

## [Hot at the NAIC - Bach Talk](#)

The business of insurance is primarily regulated by individual states with a minimal amount of oversight by the Federal Government. State regulators coordinate with each other through an organization called The National Association of Insurance Commissioners. Three times a year, the NAIC hosts a conference that lasts 4 days. Each day is jam-packed with meetings starting at 7:30 am on everything from regulating insurers' finances to marketplace oversight to health care reform implementation and a thousand other issues. In closed-door and open meetings, regulators and their staff meet on a wide range of model rules, agreements, compacts and issue analysis. There are limited opportunities for meeting registrants to participate in public discussions.

Insurance company representatives flock to NAIC meetings to transact business. Many are former regulators. They advance arguments and information. They lobby regulators in hallways, open meetings as well as private meetings and social events. An NAIC Consumer Participation Program allows more than 20+ people from all over the U.S. to attend the tri-annual conferences and represent the interests of consumers. Consumer Reps have opportunities to interact with regulators, staff, and industry reps. Over a thousand industry representatives attend each NAIC meeting.

I have applied and been selected to serve as a funded consumer representative for consecutive terms starting in 2007, and am a member of the Consumer Participation Program's Board of Trustees. I help bring the perspectives and concerns of policyholders to the attention of regulators by making presentations at open meetings and in informal conversations and small group discussions. I and other Consumer Representatives work hard to counter-arguments and initiatives advanced by industry reps that are anti-consumer or otherwise ill-advised and support those that we agree with. I seek common ground with regulators and industry advocates wherever possible, and strive to help regulators protect consumers.

At the most recent NAIC meeting in Washington D.C. these were [some of the hot issues](#) I focused on:

**Opportunities and Challenges for State Regulators After Wildfires** At a Consumer Liaison

Committee meeting I gave [a presentation](#) on the issues that arise after wildfires and strategies regulators (and UP) have undertaken to help solve them.

**A proposed merger by Humana and Aetna and Cigna and Anthem healthcare corporations.**

Mergers of companies this large are almost never good for consumers. They generally mean fewer choices and less negotiating options for consumers. The U.S. Department of Justice and the Connecticut Department of Insurance are reviewing the proposal, and the public can submit comments [here](#).

There is concern that although [Connecticut Insurance Commissioner Katherine Wade was a lobbyist for Cigna](#) before taking the position of Commissioner, and is reputedly married to a current Cigna executive, she has not recused herself in this matter, to our knowledge. I and my fellow Consumer Rep colleagues met with Commissioner Wade at the most recent NAIC meeting and found her to be open and personable and enthusiastic about having made the transition from working for a regulated entity to being a regulator.

**Recommendations from a Coastal Insurance Working Group in Alabama to cut wind insurance premiums in half by restructuring the state wind pool.** This may sound like an arcane issue but it isn't. UP has been working for many years with public officials, grassroots groups, and industry leaders to bring home insurance prices back to affordable levels and restore sanity to marketplaces in coastal areas that went completely out of whack after Hurricane Andrew ('92) and the series of hurricanes that followed.

The high price and shrinking availability of insurance in coastal states have been a full-blown crisis in Florida, Louisiana, Mississippi, Alabama, Texas, and North and South Carolina, and a challenge in Massachusetts, Rhode Island, New York, Connecticut, Maine, and elsewhere. Each state is tackling the problem in its own way. The Alabama Coastal Insurance Working Group has come out with a very promising proposal. At the most recent NAIC meeting, I arranged to co-present details of the proposal with Charles Angell, Deputy Commissioner of the Alabama Department of Insurance. [Our presentation](#) was very well received. For historical context, see [the efforts by our partners](#); the Hurricane Homeowners Insurance Initiative that helped bring about this latest proposal.