Social media is a result of an evolution of technology and communication, a shift in how we get information. Consumers used to wait for the morning newspaper and read it from front to back, or check in with the TV news team at 10 p.m. to get an understanding of the world around them. Now consumers get information 24/7/365, on the run, from anywhere.

The average household now features three screens: the television, the computer or laptop and the smartphone. Social media allows us to utilize those screens to network, to find people with like interests, and to meet people who can become friends or customers. This technology flattens the world and gives us access to people we never would have been able to meet otherwise. Social media has allowed the sharing and discussing of information among individuals into technology-enabled communication. Our society is seeing a seismic shift from consuming to connecting.

Social media is a reflection of conversations happening every day, whether at the supermarket, a bar, the train, the water cooler or the playground. It is a communications platform that allows those conversations to be amplified, reaching a broader audience.

Social media is an ever-growing and evolving collection of online tools and toys, platforms and applications that enable all of us to interact with each other and share information. Increasingly, social media is both the connective tissue and neural net of the Web.

Need a convincing video to demonstrate the power and influence of social media? YouTube has a great introduction – take a look!

“Social Media Revolution 3”

Social Media and Organizations

Social media can be a very effective communication and marketing tool, but typically one that is part of a mix of complementary marketing efforts. When properly utilized, social media encourages communication about your products and services, but it’s also a great place to add dimension to your brand.

One of the strengths of social media is that it is a very natural extension of an organization’s marketing and customer service. It enables an organization to better connect its audience, build the organization’s reputation as being customer-focused and responsive and set the organization apart from the competition. As such, many organizations have incorporated social media components to their existing marketing strategy and more organizations will soon follow suit.

Social media is a unique platform to create sincere, unvarnished conversations between you, your organization, your customers, your employees, your prospects, etc. But social

continued on page 2
media works best when it is truly “social.”

Helping your audience engage and own a part of the brand conversation can enhance their experience and ultimately secure their loyalty – because they have made an investment in you.

How Insurance Organizations are Using Social Media

• Social media is a means to review and collect deeper insight into the lifestyles and purchasing habits of consumers, which helps to build brand persistence and loyalty.

• Social media provides an immediate insight into what consumers are thinking as they use your products or services. Through their sharing, organizations can weigh reactions and adapt marketing strategies accordingly.

• Social media can be used as a self-promotion and marketing tool to push out messages that capitalize on what users are saying about you.

• Social media is a way to position your organization as an industry authority, resource and trusted advisor by establishing your reputation as a generous contributor of information, insights and ideas.

• Social media can be an effective way to increase search engine optimization and in turn, be part of the considered set when consumers are looking for a financial solution.

Popular Social Media Platforms

Facebook (www.facebook.com)

Facebook provides each of its members a profile of their own to decorate and to share as much, or as little, about their personal interests and life as they wish. Photos, videos, text, and countless applications can be posted to personal profiles, and the visibility of these items to other users is entirely defined by the owner. Profiles are searchable by any number of keyword, location or name searches, and once one user finds another user who they’d like to “friend,” they can simply send them an invitation to do so. Once they are “friends,” any changes to their profile will appear in a summary page on the other user’s profile.

Business Applications: Facebook allows for an organization to sign up for a business profile, similar to a personal profile. Members of pages are referred to as “fans” and once they become a fan of your page then their individual profile will display the logo of your page. This is an extremely useful business application for organizations that would like to facilitate connections among their customer base. Simply create a page for the organization, add photos and discussion topics, and let your fans build an organic marketing platform.

Twitter (www.twitter.com)

Twitter is a microblog application that is a combination of instant messaging and blogging. Twitter users can post status updates that fit within a 140-character limit. Twitter has been known for communicating news, market trends, questions and answers, links and photos.

Business Applications: Twitter has great value for business and is already being used by thousands of organizations around the world. With Twitter, organizations can update their customer base about new happenings and events, ask for feedback, share links to drive traffic back to their website, communicate with employees, expand their brand, and much more. Twitter is a smart and effective way for companies to engage current and prospective customers and gives your organization a higher level of approachability.

YouTube (www.youtube.com)

YouTube is a very popular video sharing website that is also the second most popular search engine. YouTube allows users to upload videos for private or public viewing. Videos are streamed to users from the YouTube site or via blogs and other websites. YouTube provides code that can be embedded in any website page to view a specific video.

Business Applications: Organizations use YouTube to show off their expertise, share knowledge, market products and connect with customers, colleagues and prospects. Business posts usually fall into the categories of: expertise and thought leadership, marketing and advertising, customer service and brand building.

foursquare (www.foursquare.com)

The app uses a smartphone’s built-in GPS to display restaurants, bars, parks, and other businesses and attractions in your city. When you visit any of those locations, you “check in” on the foursquare app, which broadcasts your location to your friends. You’ll also see where your friends have checked in, which helps you meet up with them or find new things to do.

After you’ve checked in, you can write reviews and tips for the location, which will be available to other foursquare users. These tips include everything from the best thing to order off a restaurant’s menu to a special discount at a department store.

Business Applications: foursquare aims to take connections to a new level. It not only lets you offer promotions for new customers, frequent users (loyalty programs), and your best customer (the “Mayor”) -- it encourages new business as your clients share their location and the sweet deals and useful tips they’ve discovered there with their friends.

Pinterest (www.pinterest.com)

Pinterest is a social photo sharing / blog linking vision board style website and smartphone application. Users are encouraged to create and manage theme-based image collections or virtual bulletin boards. The mission statement of Pinterest is to connect everyone in the world through shared tastes and the “things” they find interesting.

continued on page 3
Business Applications: Businesses are taking advantage of the search-engine-friendly linkability, Facebook and Twitter sharing and showing their target audiences how they think. Organizations can link to community projects and ways for their customers to save money.

LinkedIn (www.linkedin.com)
Powerful and widely used, LinkedIn is the place for professional social networking on the web today. An increasing array of features and tools makes this platform a wise time investment for any professional. Think of LinkedIn as a repository of resumes and as a digital industry organization.

Business Applications: LinkedIn is full of valuable business applications. With so many people using the platform, users can effectively network, find business opportunities or potential new hires, build a portfolio of work recommendations, share events and news, and perform reconnaissance on other organizations. The “answers” portion of the site is a fantastic way to quickly receive valuable feedback and ideas from professionals around the world. Use LinkedIn to track your professional contacts and keep in touch, make new contacts, and learn about someone before ever speaking with them.

Getting Started

Overcoming Objections
One the greatest challenges marketing professionals come across with regard to social media often happens long before an organization’s social platform is even launched – getting executive management approval.

To counter the natural skepticism of a new medium and to generate support, objections must first be addressed. Listed below are three of the most common objections to social media and how to make your case.

1. The Return on Investment (ROI) is Unknown.
Define ROI for your organization. Amidst all the talk of “monetizing” social media, many organizations are discarding the term ROI because it is too financially driven. Instead, many are looking at the purpose of the medium and establishing metrics for Return on Relationships.

If your organization is just starting out in social media (less than one year) the only stated goal you should have is to set a benchmark for future initiatives.

As you become more familiar with each platform, and the resources available to you, it’s important to identify updated metrics for social media that address your organization’s business and communication objectives. Below are a few examples of metrics insurance organizations have used to define their success. Analysis of metrics should happen at regularly scheduled intervals of six to 12 months.

Examples of common social media business and communication objectives:

Business Objectives
• Establish a benchmark for future online / social media initiatives
• Create and expand awareness
• Communicate to target audience in an additional information-seeking communications channel
• Learn more about the purchases cycle for products within the online platform
• Deliver additional traffic to website, YouTube, etc.
• Have a presence in the consumer competitive set online
• Increase / decrease calls to a call center
• Support existing marketing campaign

Communication (Target Audience) Objectives
• Join social media platforms to be part of a growing fan and communication base
• Be included in a considered set of providers in your category
• Motivate click-through to a selected webpage or social media channel where the audience can get additional information, apply online, submit an email address, etc.
• Facilitate a positive brand experience
• Reinforce awareness and credibility in services and expertise

2. Our Target Audience Doesn’t Use It
For some organizations, social media is a frightening unknown. Social media can be perceived as a fad, unpredictable and uncontrollable, and even linked to the very real human fear of technology.

Convincing your organization to participate in social media may require doing your homework. Every target market uses some form of social media, just in a different ways or through different platforms. Whatever your target audience - employees, business to consumer, business to business, friends and family, etc., your platform and, more importantly, the messaging you use, determine how effective your social media program will be.

Here are a couple of convincing ways to make your case for social media:
• Share articles and web links to articles that support social media.
• Share facts associated with your target market and industry.
• Dispel misconceptions about social media.

If you or your staff are unfamiliar with social media, take a few minutes out of your day (or during a staff meeting) to explore a new platform. Sign up for Facebook. Try Skype. Look at a mobile app. Read a Twitter feed. Download a podcast. Comfort with social media platforms starts when you start looking at the options and possibilities. Being open to exploration may give additional insight to grow your business.

continued on page 4
3. Social Media May Negatively Impact Brand

What if people post negative comments? What if perceived mistakes or slights are called out online?

One of the great things about social media is that even if an unkind word is posted, social media is a communications tool that allows organizations to actively address those concerns head on, on your own terms, and demonstrate through video and other exchanges that your brand is remarkable.

You may not need to change anything based on feedback from one of your followers, but if you see something consistently coming up in the way of negative feedback, then you know you need to act.

However, if you are an organization that prides itself on terrific customer service but available resources will not allow you to be responsive online, then the decision to participate—or at what level to participate—in social media should be made with careful consideration.

Social Media Policies

A social media policy outlines the corporate guidelines of social media usage in the workplace. Similar to any workplace policy, the social media policy should be included as a section in your human resource employee handbook or manual.

Because social media is basically broadcasting a message to a large group of people, an organization must protect itself in the rare occurrence that an employee may post something inappropriate or detrimental on a networking site.

Social media policies can vary in length. How in-depth your policy is, depends on a variety of factors, including your organization’s comfort level of risk.

When drafting a policy, keep in mind that you should address guidelines for those who are posting on the organization’s behalf and those who are posting on personal profiles while mentioning the company.

“10 Must-Haves for Your Social Media Policy”

This article discusses the requirements for a viable social media policy. Among those things are the following.

- Introduce the purpose of social media
- Be responsible for what you write
- Be authentic
- Consider your audience
- Exercise good judgment
- Understand concept of community

Here’s another article that will be helpful in establishing your social media policy.

“57 Social Media Policy Examples and Resources”

Social Media Strategy

One of the best ways to drill down on what the best strategy is for your organization is to ask the right questions.

In the absence of decades of best practices that are well known, universally understood and (hopefully) applied across industries, below is a link that will

d continued on page 5

Help us make your website GREAT!

We want the IRES website to be as user-friendly as possible, so we need your help to understand how you use the IRES website, including your preferences and opinions about it by participating in our website survey.

This easy 8-question survey will help IRES improve our website to better meet your needs. The survey should take no more than five minutes to complete.

Whether you are a new or long-time member, a regulator or an industry member, we want to hear from you! We welcome any and all of your opinions and suggestions.

To get started, go to: http://www.survey-monkey.com/s/VX77HRM

Thank you!
take you to a set of questions that can help anyone, in any industry, get to the core of what their social media strategy should be and how they should proceed in making the most of social media.

By going through a process, asking the right questions and being confident in the outcomes, you’ll be on the right path to creating a best-in-class social media strategy.

“Social Media Strategy Questions”

1. Starting Out

- Identify the platform(s) with which you would like to begin by asking – “What does this communications tool accomplish for our organization?”
- Think about dovetailing your social media efforts with other marketing strategies and tactics.
- Determine how much time you are willing to commit to the chosen platform(s).
- Start small by choosing one or two key platforms. Anything more will overwhelm your staff.
- Set modest goals in the beginning.

- Choose administrators - designate those people who are authorized to speak on the organization’s behalf.
- Focus on informing, not selling.

2. Compliance Considerations

- Write a social media policy that outlines the corporate guidelines of social media in the work place.
- Establish a process for pre-approval of content prior to publishing.
- Draft your posting or message, and be prepared for feedback your content could generate by creating a list of possible questions and answers. Keep a content library of all approved responses, in the event your response is needed.
- If a question falls outside anticipated feedback or if the discussion becomes complicated or specific to one individual, have an approved default response that offers an offline conversation with the individual.
- Establish privacy and rules for participating.

Final Thoughts

- Branding is important
  - Keep it consistent across all communication and marketing channels, on- and offline.
  - Stay consistent and true to the voice of your organization.
  - Use properly sized logos and approved color schemes.
- Content has to be a major focus
  - Content needs to be regularly updated, relevant and good quality.
  - Repurposing content across platforms is acceptable, but try to keep the majority of the content at least 75% unique.

Randa Zalman is the eMarketing Director, Senior Account Supervisor for Redstone©. Redstone© is an advertising agency with strength in building brands and sales through effective traditional and online strategies, particularly for clients who are in highly-regulated industries. Randa can be contacted at rzalman@redstoneweb.com or on Twitter©, @randazalman.

Chapter News

Louisiana

In March of this year, Tom Ballard, current IRES President, made an in-person appearance at the Louisiana State Chapter meeting. Having the President make a special call on the Chapter was a big success and the members were excited by his message. The meeting was held at the Louisiana DOI offices.

Mr. Ballard applauded the Louisiana Chapter for its success and stressed the important part that members play in making IRES what it is today. “I want to pat you folks on the back. Your chapter has the largest membership in the organization,” Ballard said. “The strength of IRES is its people, and any success IRES has is a result of hard work by folks like you.”

He spoke about the educational benefits of IRES membership. “IRES is here to educate regulators and to assist them in finding more efficient ways to do their jobs,” he said. He described the four major designation programs sponsored by IRES, and followed that with comments about the MCM (Market Conduct Management) program which is designed to educate both regulators and industry compliance staff about handling a market conduct examination. “MCM school allows both sides to see where the other is coming from. It is very specific on job related materials and is looked on positively by both industry and regulator folk,” he stated.

Ballard also discussed a new award, The Al Gross and Jim Long Rookie of the Year Scholarship Award. It will be awarded annually to a regulator that has been in their position less than 2 years. One award will be given per NAIC Zone, and each recipient will be given $1000 in travel related expenses as well as a waived registration fee for one of the national IRES meetings such as MCM classes, CDS or the IRES Foundation School on Market Regulation.
President’s Remarks
by Thomas Ballard, CIE, MCM

W ell, it is fast approaching the time when we elect new leadership for the upcoming year and I will be moving on. Knowing that time is coming, I want to take this opportunity to thank all of the people who have worked so hard to insure the continued success of IRES.

Besides the great folk who make up the Board of Directors and Executive Committee, there are many, many people who work on subcommittees, joint committees, working groups, and individual projects that develop, tweet and feed ideas on to others. The time they spend for the further development of IRES is truly priceless and so much appreciated. A very special thanks to all of you.

Our Executive Committee has been wonderful to work with during the past year and I know it will continue to serve the best interest of IRES in its future make up. The members of this committee have shown remarkable strength, fortitude and willingness to work for the betterment of IRES without regard to personal preferences. They’ve done it with style, grace and humor – all great traits when a group works so closely together. For this, I want to thank them personally and on behalf of IRES.

Lastly, but certainly not least, I want to acknowledge our Board of Directors. This group of individuals has done an outstanding job of guarding the interests of IRES, steering us during the last year into new waters of cooperation with sister organizations, reducing expenses, improving communication, and making IRES more accessible to more regulators. Each of these folks deserves our thanks and appreciation for their service. If you’ve ever been on a 28 person conference call with hopes of getting anything done, then you can really appreciate the talents and focus of this group – truly outstanding.

As my year as President draws to a close, I’d like to share some thoughts with you. Being President allows you to find out just how hard so many people work devoting time, money and effort to our common cause. It also allows you to work with sister organizations such as SOFE and our own IRES Foundation. I would be remiss if I did not mention the IRES Foundation Board of Directors and Jim Frey, the Chairman, as being a great group to work with. They have been very receptive to our requests for educational funding and support, and we certainly appreciate their generosity. And lastly, it allows you to see just how good hearted our folks are. This is truly the soul of our organization and to be this close to it is an honor.

During the last year these folks have played a role in the following developments:

- A “Rookie of the Year” award to be given to one individual from each NAIC Zone to be nominated by their Commissioner and selected by a joint committee of IRES and IRES Foundation members. This is a permanent award and is funded by our Foundation;
- Development of webinars to spread educational opportunities to more members for less cost;
- Electronic versions of The Regulator now sent out quarterly with improved quality;
- A renewed effort to get IRES out there to the various Departments of Insurance, including for the first time in the history of IRES, actual visits to state chapter meetings by our leadership to discuss IRES, listen to members and potential members and answer questions. This has already resulted in new members being enrolled and new folks going to the CDS this year;
- A renewed commitment to work with the IRES Foundation for the future of regulatory education, including a new “liaison” non-voting member to our Board representing the Foundation;
- Another “first” occurred at the New Orleans NAIC meeting when IRES representatives made a presentation to all four NAIC Zone chapters and received a very positive response;
- Revised course work on the MCM program and continued efforts to update the text; and
- Beginning a new marketing program with efforts to get our consistent message out to regulators that we are here to help them and make their jobs easier.

As August approaches, a lot of folks are working hard to make sure your CDS is going to be the best possible event it can be for you, the membership. This year’s CDS will continue our trend towards “hands on training” and interactive education for all. If you haven’t registered, don’t delay. You won’t be disappointed in the program or the facilities. The Westin Diplomat Hotel in Hollywood, Florida is a wonderful location and I’m sure you are here to help them and make their jobs easier.

From a personal perspective, I would like to close by saying a giant THANK YOU to the membership of IRES for allowing me to serve as President for the past year and allowing me to work with the greatest people one could ever hope to know. It has been truly an honor and privilege to serve as your President. Thank you and see you in Hollywood!

The Regulator • SUMMER 2012
Social Media. I looked up the definition of social media recently because I wanted to use it in a slide show I was preparing. I didn’t look for a dictionary as I would have about 30 years ago. In fact, I don’t think that I have a dictionary at my desk any longer! I turned to my trusty, ergonomically correct keyboard, typed “social media definition” into my favorite search engine and hit “enter”. It came back to me with about 72.5 MILLION hits, but the #1 hit was a little program called Wikipedia which had the definition right there on my return search page. In a matter of a few seconds, I had the information I needed. I highlighted that information, right clicked, and selected copy from the drop down menu. I placed my cursor where I wanted the information to be inserted, right clicked, selected paste from the drop down menu and my first PowerPoint slide was done. It took less time to do all of that than it did for you to read to this point. Amazing!

Social media is revolutionizing our lives. I don’t know about you, but every morning when I leave home for a rather long commute, I have my eBook reader, my super smart cell phone and my MP3 player, along with a charger that is universal for all of them. When I leave for the airport, I add my laptop computer. I am connected 24/7 to the world, from anywhere in the world. I fill what idle time I have – whether it’s five minutes or five hours – with games, gossip, news, shopping and entertainment via my arsenal of electronics. My phone is always on and I can ask Siri any question that comes to mind. In fact, we were out to dinner with friends one night after I purchased my new smart phone, and instead of talking about our families, we passed the phone around, each of us asking Siri a question and sitting in awe when she answered us. We followed that with a round of picture sharing from our phones and a few text messages from our grandkids. How we’ve changed!

Just like social media has revolutionized our private lives, it’s revolutionized the business world—whether from a company perspective, a regulator’s perspective or a consumer’s perspective—like no other event since the Industrial Revolution. Don’t have a personal computer? Go to the library and use one for free. Don’t have Wi-Fi at home? Go to the nearest coffee shop. Advertise online where your message goes out to billions of people globally as soon as you hit the enter button. Wasn’t it last year that Black Friday sales were higher on the internet than in stores? Did you know that people believe what others post on social media sites almost 100% of the time, while they believe other types of advertisements about 20% of the time? What power the internet and social media gives to businesses! No wonder most businesses have set up Facebook accounts!

In this issue of The Regulator, we’ve tried to give you a balanced picture of how social media has changed the face of insurance regulation today. The challenges to regulation are endless. How do you apply laws from a single state to something that is as global as this? Do we even have jurisdiction over social media? From a company perspective, how do you reach the most people you can without violating laws in any single state? Can you make your advertising generic enough to meet the requirements of all regulators while still getting your message out to the public? Is there a responsibility for increased disclosure? The panel of contributors on this subject each has a unique and interesting take on these and other issues surrounding the regulation of social media. I hope you enjoy their takes on this vital issue.

Happy reading! - Leslie
NAIC White Paper on Social Media

A Discussion with the Chair of the NAIC Social Media Working Group

by Leslie Krier, Editor of The Regulator and Keith Nyhan.

In 2010 the NAIC’s Market Regulation and Consumer Affairs (D) Committee appointed and charged the Social Media Work Group (SMWG) with researching and examining the role of social media (SM) in the insurance market place. Fulfilling its charge, the SMWG produced a white paper (WP) – “The Use of Social Media in Insurance” – in late 2011. The white paper, formerly adopted by the (D) Committee in March of 2012, is intended to foster greater understanding of the expectations and responsibilities of state insurance regulators, licensees and consumers relative to the use of SM.

The WP reflects the collaborative input of both regulators and industry representatives and strives to promote uniformity with existing regulations. Accordingly, the WP focuses on topics of mutual interest such as insurance company and producer uses of SM, regulatory and compliance issues associated with the use of SM, and regulatory guidance for addressing these issues.

Key findings of the paper include:

• An acknowledgment that state regulators need to promote employee access to social media and develop monitoring practices

• An awareness that licensees are not predominantly using SM to market and sell policies, but to build relationships with existing and potential consumers

• A statement that SM use in the insurance industry must “comport with existing regulations, which include, but are not limited to, statutes and rules related to advertising and marketing, record retention, consumer privacy and consumer complaints”

The WP will be formally presented to the NAIC’s Executive Plenary Committee in August 2012 and is anticipated to be referred to the (D) Committee’s Market Conduct Examination Standards (D) Working Group, which will consider incorporating key concepts of the WP in the Market Regulation Handbook.

I had a chance to discuss this important document with the person responsible for shepherdng the white paper out of the SMWG and the (D) Committee for consideration - the chair of the SMWG, Keith Nyhan of New Hampshire.

TR: Keith, this white paper is fairly comprehensive. Was it difficult to build consensus among the various groups who provided input?

Keith: Not really. Whereas the working group encouraged, welcomed and incorporated input from the industry, the drafting process was a collaborative effort. As such, most stake holders were satisfied with the final draft.

TR: Do you believe that most regulators are reviewing a company's policies and procedures relative to social media when performing market analysis or market conduct examinations?

Keith: Not at this time. Based on comments received during the drafting process, it appears that any reviews of a company’s social media presence are only perfunctory in nature. However, I anticipate the volume and depth of reviews will increase going forward, especially if the Market Regulation Handbook is modified to incorporate social media references.

TR: In our experience, not only do companies use social media to promote themselves and to build relations with customers, it appears that many producers are doing the same thing. Does the white paper address this issue?

Keith: Yes. And this issue is one of the more noteworthy items which came to the forefront during the drafting process. I was quite surprised to learn that producers and companies are not predominantly using social media to market and advertise products, but to build and maintain relationships with existing and potential consumers.

TR: The statistics on social media use are mind-boggling. Was there anything in your research that stood out for you as a real “aha” moment on which regulators need to focus?

Keith: It was really interesting to note that the statistics we used in the first draft (July 2011) changed significantly by the time we reached the final draft (March 2012). The speed at which social media is evolving is staggering. It seems every few months there’s a new site taking aim at the leaders - Facebook, Twitter, and LinkedIn. The latest and fastest growing challenger with staying power is “Pinterest”. By the time this goes to print, it would not surprise me if there was another newcomer.

Another “aha” issue is records retention. There is an expectation that licensees will record and retain certain social media communications. However, the sheer volume of data that is expected to be retained is monumental. Additionally, the complexity of social media messaging with all of its links, embedded objects, etc. makes retention even more complicated. Although software companies have developed and continue to develop packages to facilitate record retention, it’s an area that will always pose a challenge. As the last paragraph of the white paper intimates, licensees will need to work with technology vendors and dedicate resources to remain compliant with existing retention regulations.

continued on page 9
Going forward, however, I believe the regulatory community will be challenged to think differently about social media messaging. Some people argue that social media communications are more akin to dialogue than electronic, print communications. As such, just as regulators do not require every verbal exchange between a producer and a consumer to be recorded; perhaps the same approach could be taken relative to social media exchanges.

TR: What, in your opinion, is the biggest issue for regulators concerning social media?

Keith: Good question. I would say the biggest issue or pressing concern is the level of regulatory involvement or participation.

Producers are the driving force behind social media usage in the industry. As mentioned earlier, the catalyst driving producer usage is the desire to connect with existing and potential consumers. Recognizing the value of strong relationships with both consumers and producers, companies have responded by establishing policies which permit some degree of social media usage. Companies which have truly embraced social media have also developed procedures and oversight controls to promote compliance. Unfortunately, the regulatory community has not maintained stride with the industry in these efforts.

Sticking with the running analogy, in order for regulators to catch up to where industry is, regulators will need to embrace the reality that social media has permeated the insurance industry today. Accordingly, we need to embrace social media technologies in the workplace - empowering employees with the training and tools to participate in social media communications, encouraging its use in market conduct surveillance, and, equally important, utilizing social media to inform and educate consumers about insurance products, market issues and consumer risks.

TR: What’s next?

Keith: The white paper will be presented to the commissioners at the NAIC meeting in August in Atlanta. Hopefully, it will be accepted at Executive/Plenary, published accordingly and referred to the NAIC’s (D) Committee’s Market Conduct Examination Standards (D) Working Group, which will consider incorporating key concepts of the White Paper in the Market Regulation Handbook.

Keith Nyhan is the Director of Consumer Services for the New Hampshire Insurance Department. He also works as the Examiner in Charge for Life & Annuities examinations. Mr. Nyhan was the chair of the Social Media Working Group and the main author of the NAIC White Paper on social media.

Life Insurance Settlements: Facts for Consumers and Regulators

by Michael Kreiter, Director of Legislative and Regulatory Affairs for the Life Insurance Settlement Association (LISA)

Perhaps the most common question life settlement market participants receive from people who have no prior knowledge of this option is, “What is a life settlement?”

In short, a life settlement is an alternative to the lapse or surrender of a life policy, in which the owner sells, rather than lapses or surrenders, his or her policy. The top reasons causing many senior citizens, in particular, to drop their life insurance policies are (1) the policy is no longer needed, or (2) the policyowner can no longer afford the premiums. Both of these situations occur more commonly as people age.

Using the life settlement option, the owner of a policy can receive an amount that is far in excess of the policy’s cash surrender value. In fact, the average life settlement pays policyowners 300 to 500 percent more than the cash surrender value of the policy.

A 2010 study of life settlements by the United States Government Accountability Office (GAO) found that in just four years (2006 through 2009), policyowners received an astonishing $5.62 billion more than they would have received from the insurers if they had surrendered their policies to them.

The mission of the Life Insurance Settlement Association (LISA) is to promote the development, integrity, and reputation of the life settlement industry and to promote a competitive market for the people it serves. As the nation’s oldest and largest trade association representing the secondary market for life insurance, LISA’s job is to educate the participants in its market, the consumers it serves, and those who regulate the industry.

For the past decade, LISA has led efforts to enact laws that ensure a fully transparent and consumer-friendly life settlement market. As more consumers have become familiar with life settlements over the past decade, LISA can look to several important measures of success in protecting life insurance policyowners’ property rights, and delivering real value to consumers.

Through LISA’s proactive efforts, today’s life settlements market is highly regulated in 40 states, representing approximately 90 percent of the population of the United States. In addition to the substantial benefits that the GAO study reported, the agency found that every state regulating life settlements requires policyowners to receive substantial consumer disclosure, with most states requiring disclosure of the compensation
Now that we’ve hit the midway point for 2012, it is a good time to provide an update on the activities of the NAIC’s Market Regulation & Consumer Affairs D Committee, its Task Forces and Working Groups.

Continued Improvement to Market Regulation

At the beginning of this year, the D Committee announced its commitment to focus on continued improvement in the area of market regulation. This effort recognizes the states’ ongoing commitment to maintaining the highest level of consumer protection while striving for the most efficient market regulatory process.

The D Committee began its work by sending a survey to state insurance departments to obtain additional information on the current state of market regulation. Forty-eight jurisdictions provided responses and data which will provide the benchmarks to judge future success.

The survey collected information for the following areas:

• market conduct activity, when and how;
• the cost of market conduct regulation;
• the market conduct exam team; and
• the documentation of market conduct activity.

The survey was not intended to address the broader aspects of market regulation, such as producer licensing, rate and form approval and consumer assistance.

Aggregate information from the survey has not been shared with interested parties; however, the D Committee will begin discussing the survey and next steps prior to the NAIC Summer National Meeting in Atlanta. Additional discussions will likely touch state reporting of market conduct examinations in NAIC systems, the role of market analysis and enhancements to this process, the most cost efficient and effective way to monitor the marketplace when interaction with a company is required, examiner qualifications, examination expenses with a specific focus on oversight and management of contractor examiners, and exam coordination among states.

The goal is for the NAIC Membership to provide final direction and a plan of implementation in September to address the key areas where continuous improvement can be made with market regulation and to establish a clear vision for state market regulation.

Health Care Reform

The D Committee is taking a more active role in health care reform and the implementation of the Affordable Care Act as questions are starting to arise regarding state enforcement. Because of this anticipated implementation, the D Committee added a new charge in 2012 to coordinate with the Health Insurance (B) Committee to provide policy recommendations regarding uniform state enforcement of the Affordable Care Act.

In addition to the immediate mandates, companies are also required to begin using the Summaries of Benefits and Coverage beginning September 23, 2012.

This is another area which is likely to be reviewed by the Market Conduct Examination Standards Working Group.

In addition to the work of the Market Conduct Examination Standards Working Group, the Antifraud (D) Task Force is completing its work on a Uniform Suspected Insurance Fraud Reporting Form. This work is in response to Section 6603 of the Affordable Care Act which requires states to develop a uniform fraud reporting form and standards for private health insurers to report fraud referrals to state agencies.
NAIC Market Information Systems and Market Analysis

The Market Information Systems Task Force and the Market Analysis Procedures Working Group continue to focus on enhancing market analysis and the NAIC’s Market Information Systems necessary to support the state’s analysis efforts. More specifically, the Task Force is charged to develop a strategic plan on how to enhance the current Market Information Systems and prioritize regulatory submitted Uniform System Enhancement Request (USER) forms, which provide suggested updates to the market systems. This work is necessarily dependent upon the policy direction the D Committee will provide on continuous improvement of market regulation. Because of this, much of the work of the Task Force will proceed after the D Committee’s public policy discussions about how to improve market regulation.

Related to the NAIC’s Market Information Systems is a new D Committee charge in 2012 to appoint a Regulatory Information Retrieval System Working Group to review the coding structure for the NAIC’s Regulatory Information Retrieval System and provide recommended changes to the coding structure. To date, this Working Group has not been appointed because of the need for further discussion of the results of the market regulation survey.

The Market Analysis Procedures Working Group continues to work on a draft Long Term Care blank for the Market Conduct Annual Statement; however, because the proposal was not completed by June 1st of this year, the earliest date for the collection of Long Term Care data among the 45 participating states and jurisdictions in the Market Conduct Annual Statement (MCAS) will be April of 2015. The current proposal includes the collection of, among other data elements, direct premium written, the number of free-look (30-day) cancellations, the number of replacements, the number of complaints, and basic claim payment information.

MCAS provides market regulators with market conduct information not otherwise available for their market analysis initiatives. Currently, MCAS is used to collect claims and underwriting data on the Private Passenger Auto, Homeowners, Life and Annuity lines of business. Companies report their data to each jurisdiction through the NAIC’s on-line MCAS application.

In addition to enhancing the data collected through MCAS, the Market Analysis Procedures Working Group is developing a list of topics for the Best Practices Guide for MCAS Data. In the coming months the Working Group will also begin discussing new ideas for MCAS data elements and ratios. More information on MCAS can be found at the following NAIC Weblink: http://www.naic.org/mcas_2011.htm

Use of Social Media

The Social Media Working Group has completed its development of a white paper addressing the use of social media in insurance and has been disbanded. The white paper focuses on the following key points:

- insurance company and producer uses of social media;
- regulatory and compliance issues associated with the use of social media; and
- guidance for addressing identified regulatory and compliance issues.

In order to gain a broad perspective of the various issues surrounding social media, the Working Group solicited input from a variety of sources, including insurance companies, insurance producers, consumer advocate groups, state insurance regulators and non-insurance regulatory bodies that have addressed the use of social media. Furthermore, existing model laws, statutes and regulations were leveraged wherever on point and applicable.

The white paper’s broad summary is that for all its unique and novel aspects, social media is simply another method by which individuals and entities interact and communicate. The white paper is intended to both educate and provide guidance to regulators, insurance companies and producers for addressing various social media concerns. If insurance companies, producers and regulators are to meet the challenges of this evolving technology, it is important that insurance entities have confidence that their investments into the medium will not result in unintended regulatory liabilities. For their part, regulators must be confident that insurance consumers are protected from false or misleading information and that the well-established principles of market regulation, including record retention, are recognized and respected.

The NAIC’s Executive Committee and Plenary will consider the adoption of the white paper during the NAIC’s upcoming Summer National Meeting in Atlanta.

The current draft of the white paper is posted at the following NAIC Weblink: http://www.naic.org/documents/committees_d_social_media_exposures_111201_whitewpaper_draft_social_media.pdf.

Auto Insurance

During the NAIC Spring National Meeting, a new Property & Casualty (C) Committee / D Committee Working Group was appointed to review issues relating to low-income households and the auto insurance marketplace.

This Working Group is considering the following possible tasks:

- a review of current state laws and regulations documenting minimum liability limits and liability defense structures;

continued on page 12
• a summation of innovative initiatives states have taken to address affordability issues for low income drivers;
• identification of initiatives taken by insurers to address the issue of the cost of insurance for low income drivers; and
• consideration of whether states should conduct a survey of significant market participants using the Risk Classification Survey Instrument the NAIC adopted in 2011.

Force-Placed Insurance
During the NAIC Summer National Meeting in Atlanta, the D Committee will hold a public hearing with the C Committee to explore current marketplace issues involving force-placed insurance. NAIC Funded Consumer Representatives have expressed concerns about the high premiums and low loss ratios associated with the product, the excessive commissions and other payments to affiliates and other parties, requiring consumers to buy coverage retroactively, noncompliance with surplus lines laws and Real Estate Settlement Procedures Act (RESPA) and failure to file policy forms and rates with insurance departments. The hearing will serve as a public forum to hear more detail about these concerns as well as hear comments from industry regarding the current marketplace and practices involving force-placed insurance.

Consumer Disclosures
The Consumer Disclosures Working Group continues to develop a best practices and guidelines for use by state insurance regulators in developing information disclosures for insurance consumers.

Where to Find More Information
A complete list of the D Committee charges and activities of the various task forces and working groups can be found at the following NAIC Weblink: http://www.naic.org/committees_d.htm

Tim Mullen joined the NAIC in 1997 as the Assistant Market Affairs Manager. He is now the Director of the Market Regulation Department with responsibility for supporting consumer assistance, market analysis, market conduct examination and producer licensing. Prior to joining the NAIC, Mr. Mullen worked for the Missouri DOI and in the insurance industry. He is a member of the Missouri and Kansas Bars.
The use of social media sites such as Facebook, Twitter and LinkedIn has grown exponentially in recent years. The National Association of Insurance Commissioners (NAIC) began looking at social media and insurance regulatory issues in 2010 and established a Social Media Working group under the Market Regulation and Consumer Affairs (D) Committee for 2011. The Working Group’s charge was “to develop a white paper on how insurance companies and producers use social media in the business of insurance; identify regulatory and compliance issues that might arise through the use of social media in insurance; and provide guidance on how to address any identified regulatory and compliance issues.”

As the NAIC Social Media Working Group worked through various drafts of its white paper “The Use of Social Media in Insurance,” the property-casualty industry’s comments detailed concerns with: the level of control and accountability that the draft placed on insurers for actions of associated entities (which was at one point in the process, but not ultimately, defined to include “independent producers”); restrictions on the use of statistical data more stringent than general advertising restrictions imposed on insurers in existing laws and regulations; restrictions on product recommendations; and the lack of clarity regarding market conduct considerations.

The final version of the white paper adopted by the NAIC Market Regulation and Consumer Affairs (D) Committee at the Spring 2012 NAIC Meeting was an improvement, in many respects, over the earlier drafts. I believe that the NAIC Working Group was very open during the drafting process to the comments of interested parties and that the final work product was largely a collaborative effort. Still, industry will continue to embrace the ever-evolving world of social media at widely varying levels of participation and for different purposes, depending on individual company culture and comfort with the media involved, internal controls, and perceived clarity of regulatory guidance.

There are certainly many property-casualty insurance companies that are currently using social media platforms such as Facebook, Twitter, and LinkedIn, but an informal review of several companies’ “pages” demonstrates that there is not a single formula or policy that companies are adopting regarding social media. Social media use within the property-casualty insurance industry runs the gamut from embracing all aspects and demonstrating a concerted internal commitment via regular postings that include company news, claims information, consumer tips, and community news, all the way to companies without any apparent social media presence whatsoever.

For those property-casualty companies with a presence on Facebook and Twitter, information related to claims handling in the wake of natural catastrophes – often posted as the disasters are happening – is the feature most common across their pages. Often, a company will first post information on how their insureds can reach appropriate representatives at the company via phone, fax, or through a website. When appropriate, there may be a subsequent posting about locations of mobile claims offices. In June 2011, the Pew Internet Project found that 35% of all American adults owned “smartphones.” Eighty-seven percent of smartphone owners access the internet or email on that device. During natural catastrophes when landline phone service and power may be out for prolonged periods of time, a smartphone that a policyholder can charge in their car can prove a valuable resource. Sharing claims handling information through social media platforms that can be accessed on these devices appears to be one of the most prevalent uses of social media by those property-casualty insurers that do utilize it.

There are other ways companies are enhancing relationships with their policyholders and potential policyholders via social network pages. Companies put useful information on social media such as sharing of various safety tips. These are often seasonally appropriate or holiday-specific like tips for storm preparedness, swimming pool safety, safe grilling, holiday driving, winterizing your home or vehicle, and more. Fireman’s Fund Insurance Company©, for example, provides a link from their Facebook page encouraging visitors to subscribe to a service which provides text alerts on disasters in their area. Most property-casualty insurance company social media pages also include postings regarding company philanthropic activities in their communities and social causes – some companies make this the main focus of their pages, in fact.

There are just as many companies that do not appear to have ventured into the social media waters to date. There are challenges that any property-casualty insurer joining (or continuing in) the world of social media must consider.

“An insurer’s policies, procedures and controls relative to social media communications must comport with existing regulations, which include, but are not limited to, statutes and rules related to advertising and marketing, record retention, consumer privacy and consumer complaints” (Social Media (D) Working Group of the Market Regulation and

continued on page 14
Lisa M. Brown is Counsel and Director, Legal Research and Compliance at the American Insurance Association (AIA), a property and casualty insurance industry trade association. She earned her J.D. from George Mason University School of Law with a concentration in Regulatory Law. She is a member of District of Columbia bar.

Northeastern Zone
by Jason M. Kurtz

Connecticut Becomes First U.S. Insurance Regulator to Sign the IAIS MMoU-Connecticut Insurance Commissioner Thomas B. Leonardi and Peter Braumüller, Chairman of the Executive Committee of the International Association of Insurance Supervisors (IAIS), jointly announced that the Connecticut Insurance Department has become the first U.S. regulator to join an international supervisory cooperation and information and exchange agreement. As the 22nd signatory of the IAIS Multilateral Memorandum of Understanding (MMoU), Connecticut has agreed to share insurance data among many of the world’s financial superpowers, including, Australia, France, Germany, Japan, the Netherlands, Singapore, and Switzerland. Insurance supervisor members of the MMoU are able to exchange relevant information with and provide assistance to other member jurisdictions, which in turn promotes the financial stability of cross-border insurance operations for the benefit and protection of consumers.

New York Regulations Require State’s Life Insurers to Search for Beneficiaries-New York Gov. Andrew M. Cuomo recently announced new regulations instituted by the New York Department of Financial Services (DFS), under Insurance Regulation 200, which will require all life insurers marketing in the state to regularly search a government database of recent deaths in order to improve efforts to connect deceased policyholders’ accounts with their beneficiaries. This will require insurers to cross-check their policyholders against the U.S. Social Security Administration’s Death Master File every three months to investigate policies for which no claims have been made and to find beneficiaries who are eligible for benefits but have filed no claims. According to the DFS, its recent investigation delving into life insurers’ death-benefit claims practices resulted in 32,715 payments of $262.2 million to consumers nationwide, including 7,525 payments totaling $95.9 million to New York state residents. The new regulations also provide that when a policy is sold, insurers must request more detailed beneficiary information such as Social Security number and address, to assist locating and making payments to beneficiaries when a death occurs.

New Law to Change Status of Maryland’s Largest Workers’ Compensation Insurer-New legislation recently enacted in Maryland will convert the Injured Workers’ Insurance Fund (IWIF), Maryland’s largest writer of workers’ compensation insurance, into the Chesapeake Employers’ Insurance Company. Effective October 1, 2013, the renamed entity will change its status to a private, non-profit workers’ compensation insurer but will have the same mandate to serve Maryland employers only. Dennis Carroll, IWIF executive vice president and general counsel, stated that the change in status became necessary after the state’s attorney general determined that the state was authorized to access the insurer’s surplus fund because IWIF is a state entity. In 2011, Maryland transferred $50 million out of the insurer’s surplus to help close the state’s budget gap. Under the new legislation, the State will no longer have any claim to IWIF’s surplus.

Pennsylvania Court Rejects Insurance Department’s Petition to Liquidate Long-Term Care Insurers-A recent unprecedented opinion by the Commonwealth Court of Pennsylvania denied the Pennsylvania Insurance Department’s request to liquidate two long-term care insurance companies. In 2009, the Commonwealth Court of Pennsylvania appointed the Pennsylvania Insurance Department as the rehabilitator of two

continued on page 15
Allentown, Pa.-based companies, Penn Treaty Network America Insurance Co. and its subsidiary, American Network Insurance Co. The Pennsylvania Insurance Department subsequently rejected the insurers’ premium increases as actuarially unsound and petitioned for the insurers to be liquidated. The court held in its 164-page ruling that it did not agree with the Department’s actuarial projections and opined that the Department appeared to be seeking reasons to be excused from its duty as a rehabilitator of the two companies. Thus, the court ordered the Department to work with the companies to develop a better rehabilitation plan, and to address issues concerning inadequate premium rates for certain policies.

Southeastern Zone
by Scott G. Paris

Florida Personal Injury Protection Reform-On May 5, 2012 Governor Rick Scott signed House Bill 119 amending the laws governing personal injury protection benefits in Florida. Under the new law, PIP medical benefits are capped at either $10,000 or $2,500 depending on the injury. An injured person diagnosed with an “emergency medical condition” (EMC) may recover up to $10,000. An EMC is defined as a medical condition that may result in serious jeopardy to patient health, serious impairment of bodily function or serious dysfunction of any bodily organ or part. For non-EMC injuries PIP benefits are limited to $2,500. Additionally, an insurer is not liable for medical benefits if treatment is not sought within 14 days of the date of an accident. The bill provides the insurance department with the authority to establish an “Automobile Insurance Strike Force” tasked with investigating, preventing and assisting in prosecuting motor vehicle insurance fraud.

Mississippi Opt Out of NIMA-Mississippi withdrew from the Nonadmitted Insurance Multi-State Agreement (“NIMA”) effective June 18, 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. The Mississippi Department explained in a bulletin dated May 11, 2012 that the State does not believe that under the NIMA it will receive sufficient additional tax revenue to offset the additional costs and burdens of the program. After July 1, 2012 Mississippi will follow the “home state rule” and collect a 4% surplus lines premium tax, a 3% nonadmitted policy fee and a .25% stamping fee. Instructions regarding invoicing and payment states will be posted on the Department’s website. Mississippi joins Alaska, Connecticut and Nebraska as states that have withdrawn from the consortium.

Louisiana Clarifies Title Insurance Regulation-On April 30, 2012 the Louisiana Insurance Department issued an Advisory Letter clarifying that under LSA-R.S. 22:1562 and the Federal Real Estate Settlement Procedures Act (RESPA) title insurers and producers may not pay realtor or mortgage lenders marketing or advertising expenses or provide continuing education programs at below the prevailing costs. The advisory letter does provide that title insurers or producers may sponsor programs for entities representing multiple real estate companies, realtors or mortgage lenders.

Midwestern Zone
by Molly E. Lang

Iowa Amends Annuity Disclosure Rule-Iowa amended its Annuity Disclosure Requirements to conform to the Annuity Disclosure Model Regulation adopted by the NAIC. There are two effective dates within the rule when compliance is required. The effective date for disclosures and Buyer’s Guide requirements for transactions involving variable annuities and other registered products is January 1, 2015. The effective date for requirements involving all other annuities is January 1, 2013. The rule also made changes to the requirements for annual reports to contract owners. These annual report changes apply to all annuities that are in effect or for which applications are taken on or after January 1, 2013.

Wisconsin Issues a Bulletin on Title Insurance Requirements for Downward Deviation of Filed Rates-The Wisconsin Office of the Commissioner of Insurance issued a bulletin describing the application of Wis. Admin. Code Ins. § 6.78(4), which provides an exemption from filing requirements for title insurers where rate changes deviate downward from a previously filed rate. For the exemption to apply, an insurer must retain certain information, notify the commissioner of its intent to deviate downward from a filed rate, and identify and describe the parameters of the rate deviation program. The bulletin sets forth specific record keeping requirements for title insurers who allow downward deviations from their filed rates. The bulletin suggests that in order to facilitate compliance with the records keeping requirement, the title insurer may make a written arrangement with its agent to retain the records and rate development information. However, the title insurer maintains responsibility for compliance with the statute and administrative codes, including the retention of records and promptly providing the same to the Office upon request.

Minnesota Senate Bill Attempts to Thwart Insurance Fraud In Home Repairs-Minnesota Senate Bill 2137 prohibits a “residential contractor” from advertising or promising to pay, directly or indirectly, a property owner’s deductible where the home repair at issue is to be paid from the proceeds of a property or casualty insurance policy. “Residential contractors” are further prohibited from offering to compensate an insured for providing any service to the insured. “Residential contractor” means a residential roofer, residential building contractor or residential remodeler. If the “residential contractor” violates the law, the insurer to whom the insured tendered a claim will not be obligated to consider the contractor’s estimate.

continued on page 16
New Designees

Congratulations!

The following members have received their AIE, CICSR, CIE, or MCM designation since the last issue of *The Regulator*™.

**AIE**
- Sarah Bailey, AIE, AK
- Arthur Dodd, AIE, VA
- Charles Kelley, AIE, FL
- Robert Parsons, AIE, MCM, WV
- Richard Ramos, AIE, NY
- Bhaiya Sondawle, AIE, Saint Lucia
- Cynthia Wood, AIE, MCM, Unaffiliated

**CIE**
- John Haworth, CIE, MCM, WA
- Victor Negron, AIE, CIE, FL
- Mary Nugent, AIE, CIE, MCM, MD

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.

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**Western Zone**

by Peg Ising (Non-Lawyer Consultant)

**Nevada Issues News Flash on Auto Insurance Lapses**—Numerous cases of one day auto liability insurance lapses have been identified by the Nevada liability insurance verification system. Producers have been reminded that auto liability policies expire at 12:01 a.m. on the expiration date shown on an evidence of insurance card. Policyholders only have one minute of coverage on the expiration date—not an entire day. The Nevada Division of Insurance, in their Producer News Flash of May 18, 2012, provided several scenarios that were actual cases of insurance lapses including replacement policies issued by a new insurer with 12:01 a.m. inception on the next day and renewal payments made on the expiration date. The effect is to leave policyholders without coverage from 12:01 a.m. on the date of expiration until 12:01 a.m. the next day when the new or renewal policy would take effect.

**Texas Adopts Advisory Committee Regulation**—The Texas Insurance Commissioner has adopted a regulation which will allow the formation of advisory committees to assist, advise, and provide expertise to the Texas Insurance Department. The commissioner may appoint up to 24 members to each advisory committee. Each committee must select a presiding officer to develop meeting agendas and reports to the Department. The appointments of committee members may not exceed four years. Advisory committees must also comply with Texas’s Open Meetings rules.

**Texas Supreme Court Rules on Health Plan Stop Loss Policies**—The Texas Supreme Court in Texas Insurance Department v. American National Insurance Co. reversed the Appeals court, upholding a Texas Insurance Department finding that American National Insurance Company violated the Insurance Code by “improperly recording the direct stop-loss policy premiums obtained from the self-insured employers as ‘assumed reinsurance’ rather than as ‘direct written premium’.” The Court noted that most private self-funded health plans are governed by the Employee Retirement Income Security Act (ERISA) which prohibits states from regulating those self-funded plans as insurance companies. The Court also noted that the Texas Department has promulgated a rule that stop loss policies are subject to assessments as direct insurance policies. The Court held that a stop-loss insurance policy sold to a self insured employer health benefit plan is a direct insurance policy and not reinsurance.

**Idaho Revises Credit Scoring Approach**—The Idaho Insurance Department issued a bulletin on April 30, 2012 announcing an alternative method for insurers to show compliance with the state’s requirements regarding the use of credit information in underwriting. Idaho’s Insurance Code prohibits insurers from charging a higher premium “based primarily” on an insured’s credit score. The Department tests compliance with this requirement by having insurers show that the premiums they charged an insured with the worst credit score is not more than twice the premium charged to the individual with the best credit score. Idaho law prohibits insurers from declining to issue coverage primarily on the basis of credit history. The Bulletin clarified that if an applicant is ineligible for coverage in a “preferred” company based primarily on credit score or credit history, it is considered a declination and is prohibited by Section 41 – 1843 Idaho Code.

**Personal Injury Protection Required for Commercial Auto in Oregon**—The Oregon Insurance Division issued a memorandum on February 17, 2012, addressing questions on Commercial Auto PIP Coverage. Insurers were reminded that if an insurer provides coverage for a vehicle that meets the definition of “Private passenger motor vehicle” on a Commercial Auto Policy, PIP coverage applies. The definition of a “Private passenger motor vehicle” under Oregon law is a “four-wheel passenger or station wagon type motor vehicle not used as a public or livery conveyance, and includes any other four-wheel motor vehicle of the utility, pickup body, sedan delivery or panel truck type not used for wholesale or retail delivery other than farming, a self-propelled mobile home and a farm truck.”

“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. Sted (614-221-7543; sstead@nldhlaw.com), Molly E. Lang (614-456-1634; mlang@nldhlaw.com), Peg Ising (non-lawyer consultant; 614-456-1632; ping@nldhlaw.com); Jason M. Kurtz (212-233-2633; jkurtz@nldhlaw.com); and Scott G. Paris (212-233-2716; sparis@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.
paid to brokers. This type of disclosure is not required of insurance producers in most states.

Additional disclosure requirements are written so that consumers must receive notice of all offers and counteroffers, alternatives to settlements, and risks related to taxation and government assistance. Every state requires the licensing of settlement brokers/ producers and providers. States also require approval of forms for the life settlement contract, disclosures, and escrow agreements. Likewise, states require life settlement companies to adhere to applicable state and federal privacy laws and submit for approval anti-fraud plans to ensure that the policies they purchase have not been obtained, and are not being sold, illegally. All of these requirements are advocated by LISA on behalf of its members and the consumers and investors it serves.

According to the National Association of Insurance Commissioners’ (NAIC) Consumer Information System, since the start of 2009, only six consumer complaints involving settlements have been reported nationally. This is an excellent measure of success regarding how well the market is functioning in terms of consumer protection.

On the investor side of the life settlement transaction, while some notable problems have occurred primarily with individual investors, a 2010 report issued by the United States Securities and Exchange Commission (SEC) noted that 48 of our 50 states have enacted securities laws or rules to ensure that investors in life settlements are also well protected. In fact, today’s life settlement market is almost entirely funded by investments from large institutional investors, including insurance and reinsurance companies, banks, and other financial institutions.

As further evidence of the growing acceptance of life settlements, in 2010, the National Conference of Insurance Legislators (NCOIL) adopted its Life Insurance Consumer Disclosure Model Act. This Act mandates that insurers provide written notice to senior policyowners who are facing the lapse or surrender of their policies. This written notice must clearly state that seniors have options regarding such lapse or surrender, one of which is a life settlement.

With the support of insurance commissioners, three states have adopted this requirement thus far: Washington, Maine, and Kentucky. Such consumer-focused regulation should be adopted in every state so that policyowners can maximize the true market value of their life insurance policies, rather than simply turning the policies over to the insurers.

Over the past few months, the Insurance Regulatory Examiners Society (IRES) has hosted a series of well-received webinars on the topic of life settlements. The sessions have offered information on the life settlement process and how the market is regulated, along with valuable insights as to how the life settlement option can help consumers in individual states. The webinars have also hosted discussions on how to distinguish life settlements from stranger-originated life insurance (STOLI) policies and other practices that may potentially harm consumers. IRES may look to add additional, more advanced webinars on the subject of life settlements in the future.

To learn more about the life settlement option, contact LISA, at (407) 894-3797.

As LISA’s Director of Legislative and Regulatory Affairs, Michael Kreiter supports a fundamental aspect of LISA’s efforts in the insurance industry and its mission to help advance a transparent and sound regulatory structure. Prior to joining LISA, Michael worked as a licensed Life and Health Agent for a large insurance company in Kentucky. Mr. Kreiter has a Bachelor of Arts degree in History from the University of Kentucky.

Established in 1994, the Life Insurance Settlement Association is the oldest and largest trade organization in the life settlement market. Its goal is to advance the highest standards of conduct for market participants and to promote education and awareness to consumers, investors, and public officials. LISA represents more than 100 member firms, including 2,500 professionals from life settlement brokers, life settlement providers, institutional investors, life settlement servicers, and other service providers. For more about the association, visit www.lisa.org.

Louisiana Department of Insurance Filing and Compliance Seminar

Join Us August 1-3 in New Orleans

Get on track with the Louisiana Department of Insurance! Please join us for our 9th Annual Louisiana Filing and Compliance Seminar, August 1-3, 2012 at the Astor Crowne Plaza in New Orleans. The Louisiana Filing and Compliance Seminar is hosted by the Louisiana Insurer’s Conference in cooperation with the Louisiana Department of Insurance.

This year’s seminar will include sessions and discussions on the 2012 Louisiana Regular Legislative Session, NIMA, E-Marketing, tax filing issues, market regulation, Patient Protection and Affordable Care Act, anti-fraud plan, producer and adjuster licensing, insurer filing requirements, consumer complaint response, SERFF, tech lab, and policy form and rate/rule filing procedures and hot topics for Life & Annuity, Health and Property & Casualty. Don’t miss out on your opportunity to meet the Louisiana Commissioner of Insurance, his Chief Deputy and Deputy Commissioners, as well as other staff of the Louisiana Department of Insurance. For registration and conference information please go to the link provided below. We look forward to seeing all of you there!

The agenda and registration information is located at: http://www.ldi.state.la.us

The web address for the hotel where the conference will be held is: http://www.astorneworleans.com/

We look forward to seeing you in New Orleans in August!
Greetings IRES members,
I’m Parker Stevens and this year I am the Secretary of IRES as well as the Chair of the Accreditation and Ethics Committee.

I’ve been a member of IRES since 2000 and served on lots of committees before becoming a member of the Board of Directors in 2010, and then moved on to the Executive Committee this year.

I guess you could say that I’m actually one of the new kids on the block when it comes to board activities, but I’ve really enjoyed rolling up my sleeves and getting involved.

Before becoming a board member, I was active on the Membership & Benefits Committee, Education Committee and Meetings & Elections Committee. I was involved in lots of sub-committees such as The Al Greer Award and Charter Award sub-committees, the Elections Audit sub-committee as well as being the Market Regulation Section Co-Chair for CDS. After working with these groups, I decided it was time to step up my involvement so I ran for the Board of Directors and now I’m in line to become the IRES President in a couple of years.

This year, I chair the Accreditation and Ethics Committee. This committee is responsible for the MCM program, IRES designation approvals, the curriculum for each designation program and the continuing education and audit process. All of these tasks are divided into four subcommittees. If you are interested in shaping the future of IRES’ educational programs, this is a great way to start!

We welcome all new members and will be glad to have your input as well as your participation in the A&E committee and sub-committees.

I do have a life outside of IRES. In 2009, I went to work for Examination Resources, LLC out of Atlanta, GA as a Senior Insurance Examiner. I primarily conduct Loss and Exposure Exams for the Florida Hurricane Catastrophe Fund (FHCH). Prior to this position, I worked for INS Regulatory Insurance Services as a contract examiner-in-charge conducting market conduct exams.

I have several designations – Certified Insurance Examiner (CIE), Market Conduct Management (MCM), Fellow, Life Management Association (FLMI), Associate, Insurance Regulatory Compliance (AIRC), Certified Compliance Professional (CCP) and Certified Fraud Examiner (CFE).

In 1999, I graduated from the University of North Carolina at Wilmington with a Bachelor’s degree in Communication Studies and Leadership Studies. At UNCW, I met my wife Susanna and moved to Frederick, MD. We missed the beach so much that in 2005 we moved back to Wilmington where we live today with our two little girls, Isabella who is 4 and Juliana who is 6 months when we go to press. Now that I’m back in Wilmington, I can participate in my favorite hobbies – family, friends, boats and beaches; coaching high school sports, playing baseball and volunteering for some of my favorite charities.

I look forward to meeting you at CDS this year – please come and introduce yourself when you see me wandering the halls of the Westin. If you’d like to get involved with IRES either on the A&E committee or another of the various IRES committees, let me know and I’ll get you in touch with the proper parties to make that happen. You can reach me at parkerstevens@examresources.net.

Note: Starting with this issue, The Editorial Staff will have a short article each edition to introduce you to the Executive Committee members and the committees they chair. Each executive committee member is charged by our by-laws with the responsibility of chairing one of our standing committees. Too often, these dedicated people don’t get the recognition they deserve and so this feature will allow us to give them credit for the great work they do, and it will allow you, our members, to meet the people responsible for making IRES such a success. We hope that you enjoy the first of these articles.
Those Lazy, Hazy, Crazy Days of Summer Are Here

But you Still Have Time To Register for CDS - Career Development Seminar – 2012!

by Barry Wells, CCLA, MCM

Wow, talk about time marching by! It seems like it was only yesterday that we were saying Happy New Year and asking if you were planning on attending this year’s CDS in Florida.

We are quickly closing in on the conference scheduled for August 26 - 29, 2012, in Hollywood, FL at the Westin Diplomat Resort. Hopefully you and your colleagues have already registered. If not, why wait any longer?

Take a minute to look at the agenda and you will want to race to your computer and complete the on-line application.


Your Education Committee created a dynamic and robust CDS agenda filled with interesting topics and led by some of our most notable regulatory and industry experts. We think you’ll be impressed with this year’s offerings.

There are several new tracks in this year’s program. For example, take a look at the Market Regulation Track. It includes a progressive training approach beginning with Market Analysis training on Day 1, Market Conduct topics on Day 2, and a special Wednesday morning session about enhancements to the market regulation process. The sessions will discuss an introduction to market analysis, an update regarding what’s new in market analysis since last year, and using the continuum options. Also included will be sessions on market conduct training, covering the scope of the examination, effectively managing a market conduct examination, and finalizing the process in an efficient and effective manner that achieves the goals and objectives of the examination.

Speaking of “Hands On” sessions, you can find more in the P&C, Life/Health and IT tracks. We tried to standardize the hands-on curriculum by targeting topics to market conduct staff on Monday and to market analysis staff on Tuesday. Take a look at the agenda and see what fits best with your professional development needs.

New for this year’s CDS is the opportunity to enhance your learning through a focused Regulatory Skills Workshop for interested members who stay through Wednesday and take advantage of this additional day of sharing and learning. The Regulatory Skills Workshop is a Wednesday morning workshop where attendees will participate in lively brainstorming sessions to develop recommendations about how to enhance market regulation. The workshop will begin with small group discussions lead by IRES Past Presidents who have been active throughout their careers in the development of market regulation processes. Following the small group sessions, the groups will combine to share, discuss and consolidate their ideas and recommendations.

Each of the Market Regulation sessions is designed for regulators and industry professionals and the sessions are planned to encourage interaction with the audience. The objective is for each attendee to take away new ideas and best practices in all aspects of market regulation.

The Market Regulation track is one of many training opportunities at this year’s CDS. I encourage everyone to review the agenda.

The good news is it’s not too late to register!

You still have time to take advantage of the discounted registration prices until July 31st. For more information, here’s the link to the IRES website showing registration prices: http://www.go-ires.org/events/cds/2012

We all know that summer time is busy with work and family. Before you get

### Registration prices

<table>
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<tr>
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<th>Today - July 31</th>
<th>August 1 and later</th>
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<tbody>
<tr>
<td>Member (Regulator)</td>
<td>$395</td>
<td>$450</td>
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<tr>
<td>Member (Industry Sustaining)</td>
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<td>$645</td>
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<tr>
<td>Member (Retired)</td>
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<tr>
<td>Member (Student Sustaining)</td>
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<td>Non-Member (Regulator)</td>
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<tr>
<td>Non-Member (Industry, Non-Sustaining)</td>
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<tr>
<td>Add a Guest</td>
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<td>$125</td>
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NOTE: Payment must be received by the IRES office no later than July 31st to honor the ‘Today – July 31st’ rate.

continued on page 20
Did you know that Hollywood is located between Fort Lauderdale and Miami? We are hoping that you plan your family vacation around IRES’ CDS? Here 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 sight-seeing 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

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

Explore Florida!
There is plenty to see and do when you are not attending the Career Development Seminar & Regulatory Skills Workshop!

As always, we like to mention that it’s never too late to share your thoughts and suggestions for future CDS events. 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@wvinsinsurance.gov

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

Stephen M. Martuscello, CDS Co-Chair
steph.20@verizon.net

Barry Wells, CCLA, MCM, is a director of the Regulatory Insurance Consulting Practice of RSM McGladrey, Inc.
Monday’s General Session: Market Regulation and the ACA - 9:00 AM

<table>
<thead>
<tr>
<th>TRACK</th>
<th>MONDAY AUGUST 27, 2012</th>
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<tbody>
<tr>
<td><strong>MARKET REGULATION</strong></td>
<td>10:30–11:30AM</td>
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<tr>
<td>Skilled Reporting of Market Analysis Information</td>
<td>The Even Newer Market Regulation</td>
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<tr>
<td>CONSUMER SERVICES</td>
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<tr>
<td>Contractor Fraud</td>
<td>Personal Safety</td>
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<td>REGULATORY COMPLIANCE</td>
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<td>The State of State DOIs</td>
<td>Open Forum</td>
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<td>LIFE AND HEALTH</td>
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<td>Prompt Payment Laws</td>
<td>HMOs by Another Name?</td>
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<tr>
<td>PROPERTY AND CASUALTY</td>
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<tr>
<td>Conducting a Title Insurance Market Conduct Examination Part 1</td>
<td>Conducting a Title Insurance Market Conduct Examination Part 2</td>
</tr>
<tr>
<td>FINANCIAL REGULATION</td>
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<tr>
<td>Risk Focused Examinations Part 1</td>
<td>Risk Focused Examinations Part 2</td>
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<tr>
<td>INFORMATION TECHNOLOGY (SEMINAR)</td>
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<tr>
<td>Getting Useful Data from the Company</td>
<td>CAAT - Computer Aided Audit Techniques</td>
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<tr>
<td>INFORMATION TECHNOLOGY (HANDS-ON)</td>
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<td>Introduction to ACL</td>
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Tuesday’s General Session: Commissioners’ Round Table - 8:30 AM

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<tr>
<th>TRACK</th>
<th>TUESDAY AUGUST 28, 2012</th>
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<tbody>
<tr>
<td><strong>MARKET REGULATION</strong></td>
<td>10:00–10:50AM</td>
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<tr>
<td>CONSUMER SERVICES</td>
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<tr>
<td>Current Trends in Insurance Compliance and Regulation Part 1</td>
<td>Current Trends in Insurance Compliance and Regulation Part 2</td>
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<td>REGULATORY COMPLIANCE</td>
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<td>HMOs by Another Name?</td>
<td>Minding the Data Mining</td>
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<tr>
<td>LIFE AND HEALTH</td>
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<tr>
<td>Market Analysis and the Exchanges</td>
<td>Healthcare Data</td>
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<td>PROPERTY AND CASUALTY</td>
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<tr>
<td>Surplus Lines Update</td>
<td>Auditing Property Insurance Claims</td>
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<tr>
<td>FINANCIAL REGULATION</td>
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<tr>
<td>Reinsurance</td>
<td>Holding Company Analysis</td>
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<tr>
<td>INFORMATION TECHNOLOGY (SEMINAR)</td>
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<tr>
<td>Non-NAIC Technology and Market Analysis</td>
<td>MCAS - 1 Year After Big Rollout - Part I</td>
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<tr>
<td>INFORMATION TECHNOLOGY (HANDS-ON)</td>
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<tr>
<td>Quicklinks for Market Analysis Session</td>
<td>Quicklinks for Market Analysis Session II</td>
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* 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
IRES Career Development Seminar & Regulatory Skills Workshop
August 26-29, 2012 | Westin Diplomat Resort | Hollywood, Florida

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<thead>
<tr>
<th>TRACK</th>
<th>WEDNESDAY AUGUST 29, 2012</th>
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<tr>
<td></td>
<td>8:30–9:30AM</td>
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<tr>
<td>REGULATORY SKILLS WORKSHOP TRACK 2</td>
<td>MCM - CE Pilot Program</td>
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<tr>
<td>REGULATORY SKILLS WORKSHOP TRACK ADVANCED ACL TRAINING TRACK</td>
<td>Advanced ACL I</td>
</tr>
</tbody>
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Visit www.go-ires.org for a full list and descriptions.

Other Meetings of Interest

**Sunday**
- 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

**Monday**
- New AIE/Reception 6:00-7:00 PM

**Tuesday**
- Section Chair Post CDS Meeting 3:15 PM
- Board Meeting 4:00-5:30 PM
- Appreciation Function 6:00 PM

Thank You to the 2012 CDS Sponsors!

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- EideBailly
- McGladrey
- INS

Gold
- ER

Silver
- Coloney Fass Talenfeld Karlinsky Abate
- SVBF LAW

Bronze
- CRI Carr Risgs & Ingram

Patron
- DDP Group, Inc.
IRES Foundation’s School comes up BIG in Texas!

by Robin Clover, CPCU - Treasurer, IRES Foundation

It’s hard to believe that The IRES Foundation National School on Market Regulation was two months ago. Boy how time flies after a great School!

This year’s School took place at the Four Seasons Hotel in Austin, Texas. While the weather didn’t exactly cooperate on the first day of the conference, it quickly cleared up and everyone finally made it to beautiful Austin.

The Welcome Reception was loads of fun, as attendees enjoyed great food and wine while visiting with each other and catching up on all things regulatory. One of the high points of the evening was meeting all of the new attendees…we had a record number of new faces this year!

Texas Commissioner Eleanor Kitzman kicked off the event with an overview of market regulation and the many positive changes that are underway. The Commissioner’s Panel was once again one of the highlights of the School, with Missouri Insurance Director John Huff, Nevada Insurance Commissioner Scott Kipper, and Wisconsin’s Insurance Commissioner Ted Nickel answering the tough questions on everyone’s minds. This session is a new “must have” of our School, so you can look forward to it again next year.

We had a packed and diverse agenda – there was something for everyone with topics including Emerging Issues in Market Regulation, the Continuum of Regulatory Responses, What Not to Say During a Market Action, Holding Company Essentials, OFAC Compliance, International Regulatory Developments, Developing Corrective Plans in Response to Enforcement Actions, All Things Texas, Reinsurance Modernization, Hot Topics for P&C, Life, Annuities, and Healthcare, Advertising, Maintaining Records, and Risk Based Financial Exams.

We also added some workshops to the mix, including one on Developing an Internal Compliance Audit and Reporting Process. The Private Appointments with Regulators and the Regulator Roundtable were once again School favorites!

Nevada Insurance Commissioner Scott Kipper was our luncheon speaker and had the packed room in hysterics with his many stories.

This year’s School did have some very emotional moments. We honored our dear friend, Gary Hernandez, by establishing the Gary Hernandez Award. Gary was a partner with the SNR Denton Law Firm, a long time Member of the IRES Foundation Board of Directors, and was a fixture in the insurance industry. Gary passed away on May 27, 2011 and will forever be remembered as an important part of the insurance regulatory community whose vision and tireless efforts benefited excellence in insurance industry education and compliance.

The Gary Hernandez Award recognizes an insurance industry employee, vendor, consultant, or attorney who works in market regulation/compliance and is a role model who inspires and motivates others through efforts in insurance education. Gary’s wife, our dear friend Teri, joined us at the School and helped to award the first Gary Hernandez Award to Dave Kenepp, newly retired from Liberty Mutual. Dave, who is incredibly deserving of this award, was honored and deeply touched, as he and Gary were friends.

The Paul DeAngelo Award was presented to Jo LeDuc of the Wisconsin Department of Insurance. The crowd went crazy when her name was called, as everyone knows how hard Jo works and how well respected she is. You know the saying…”when good things happen to good people”…!

The ever popular Alex Trainwreck was back and hosted an exciting game of Jeopardy. Reigning champion Pam O’Connell of California once again

continued on page 25
IRES Foundation’s School Photo Gallery
defended her title and is ready to take on whoever thinks they can wrestle the honor away from her.

The School ended with Tuesday night at Buffalo Billiards. You would think this crowd would have had enough of each other by then but that was not the case, as everyone was having so much fun playing pool and shuffleboard that no one noticed that those in charge of Buffalo Billiards were politely telling us it was time to go. Time flies…

Finally, a big thank you to the faculty, vendors and sponsors who stepped up to support this year’s School. We simply couldn’t do it without you.

Be sure to join us for next year’s 20th Annual IRES Foundation National School on Market Regulation. We are going to make a repeat appearance in Savannah, Georgia at the Westin Savannah Harbor Hotel. It’s a great location we are sure you will enjoy immensely. We’re still working on a date, but it should be in April 2013. Check our website for current information – www.ires-foundation.org and we will be sure to post the date as soon as it’s confirmed.

As a reminder, IRES is allowing 15 CE credits for attendance along with significantly reduced registration fees for regulators.

We will see you there!

Robin Clover is Senior Director, Government Relations and Regulatory Support Services at Fireman’s Fund Insurance Company (FFIC), where she is responsible for the political, legislative, and regulatory activities in the midwest and western states. She has been with FFIC for over 20 years and has served in a variety of roles during that time, including all aspects of regulatory compliance, ethics, corporate culture/leadership, operations and executive project management.

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!

**GENERAL MEMBERS**

- Richard Ramos, AIE
- Grant Shintaku
- Adam Zimmerman

**SUSTAINING MEMBERS:**

- David Abel
- Tracy Arney
- Jim Bennett
- Tommye Frost
- Bennett Katz
- Christina Perfetti
- Mary Tresnak, MCM

**CICSR**

- Carla Bailey, CIE, CICSR, WA
- Ashley Natysin, CIE, MCM, CICSR, WI
- Tom Whitener, CIE, MCM, CICSR, WV

**MCM**

- Clifton Able, MCM
- Constance Arnold, MCM
- Jacqueline Butler, CIE, MCM, TX
- June Coleman, MCM
- Louis Crews, MCM
- John D’Amato, MCM
- Donna Di Matteo, MCM

- Ashley Fisher, MCM
- James C. Fitzgerald, MCM
- Angela Freedman, MCM
- Ronald Haughton, MCM
- Landon Hubbart, MCM
- Samantha Huber, MCM
- Delbert Knight, CIE, MCM
- Pheobe Lee, MCM
- John Lim, CIE, MCM, TX
- Stacy Mandelker, MCM
- Patrick McCarthy, MCM
- Jennifer McDonald, MCM
- Stephen Wright, MCM

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- Stacy Mandelker, MCM
- Patrick McCarthy, MCM
- Jennifer McDonald, MCM
- Stephen Wright, MCM
Al Gross and Jim Long Rookie of the Year Scholarship Award!

The Rookie of the Year Award is now permanent and it has a new name! It’s new name is in honor of two commissioners who were long-time IRES supporters, Al Gross of Virginia and Jim Long of North Carolina, both of whom passed away in recent years. This award is now known as the Al Gross and Jim Long Rookie of the Year Scholarship Award.

Congratulations to the Winners

Midwestern Zone
Shelly Herzing, Missouri Department of Insurance

Southeastern Zone
Arthur Dodd, Virginia Department of Insurance

Western Zone
John Huh, California Department of Insurance

At-large
Ida Cullufi, Georgia Department of Insurance

Don't miss our next issue due out about October 1st. We will be looking at what’s next for healthcare reform. And, we’re planning a special CDS issue with pictures and information about the sessions. If you have ideas for stories, please let us know – we’re always happy to take suggestions!

Your The Regulator™ Staff – Leslie, Lynette, Carla and Brenna

Contact us at TheRegulator@go-ires.org.