



Barry Wells

The Evolution of Market Regulation Accreditation

Yes, another article regarding the Market Regulation Accreditation Program, but hopefully from a bit of a different slant. The Program represents a prime example of taking an ambitious concept of process improvement through the regulatory process and demonstrates the collaboration between state regulators, the NAIC, and industry. This collaboration has been ongoing for many years, but with good reason given the intent of the Program is to introduce standards related to the market conduct process and to enhance uniformity across all state insurance departments. Frankly, it has been my good fortune to author this article, because I learned quite a bit about the background and development of the Program as well as gaining a much

better understanding of the nuances taken into consideration, and which have influenced the Program over the years. I am pleased to share a high-level overview of the Accreditation process. In researching this topic, I was heavily dependent on information maintained by the National Association of Insurance Commissioners' (NAIC) and in particular, the Market Regulation Accreditation (D) Working Group, whose leadership and members, past and present have worked diligently over the years to evaluate and advance the process. I also had the opportunity of informal discussion concerning the Program, with current and prior regulators and am very grateful for their input. That said, any errors made in this article are mine and certainly unintentional.

What I have attempted to do on the following pages is to offer a timeline including key associated activities, to give the readers some perspective regarding the evolution of Market Regulation Accreditation. As noted above, the regulators' original concept of the Program was focused on considering measures to ensure collaboration and uniformity amongst the NAIC member jurisdictions' (Members) regulatory activities, with an anticipated end goal that the Program would help to maintain and enhance that the market regulatory process would benefit the interests of regulators, consumers, and industry.

Starting in 2003, the NAIC adopted the Modernization Plan (the Plan), which established the following principles and goals for Market Regulation:

“. . .to assess the quality of every insurer's conduct in the marketplace, uniformity, and interstate collaboration. . .the goal of the market regulatory enhancements is to create a common set of standards for a uniform market regulatory oversight program that will include all states.”

Certain core competencies were developed to serve as the foundation for the Program, and the development of which was overseen by the NAIC's Market Regulation Handbook (D) Working Group.

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The core competencies focused on the following four areas:

Resources

Each accredited insurance department shall have adequate and enforceable market conduct statutes, rules and/or regulations, trained staff, and procedures regarding the use of contract examiners in place to protect state insurance consumers from harm caused by regulated entities' market practices, policies, and/or procedures.

Market Analysis

Each accredited insurance department shall have adequate and effective procedures in place for data collection and regularly scheduled in-depth analysis of relevant data in order to identify regulated entities/practices, which may require further analysis.

Continuum

Each accredited insurance department should evaluate and document problematic issues in the insurance marketplace by using the Continuum of Regulatory Responses. The Continuum of Regulatory Responses is used to guide the decision-making process when market analysis has identified an issue of regulatory concern.

Interstate Collaboration

Each accredited insurance department shall fully participate in all NAIC market databases, follow the collaborative action guidelines for referrals to MAWG and actively participate in multi-state collaboration activities, as necessary.

During the 2005 NAIC Winter National Meeting, the Market Regulation and Consumer Affairs (D) Committee adopted the core competencies, which was followed in 2006, by a survey, the NAIC conducted of all 51 Departments, regarding adoption of the Core Competency Standards. In response, 49 of the 51 Departments provided a feedback, of which 29 Departments advised they either had met the general requirements of the adopted core competency standards or would meet them by the end of 2007.

At the 2007 NAIC Winter Meeting in San Antonio, Texas, and based in part on the results of the afore-referenced survey, the

Market Regulation and Consumer Affairs (D) Committee discussed developing market regulation accreditation standards. Similar to the adoption of the Core Competency Standards, this discussion represented a significant step forward in developing the Program; with regulators taking a hard look at market regulation and advancing the process through the evaluation and consideration of potential standards. Additionally, discussions were undertaken regarding the NAIC issuing a Market Regulation Accreditation draft proposal (the Proposal) to gather underlying information that would be potential included in the Program.

Calendar year 2008 proved to be a busy period for regulators regarding the Program. The NAIC issued a revised draft Proposal, which focused on:

- 1) data collection and reporting;
- 2) market analysis;
- 3) market conduct examination protocols;
- 4) interstate collaboration;
- 5) oversight of contractors; and
- 6) treatment of confidential information.

Comments regarding the revised proposal were requested by Oct. 24, 2008. I mentioned earlier that the process of advancing the Program included industry input. A perfect example of this occurred in December 2008, when representatives of the National Council of Insurance Legislators (NCOIL) offered comments regarding the NAIC's authority to implement the proposal and concerns as to whether collected data would remain confidential once it was obtained by the NAIC and how the data would be used. The NAIC acknowledged the concerns and advised the comments would be taken into consideration in modifying the final Program to address these issues. Again, collaboration among the various stakeholders was a consistent throughout the Program's development.

Collaboration among the various stakeholders was a consistent throughout the Program's development.

In December 2009, the NAIC discussed a report by the Special Accreditation Standards (D) Working Group, who requested that an Executive (EX) Committee-Level Working Group be formed to oversee the development of the Program. The EX Committee-Level Working Group's goals included assisting in ensuring market accreditation is given the proper priority, consulting with NAIC staff regarding the NAIC's market regulation accreditation initiative and encouraging more commissioners to become involved in the discussion. In another significant, move forward, a new Market Regulation Accreditation (EX) Task Force (the Task Force) reporting to the Executive (EX) Committee, was approved as part of the 2010 committee assignment process. The Task

Force, which would include commissioner participation, had the charge to evaluate the work and proposals considered by the Market Regulation Accreditation (D) Working Group in 2009.

Calendar year 2010 was notable with the Market Regulation and Consumer Affairs (D) Committee's adoption of the Core Competencies on October 20, 2010. The Market Regulation Accreditation (EX) Task Force met in October to discuss the primary goals of the Program. One such key goal was to consider what role, if any, domestic deference should play in the market regulation examination process. Additionally, it was decided that moving forward with a draft accreditation proposal would be suspended until the Task Force had determined the goals of the Program and the Proposal could then be aligned to meet the agreed upon goals. Additional considerations by the Task Force included discussions with industry representatives, wherein it was decided that securing more input from the industry regarding market regulation overall would be beneficial to the Task Forces' work. In addition, elements of Financial Accreditation were discussed in context to development of the Program. Finally, the Task Force appointed a sub-group to develop a research plan to identify the issues that a market regulation accreditation program should address.

In November 2014 a Market Regulation Accreditation (D) Working Group (the Working Group) was appointed to develop a formal market regulation accreditation proposal for consideration by the NAIC membership.

The proposal would provide recommendations for the following:

- 1) accreditation standards;
- 2) a process for the state implementation of the standards;
- 3) a process to measure the states' compliance with the standards; and
- 4) a process for future revisions to the standards.

Throughout 2015, the Working Group discussed a projected timeline for developing a Market Regulation Accreditation Proposal, with the possibility that the final proposal would be presented to the NAIC membership in April of 2016. The Working Group agreed the project timeline would serve as a guideline to recognize that priorities and deadlines may change as the discussions progress; however, there was regarding managing the timeline and deadlines in context to delays impacting the overall progress. As such, the Working Group renamed the title of the "Project" Timeline to "Projected" Timeline and requested that the NAIC distribute the Projected Timeline and set a deadline of December 15, 2015 for comments.

In November 2015 the First Tier Requirements for Market Regulation Accreditation (the Requirements) were adopted by the Working Group. It was noted at the time that modifications may be required as the Requirements were implemented. This is an important point in as much as while different aspects of the overall Program were being addressed, the Working Group was diligent in their awareness that flexibility would be necessary to consider modifications as the Program evolved from input of individual states with varying opinions regarding the Requirements and Market Regulation Accreditation overall. Additionally, input from industry groups was another important

consideration. The Market Regulation and Consumer Affairs (D) Committee noted that the Proposal anticipated two years to prepare with the Program to begin in 2018, which varied from the original plan of one year to prepare and accreditation to begin in 2017. Finally, the Committee discussed developing an Assessment Checklist to be used to help facilitate the accreditation process. A timeline was established for the development of the checklist by late 2016.

During 2016, several important changes occurred in the evolution of the Program. First the Working Group deliberated regarding an initial option that would address some states' concerns regarding the Program. As a compromise, in July 2016 the Market Regulation and Consumer Affairs (D) Committee and the Market Regulation Certification Working Group adopted the NAIC Voluntary Market Regulation Certification Program (the Certification Program). The name of the Working Group was changed to the Market Regulation Certification Working Group. The Certification Program and related tools would be in place as ongoing discussions continued regarding a formal Market Regulation Accreditation Program. As such, the purpose of the

Certification Program was stated as follows:

"To establish and maintain standards that promote sound practices relating to the market conduct examination, market analysis and related continuum activity functions performed for insurance consumer protection. Insomuch as the program is anticipated to evolve and improve over time, it is anticipated that additional functions necessary for sound consumer protection may be developed in the future. The certification program is designed to provide an initial process that facilitates each jurisdiction's ability to conduct self-evaluation. An ultimate goal is to develop measurable and meaningful standards that can be independently evaluated and monitored."

The Committee and the Certification Working Group adopted the following drafts:

- Implementation Plan adopted Market Regulation and Consumer Affairs (D) Committee – Nov. 30, 2016
- Implementation Plan adopted by the Market Regulation Certification (D) Working Group – Nov. 3, 2016
- Guidelines and Checklist adopted by the Market Regulation and Consumer Affairs (D) Committee – Aug. 27, 2016
- Guidelines and Checklist adopted by the Market Regulation Certification (D) Working Group – July 28, 2016

The following are the NAIC links you may utilize to access the above information.

www.naic.org/documents/cmte_d_mra_wg_related_voluntary_market_regulation_certification_program.pdf?44

www.naic.org/documents/committees_f_exposure_review_process_procedures.pdf?99

Since 2016 the Certification Working Group has continued to advance the Certification program with the ultimate goal of developing a formal market regulation accreditation proposal.

The following is stated as the Certification Working Groups Charge for 2019:

“Develop a formal market regulation accreditation proposal for consideration by the NAIC membership that provides recommendations for the following: 1) accreditation standards; 2) a process for the state implementation of the standards; 3) a process to measure the states’ compliance with the standards; and 4) a process for future revisions to the standards.”

In conclusion, I hope I have provided some helpful information regarding the background, progress and current status of the Market Regulation Accreditation process. There are many more discussions and meetings that make up the back-story of accreditation than what I was able to capture for this article, and consequently, I hope that I have done justice to this important process with this high-level overview. Most importantly, I hope I have properly highlighted the level of commitment and collaboration that has gone into this effort. Has the process taken too long? I think not when you consider the scope of the issue, priorities of the various stakeholders and some of the divergent interests, which needed to be addressed in moving forward. ■

Thank you for your time and let me leave you with the following quote:

“It must be considered that there is nothing more difficult to carry out nor more doubtful of success nor more dangerous to handle than to initiate a new order of things.”
 ~ Machiavelli

About the Author:

Barry Wells is a Senior Director with Risk & Regulatory Consulting, LLC. He has over 30 years of insurance industry and consulting experience and over 12 years of experience in leading and performing market conduct examinations for lines of business including health, property/casualty and title insurance. Barry has led a number of multi-state examinations, including those involving advisory organizations. He has extensive technical and executive level experience related to the insurance industry, including evaluating insurance operations and controls, with a focus in claim management, regulatory compliance and TPA management. Barry’s experience includes the management of large, complex market conduct examinations and special projects.



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The IRES MCM® Course will follow the IRES Foundation National School on Market Regulation at the same venue on March 27-29, 2019. [See details regarding upcoming MCM Courses.](#)

Letter from the President



Martha Long

Hello IRES!

Spring is just around the corner! January brought record breaking temperatures around the country and I hope those cold days gave our members an opportunity to stay inside and recharge. For IRES, this time of year brings the end of membership renewal season. I hope everyone has had a chance to sign into Y-membership, update their information and get to know the YM community.

YourMembership, aka YM, our new membership platform, provides me with an opportunity to learn a new computer platform. It has lots of bells and whistles that IRES has just begun to explore. The A&E Committee is testing a new feature that was introduced by creating file repositories. That means more approved committee minutes will be easily accessible to membership making it easier to keep up with the activities of the organization. The Education Committee is considering the use of the YM platform to make educational available and accessible to our members. I look forward to how that can make our member benefits easier and more robust for sharing information and creating opportunities for that extra CE credit we all need from time to time.

Each week I get a "Weekly Digest" in my email from YM. I hate to admit that I often delete it because I am not sure how it makes my life easier. The answer is it doesn't unless I chose to make it work for me. I started by asking what the Weekly Digest can do for me and this is what I discovered.

The benefits of the Weekly Digest include:

1. Weekly calendar of events (including the committee calls for the week)
2. If a member has an unpaid invoice, then there is a link to pay upon logging in
3. There is a link for members to engage with other members through the portal

With this in mind, I am going to start putting this useful tool to work to help me maximize my IRES Benefits. The Digest is going to be my signal to log on to YM and find out what's new. I hope some of you will too.

Our committees are in full swing moving IRES forward. I want to thank all the committee chairs and sub chairs as well as the loyal committee members, some who bring historical reference to our goals and some who bring fresh new insight. You are making a difference and keeping our organization strong.

As a reminder this year's committee chairs are as follows:

- Accreditation and Ethics Committee, Shelly Schuman, AIE, AMCM
- Budget and Finance Committee, Sam Binnun, MCM
- CDS Committee, LeAnn Crow, CICSR, AMCM
- Education Committee, Lisa Brandt, AIE, CICS, AMCM
- MCM/AMCM Committee, Pieter Williams, MCM
- Meetings and Elections Committee, Kenneth Allen, AIE
- Membership and Benefits Committee, Randy Helder, AIE
- Publications and Public Relations Committee, Kallie Somme, MCM

There are just a few short months before we will be together again in Spokane, Washington, the city of choices. I hope you will make the choice to join us for CDS. The Wall Street Journal called Spokane one of the six great small cities for food lovers. I can't wait to taste the food the city has to offer. There will be lots of session choices as well. Don't forget, if you are interested in getting your MCM, there will be an MCM class in Spokane, following the CDS. ■

Thanks for your commitment to making IRES a great organization.



Market Regulation and Consumer Affairs (D) Committee

With 2019 upon us and most states very busy with legislative sessions, the following update is provided as a snapshot of what is occurring at the NAIC. I hope this brief review provides regulators and industry an opportunity to learn more about the key changes and initiatives in 2019.

Leadership of Market Regulation and Consumer Affairs (D) Committee

The 2019 NAIC Committee assignments are complete with some significant changes for the Market Regulation and Consumer Affairs (D) Committee. Director Chlora Lindley-Myers (MO) was appointed as Chair of the D Committee and Commissioner Allen Kerr (AR) was appointed the Vice-Chair. There is also new leadership for the three task forces reporting to the D Committee. Commissioner John Franchini (NM) was appointed Chair of the Antifraud (D) Task Force and Commissioner Trinidad Navarro (DE) was appointed Vice-Chair. Director Lori Wing-Heier (AK) was appointed Chair of the Market Information Systems (D) Task Force and Director Chlora Lindley-Myers (MO) was appointed Vice-Chair. Finally, Director Larry Deiter (SD) was appointed Chair of the Producer Licensing (D) Task Force and Mike Kreidler (WA) was appointed Vice-Chair.



Tim Mullen

Market Conduct Annual Statement

Discussions surrounding the Health Market Conduct Annual Statement (MCAS) remain at the forefront. Industry submitted the first filing of the Health MCAS in September of 2018. While industry and regulators worked together to develop the health blank, industry reported they encountered issues that made it difficult to gather and submit complete data. In response to these concerns, state insurance regulators agreed to not publicly post the health MCAS scorecards for the initial filing. This decision was based upon concerns with data quality and the consistency of how companies reporting the health data in MCAS. In addition, there were some concerns it might be possible to identify individual companies since there are some states that have only a few insurance companies filing health MCAS data. Following up these decisions in the Fall of 2018, the Market Conduct Annual Statement (D) Working Group held an interim meeting in January to discuss industry's concerns. This was a very productive meeting with a review of detailed filing issues, which will lead to enhanced filing instructions for the filing of 2018 data in 2019. Because of these changes, the Working Group also recommended moving the filing deadline for health MCAS data from May 31 to June 30.

The lender-placed auto and homeowners MCAS data will be collected for the first time beginning with the 2018 data year. The reporting deadline for the first filing year is June 30, 2019. The Market Conduct Annual Statement (D) Working Group is developing a draft MCAS blank for Private Flood Insurance. Modeled after the MCAS blank for homeowners insurance, the proposed flood blank includes the collection of data for claims, underwriting, lawsuits, and complaints. Finally, the Market Conduct Annual Statement (D) Working Group is recommending June 30, 2020, as the filing deadline for the first filing of the Disability Income MCAS data.

Short-Term Limited Duration Data Call Template

With recent policy changes at the Federal level, the Market Analysis Procedures (D) Working Group is developing a data call template for jurisdictions considering a data call regarding short-term limited duration and association health plans that do not meet federal Affordable Care Act requirements. The data call template is being developed in lieu of adding this line of business to the MCAS to assist states in obtaining the data more quickly than going through the process of adding the line to the MCAS. While still being developed, the data call will collect information regarding number of covered lives under individual plans and group plans, number of times the contract is renewable, and number of claims submitted, paid, and

denied. The data call will also seek to identify if a plan is marketed through an association, the name of the association, and situs of the association plan. The Working Group, in coordination with the Market Conduct Annual Statement (D) Working Group may ultimately use the data call to assist in the creation of a new MCAS blank for the coordinated collection of data in future years.

Mental Health Parity Examination Guidance

The Market Conduct Examination Standards (D) Working Group adopted a new mental health parity guidance document and data collection tool to determine insurers' compliance with the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA). Because Federal law relies on state insurance regulators to enforce health reform provisions, the intent of these documents is to provide guidance to state insurance regulators when reviewing insurers whose business includes major medical policies offering mental health and/or substance use disorder coverage. Per the established guidance from the Working Group, MHPAEA regulations generally require that any financial requirement (copayments, deductibles, coinsurance, or out-of-pocket maximums) or quantitative treatment limitation (day or visit limits) imposed on mental health and substance use disorder benefits not be more restrictive than the predominant financial requirement or treatment limitation of that type that applies to substantially all medical and surgical benefits. MHPAEA applies to major medical group and individual health insurance. The development of state market conduct compliance tools for MHPAEA will result in enhanced state collaboration and provide more consistent interpretation and review of parity standards.



Cybersecurity Examination Standards

Cybersecurity and data privacy remain a top priority with the Market Conduct Examination Standards (D) Working Group developing an insurance data security pre-breach checklist for inclusion in the reference documents of the NAIC Market Regulation Handbook and an insurance data security post-breach checklist for inclusion in the general examination standards of the Handbook. This guidance is being developed for states that have enacted the NAIC Insurance Data Security Model Law (#668) or legislation which is substantially similar to the model. The effort of the Working Group incorporates language the IT Examination (E) Working Group adopted in October and published in that Working Group's financial examination guidance. As this guidance is developed, the Market Conduct Examination Standards (D) Working Group has recognized pre-breach examination of insurance data security is typically covered during financial examinations. In summary, both financial examiners and market conduct examinations play an important role in cybersecurity protection, and each jurisdiction will decide whether market examiners, financial examiners, or a combination of the two should perform pre-breach and post-breach review of regulated entities.



Voluntary Market Regulation Certification Program

The pilot program for the Voluntary Market Regulation Certification Program concluded at the end of 2018 with the following 18 jurisdictions having participated: Alaska, Arkansas, Indiana, Iowa, Kansas, Missouri, Montana, Nebraska, New Hampshire, New Jersey, Oklahoma, Oregon, Texas, Vermont, Washington, West Virginia, Wisconsin, and Wyoming. The pilot jurisdictions conducted self-assessments on how completely they comply with the 12 certification requirements that address such areas as statutory authorities, appropriate levels of qualified market conduct staff, collaboration with other jurisdictions, participation in market regulation working groups, and reporting data to NAIC market information databases. In 2019, the Market Regulation Certification (D) Working Group will consider changes to the Market Regulation Certification based on recommendations from the pilot program and present a final recommendation on next steps to the Market Regulation and Consumer Affairs (D) Committee.

Availability and Affordability of Auto Insurance

The Auto Insurance (C/D) Working Group oversaw the development of Tableau tools at the NAIC so that states have access to easy-to-use analysis tools in order to investigate their auto insurance markets at a ZIP code level, including comparing premiums and loss costs to demographic data in their states. During the 2018 NAIC Fall National Meeting, the Working Group was disbanded after completing its charges. The Property and Casualty Insurance (C) Committee will now oversee completion of a public report that will help to inform the public of the challenges of measuring affordability and providing ZIP code level maps showing average premiums, severity, frequency and income information. This work is expected to be completed by the 2019 NAIC Spring National Meeting.

Big Data and Market Regulation Impact

While the Casualty Actuarial Statistical (C) Task Force continues to draft proposed changes to the Product Filing Review Handbook to include best practices for review of predictive rating models and analytics filed by insurers, the Big Data (EX) Working Group began discussing the use of data for life insurance underwriting in the Fall of 2018. The use of less intrusive and quicker underwriting for life insurance products is seen as a positive step; however, there are questions regarding whether existing laws and regulatory practices provide the necessary consumer protections. Most notably, the Working Group discussed whether state insurance regulators, such as market conduct examiners, have sufficient tools to evaluate the legality and appropriate use of big data and predictive models used for accelerated life insurance underwriting. As we move into 2019, these issues will likely remain a focus of the Working Group and may involve discussions with the Market Regulation and Consumer Affairs (D) Committee.

Active Market Regulation State Ahead Projects

This year marks the second year of the NAIC Membership's three-year State Ahead strategic plan that provides a blueprint for the NAIC and state regulators to meet the demands in a rapidly changing environment driven by consumer expectations and technology. While there are multiple projects related to the core theme of consumer protection and education, I want to highlight two priority projects.

The first project is the redesign of the Market Conduct Annual Statement application. The business need to extend MCAS to support additional lines of business has increased and is expected to increase in the future. Since its initial release, the MCAS blanks have expanded from personal lines auto, home, life, and annuity to include long-term care insurance, health insurance, lender-placed insurance, and disability income insurance. The objective of this project is to accommodate these changes by leveraging a cloud framework which will require less maintenance, adjust for peak usage, and easily scale for the addition of new lines of business. Industry users will benefit from an improved user interface that will walk the user through various sections of the MCAS statement filing with improved file upload performance.

The second project is the redesign of the Consumer Insurance Search which will provide Tableau dashboards and an enhanced company search component to be included on the NAIC home page. These enhancements will provide a more consumer-driven experience in obtaining public information about insurance companies.

Involvement in 2019 Activities

I would like to invite and encourage regulators, consumer representatives, and industry representatives to become involved in NAIC activities. Please review the NAIC weblink for the Market Regulation and Consumer Affairs (D) Committee, its three task forces and working groups for updates on the appointment of 2019 Working Groups and Chairs (https://www.naic.org/cmte_d.htm). For anyone wanting more information about State Ahead, the complete State Ahead plan is available at https://www.naic.org/documents/state_ahead_strategic_plan.pdf. ■

About the Author:

Tim Mullen, JD, MBA, CPCU, CIE, is the Director of Market Regulation at the National Association of Insurance Commissioners. He oversees a wide range of activities supporting NAIC committees, task forces and working groups addressing antifraud, consumer services, market analysis, market conduct examinations, and producer licensing. He joined the NAIC in 1997 and was with the Missouri Department of Insurance prior to joining the NAIC. In addition to his work in state government, he worked for Aetna Insurance and was a practicing attorney before joining Aetna. He is a member of the Missouri Bar and the Kansas Bar, the 2009 recipient of the Paul L. DeAngelo Memorial Teaching Award from the IRES Foundation, and serves as President of the Kansas City CPCU Chapter implementation in all 50 states.

Educational Corner

ARE YOU ON TRACK?

Are you on track to complete your 15 CE credits by August 31st? If the answer is no and you are looking for ways to earn CE credit, consider:

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Up to 12 CE credits can be earned for insurance related seminars and conferences that provide a certificate of attendance. Or better yet, earn all 15 CE credits by attending the Career Development Seminar (CDS). This year the CDS is August 18-22, 2019 in Spokane, Washington.

Writing an article for The Regulator®.

You can earn up to 5 CE credit per for authoring an insurance related article for The Regulator®. Visit the on-line submission form for more information and/or to submit an article.

Earning an MCM® designation.

You will earn 15 CE credit for attending an MCM program. A list of the upcoming MCM programs is available on the IRES website.

Participating in an IRES Committee or Subcommittee.

Up to 3 CE credits can be earned by actively participating on IRES committees and/or subcommittees. View a list of the IRES committees and/or volunteer to help on the IRES website.

Taking a self-study insurance related course.

Many courses sponsored by the various national insurance institutes and educational providers qualify for CE. And did you know that many of these providers offer a discount to qualifying general members (i.e. regulators, independent contractors). See the Membership Discount Programs page of IRES website for more information.

Please refer to the NICE Program Manual for complete details about what qualifies for CE credit. If you have any questions, please contact the IRES office.



Jo A. LeDuc

NEWS FROM AHIP

The IRES partnership with America's Health Insurance Plans (AHIP) will continue in 2019! Qualifying general members of IRES can get a 20% discount on AHIP courses* throughout 2019.

AHIP courses are all in on-line format. Many of the courses can be used in the pursuit of IRES designations and most of the courses qualify for continuing education credits under the NICE program. Information about the courses offered by AHIP is available on-line at www.ahip.org/insurance-education.

To utilize the benefit, please contact the IRES office for a coupon code to use when registering for an AHIP course.

*Excludes the agent/broker training for the Federal Marketplace, Medicare + Fraud, Waste and Abuse Training, publications, taxes, and shipping charges. ■

CONGRATULATIONS TO THE NEWEST IRES DESIGNEES

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Barbara Hudson	CIE	Melinda Rademan	AIE
James Janus	AIE	Jessica Schimpf	AIE, CIE
Amy Liston	CIE	Anna Simone Null	AIE
		Troy Smith	AIE
		Eli Snowbarger	AIE

Zoning In



Kathy Donovan

Northeast Zone

Delaware

The Department of Insurance adopted a new regulation titled "Arbitration of Disputes Between Carriers and Primary Care and Chronic Care Management Providers" (18 DE Admin. Code 1319) which became effective Jan. 11, 2019. Applicable to group and blanket health insurance, this regulation requires a carrier to provide written notice to a provider of a carrier's final decision regarding reimbursement for an individual claim, procedure or service, if the decision does not authorize reimbursement of the provider's charge. This notification must also give the provider notice of the provider's right to arbitration through the Department's arbitration program, by including,

at a minimum, required language set forth in the regulation. Additional requirements include carrier record-keeping and reporting requirements, arbitration procedures and non-retaliation provisions.

New Hampshire

On Jan. 29, 2019, the Insurance Department announced that beginning in the next few weeks, they will engage with an external consulting actuary to review some rate filings. The Department indicates that "the purpose of this arrangement is to continue to process filings in a timely manner while the department addresses staffing issues" with the expenses related to the review by the external consulting actuary to be paid by the filing entity.

New York

The Department of Financial Services addresses the use of external consumer data and information sources in underwriting for life insurance in Circular Letter 2019-1. Issued Jan. 18, 2019, the Department advises insurers of their statutory obligations regarding the use of external consumer data and information sources in underwriting for life insurance. Issues and concerns are presented and discussed along with the following conclusion: "The Department supports efforts to improve the effectiveness and timeliness of insurance underwriting decisions in order to provide consumers with increased access to financial services consistently with law. Accordingly, an insurer should not use external data sources, algorithms or predictive models in underwriting or rating unless the insurer has determined that the processes do not collect or utilize prohibited criteria and that the use of the external data sources, algorithms or predictive models are not unfairly discriminatory. The insurer must establish that the external data sources, algorithms or predictive models are based on sound actuarial principles with a valid explanation or rationale for any claimed correlation or causal connection. An insurer must also disclose to consumers the content and source of any external data upon which the insurer has based an adverse underwriting decision."

Southeast Zone

Florida

Informational Memorandum OIR-19-01M, issued on Jan. 8, 2019, reminds insurers that while Emergency Order 234790-18-EO for policyholders impacted by Hurricane Michael expired Jan. 7, 2019, certain statutory provisions remain in effect as follows: 'Upon a declaration of an emergency pursuant to s. 252.36 and the filing of an order by the Commissioner of Insurance Regulation, an insurer may not cancel or nonrenew a personal residential or commercial residential property insurance policy covering a dwelling or residential property located in this state which has been damaged as a result of a hurricane or wind loss that is the subject of the declaration of emergency for a period of 90 days after the dwelling or residential property has been repaired. A structure is deemed to be repaired when substantially completed and restored to the extent that it is insurable by another authorized insurer that is writing policies in this state.'

Georgia

Directive 19-EX-1, issued Jan. 15, 2019, addresses the Department's requirement that insurers utilize the Georgia Company Portal (Portal) for transmitting responses to all Consumer Services Division inquiries. This Directive provides Portal access information, instructions on how to find specific Portal Account Administrators and insurer group considerations, as well as some detail on the processes it uses to track complaint statistics and the requirement that "if an insurer is part of a group, the NAIC number for the insurer involved in the particular complaint inquiry must be included with the insurer's response."

Puerto Rico

Ruling Letter CN-2019-245-D, issued Jan. 11, 2019, provides information for the Office of the Commissioner of Insurance expedited mediation process to resolve disputed claims related to Hurricanes Irma and Maria. The Ruling Letter sets forth guidelines for these expedited mediation processes including mediation requirements, initiation of the process, appointment of the mediator, inspection of the affected property, discovery of evidence, mediation meetings and mediation reports.

Midwest Zone

Michigan

HB 6491, effective Jan. 20, 2021, requires each licensee to develop, implement, and maintain a comprehensive written information security program, based on the licensee's risk assessment, that contains administrative, technical, and physical safeguards for the protection of nonpublic information and the licensee's information system. Other requirements established include:

- **Bulletin 18-B-12, dated Sept. 17, 2018 (and later amended to include additional counties on Sept. 19, 2018), addressed the activation of the state of disaster automatic stay of proof-of-loss requirements, and premium and debt deferrals for the identified counties.**

- Bulletin 18-B-11, dated Sept. 17, 2018 (and later amended on Sept. 19, 2018) ordered the activation of NCDOL's Disaster Mediation Program, following the President's Sept. 14, 2018 declaration of disaster for North Carolina in specified counties. The Bulletin further advised that insurers are required to notify all first-party disaster claimants in identified counties of their right to mediate "disputed claims," as that term is defined under section 58-44-75.
- Bulletin 18-B-09, dated Sept. 10, 2018, reminds health benefit plans of compliance requirements applicable to obtaining extra prescriptions during a state of emergency or disaster. This authorization of extra prescriptions during this state of emergency is valid for prescription medication requests made within 29 days of Sept. 10, 2018, unless extended by an order issued by the Commissioner.

Minnesota

Issued Jan. 16, 2019, Bulletin 2019-1 provides information to property and casualty insurers concerning disaster planning, preparedness and response if a disaster occurs. The stated purpose of the Bulletin is to: (1) Proactively provide the Department with a snap shot of the insurance companies that may have exposure to a particular catastrophic loss; (2) Provide information the Department needs to effectively and promptly take action to assist consumers, businesses and regulated entities if and when disaster events occur; and (3) Describe the data that Property and Casualty insurers will be expected to provide upon request. Also included in this Bulletin is key information on the duties and responsibilities of company disaster liaisons, pre-disaster data survey (including required steps to request that certain information be classified as a trade secret), post-disaster actions and required "post-disaster" claim data.



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Western Zone

Colorado

Regulatory requirements applicable to short-term limited duration health benefit plans have been amended and are effective Apr. 1, 2019. Included in these revisions are requirements for such plans to provide many of the same protections afforded by ACA qualified plans. In announcing the adoption of amended Regulation 4-2-59, the Division of Insurance noted the following key changes for these plans:

- Because short-term plans meet the state definition of health benefit plans, they must cover essential health benefits mandated by Colorado law, such as preventive services, prescription drugs, hospitalization and maternity and newborn care.
- Premiums for such plans can vary only due to the same factors as ACA-qualified plans: family (individual vs. family plan), geographic rating area, age (with premiums for the oldest to be no more than three times the cost of the youngest, a 3:1 ratio), tobacco use and the benefits of the plans themselves.
- The health status of enrollees, and their claims history, cannot be used to calculate or vary premiums.
- Policies are guaranteed-issue, meaning that anyone who applies must be accepted. However, such plans do not have to cover pre-existing conditions and may exclude such conditions from coverage.
- As with ACA individual and small group plans, short-term plans must achieve a medical loss ratio (MLR) of 80%.

Oregon

The Oregon Division of Financial Regulation Memorandum of Aug. 9, 2018 addressed the marketing, sale or offer of short-term health insurance policies. The division noted that the federal rule on short-term, limited-duration insurance does not limit a state's ability to establish laws regarding these plans and reminded the industry and consumers that "it is a violation of Oregon law to market, sell, or offer short-term health insurance policies that exceed three months, including renewals, and a new policy cannot be issued to a customer within 60 days of expiration."

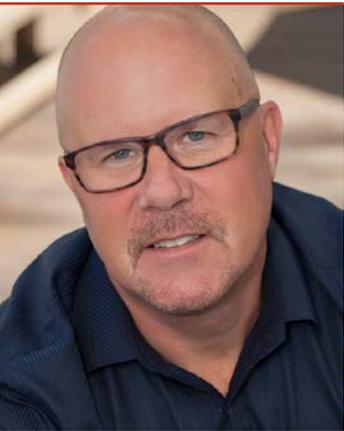
- An insurer shall use its full authorized name, as shown on its certificate of authority, in all activities relating to the transaction of insurance.
- An insurer may use an identifier without its accompanying authorized name if the use does not involve the actual solicitation or transaction of insurance.
- A name must not deceive or mislead a person to believe that an insurer is organized differently than it really is organized.

The Division also provides information and examples concerning name changes and required filings. ■

About the Author:

Kathy Donovan is Senior Compliance Counsel, Insurance with Wolters Kluwer Financial Services. Kathy has more than two decades of experience in insurance compliance. Her expert commentary on legal and regulatory issues affecting the insurance industry is widely published and she is a regular presenter at various industry events.

What is a Surety Bond?



Greg A. Rynerson

Despite surety bond's prevalence, there are a lot of people that are still confused about how a surety bond functions. But despite the confusion, one thing is for certain, no one can deny that a surety bond is a well-established part of any industry that requires it. And there are plenty of them.

For instance, a person who is applying to become an auctioneer will be required to submit and maintain a sufficient surety bond. Failure to do so will lead to non-issuance of an auctioneer's license.

A surety bond is also required of contractors who are bidding for a project, whether the construction project is a private or a public one.

It's safe to say that surety bonds are indispensable and truly valuable protection tools. To further understand why this is so, we will delve into not just the what, but the who, why, and how of surety bonds as well.

What is a Surety Bond?

Surety bond is a written tripartite financial agreement and risk-transfer mechanism. The three parties involved are the Principal, Obligor, and the Surety.

The principal is the party who will purchase the bond and who is required to perform the obligations set forth in the bond.

The obligor, on the other hand, is the party that requires the principal to furnish a surety bond and is also the bond's beneficiary.

The surety is the party that guarantees the faithful performance of the principal to the obligor. If the principal fails to perform the obligations, the obligor will have the right to file a claim against the surety bond.

Because of the surety's right of subrogation, the surety will have to step into the shoes of the principal when such claim arises. Once the claim has been verified and paid, the surety will have the right to recover the costs of making such payment.

Understanding the role of the Surety

Being a surety is no easy task because the surety will assume the dangers that is inherent in answering the obligations of another. Even Greek philosopher and mathematician Thales of Miletus said the "surety ship is the precursor of ruin."

Because of this, the principal's qualifications to perform will be assessed as well as the terms and conditions of the bond. Each principal will go through the prequalification process or what

is known as underwriting. An underwriter will rigorously check the principal's business or job performance history, credit score, and financial capacity.

An underwriter will assess whether the principal will be able to finish the obligations without hindrance or delay.

A surety will also check the underlying statute, regulation, or agreement upon which the bond is conditioned. This is especially true of bonds that are required by law. The surety will have to study the underlying law because there are cases wherein the clause stated on the bond is different from what's mandated by a statute.

A surety will not be able to understand the extent of the conditions without first studying the law that requires it. In addition, a statute cannot be changed by the protective conditions that are built into the bond.

The Law of Surety Bond was derived from these three English laws: Common Law, Equity, and the Law Merchant of London. Basic laws of a suretyship includes the following:

- All parties to the bond must have fair and honest dealing.
- If the obligor or principal conceals material facts or if there is a fraudulent collusion between the obligor and the principal with the intent of hurting the surety, the surety will have the right to be released from obligations.
- Before a principal or obligor can alter the terms of the bond, they must first inform the surety.
- The surety will have the right to indemnity.
- A badly worded contract is not acceptable. An ambiguous contract will be construed to the party who drew it.
- In case of two sureties, the surety who paid for a claim is entitled to the contribution of the other surety.

How much should the principal pay for a surety bond?

This will depend on the bond amount required by the obligor and the principal's credit score. The amount will not be the same for all principals since the bond amount required varies per industry.

The amount that the principal must pay the surety is known as a bond premium. If the principal has an excellent credit score, the said person will only pay 1% of the bond amount as premium. Let's take the case of a Paid Solicitor (principal) who is applying for a license.

In some states, the bond amount required by the Secretary of State (where the principal is located) is \$10,000. If the said principal



CONTINUED ON PAGE 13

has an exemplary credit score, he or she will only need to pay the surety \$100 as bond premium!

Contrary to popular belief, a bond premium is not a recurring monthly fee. Depending on the validity of the bond, the principal will only need to pay a bond premium during the initial application and succeeding bond renewals. However, there are bond premiums that will only need to be paid once. Some bonds have a validity of one year, while others are continuous in nature.

Can a person still get a surety bond even with bad credit?

Yes! Back in the day, surety bonds were not issued to persons with bad credit because of the risks. But nowadays, it is very much possible to get a bond with bad credit.

Keep in mind that not all sureties accept those who have bad credit. There are sureties with bonding programs that specifically help those who have less than acceptable credit scores. Their aim is to give every person a chance to fulfill their dreams – whether starting a business or getting a license.

Those with bad credit will go through the same prequalification process. The underwriter will assess the bond premium amount based on the principal's credit score, performance history, and finances.

A bond premium quote will be sent to the principal. Once the principal have paid the bond premium and have signed the indemnity agreement, the bond will be issued.

Award Nominations Open

Al Greer Achievement Award

In 1998, the IRES Board of Directors established the Al Greer Achievement Award in honor of Al Greer. Mr. Greer was one of the original state insurance examiners who had the vision to establish the Insurance Regulatory Examiners Society in the late 1980s. As a founding father of IRES, Mr. Greer helped fashion the mission of IRES, namely, to raise insurance regulation to a highly respected profession marked by technical proficiency and ethical behavior. He went on to serve on its Board of Directors and was later elected treasurer and was always willing to help where ever he was needed. The Al Greer Achievement Award is presented annually to an insurance regulator and IRES member who not only embodies the dedication, knowledge and tenacity of a professional regulator, but who exceeds those standards. Mr. Greer himself was the first recipient of this award in 1997.

Candidates for the Al Greer Award must be insurance regulators who not only embody the dedication, knowledge and tenacity of a professional regulator, but also exceed those standards.

In addition, a nominee must:

- Have at least ten years of regulatory experience
- Have at least five years as an IRES general member

There are so many sureties out there, how can I pick the right one?

The first thing to do when choosing a surety is to check the surety's legitimacy. It goes without saying that the right surety can help propel your business to success.

Not all sureties are licensed to conduct business in all 50 states. If you want to know if a surety is authorize to do business in yours, you need to contact your state's insurance department.

Sureties check the character of a potential client. It is only fair that you should do the same, too. Some of the questions that you should seek answers for are the following:

- Can the surety be trusted?
- Does the surety have a good track record?
- Is the surety part of a reputable organization?
- Does the surety have enough financial strength to back you up?
- Can the surety easily guide you through the necessary steps in order to obtain the bond that you need?
- How accessible is the surety?
- Can the surety patiently explain the terms of the bond and simplify any technical terms?
- Is the surety helpful and polite?
- How long has the surety been in the business? ■

About the Author:

Greg A. Rynerson, CPCU has been in the surety bond industry for over 25 years. He is the holder of the CPCU insurance designation which is similar to having a masters degree in insurance.

Greg is currently President of Surety Bond Authority, Inc which is a mid-sized nationally based surety bond company. There is abundant information, updates, about the surety bond industry on our website; <https://suretybondauthority.com>.

- Be a current General member of IRES
- Not be currently serving on the IRES Board of Directors

The Chartrand Communications Award

This award is to recognize those who have made a difference to IRES through their actions. Who has really strived to keep IRES moving toward the future? Who has helped increase membership and promoted us outside of the conference and in the insurance community? Who continually tries to make a difference in IRES? We know these unsung heroes deserve to be recognized.

- For this award, the nominee does not need to be an IRES member.

All submissions for Al Greer Achievement Award and The Chartrand Communications Award must be received by April 30, 2019. Please visit our webpage <https://go-ires.org/news-more/awards-recognition> to read more about these Awards, check out past recipients and submit your nominations.

My First Month as a Market Conduct Examiner

Coming from an Insurance background in P&C Sales then Claims, Regulation is totally new to me. Who knew everything it entailed? Certainly not me.

Starting with the introduction to the Healthcare sector; that was like being in a class learning a Foreign language - ACA, MHPAEA, QHP, QTL, SUD, STLDI ... oh my. I offer a few recommendations to new health examiners.

1. Create an Alphabet Soup (acronym) list. You will likely add to it daily.
2. Education is key. Asking questions and knowing the background of the ACA and MHPAEA, as well as the other provisions of health insurance law, is very important to understanding why you do what you do every day as a market conduct examiner.
3. Meet and be introduced to all the departments within the insurance department and learn how we work together. We are a team, and we are here for each other, just as we are here for the consumer (which remember includes our family, friends).
4. Then it's off to the good, bad, and the Law. Don't be overwhelmed when you receive all reference books i.e., regulations, statutes, and Market Regulation handbooks. It is like getting books for 8 semesters in College.
5. Finally, do your research: review completed exams, data calls, and other documents from other exams. The more information you have the more educated you are.



Nicole McClain

Yes, starting a new position is very exciting, a bit intimidating and scary all at the same time; however, you will learn. Take notes, and more importantly ask questions, even those you think may not make sense. If you don't understand or aren't clear on something, it is to your job to make sure you understand. I am now a firm believer that there are no "stupid questions" - that may be since I asked a lot of them - but I have a better understanding of the whole process because I asked. The people who have been in this industry have a wealth of knowledge and experience, and I have found they are often more than willing to answer my questions, share their experiences, and sometimes add a few ingredients to the alphabet soup. ■

About the Author:

Nicole McClain, Health Market Conduct Examiner, Pennsylvania Insurance Department. Other related Insurance experience include: Claims Adjuster, and P&C sales. Outside interests/talents: Bingo, scratch-offs, and watching sports while doing a scratch off.



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Should you have specific questions about the AICP, contact our [Membership Benefits Team](#).

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IRES Member of the Month

This Issue: Penny Callihan, Pennsylvania

Who do you work for? What is your job title? And in a very short description what are your daily duties?

I work for the Pennsylvania Insurance Department as a Health Market Conduct Examiner. As one of six Health Market Conduct Examiners engaged in comprehensive ACA/Health examinations, my responsibilities include review and analysis of company policies, procedures, and other records; and testing of claims data to determine compliance with state and federal regulations, including the Mental Health Parity and Addiction Equity Act.

How long have you been an IRES Member and what made you decide to join?

I have been an IRES member since 2016 when I became a Market Conduct Examiner. As a new examiner, I was excited to become a member of IRES because I'm eager to broaden my industry knowledge and connect with other regulators on market conduct current issues and best practices. IRES offers these opportunities in several different forums, including professional credentialing programs, the annual Career Development Seminar, and other educational programs.



Penny Callihan

What committees have you served on and what roles did you hold?

I recently began serving as a committee member on the IRES Publications/Public Relations Committee, and I look forward to the possibility of serving in additional roles as I become more familiar with the committee's functions. I am also considering serving on additional committees in the future.

How many IRES CDS" have you attended?

As a relatively new examiner, I have only had the opportunity to attend the 2018 IRES CDS in San Antonio.

Is there one session at a CDS that stands out in your mind and why?

Since I am particularly interested in mental health parity, I found the "Mental Health Parity and Addiction Equity Act" breakout session at the 2018 CDS especially informative. Hearing different approaches to mental health parity reviews and experiences of other regulators provided some additional perspectives to consider.

What is a personal or career goal that you would like to accomplish in the next 5 years?

My goals over the course of the next five years include developing leadership skills in the Health Market Conduct field and obtaining the IRES Market Conduct Management (MCM) designation.

When you aren't working what are your hobbies?

I enjoy music and dancing. I love singing and though I don't sing publicly as much as I used to, my singing experiences range from singing in three different types of choirs in college, to singing with a group of friends in a band, on occasion. I also enjoy bicycling, and I'm a huge Pittsburgh Steelers fan.

What is your biggest personal or professional accomplishment?

My biggest professional accomplishment is making a major career change after 25 years of working in the same field. I was thrilled but slightly overwhelmed by the idea of making a significant career change after working in the same field for such a long period of time. While it has been challenging to learn a completely new profession, it has been incredibly rewarding to realize the impact of our work in enforcing consumer protections. I am so grateful to have had the opportunity to make this career change, and I genuinely enjoy working as a Health Market Conduct Examiner.

State Chair Update

A Happy 2019 IRES Members! It's hard to believe that we are already knocking on Spring's door (eagerly anticipating if you are like me).

I want to use this article to ask for your help in recruitment. Previously we had done a great job in recruiting a Chair for most of our states, but with retirements, promotions and job changes we now have a wide gap in states that are need Chairs.

We currently show the following states as not having a State Chair:

- | | | |
|----------------------|---------------|----------------|
| ALASKA | IOWA | SOUTH CAROLINA |
| ARKANSAS | KENTUCKY | SOUTH DAKOTA |
| COLORADO | MASSACHUSETTS | UTAH |
| CONNECTICUT | MONTANA | VERMONT |
| DISTRICT OF COLUMBIA | NEW JERSEY | WYOMING |
| IDAHO | NEW MEXICO | |
| ILLINOIS | NORTH DAKOTA | |



Holly Blanchard

The State Chairs act as a liaison for the IRES Members in their state. They help facilitate educational and networking opportunities as well as provide great insight on improvements IRES can make to be the best organization possible for our members. Please let me know if you or someone you know would like to be part of this dynamic group by representing the states listed.

For a list of the current State Chairs in each state, please [click here](#).

Here are a few initiatives that will be undertaken in 2019:

- A Blog for IRES members allowing them to discuss questions, comments or issues, as well as current events and state undertakings. This will allow our members a forum to get expert feedback on current issues effecting the insurance marketplace.
- Library: IRES members are a wealth of information. We have published articles, assisted with NAIC initiatives, presented on various topics, and are closely monitoring everything that is happening in the insurance market. Wouldn't it be great to have a repository for this information? IRES state chairs will create an online reference library where our members can easily access information regarding their insurance topics of interest.
- More robust networking opportunities between States. IRES Members across the country are doing incredible things for the insurance industry and regulation thereof. The State Chairs will be working on giving you greater access to each other.
- Working with the Education Committee to present more educational opportunities for our members.

We will continue to keep our members updated on the enhancement initiatives. This information will be presented in the Regulator, but will also be available on the IRES website at www.go-ires.org/state-chapters#events. Be sure to check the website regularly, as updates will be frequently added for your information.

If you would like to be involved with the state chairs, or have suggestions or ideas to assist the state chairs spread the word about IRES, please reach out to hblanchard@riaconsulting.net. ■

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State Chair Regulator Article

This Issue: Lisa Brandt, Wisconsin

Behind the scenes of IRES, your state chairs are hard at work creating new opportunities and options for our members. To introduce you to these unsung heroes, we will feature a state chair in each addition of the Regulator. This month, our featured state chair is Lisa Brandt, Section Chief of Rates and Forms from Wisconsin.

Tell us about yourself?

Hello fellow IRES members! I appreciate the opportunity to introduce myself to those of you that I have not yet met. I was born and raised in Wisconsin; actually, I live about 10 miles from where I grew up, right outside of Madison. I got married right out of high school and before you know it, life changed and I was working full time for an insurance company in Madison. Another blink of an eye and I have two beautiful children, along with dogs, cats, bunnies, birds, you name it! Life continued and I remained at that company for almost 30 years, when my position was eliminated. I was unemployed for about a year and a half, and during that time, my mother and I visited my sister in Beijing China. Since I was not working, we stayed for 3 weeks and what an experience! I visited so many unique places and ate many wonderful foods. I went over with two suitcases, came back with three, I understand this is not uncommon. Then in January 2012, I was hired by the Commissioner of Insurance for the State of Wisconsin. While losing my job of 30 years was very difficult, it opened the door to opportunities I had never considered. I am currently the Section Chief for the Rates & Forms Team in the Bureau of Market Regulation and work with a wonderful team. One of the first lessons a leader should learn is to surround yourself with people who are smarter than you are! When I am not working (when is that again?), I am bird watching, gardening, cooking, and collecting jewelry to create new artwork.



Lisa Brandt

How long have you been an IRES Member?

When I started working for the Insurance Commissioner in 2012, one of the examiners who provided training for me was an IRES member and suggested I join too. So, of course I did and I have never looked back. Since 2012, I have met and worked with so many awesome IRES members on many different IRES committees. In addition to being the State Chair for the State of Wisconsin, I am also the Chair of the Education Committee. I currently serve on the IRES Board of Directors and the Executive Committee.

What made you get involved as a State Chair?

This opportunity came up and while I had been involved in IRES, I had not thought about being the State Chair. However, I wanted to become more involved with the organization and I still strive to get more Wisconsin insurance professionals involved!

What impact do you want to have as a State Chair?

It is an interesting time we live in, isn't it? It seems in many states there is a wave of retirements going on, and, there does not seem to be as much interest in becoming an insurance professional, industry or regulatory side. I want to provide opportunities for those already in our industry to stay, to become more informed, and involved every day. When we have a new hire in our office, one of the first meetings they have is with me so I can present information on the benefits of joining IRES.

What do you think IRES should consider ensuring that they always are a great organization for Regulators and Industry members?

I think IRES needs to promote the opportunities that a career in the insurance field can provide, along with the educational and networking benefits of being an IRES member. We will need to be nimble to keep up with the trends and the times. One of the greatest educational and networking opportunities IRES offers is the Career Development Seminar (CDS) held every year, and we must never lose sight of the importance of this event. At the same time, many can't travel to the event so we must continue to find ways to provide educational and networking opportunities for those who can't attend CDS, and those that work remotely.

Anything else?

*Only that if you are a current member and you have yet to volunteer for a committee – **THE TIME IS NOW! We need you and maybe.... You need us too.***

WE WELCOME OUR NEW MEMBERS

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Editor's Corner

Stephanie Duchene

What is better this time of year than snuggling up next to a warm fire with a good piece of reading material? The Winter Issue of The Regulator® is here to serve!

I hope everyone enjoys this issue in which we have a wonderful article by Barry Wells of Risk Regulatory Consulting about the evolution of market regulation accreditation. We also learn more about the elusive surety bond from Greg Rynerson of Surety Bond Authority. Nicole McClain from the Pennsylvania Department takes many of us back to our own beginnings in the industry with her article on her first month as a Market Conduct Examiner. We also enjoy an update on the NAIC D Committee from Tim Mullen. And, as always, Kathy Donovan keeps us Zoned In on changing laws and regulations.

A warm welcome to 2019 from all of us at The Regulator®. Please note that the IRES Foundation National School on Market Regulation is coming soon - March 24-26 in Atlanta Georgia. And please save the date for CDS in Spokane Washington August 18-21, 2019.

Please let me know if you have any feedback on this issue, or ideas for upcoming issues. It's your organization: make sure your voice is heard - right here in The Regulator®! ■