KY	Rep. Bill Botzow, VT
Rep. Steven Riggs, KY	Rep. Kathie Keenan, VT

Other legislators present were:

Rep. Ron Crimm, KY
Rep. Greg Cromer, LA
Sen. Videt Carmichael, MS

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
Dan Valente, Nolan Associates, NCOIL Director of Legislative Affairs

MINUTES

Upon a motion made and seconded, the Committee unanimously approved the minutes of its July 15, 2012, meeting in Burlington, Vermont.

MEETING REPORT

Ms. Nolan reported that there were 273 attendees at the Annual Meeting, including 48 legislators, eight newcomers, and five commissioners.

FINANCIALS

Ms. Nolan presented the June 30 and September 30, 2012, unaudited financials for NCOIL, the Insurance Legislators Foundation (ILF), and NCOIL Publishing LLC. She reported that as of September 30, 2012:

- NCOIL had total income of \$493,306.92, total expenses of \$429,875.40, a change in net assets of \$63,431.52, and total net assets of \$320,201.68.

- The ILF had total income of \$139,168.39, total expenses of \$108,435.07, a change in net assets of \$30,733.32, and total net assets of \$182, 813.81.
- NCOIL Publishing had total income of \$26,039.86, income from operations of \$4,710.98, total expenses of \$21,328.88, a change in net assets of \$2,355.49, and total net assets of \$31,457.56.

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. Videt Carmichael (MS) and Rep. Greg Cromer (LA), as chairs of their respective state insurance-related committees, as automatic voting members of the NCOIL Executive Committee.

RECOGNITION OF OUTGOING LEGISLATORS

Sen. Leavell noted that Sen. Teichman, Rep. Hyde, and Assem. Calhoun were attending their last NCOIL meetings, and he thanked them for their many contributions to the organization.

NON-CONTROVERSIAL CALENDAR

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

Health, Long-Term Care & Health Retirements Issues Committee

- an additional 2013 Committee charge to “Develop a model law regarding discontinued health insurance plans”
- an additional 2013 Committee charge to “Develop a resolution regarding state licensing of health insurance exchange navigators”

International Insurance Issues Committee

- an additional 2013 Committee charge to “Monitor EU-U.S. insurance regulatory dialogue, particularly with regard to next steps”

Property-Casualty Insurance Committee

- a *Limited Lines Travel Insurance Model Act*
- a *Certificates of Insurance Model Act*

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

COMMITTEE REPORTS

Financial Services & Investment Products Committee

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

- received a report on Dodd-Frank implementation activity
- discussed Federal Insurance Office (FIO) issues
- discussed the bond insurance marketplace and municipal defaults
- heard an update on state and federal lender-placed insurance activity
- adopted 2013 Committee charges

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

Health, Long-Term Care & Health Retirement Issues

Ms. Nolan, in absence of the Committee chair, said the Committee had:

- discussed oral chemotherapy coverage approaches and determined to consider a possible model law in 2013
- heard a report on a special November 15 NCOIL opioid session and determined to hold a joint meeting with the Workers' Compensation Insurance Committee in order to consider model legislation that could curb opioid-related costs
- heard an update on long-term care regulation and reform, including conversion of life insurance into long-term care coverage
- determined to defer the Committee's bylaws-required review of an NCOIL *Mental Health Parity Model Act* in order to consider how it relates to the Affordable Care Act (ACA)
- discussed licensing requirements for health exchange navigators
- discussed discontinued health insurance plans and a possible need for enhanced disclosure
- adopted 2013 Committee charges

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

International Insurance Issues

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

- heard reports from the National Association of Insurance Commissioner (NAIC) regarding global accounting standards and International Association of Insurance Supervisors (IAIS) activity

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

Life Insurance & Financial Planning

Rep. Damron, acting chair of the Committee, said the Committee had:

- discussed annuity sales and regulation
- heard an update on principles-based reserving activity
- discussed insurer and life settlements issues
- heard a report on state activity regarding an NCOIL *Unclaimed Life Insurance Benefits Model*
- adopted 2013 Committee charges

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

Property-Casualty Insurance

Rep. Riggs, chair of the Committee, said the Committee had met twice and had:

- adopted a *Certificates of Insurance Model Act* (non-controversial calendar)
- adopted a *Limited Lines Travel Insurance Model Act* (non-controversial calendar)
- considered and deferred, due to time constraints, amendments to an NCOIL *Model Act Regarding Use of Insurance Binders as Evidence of Coverage*
- deferred consideration of proposed model laws on consumer legal funding, due to time constraints
- held a special discussion title insurance regulatory concerns
- received a report on the National Flood Insurance Program (NFIP)

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

State-Federal Relations

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

- heard an update on surplus lines activity
- discussed efforts of an ad hoc NCOIL-NAIC Market Regulation Working Group, including the development of an insurer survey
- received a report on Interstate Insurance Product Regulation Commission operations
- heard an update producer licensing modernization and NARAB II
- heard a report on the National Insurance Producer Registry (NIPR)
- discussed a Non-Income Taxpayer Project being developed by a Multistate Tax Commission (MTC) and determined to work with the National Conference of State Legislatures (NCSL) to oppose the initiative
- adopted 2103 Committee charges

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:

- NCOIL-NAIC Market Regulation Working Group survey efforts
- FIO activity, including a forthcoming FIO report on insurance regulation
- producer licensing
- health insurance exchanges

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

Workers' Compensation Insurance

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

- discussed state approaches to address opioid-abuse, particularly related to workers' compensation
- discussed repackaged drug/physician dispensing concerns and determined to take action in 2013
- discussed state approaches to providing workers' compensation coverage for volunteer firefighters
- discussed state requirements for farm laborer workers' compensation insurance

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

SPECIAL SESSIONS

Wasted: Prescribing Solutions for Opioid Abuse

Rep. Hyde, moderator of the November 15 session, said it featured representatives of the National Alliance for Model State Drug Laws and the Office of the Kentucky Governor, as well as a national expert on opioid public policy. He said the session addressed critical issues and spurred legislators' decision to hold a joint Workers' Compensation Insurance and Health, Long-Term Care & Health Retirement Issues Committee meeting on the issue.

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

Special Session on Fracking

Sen. Leavell said that fracking was a critical industry that would impact states around the country. He complimented the presenter at the session, Mr. Lynn Helms of the North Dakota Industrial Commission's Department of Mineral Resources, and thanked Rep. Keiser for his outreach assistance.

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

Symposiums on Healthcare Costs

Rep. Keiser, moderator of the symposiums, said that the first session, entitled *How Are States Dealing with Medicaid Expansion?*, featured representatives from the Alabama Medicaid Agency, American Academy of Actuaries, and Missouri Health Advocacy Alliance. Rep. Keiser said speakers had addressed, among other things, the consequences of expansion versus non-expansion.

Rep. Keiser reported that the second symposium, entitled *Following the Money: Healthcare Cost Drivers Post-ACA*, had featured representatives of the American Hospital Association (AHA), American Medical Association (AMA), Blue Cross and Blue Shield Association (BCBSA), Consumers Union, and the Pharmaceutical Research & Manufacturers of America (PhRMA). He said speakers discussed the key drivers of health system costs and how the Affordable Care Act (ACA) may or may not provide solutions.

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

OTHER MEETINGS

Bylaws Revision/Business Planning Committees

Rep. Crimm, chair of the Articles of Organization & Bylaws Revision Committee, said the Committee at the Spring Meeting would consider proposed amendments regarding NCOIL voting privileges.

Ms. Nolan, at the request of Business Planning Committee Chair Sen. Leavell, reported on NCOIL future meeting sites. She said that as per Committee direction, she would look into San Antonio as a possible Spring 2015 location and at Indianapolis as a possible site for Summer 2015.

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

Insurance Legislators Foundation (ILF) Board

Ms. Nolan said that as per ILF bylaws, the Board had elected officers for 2013. She said the incoming officers and Board members included:

Officers

President: Rep. Charles Curtiss, TN
Vice President: Rep. Greg Wren, AL
Secretary/Treasurer: Sen. Neil Breslin, NY

Members:

Sen. Travis Holdman, IN	Sen. James Seward, NY
Rep. Robert Damron, KY	Rep. Brian Kennedy, RI
Rep. George Keiser, ND	Rep. Craig Eiland, TX
Sen. Carroll Leavell, NM	Rep. Kathie Keenan, VT

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

Membership Committee

Rep. Curtiss, chair of the Committee, noted that eight newcomers were attending the Annual Meeting. He spoke to the importance of membership outreach and said that efforts would continue in 2013.

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

Budget Committee

Ms. Nolan directed the Committee to proposed 2013 budget materials and said the proposal was similar to the 2012 budget.

Upon a motion made and seconded, the Executive Committee unanimously approved the 2013 budget.

NOMINATING COMMITTEE

Election of Officers

Rep. Keiser, chair of the Committee, reported that the Committee had nominated the following slate of officers for a 2012 to 2013 term:

President:	Rep. Charles Curtiss, TN
President-Elect:	Rep. Greg Wren, AL
Vice President:	Sen. Neil Breslin, NY
Secretary:	Sen. Travis Holdman, IN
Treasurer:	Rep. Steve Riggs, KY

The Executive Committee unanimously approved the slate of officers by acclamation and accepted the Committee report as presented.

Recognition of Outgoing/Incoming Presidents

Sen. Leavell thanked NCOIL staff and fellow legislators for their efforts throughout the year. He and incoming President Rep. Curtiss then exchanged awards of recognition.

ADJOURNMENT

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