



Finding Safe Harbor

How Insurance Firms Can Minimize Anti-money Laundering and Sanctions Risk throughout the Policy and Payment Lifecycle

by Brent Newman

As bedrocks of national and international commerce, insurance companies have an obligation to comply with the federal and global anti-money laundering (AML), bribery, and trade sanctions laws that apply to the financial services industry as a whole. With the industry undergoing a sea change in regulation, it is more critical than ever that regulators and compliance professionals be aware of the entire regulatory landscape.



However, even in the face of increased scrutiny, many insurance firms remain unconvinced of the need to implement a comprehensive AML compliance program that meets requirements and minimizes risks—this is in spite of the fact that insurance companies face greater challenges in ensuring AML compliance than perhaps any other segment of the financial services industry. For companies with a global reach, the challenges can be even greater.

To effectively protect against potential AML violations, intended or not, an insurer must do more than simply purchase an off-the-shelf solution or check off a few boxes and call it a day. Instead, a risk-based workflow solution should be implemented that addresses the need to screen throughout the entire payment and policy workflow cycle, particularly in the areas related to client on-boarding,

premium collection, and claims settlement.

More and brighter lights

Like other financial services firms, primary insurers, underwriters, brokers, agents, reinsurers, and U.S. employees of foreign firms are prohibited from engaging in transactions that involve individuals, entities, or even vessels targeted by Office of Foreign Assets Control (OFAC) for illicit activity. Agencies and regulators such as the Financial Crimes Enforcement Network (FinCEN), OFAC, and the U.S. Treasury, under the provisions of the USA PATRIOT Act, are monitoring products and customers that carry the highest money laundering, terrorist financing or corrupt practices risk. Violations of the Foreign Corrupt Practices Act of 1977 (FCPA) are being prosecuted more aggressively. As insurers expand into other areas of financial service, the SEC and Office of the Controller of the Currency (OCC) can become involved. Outside the U.S., the UK and EU have their own sanctions regimes, while the United Nations Security Council can impose its own economic sanctions and embargos. And there are others.

From a regulator's perspective, the ability and willingness of firms to engage in robust and comprehensive efforts in screening for prohibited transactions can

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Austin, TX

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IRES – 2012 Career Development Seminar
Hollywood, FL

Watch the calendar at www.go-ires.org for more upcoming events.

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be a critical factor. Without a doubt, the industry is under a more watchful eye of late. In recent years, a number of high-profile companies (including CNA and Aetna, among others) have been fined millions of dollars for engaging in transactions between U.S. persons and “sanctions targets” such as Cuba, Iran, Burma (Myanmar), and Sudan or designated individuals and entities (see www.riskandinsurance.com/story.jsp?storyId=183207464). A review of FCPA enforcements by year from 2004 to 2010 by the U.S. Department of Justice and the Securities and Exchange Commission (SEC) shows a steady increase leading to nearly a doubling of enforcement actions from 2009 to 2010 (see Figure 1). As a result, many firms are becoming increasingly aware of the need to remain responsible for compliance on all covered products they sell, whether through their own agents or third-party distributors. Further, this blanket of responsibility—and potential liability—covers not only companies, but also those individuals involved in underwriting, administration, and claims.

Figure 1.

2004		2005		2006		2007		2008		2009		2010	
DOJ	SEC												
2	3	7	5	7	8	18	20	20	13	26	14	48	26

How firms should approach increased risk

For regulated firms, developing an effective screening and compliance program means developing a thorough understanding of the risks throughout the enterprise and across a range of sanction and corrupt practice provisions.

Of course, some prohibited transactions are easy to understand and identify. Issuing life or health policies to a Cuban citizen or designating a Cuban citizen as beneficiary, for example, is prohibited. Others are trickier. Issuing an aviation policy to a non-blocked airline that names a Sudanese bank as an additional insured could trigger a violation.

Other examples of OFAC violations firms may fail to consider include:

- A global liability policy underwritten by a U.S. based insurance firm for property insured for a European

multinational that includes a hotel in Havana, Cuba.

- An insurance policy issued by a U.S. insurance firm for a construction project in Beirut, Lebanon, in which a bank controlled by the Government of Iran is named as an additional beneficiary in its capacity as the holder of a mortgage on the project.
- Freight insurance issued by a U.S. insurer that covers air shipments of Cuban cigars from the UK to Bermuda.
- A reinsurance policy extending coverage for risks of a primary insurer that would include obligations arising from insurance transactions that violate U.S. sanctions regulations.

For firms, risks can arise from sanctioned individuals or entities that are parties to transactions. For example, policyholders, premium payers, beneficiaries, interme-

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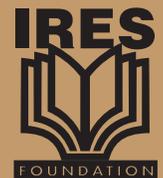


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diaries, banks as lien holders or deposit holders, third-party liability claimants, and more all represent portals by which sanctioned individuals or entities can enter the policy and payment lifecycle.

To ensure maximum compliance, companies must monitor all covered products and their subsequent transactions for suspicious activity. Minimizing firm-wide liability also means insurers must ensure that clients on-boarded through third-party agents or outsourced service providers are effectively screened and held to the same standards as if the insurance firm conducted the screening themselves.

Signposts for an effective compliance program

In developing a compliance program that increases the chances of catching potential violations and fosters an enterprise-wide culture of compliance, a more comprehensive effort than simply implementing a single technology solution is required. Additional elements in a successful compliance program include:

- A risk profile based on products, services, customers, and geographic locations;
- A policy and procedures manual to enhance firm wide compliance;
- Technology that provides sanctions list monitoring capability and issue resolution;
- High-quality client and transaction data, as well as interdiction/watch list data; and,
- Training for staff responsible for implementing the program.

While a direct mandate for a comprehensive policy and procedures manual may not exist, the lack of such a manual can be directly correlated to a firm's overall approach to compliance. By contrast, the presence of a policy and procedures manual can demonstrate commitment to firm-wide compliance success and signal that a firm takes its responsibilities seriously across the entire enterprise.

Building a risk-based approach means an organization must generate its own risk profile based on products, services, customers, and geographic locations. Once such profile has been developed, identifying and deploying a technology solution that can accept and screen a wide variety of data from multiple sources (driven by either batch screening or one-time look-up as circumstances demand) is essential to managing a robust screening and compliance program. Best practice also requires all levels of staff to be adequately trained on detecting and reporting suspicious activity within their organizations. Appointing a chief compliance officer can anchor a program and direct the appropriate training, record keeping, and direction.

Empowered data for a powerful program

At the heart of any reliable compliance program lies the data used to power screening systems and identify potential violations. Effective AML and Know Your Customer (KYC) screening requires the highest possible data quality for maximum operational efficiency and lowest achievable risk. For firms operating with poor quality data or account files not as complete or as accurate as they could be, more false positives and a higher risk of not identifying true matches can occur. As a result, sanctions screening efficiency can be compromised.

Implementing a truly effective global sanctions compliance program requires more than simply accessing the standard sanctions lists. Instead, to secure the highest levels of protection, a firm must employ data that are:

- **Comprehensive** enough to avoid unwanted transactions with sanctioned entities, regardless of location, relationship, or inclusion on a public list.
- **Enhanced** with critical payment information to protect against the potential danger of critical information being "stripped" from transactions.

- **Inclusive** of shipping and vessel information to identify blocked vessels operating under multiple or changed name.

The best quality data is further enhanced with unique identifiers for added protection against sanctioned entities, such as bank subsidiary addresses and bank information codes (BIC) for sanctioned banks, up-to-date vessel information, comprehensive payment routing data, extended profiles on family members and known associates, and more.

Firms are best served if their compliance technologies can facilitate EDD screening processes

In addition to direct sanctions lists, firms are best served if their compliance technologies can facilitate Enhanced Due Diligence (EDD) screening processes such as KYC and Know Your Employee (KYE) as appropriate for their firms' risk tolerance levels. Unlike screening for sanctioned entities, where doing business means breaking a law, EDD focuses on risk with respect to customers, employees, vendors, etc. by examining certain types of individuals in accordance with their roles, positions in a government or enterprise, and access to funds. Politically Exposed Persons (PEPs) are one such example of a customer group; screening for PEPs would allow the firm to decide whether business or association should continue with such a person.

Front-loading for screening success

Once the correct data have been identified, creating an effective screening process includes many steps. The challenge for organizations is to avoid becoming swamped by too many "false positives" or incorrect information that drive up costs and drain resources, and stay focused on the true threats posed to the firm.

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To best deploy screening efforts and resources enterprise-wide, firms should consider the following steps:

- 1. Identify products, customers and associated jurisdictions.** For example, an insurance company that offers mostly life insurance policies and annuities is subject to a higher possibility of money laundering than one that specializes in term policies.
- 2. Determine correct points for screening along the business process.** Beyond screening prospective customers during the initial quote phase, secondary screening prior to the finalization of issuance of the policy may also be prudent. Screening prior to the payment of a claim or at policy renewal may also be needed.
- 3. Examine frequency of screening.** Depending on volumes of new customers and payments of claims, the frequency of screening ranges from

weekly to monthly. Typically, only net new customers and transactions are screened, yet a full screen of customers on a more frequent basis ensures every customer is checked against the most updated information.

- 4. Identifying interdiction lists to be used.** As we have seen, for U.S. based insurance companies, the OFAC SDN interdiction list is a minimum requirement. Other interdiction lists will depend on the jurisdiction that the insurance company operates in.

A new perspective on compliance

As competitive pressures force more and more insurance firms to seek new areas of growth, a wealth of operational and information-gathering challenges can pose the kind of problems that undermine organizations' best compliance efforts. However, as firms grow, their level of risk is likely to grow, too.

In this regard, insurance companies should follow the same committed path to compliance as a wide range of other industries. As a result, firms must revise their risk policies to comply with different regulations in different jurisdictions and review the clients they on-board and retain in new and even more critical ways.

For more information, please visit www.accuitysolutions.com/TheRegulator. ■

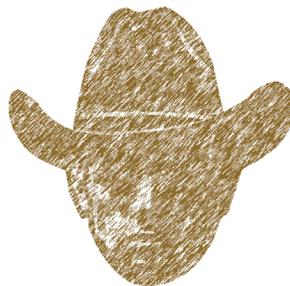
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REWARD

President's Remarks

by Thomas Ballard, CIE, MCM



Hi, everyone!

First of all, let me thank Leslie Krier for her column in this space in the last edition of *The Regulator* while I was dealing with some family emergency issues. She did an outstanding job, and I appreciate her efforts.

Secondly, we have lots going on. Our CDS program is coming along. Mark Hooker, our CDS Chair, is doing an outstanding job. CDS this year will be held in Hollywood, Florida at the Westin Diplomat Resort Hotel. If you have not checked out the hotel, I urge you to go to the hotel website (www.diplomathotel.com) and do so. It is truly a beautiful hotel sitting on the beach in south Florida. With our CONUS rate, no better value exists. We strongly urge all of you to join us for a great CDS and a wonderful time for all attendees, friends, and family.

Holly Blanchard, chair of our Membership and Benefits Committee, is spearheading a new membership drive to increase participation in IRES from all types of regulators. IRES needs each of you to contact just one person and successfully work with him or her to join our group. Your support and the benefits of new members are very important to IRES. A new reduced rate for first year members is now available.

Efforts are being made to reduce our expenses so that our hard-earned dues go further and do more for the benefit of our membership. We are changing the vendor used for our conference calls and our Treasurer, along with his Finance Committee, has worked very hard to produce a balanced budget for the year. I think it is fair to say that each IRES committee did a great job of looking for ways

to cut costs. As you know, IRES, like the rest of the economy, is feeling the impact of our economic downturn and keeping our budget tuned to the times has been a big chore.

IRES' mission continues to be to provide career education to our members. Our MCM program is a mainstay to achieve that goal. We will have the first MCM program of the year following the IRES Foundation's National School on Market Regulation (April, in Austin, Texas). IRES is adding an extra feature this year to the MCM: a continuing education session for those having already earned the MCM designation. Austin will be the first CE session. We are also discussing expansion of our webinar program. Watch for those announcements a little later in the year.

Our belief remains strong that the strength of our organization is you, our members. I promised you last year that, when possible, I would visit state chapter meetings. Look for me at the Louisiana State Chapter meeting immediately following the NAIC meeting in New Orleans. I will continue to look for opportunities to visit chapters during the year.

In closing, let me speak to each of you. IRES needs you and your support. You ask how you can help? First of all, continue to do whatever you presently do. Secondly, as I said before, if you can personally take it upon yourself to add one colleague as an IRES member by the end of 2012, we can double our membership! Thirdly, make a commitment to attend this year's CDS in Florida. We know it's tough to plan travel these days, but if you have any vacation plans in the

IRES' mission continues to be to provide career education to our members

works, we have a great deal for you at a great location at a great price.

More than half of our members have never attended a CDS. If you know an IRES member who has not been to a CDS in the past, now is the time to encourage him or her to give it a try. IRES will benefit from his or her attendance and, more importantly, the member will benefit from attending, as well. We know that if you attend one CDS, you will want to return year after year. We hope to see lots of you in Hollywood, Florida in late August for fellowship, education, and a great time. ■

Tom Ballard, CIE, CFE, MCM, FLMI, ALHC, is the current president of IRES and works as a market conduct examiner. Tom has more than 24 years of insurance regulatory experience (including working for various state departments of insurance) along with 15 years of experience working for various companies.

Market Regulation: Frequent Compliance Criticisms

by Kathy Donovan

Looking at the top 10 market conduct criticisms [www.wolterskluwerfs.com/NewsEvents/PressReleases/press081811.html] and categories each year definitely provides the industry with perspectives on both the fundamental compliance challenges and the operational areas that could perhaps benefit from additional scrutiny through self-audit and compliance checklists. These compliance challenges, spanning across all lines of business, are continuously affected by the steady high annual volume of legislative and regulatory activity impacting the insurance industry. This volume, coupled with the perennial nature of many of the negative market conduct findings, contribute to the need for ongoing evaluation by insurers in order to maintain a solid compliance risk management program.

Those affected areas

Generally, the areas with the most frequent criticisms are those with the most moving parts: claims and underwriting. From timely claim handling to time-frame violations for cancellation notices, along with advertising and producer licensing and appointment issues, market conduct exams reveal real-life noncompliance situations.

Looking at a November 2011 market conduct exam in California, we see that an insurer paid a lump sum benefit unless the beneficiary requested a different option. The claim acknowledgment letters and claim forms provided in response to the data request did not include information on all life claim settlement options. As claimants would not have a copy of the policy, it is alleged that the failure to disclose all settlement options to the claimant violates the provisions of CCR Section 2695.4(a) and

is an unfair practice under CIC section 790.03(h)(3).

Another California exam that month revealed that “after the file was referred to a physician for review, there was a period of 191 days with no activity on the claim file.”

An Arizona exam from September 2011 reveals that 22 of 22 private passenger auto and motorcycle total loss claims processed by the company during the time frame of the examination failed to correctly calculate and fully pay sales tax, license registration, and/or air quality fees in the settlement of 12 total losses.

When looking at how third-party administrators (TPAs) address complaint handling, a January 2012 Idaho exam found that a TPA had the following compliance issue: “...complaints are comingled in a database with other plans and the TPA had difficulty segregating them. As a result, the examination concluded that, effectively, no separate complaint log had been kept.”

Advertising challenges are illustrated in a Kentucky exam from August 2011 in which examiners determined that an insurer “used misleading statements within its advertising.” On a related note, in March 2011, the Texas Department of Insurance found that a company failed to file its Certificate of Compliance of Advertising form in a timely manner. And the Virginia Bureau of Insurance, in August 2011, observed that an insurer’s advertisement included the language “...our patients avoid the hassles of paperwork.” However, examiners noted that the insurer’s patients could be balance billed for coinsurance, deductibles, and non-covered services, all of which would require the maintenance of paperwork by the patient.



Well documented and—of course—compliant policies and procedures complement a compliance risk mitigation program and can serve to assist in the market conduct examination process. Examiners have commented on the need for policies and procedures,

as is seen in this recent Wisconsin exam recommendation from November 2011: “It is recommended that the company establish a written procedure for proactive monitoring and oversight of its agents’ sales activities in order to document compliance with s. Ins 6.61, Wis. Adm. Code and s. 628.34, Wis. Stat.”

Not just the status quo

Emerging issues can also present additional challenges. With the additional scrutiny on life insurers and unclaimed property issues during the past year, it is clear that life insurers’ claim practices regarding cross-checking with the Death Master File will remain a focal point in future years’ examinations. As a result, the industry would be updating policies and procedures to include the requisite steps for timely validation and, where applicable, turning over unclaimed property to the states. Apart from this latest round of insurance departments’—and, often, other state agencies’—investigations, an exploration of these and other recent findings assists in identifying compliance risks that could exist in any organization.

Moving ahead in 2012

Each new year brings its own set of continuing compliance risks, since we know there are perennial trouble spots. Keeping that constant in mind, new legislative and regulatory activity can upset

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the “compliance balance” that had been achieved. With close to 22,000 statutes, regulations, and bulletins having been enacted, adopted, or issued in 2011, the sheer volume can significantly impact insurers’ compliance management programs. Implementing new and amended requirements might “undo” compliance with previously addressed changes—and these problems may remain undetected until an exam or internal investigation is commenced.

Compliance challenges, by their very visibility as criticisms and recommendations in the market conduct exam process, can serve as key elements in assisting the industry’s process of identifying areas that need attention—both from a regulator and regulated perspective. ■

Kathy Donovan is senior compliance counsel, insurance, at Wolters Kluwer Financial Services. For more information, visit <https://insurance.wolterskluwerfs.com>.

‘Zoning In’

Northeastern Zone

by Jason M. Kurtz

Vermont licenses 41 new captives in 2011 – The Vermont Department of Banking, Insurance, Securities and Health Care Administration licensed 41 new captive insurance companies in 2011. The new group of licensees brings the total number of captive licenses in Vermont to 952 with 590 active captive insurance companies. Daniel Towle, Vermont’s Director of Financial Services, noted that, of the 41 captives formed in Vermont in 2011, two were in energy, six in healthcare, five in manufacturing, and 11 in insurance, and four were religious institutions. Towle also announced that there were six redomestications to Vermont, from both onshore and offshore domiciles, and that six of the newly licensed entities were identified as risk retention groups. Vermont is already recognized as the leading onshore captive insurance domicile, licensing more than four times the number of captives than any other domestic competitor.

NY Department of Financial Services launches investigation of banks’ force-placed insurance practices – The newly formed New York State Department of Financial Services has launched an investigation of several large banks to determine whether they fraudulently steered homeowners into overpriced insurance policies. The investigation specifically focuses on the banks’ conduct in obtaining “force-placed insurance.” Force-placed insurance coverage is insurance coverage purchased by a mortgage lender in order to protect its security interest in a property where the borrower has allowed existing coverage to lapse. Homeowners pay for the lenders’ costs in purchasing these policies through their mortgage payments. The Department of Financial Services is investigating circumstances in which those policies were offered by affiliates of the banks themselves, which has triggered concerns

about conflicts of interest and other instances in which there may have been kickbacks between banks and unaffiliated companies.

Delaware Insurance Commissioner approves affiliation deal between Highmark Inc. and BCBSD – On December 30, 2011, Delaware Insurance Commissioner Karen Weldin Stewart approved a transaction that will effectively allow Pennsylvania-based health insurer Highmark Inc. to gain control of Delaware’s largest health insurance company, Blue Cross Blue Shield of Delaware (BCBSD). The transaction will, among other things, grant Highmark ownership of the Delaware insurer’s Blue Cross and Blue Shield Association license and allow Highmark to assume responsibility for all of BCBSD’s claims and obligations. Under the agreement, BCBSD will remain a separate, Delaware-based, nonprofit health service corporation, with its corporate office and most of its Delaware functions and character to be maintained. In addition, Commissioner Stewart placed 49 conditions on the transaction in order to add protections not contemplated in the affiliation application.

Oral arguments heard in IIABNY’s appeal of decision upholding Regulation 194 – On January 10, 2012, the New York Supreme Court Appellate Division, Third Department heard oral arguments by the Independent Insurance Agents & Brokers of New York, Inc. (IIABNY) in its appeal of a trial court decision upholding the validity of Regulation 194. The regulation requires licensed producers of insurance to disclose to prospective purchasers the incentive compensation that they will receive from insurers or third parties based in whole or in part on the sale of insurance. IIABNY contends that Regulation 194 should be annulled because, among other things, (a) New

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York law does not allow the Financial Services Department authority to require compensation disclosure; (b) there is no evidence proving a need for the regulation; (c) the scope of the regulation is too broad; (d) the regulation could potentially make unethical conduct more likely; and (e) the regulation changes the duties and obligations that exist under the law for New York insurance agents and brokers. The decision on the appeal will be made by a panel of five State Supreme Court Justices.

Southeastern Zone

by Scott G. Paris

Alabama's Department of Insurance weighs in on April 2011 tornados

– On January 12, 2012, the Alabama Department of Insurance (DOI) issued Bulletin 2012-02. The bulletin states that the 2011 tornado losses should not be included in data used to “determine frequency, severity, or pure premium trend factors.” The bulletin explains that studies by the DOI have indicated that tornados are a 1-in-250 year event in Alabama. Insurer's rate filings are to give a .4% probability that tornado related damage would occur in any given year.

Charging of fees and commissions outside of the premium – On January 10, 2012, the Kentucky Department of Insurance issued Advisory Opinion 2012-01 addressing a practice by some insurers of encouraging agents/producers to negotiate commissions directly with customers and not include those fees in the product premium. The opinion asserts that the practice is being implemented to avoid paying rebates under the Medical Loss Ratio requirements of the Patient Protection and Affordable Care Act. The opinion explains that, under Kentucky law, the definition of premiums includes fees and commissions. Further, Kentucky law prohibits charging fees beyond the premiums. The opinion states that a producer may receive payment from an insured apart from the premium, but such an action will change the role of the producer from an “agent” to a “consultant.” Consultants

are required to be licensed. They are also subject to fiduciary obligations to their clients and cannot sell, solicit, and negotiate insurance as an agent.

Change in effective date of NIMA –

On December 29, 2011, the Louisiana Department of Insurance issued Bulletin No. 2011-04 regarding the payment and allocation of taxes for multi-state surplus lines policies. The bulletin explains that tax allocation provisions in Nonadmitted Multi-State Agreement (NIMA) will take effect when the multi-state clearing house for surplus lines tax begins operations on or after July 1, 2012. The bulletin states that, until further notice, when Louisiana is the home state of the insured, the broker, producer, or independently procuring insured is to collect and remit the portion of the surplus lines premium taxes allocable to Louisiana for any multi-state surplus lines policy.

Midwestern Zone

by Molly E. Lang

Nebraska opts out of NIMA – Nebraska will withdraw from the Nonadmitted Insurance Multistate Agreement (NIMA) effective March 5, 2012. The NIMA pact provides a mechanism for reporting, collecting, allocating, and distributing surplus lines tax revenues consistent with the Nonadmitted and Reinsurance Reform Act. In explaining the reason for the withdrawal, the Nebraska Department of Insurance cited conflicts between the timeframe for the collection and allocation of nonadmitted insurance premium taxes by a clearinghouse to be created by NIMA and the timelines set by Nebraska law. As a result, all quarterly surplus lines filings and tax payments will be filed directly with the state insurance department. The decision leaves NIMA with 10 member states.

Class action settlement regarding cancer and dread disease expense policies approved – A federal judge in the U.S. District Court for the Western District of Oklahoma approved a class action settlement involving Allstate Corporation and its affiliate, American Heritage Life Insurance Company, in connection with

claims related to cancer and dread disease expense policies issued after October 24, 2003. The lead plaintiff, consumer Lona Buck, alleged that the policies were improperly administered with respect to coverage for non-cancerous drugs, medicines, instruments, or devices that could be used in radiation therapy, chemotherapy, or immunotherapy to support a patient's health. The American Heritage Life Insurance Company argued, among other things, that it properly administered, adjudicated, and paid claims under the provisions challenged by plaintiffs. Allstate Corporation further contended that it did not issue or insure certain cancer policies at issue or adjudicate claims thereunder. According to settlement documents, approximately 226,000 consumers may be affected in all 50 states.

Aon Corporation settles Foreign

Corrupt Practices Act charges – The Chicago-based insurance brokerage firm Aon Corporation has agreed to pay approximately \$16.3 million to the Department of Justice (DOJ) and the Securities and Exchange Commission to settle charges of Foreign Corrupt Practices Act violations. Between 1983 and 2007, Aon's subsidiaries allegedly made more than \$3.6 million in improper payments to government officials in Costa Rica, Egypt, Vietnam, Indonesia, the United Arab Emirates, Myanmar, and Bangladesh in an effort to secure or retain business. As part of a non-prosecution agreement with the DOJ, Aon will enhance its compliance, bookkeeping, and internal controls programs.

Western Zone

by Peg Ising (Non-Lawyer Consultant)

Arizona health rates subject to federal review – The U.S. Department of Health and Human Services (HHS) has determined that the Arizona Department of Insurance does not have effective health rate regulations in place. HHS has taken over the review of health rate increases of 10 percent or greater. However, HHS does not have the authority to disapprove

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or modify rate increase requests. The health insurance industry in Arizona is not pleased that they must submit rate increase requests to HHS and has asked the Arizona Department of Insurance to seek ways to improve their health rate review process that will satisfy HHS.

Self-reported computer error results in Washington fine – GEICO has been fined \$100,000 by Washington Insurance Commissioner Mike Kreidler after reporting that a computer error had caused about seven percent of its Washington customers to be overcharged between August 2009 and June 2011. An additional \$50,000 fine was suspended subject to GEICO's adherence to the terms of the compliance plan. GEICO is also refunding \$7.5 million (plus eight percent interest) to affected consumers. The refunds will average out to approximately \$300 per customer.

California approves "principally at-fault" regulations – California Insurance Regulation T. 10 2632.13, effective December 11, 2011, simpli-

fied the requirements for determining whether a driver is principally at-fault (PAF) for an accident. The PAF determination impacts consumers' ability to obtain "good driver discounts" under Proposition 103. The PAF definition was amended to include accidents involving bodily injury or death, restoring "total loss or damage" language, and raising the threshold for property damage from \$750 to \$1,000. The Regulation allows insurers to rely solely on Comprehensive Loss Underwriting Exchange (CLUE) and Insurance Services Office (ISO) reports. Both are databases that contain personal automobile claims information. CLUE and ISO have modified their databases to include information on an insurance company's principally at-fault determinations. Some of the consumer safeguards include: (a) prohibiting insurance companies from relying solely on Department of Motor Vehicle Reports, which do not contain enough information to make a principally at-fault determination; (b) the disapproval of

the right of an insurer to charge a driver with a principally at-fault accident when the driver does not provide enough information; and (c) the requirement of subsequent insurers to accept a driver's declaration of an accident history if no other information is available. ■

"Zoning In" is developed by members of Nelson Levine de Luca & Horst's Insurance Regulation Practice Group. With a team of professionals that includes former insurance regulators, Nelson Levine assists all lines of insurance companies with a broad range of compliance and regulatory matters including product issues, regulatory matters, compliance concerns, and due diligence reviews. Monthly contributors to "Zoning In" include Susan T. Stead (614-221-7543; sstead@nldhlaw.com), Molly E. Lang (614-456-1634; mlang@nldhlaw.com), Peg Ising (non-lawyer consultant; 614-456-1632; pising@nldhlaw.com); Jason M. Kurtz (212-233-2633; jkurtz@nldhlaw.com); and Scott G. Paris (212-233-2716; sparish@nldhlaw.com).

The above material is for informational purposes only and should not be construed as legal advice, nor is it designed to create any attorney-client relationship.

The Al Greer Award

Why It Matters

The reasons each of one of us chose to become a regulator are as varied and diverse as our IRES membership. Each one of us is driven by our own unique set of blueprints. As a group, however, our objective is clear: to promote ethical behavior and technical proficiency. Al Greer not only understood that objective, he helped draft the original plans and lay the foundation.

Mr. Greer was one of the original state insurance examiners who had the vision to establish the Insurance Regulatory Examiners Society in the late

1980s. As a founding father of IRES, Mr. Greer helped frame the mission of IRES. Mr. Greer was a member of the board of directors, elected treasurer, and served on numerous committees.

In recognition and acknowledgement of Mr. Greer's extraordinary efforts, dedication, and excellence, he became the first recipient of the award named in his honor (the Al Greer Achievement Award) in 1997. Today, this award is presented annually to an insurance regulator and IRES member who not only embodies the dedication, knowledge, and tenacity of

a professional regulator but who exceeds those standards.

Awards play a crucial role in recognizing the extraordinary efforts of our voluntary membership. Do you know a regulator who embodies the spirit of Al Greer? Who is that dedicated regulator who always volunteers his or her time, imagination, and energy? It's not too early to begin thinking of 2012 Al Greer Achievement Award nominees. If you have any questions concerning the Al Greer award, please feel free to contact Jeanette Plitt at jeanettep@oic.wa.gov. ■





IRES Career Development Seminar & Regulatory Skills Workshop

August 26- 29, 2012 | Westin Diplomat Resort | Hollywood, Florida



Hey... Are You Going to CDS?

by Barry Wells, CCLA, MCM

I'll bet many of you are starting to ask that very question—or you're hearing the question from colleagues. We're hoping that your answer is an overwhelming **YES!** and that you're also encouraging your industry friends and colleagues to sign up. If you're still undecided or haven't found the time to register, we thought we'd offer a few compelling reasons why you and your colleagues need to join everyone in Florida for this year's CDS and "*Brighten Your Regulatory Skills in the Sunshine State.*"

Let's start with what's new this year.

In keeping with the theme of "*Brighten Your Regulatory Skills...*" and based on feedback received from members who attended CDS 2011, we're adding an additional half day to the program this year **at no additional cost.** The additional session will be called the Regulatory Skills Workshop and continues the goal we've been driving towards over the last couple of years: shifting some of the focus of CDS from a topical format to more of a "hands-on" skill development opportunity. We believe that blending a hands-on training format with the topical sessions will afford members a much more robust training experience. We encourage everyone to attend Wednesday's sessions, but don't worry:

You will continue to receive the full 15 hours of continuing education (CE) credit if you're only able to attend Monday's and Tuesday's sessions. IRES will grant an additional three hours of CE for attending the Wednesday morning sessions.

Wednesday's Regulatory Skills Workshop is designed to build on the skills learned during the CDS Monday and Tuesday sessions. The workshop will include a facilitated forum entitled *If You Were the Czar of Market Conduct, What Would It Look Like?* The forum is focused on state regulators and contract examiner professionals who may not participate in various NAIC working groups but, through the session, can provide their perspective and suggestions for nationwide process improvement. The workshop will also offer advanced ACL training, which will cover topics including compliance with certain mandates, identifying claim denial patterns, and underwriting peculiarities. This is an important session as we all work towards improving the overall efficiency of an examination related to traditional file reviews.

We're not done yet!

To complement Wednesday's Regulatory Skills Workshop, the IRES Education Committee is developing a dynamic agenda specifically designed to teach and share relevant issues on a timely

basis that will help professionals at all levels better understand regulatory and industry related issues. Additionally, on this point, we note that the primary purpose of CDS is to provide members and other attendees with a substantive professional training and education experience. If there is a topic you would like included in the program or a session that you would like to see repeated more than once during CDS, then please let us know. After all, we're here for you, and we'll do our best to meet your needs.

CDS is the ideal forum to network with colleagues, interact with regulatory luminaries, catch up on current events, share the challenges we each encounter, and discuss solutions to address those issues. Collaboration is so easy at CDS. You might just have a good time, as well.

This year's CDS will be hosted in Hollywood, Florida. Tack on a few extra days and make a real vacation out of attending CDS. Hollywood is in close proximity to some very nice spots. Why not grab the family and take advantage of a beautiful spot?

Okay, if all of this doesn't convince you, how about the opportunity to save a few bucks? CDS registration is open! We're holding on to last year's rates as long as possible.

That's right: Take a look at the registration prices table and note the "early registration" opportunities.

Looking for additional discounts while helping to defer some of the costs for CDS? Consider having your organization serve as a participating sponsor. New levels for this year include platinum, gold, and silver sponsorships, which come with a special free registration benefit for up to three members of your

continued on page 11

Registration prices	Today - June 15	June 16 - July 31	Aug 1 and later
Member (Regulator)	\$330	\$395	\$450
Member (Industry Sustaining)	\$550	\$590	\$645
Member (Retired)	\$125	\$125	\$165
Member (Student Sustaining)	\$80	\$95	\$125
Non-Member (Regulator)	\$470	\$495	\$575
Non-Member (Industry, Non-Sustaining)	\$940	\$995	\$1,045
Add a Guest	\$80	\$95	\$125

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CDS continued from page 10

sponsoring organization. If you've been an existing sponsor, we thank you for your continued support. We encourage organizations that haven't sponsored in the past to please consider doing so this year. For more details, please visit our website at: www.go-ires.org/events/cds/2012

As we noted in the fall 2011 edition of *The Regulator*, it's never too late to share your thoughts and suggestions for the upcoming CDS. We encourage you to contact any of the following members of our CDS Leadership Team to share your ideas and suggestions:

Mark Hooker, Chair
CDS Educational Committee
mark.hooker@wvinsurance.gov

Sam Binnun, CDS Co-Chair
sam.binnun@mcgladrey.com

Stephen M. Martuscello,
CDS Co-Chair
stevem20@verizon.net

So... Are *you* going to CDS this year? We certainly hope to see you there! Remember to take advantage of the early registration discounts. Please also encourage your colleagues to do the same. We look forward to seeing everyone in Florida, where we can learn and share together! ■

Barry Wells, CCLA, MCM, is a director of the Regulatory Insurance Consulting Practice of RSM McGladrey, Inc.

We're Going to Hollywood!

(Hollywood, Florida, That Is!)

by Tom McIntyre, CIE, MCM, CCP, CPCU, FLMI, AIRC, APA, ARA, ACS, CWCP, CICS

Did you know that Hollywood is located between Fort Lauderdale and Miami? Why not plan your family vacation around IRES' CDS? In the second part of our series, below are some exciting things to do in the Miami area. **Visit www.go-ires.org for a full list and descriptions.**

Recreation above and below the water

Rent a boat • See manatees in the wild • Experience backcountry flats fishing • Charter a deep sea fishing trip • Scuba dive artificial reefs • Take a snorkel trip • Swim with dolphins • Rent a wave runner • Take a windsurf lesson • Rent a kayak

Activities on land and in the air

Pamper yourself at a spa or with a massage • Walk down the boardwalk • Rent a scooter • Go off-road mountain biking • Have a paintball party • Visit indoor and outdoor shooting ranges • Skydive over the Everglades • Take a helicopter tour • Explore Miami by seaplane • Try parasailing at the beach • Try X-treme indoor rock climbing • Watch an IMAX movie • Take a sightseeing tour • Take a Jungle Queen riverboat cruise • Take a Bahamas day cruise • Hop on the Fort Lauderdale Water Taxi • Picnic on the beach • Drink a Cuban coffee • Fly a kite

Nearby attractions

South Beach • Versace House • Holocaust Memorial • Venetian Pool • Fairchild Garden • Charles Deering Estate • Vizcaya Museum & Gardens • Coral Castle

Theme parks

Parrot Jungle Island • Miami MetroZoo • Miami Seaquarium • Lion Country Safari • Gator Park • Boomers • Wannado City

Place your bets

Seminole Hard Rock Casino • Miccosukee Casino • Jai-alai • Greyhound dog racing • Horse racing at Gulfstream Park

Parks and nature preserves

Flamingo Park • The Kampong tropical gardens • Everglades National Park • John Pennekamp Coral Reef State Park • Quiet Waters Park • Matheson Hammock Park • Oleta River State Park • South Pointe Park • Domino Park • Haulover Beach • Fruit and Spice Park • Biscayne National Park

Museums and art galleries

Wolfsonian Museum • ArtCenter of South Florida • Rubell Family Art Collection • Historical Museum of Southern Florida • Bay of Pigs Museum • World of Bacardi Museum • Gold Coast Railroad Museum • Children's Museum • Miami Art Museum • Bass Museum of Art

Shopping and noteworthy businesses

Bal Harbour Shops • Bayside Market • Cocowalk • Las Olas Riverfront • Sawgrass Mills • Bass Pro Shop Outdoor World • Fort Lauderdale Swap Shop • Stoneage Antiques • Palacio de los Jugos ■

Tom McIntyre, CIE, MCM, CCP, CPCU, FLMI, AIRC, APA, ARA, ACS, CWCP, CICS, is director of regulatory insurance services for Dixon, Hughes, Goodman, LLP and may be reached at tom.mcintyre@dhgllp.com or 304-414-2624.



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Monday's General Session: The aftermath of the recent supreme court decisions on PPACA - 9:00 AM

MONDAY AUGUST 27, 2012					
TRACK	10:30–11:30AM	1:00–1:50PM	2:00–2:50PM	3:00–3:50PM	4:00–4:50PM
MARKET REGULATION	Skillful Reporting of Market Analysis Information	The Even Newer Market Regulation	Continuum Options Training -- Hands on techniques for Early Intervention Part I	Continuum Options Training -- Hands on Techniques for Early Intervention Part II	Computer Aided Audit Techniques for Market Regulation
CONSUMER SERVICES	Contractor Fraud	Personal Safety	Consumer Financial Protection Bureau (CFPB) Part 1	Consumer Financial Protection Bureau (CFPB) Part 2	Retained Asset Accounts - Should you have one?
REGULATORY COMPLIANCE	The State of State DOIs	Open Forum	An Update of all the Activities of the NAIC (D) Committee	Don't Tell Me That!	Member's Choice Or Repeat of Another Session
LIFE AND HEALTH	Prompt Payment Laws	HMOs by Another Name?	Best Practices for Examiners and Companies	Contingent Annuities	Social Media Monitoring
PROPERTY AND CASUALTY	Conducting a Title Insurance Market Conduct Examination Part 1	Conducting a Title Insurance Market Conduct Examination Part 2	Credit-Based Insurance Scores -- The Topic that Keeps on Giving	The Nuts and Bolts of Rate and Policy Form Review Part 1	The Nuts and Bolts of Rate and Policy Form Review Part 2
FINANCIAL REGULATION	Risk Focused Examinations Part 1	Risk Focused Examinations Part 2	Accreditation Hot Topics & Issues	Statutory Accounting Updates and Issues	Federal Legislative Activity
INFORMATION TECHNOLOGY (SEMINAR)	Getting Useful Data from the Company	CAAT - Computer Aided Audit Techniques	Advanced TeamStore Libraries for the Contract Examiner	Advanced TeamStore Libraries for the Contract Examiner	Your Laptop is More than a Typewriter
INFORMATION TECHNOLOGY (HANDS-ON)*	Introduction to ACL				
AIE/CIE <i>Please note: Pre-registration is required for these AIE/CIE sessions</i>	LOMA 280 Review Session I	LOMA 280 Review Session II	LOMA 280 Review Session III	LOMA 280 Review Session IV	LOMA 280 Review Session V

Tuesday's General Session: Commissioners' Round Table - 8:30 AM

TUESDAY AUGUST 28, 2012				
TRACK	10:00–10:50AM	11:00–11:50AM	1:00–1:50PM	2:00–2:50PM
MARKET REGULATION	Setting the Exam Scope and Alternative Exam Approaches	Market Conduct Excellence – Managing the Examination Part I	Tough Love Approach to Market Conduct – Avoiding and Surviving Legal Challenges to Market Conduct Exams Part I	Tough Love Approach to Market Conduct – Avoiding and Surviving Legal Challenges to Market Conduct Exams Part II
CONSUMER SERVICES	Current Trends in Insurance Compliance and Regulation Part 1	Current Trends in Insurance Compliance and Regulation Part 2	Member's Choice Or Repeat of Another Session	Member's Choice Or Repeat of Another Session
REGULATORY COMPLIANCE	What Should I be Doing with the MCAS Reports I Receive from the States?	Minding the Data Mining	Member's Choice Or Repeat of Another Session	Member's Choice Or Repeat of Another Session
LIFE AND HEALTH	Market Analysis and the Exchanges	Healthcare Data	The Future of Long Term Care Part I	The Future of Long Term Care Part II
PROPERTY AND CASUALTY	Surplus Lines Update	Auditing Property Insurance Claims	The Workers' Compensation Marketplace	Managing Catastrophe Risk
FINANCIAL REGULATION	Reinsurance	Holding Company Analysis	Solvency Modernization Initiative Part 1	Solvency Modernization Initiative Part 2
INFORMATION TECHNOLOGY (SEMINAR)	Non-NAIC Technology and Market Analysis	MCAS - 1 Year After Big Rollout - Part one of two	MCAS - 1 Year After Big Rollout - Part two of two	Member's Choice Or Repeat of Another Session
INFORMATION TECHNOLOGY (HANDS-ON)*	Quicklinks for Market Analysis Session I	Quicklinks for Market Analysis Session II	Quicklinks for Market Analysis Session III	Quicklinks for Market Analysis Session IV
AIE/CIE <i>Please note: Pre-registration is required for these AIE/CIE sessions</i>	LOMA 280 Review Session VI	LOMA 280 Review Session VII	LOMA 280 Testing I	LOMA 280 Testing II

* The Information Technology Hands-On session are for State Insurance Department Regulators ONLY. Needed:

- I-SITE username/password with access to the Financial & MCAS tables
- Access loaded on their laptop

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WEDNESDAY AUGUST 29, 2012			
TRACK	8:30-9:30AM	9:30-10:30AM	10:45-12:00PM
MARKET CONDUCT EXAMINATIONS AND ANALYSIS RSWS	If You Were The Czar of Market Conduct, What Would It Look Like? Part I	Reviewing a P&C Rate and Form Filing, Including Review of Filings for Market Conduct Exams	If You Were The Czar of Market Conduct, What Would It Look Like? Part II
REGULATORY SKILLS WORKSHOP TRACK 2	MCM - CE Pilot Program	MCM - CE Pilot Program	MCM - CE Pilot Program
REGULATORY SKILLS WORKSHOP TRACK ADVANCED ACL TRAINING TRACK	Advanced ACL I		

Visit www.go-ires.org for a full list and descriptions.

Other Meetings of Interest

- | | |
|--|---|
| <p style="text-align: center;">Sunday</p> <ul style="list-style-type: none"> Executive Committee 12:00-1:00 PM MCM Sub Committee 1:00-2:00 PM Section Chair Meeting 2:00-3:00 PM Board Meeting 3:00-5:00 PM Welcome Reception 6:00-8:00 PM | <p style="text-align: center;">Monday</p> <ul style="list-style-type: none"> New AIE/Reception 6:00-7:00 PM <p style="text-align: center;">Tuesday</p> <ul style="list-style-type: none"> Section Chair Post CDS Meeting 3:15 PM Board Meeting 4:00-5:30 PM Appreciation Function 6:00 PM |
|--|---|

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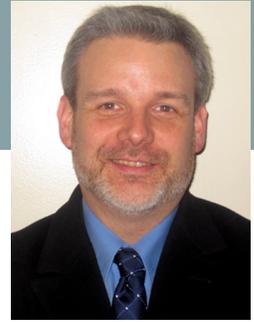
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Where in the World Is Doug Pennington?

A Former State Regulator Moves to the Feds

by Doug Pennington, CIE, MCM, CPCU, CCP, FLMI, CIC, AAI, AIRC, ARA, AIAA, ACS, CISR, PAHM, CRM, APA, CFE



My name is Doug Pennington and, a little more than a year ago, I became the web services division director for the Center for Consumer Information and Insurance Oversight within CMS at the US Department of Health and Human Services. Prior to joining CCIIO, I was the chief market analyst for the Washington State office of the Insurance Commissioner and am a sitting IRES board member. Additionally, I proudly maintain my Certified Insurance Examiner and Market Conduct Management designations, as well as 14 other insurance and technology certifications. My nearly 20 years in insurance sales, underwriting, claims, technology, training, and regulation have been wonderful, and I do not believe I will ever leave the insurance industry.

The primary responsibilities of my division are to manage the collection, analysis, and display of health insurance company information and product and plan data to consumers on the HealthCare.gov Plan Finder, which also provides them access to affordable private health insurance options in their state and zip code. Secondly, we facilitate the information provided about public insurance program options on the HealthCare.gov Options Finder and manage the ccio.cms.gov website. We were recently tasked with leading the efforts in developing the website and services related to federally-facilitated state health insurance exchanges.

In addition to managing my division, I am also the co-manager of the Health-

Care.gov website, and I represent CCIIO on data governance issues within CMS and HHS. I have been named to a White House Task Force working on developing smart consumer disclosure best practices for the government. As part of those roles, I work with various other departments within CCIIO and CMS to assist in identifying efficient and effective data elements to collect and determine appropriate methods to analyze that data in order to create accurate benchmarks to measure health insurer, product, and plan performance as compared to their peers in the marketplace. All of this work is so that we can provide information to consumers to help them make informed

decisions regarding their health insurance options.

Our goals are to continue to make HealthCare.gov a world-class website for consumer information about all of their affordable private health

insurance options, as well as provide an outstanding and highly effective web-based environment where consumers can transact business within their local exchange through another web portal that is linked to (but not incorporated into) HealthCare.gov. I am excited at the opportunities presented to me to work with so many outstanding federal employees, state insurance departments, industry representatives, and consumer groups to assure that the information we collect and display provides consumers with valuable insights, education, and (eventually) the ability to physically purchase affordable health insurance options through their state exchange.



The time I spent as a state regulator with Washington State and working with the NAIC and IRES was invaluable in preparing me for dealing with the wide and various interests that exist within the health insurance industry as well as all of the state and federal agencies that I have the opportunity to interact with. My experience in helping shape market analysis and in managing the review of the insurance marketplace has also been very important in shaping my ability to manage the needs of our national data collection and setting expectations of various stakeholders as we continue to collect and determine better ways to display information for consumer and industry benefit. Most importantly, I learned from Leslie Krier, Lynette Baker, and other pillars of insurance regulation how to listen to the interests of others and incorporate those interests into the greater work product to achieve the ultimate success that we are statutorily empowered to achieve. I would like to thank them and others who have helped shape my experience, and I sincerely look forward to continuing to work with all of you in insurance regulation and within IRES for many years to come. ■

Doug Pennington, CIE, MCM, CPCU, CCP, FLMI, CIC, AAI, AIRC, ARA, AIAA, ACS, CISR, PAHM, CRM, APA, CFE is currently the Federal State Chair for IRES and may be reached at douglas.pennington@cms.hhs.gov.

Recap of the First Official IRES Webinar

by Tanya Sherman, MCM

In August of 2011, the IRES board of directors and the IRES Foundation funded a year's membership to the webinar site ReadyTalk. The funding for this site was provided in order to meet the needs of our members by producing training programs that are timely, cost-effective, and meaningful. An IRES subcommittee of the Membership and Benefits Committee was established to prioritize and assist implementation of webinars for 2011-2012.

The first of these webinar sessions was conducted on December 7, 2011. The session was conducted by examiner John Humphries (unaffiliated) and was entitled "Skill of an Effective Insurance Examiner." The duration of the session was one hour and it was filled with good advice for new and developing examiners. The session included the topics of regulatory knowledge, industry knowledge, professional approach, skill sets for highly effective examiners, data security, data protection, and utilization of computer aided audit techniques (including a few specific examples using the computer aided audit techniques).

The session was an overwhelming success with 100 individuals pre-registering. There were 46 individuals that responded to the post-webinar survey. Responses from these individuals indicate a desire for future sessions to be covered on computer aided audit techniques, standardized data requests, and handling of large files. All of the respondents indicated a desire to conduct future sessions via webinars, and many new ideas were also generated for future webinar topics.

Mr. Humphries received high praise from attendees, including the following comments:

- "I really enjoyed the interactive component to see what other regulators do. John did a great job and kept the presentation engaging."
- "This class was informative and very direct and engaging."

**IRES is for everyone!
We need your input.**

As with any new training session, there were a few lessons to be learned. The ReadyTalk website can handle up to 2,000 attendees consecutively, so there will be a need in the future to request everyone to log in five to ten minutes in advance so that the session can begin on time without disruption. In addition, the mute feature will need to be enabled on the conference call line to avoid disruptive beeps, and attendees may need to be reminded to mute their phones to avoid other distractions.

The next webinar sessions are in progress, although final dates and times have not been selected. We will be posting the details for each session as they become available on the secured IRES website and will be sending out short e-mail blasts to all IRES members once the details are confirmed. The upcoming classes include safety for examiners/investigators, IRES State Chapter and State Chair mentoring, skill of an effective analyst, and a presentation from

a representative of the United States Department of Labor. In addition, the recommendations stemming from this session may become future webinars and/or sessions at the upcoming IRES CDS in Hollywood, Florida, in August 2012.

As an IRES member, you have access to ReadyTalk for your training needs, especially if the session will be expanded to include other states and IRES members. Please contact Tanya Sherman if you are interested in utilizing this technology. In addition, it should be noted that, for your convenience, previous presentation documentation will be available and posted on the IRES secured site.

It is important to remember that IRES is for everyone! We need your input to ensure that we are providing the most benefit to our members. If you have future ideas for webinar topics or would like to assist with the webinar committee, please contact Holly Blanchard at 402-471-4742, or e-mail or holly.blanchard@nebraska.gov. ■

Tanya Sherman, MCM, is a senior market analysis manager for the Delaware Department of Insurance and INS Regulatory Insurance Services, Inc. She currently conducts market analysis and is actively involved in many of the IRES Membership and Benefits committees. You may contact her at 816-863-4874 or tsherman@risdelaware.com.

Chartrand Communications Award

A New Recognition Award

For more than 20 years, David Chartrand and his incredible associates Susan Morrison, Elaine Bickel, Joy Moore, and Art Chartrand were at the helm of IRES. Without the dedication and devotion of these diligent individuals, IRES would not be the organization that it is today.

To honor the legacy and work Chartrand Communications did for IRES, the executive committee and board of directors created the Chartrand Communications Award in 2011. This award is to recognize those who have made a

difference to IRES through their actions: i.e., someone who has strived to keep IRES moving toward the future, a person who has helped increase membership and promoted us outside the conference and in the insurance community, and someone who continually tries to make a difference in IRES.

Who is eligible? Nominations are open to all IRES members, sustaining members, and organizations that have



been involved with IRES for at least two years.

If you feel someone you work with or know meets all these requirements, please consider nominating him or her for this year's award. Please look for the nomination form in a future newsletter. Until then, if you have any questions, please feel free to contact Parker Stevens at parkerstevens@examresources.net or 910-616-9803. ■

New Members

Welcome!

The following individuals have joined IRES since the last issue of *The Regulator*. Visit the online member directory to learn more about them—and please join us in welcoming them!

- ★ Janette Adair, unaffiliated
- ★ Kelly Armstrong, unaffiliated
- ★ Matthew Ballard, SD
- ★ Sherry Barrett, MI
- ★ Sherry Bass-Pohl, MCM, MI
- ★ Richard Bates, unaffiliated
- ★ Tom Baxter, unaffiliated
- ★ Jared Brose, WA
- ★ La Quette Brown, LA
- ★ Nicholas Carda, SD
- ★ Alaric Kent Cavenee, AIE, KY
- ★ Sharon Colihan, unaffiliated
- ★ LeAnn Crow, KS
- ★ Sharon Cummings, NY
- ★ Zachary Dillinger, MI
- ★ Angela Dingus, OH
- ★ Marshall Dixon, WI
- ★ James C Fitzgerald, NV

- ★ David Haddad, MI
- ★ Claudette Harper-Griffiths, CIE, NY
- ★ Shelly Herzing, MO
- ★ M. Huff, NV
- ★ Jerys Knight, NV
- ★ Heather Lang, SD
- ★ Jason Lapham, KS
- ★ Jim Morgan, unaffiliated
- ★ Robert Panah, unaffiliated
- ★ Adam Plain, NV
- ★ Tracy Post, MI
- ★ Dawn Sanders, MI
- ★ John Silberman, RI
- ★ Jennifer Sourk, KS
- ★ Bernadette Williams, LA
- ★ Leslie Winn, WA
- ★ Thomas Wohlbach, AIE, GA
- ★ Stephen Wright, NV
- ★ Sauhung You, NY
- ★ Holly Zhu, MI

The following organizations have also joined IRES since the last issue of *The Regulator*.

- ★ Gerber Life Insurance Company
- ★ ExamFX

New Designees

Congratulations!

The following members have received their AIE, CICS, CIE, or MCM designation since the last issue of *The Regulator*. Please join us in congratulating them!

AIE

- ★ Alaric Kent Cavenee, AIE, KY
- ★ Janelle Dvorak, AIE, WI
- ★ Will Felvey, AIE, VA
- ★ Rita Heimericks-Ash, AIE, MO
- ★ Thomas Wohlbach, AIE, GA

CIE

- ★ Carla Bailey, CIE, WA
- ★ Pauline Hall, CIE, NY
- ★ Claudette Harper-Griffiths, CIE, NY



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To submit articles, photographs, or calendar items, contact: IRES, 1821 University Ave W, Ste S256, St. Paul, MN 55104; e-mail info@go-ires.org; phone 651-917-6250; fax 651-917-1835. For change of address or membership info, contact IRES.

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- Tanya Sherman, MCM
- Barry Wells, CCLA, MCM

Thank you, Melissa!

Melissa Hull, our fabulous editor, is leaving us after this edition. Melissa has done a great job in getting *The Regulator* to you over the last year. Thanks, Melissa, for all your hard work. You've been great and we wish you all the best in the future.

So we're in the market for a new editor! Serving as editor is a great way to be involved with IRES. We have outstanding staff at Nonprofit Solutions who take care of layout and the technical aspects of publishing each edition. What we need from an editor are organizational skills and editorial flair to keep *The Regulator* out there for our membership.

If you would like to take on this challenge, please let me know. If you have suggestions about who might be a great editor, send me the contact information. If you think that it might work to share the editor title with another person, I'm open to discussions about how that would work.

Leslie Krier, AIE, FLMI
Market Conduct Oversight Manager
Company Supervision Division
Washington State Office of the Insurance Commissioner

Leslie can be reached at TheRegulator@go-ires.org.

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