

Fall National Meeting
Washington, DC
SERFF Board of Directors (O) Meeting
2:00-3:30pm Tuesday, September 22, 2009
Gaylord National Harbor —Maryland 3/4

DIRECTOR ROLL CALL

Mary Jo Hudson	Ohio	Elaine Leighton	ACLI Representative
Susan Voss	Iowa	Hank Edmiston	PCI Representative
Bill Lacy	Arkansas	Susan Eckler-Kerns	Prudential
Tammy Lohmann	Minnesota	Fred Alvarado	TransAmerica
Ted Hamby	North Carolina	Kim Kennedy	Travelers
Kathie Stepp	Oklahoma	David Emmett	Georgia Mutual
Doris Kullman	New York		

EX-OFFICIO MEMBER ROLL CALL

Karen Schutter	IIPRC	Steve Buhr	Aegon
Maureen Hartsmith	New Hampshire	Shawna Greenway	Farm Bureau
Charlie Rapacciuolo	IIPRC	Charles Breitstadt	NAMIC Representative
Peg Ising	Nelson Levine deLuca & Horst	Larry Mirel	Wiley Rein
Pat Libby	Maine	Sonja Larkin-Thorne	NAIC Consumer Rep

AGENDA

- 1. Update and Discussion of Strategic Plan – Joy Morrison (NAIC)**
Updates to the Strategic Plan will be distributed and discussed to allow the Board to prioritize development efforts into 2010.
- 2. Public Access Comments – Director Mary Jo Hudson (OH)**
The Board will open the floor to comments from interested parties regarding the state of South Dakota's request to allow access to SERFF filings via the internet for filings made available for public access by the state.
- 3. Reports**
 - **SERFF Product Development – Joy Morrison (NAIC)**
 - **SERFF Marketing - Joy Morrison (NAIC)**
 - **Speed to Market Implementation Progress – Julie Fritz (NAIC)**
- 4. 2010 SERFF Board Elections – Joy Morrison (NAIC)**
Review of seats up for election, process, selection of nominating committee, and timeline.
- 5. Consider Adoption of 2010 Proposed Budget – Mary Jo Hudson (OH)**
Consider motion to adopt the proposed 2010 Budget.
- 6. Antitrust Update – Mary Jo Hudson (OH)**
- 7. Adoption of Minutes – Director Mary Jo Hudson (OH)**
The Board is asked to consider adoption of the minutes of the August SERFF Board meeting.
- 8. Any Other Matters Brought Before the Board – Director Mary Jo Hudson (OH)**

SERFF Strategic Plan

Enh No	Project	Source	Project Hrs	Initial Projection	Updated Projection	Status	Recommendation
Work to be prioritized for 2009 & 2010							
410-01	NAIC Technology Requirement - DB Char Set Conversion	NAIC	750	2009 Q2	SERFF 5.6.2	<p>Sept 09-No change June 2009 - This project is on hold for technical risk assessment.</p> <p>9/09This will need to be carried into 2010 although it appears unlikely there will be a solution within the next 12 months.</p>	
270-01 & 270-02	NAIC Initiative (LDAP)	NAIC	1500	2008 Q4	SERFF 5.6.1	<p>Sept 09-No change June 2009 - SERFF staff working with NAIC LDAP team to resolve implementation issues.</p> <p>9/09This project needs to be carried into 2010 as the NAIC hopes to have LDAP issues resolved and to continue implementation next year.</p>	
310-01	Reminders	PSC	750	2009 Q1	SERFF v5.7	<p>9/09 RELEASED IN SERFF v5.7</p> <p>The feedback on this enhancement was somewhat surprising given the support it had from SERFF users when the roadmap was developed. It may be that the system has evolved enough – or that the users have a better understanding of it – that this is no longer a critical feature for most users.</p> <p>It is suggested that a very simple reminders tool, with a minimal set of features, be implemented for the 5.7 release. The functionality should include a means of tracking the tool's usage for evaluation before spending additional resources.</p>	

Enh No	Project	Source	Project Hrs	Initial Projection	Updated Projection	Status	Recommendation
280-01 & 280-02	Post-Submission Updates	PSC	500	2009 Q2	Planned for 5.8	<p>Sept 2009 Planned for v5.8-to be released in Dec 2009. August 2009 - This feature will be released in v5.8 currently scheduled for Nov 4,2009.</p>	<p>This enhancement received the most consistent feedback and appears to be a high priority for many of the respondents. This is consistent with the experience of the SERFF support staff, who regularly field questions and comments about the inability to update filings post submission. It is recommended that the staff work on resolving the technical considerations while the PSC moves forward with requirements for additional updateable fields. A goal to implement two fields or fields set updates per release is recommended.</p> <p>3/09 A detailed estimate will be developed based on additional work with the PSC. However, this enhancement will be more than the 500 hours in the initial projection.</p>
240-02	Pipeline	PSC	500 480	2009 Q4	SERFF v5.7	<p>9/09 RELEASED IN SERFF v5.7 August 2009 - These changes will be released in v5.7 scheduled for Aug 12.</p>	<p>Given the consistency of the feedback received and the widespread use of Pipeline, it is recommended that this enhancement be started with the 5.7 release. The PSC should work on compiling a list of the changes required. These changes can be worked in over several releases. We also recommend allocating hours toward further optimization of Pipeline to minimize its impact to system performance.</p>
300-02	Field-based General Instructions Pt 2	PSC	500 160	NA	SERFF v5.7	<p>9/09 RELEASED IN SERFF v5.7 August 2009 - This feature will be available in the v5.7 release scheduled for Aug 12.</p>	<p>Original recommendation revised based on BOD and PSC feedback. Plan is now to put some search fields for this enhancement in place with the 5.7 release. By the time 5.7 is in production, states would have had time to implement and further assessment can be undertaken as to adding more fields and enhancing search.</p> <p>3/09 Assumes 14 fields are searchable.</p>

Enh No	Project	Source	Project Hrs	Initial Projection	Updated Projection	Status	Recommendation
200-02	Reports 2	PSC	750 320	NA		June 2009 - Proposal to the PSC is to hold off on an additional state report and use the time towards Post Submission Updates.	<p>A custom reporting framework is not available at this time and does not appear to be an option for the near future. However, lack of reporting continues to be one of the most common complaints from SERFF states, particularly those trying to move away from their back office systems.</p> <p>We propose a strategy of continual improvements to canned reporting, search, and the export tool. The improvements should be based on state feedback and consensus. A goal to add at least one significant reporting improvement per release is suggested.</p> <p>3/09 Assumes one state report is added and that the Export Tool is modified to allow the export of Correspondence.</p>
PSC-57	Additional PSC Enhancements	PSC	540	NA	Planned for 5.7	<p>9/09 RELEASED IN SERFF v5.7 August 2009 -State Rate Data and PACM updates will be in v5.7.</p>	<p>The environment in which SERFF operates is constantly changing, as are the needs of its users. It is recommended that a substantial portion of hours for each SERFF release be reserved for small to medium enhancements suggested by users and approved by the PSC. Small to medium enhancements are those estimated at less than 200 development hours. Items larger than 200 hours will be reviewed by the PSC and, if approved, escalated to the Board for a final decision.</p> <p>3/09 These would include: State Rate Data, PACM Confidentiality Updates, and Shortcut to Upload for Supp Doc Satisfy, 8/09 PSC opted to table the upload shortcut</p>

Enh No	Project	Source	Project Hrs	Initial Projection	Updated Projection	Status	Recommendation
210-01 & 210-02	Searching PDFs	PSC	1500 240	2008 Q2	Planned for 5.7	9/09 RELEASED IN SERFF v5.7 August 2009-This will be released in production with v5.7 to a limited group of states for initial trial.	This enhancement corresponds with an NAIC enterprise project to implement a tool called Oracle Text Search. The NAIC plans to contract with an Oracle consultant, tentatively for second quarter 2009. The consultant will help with implementation of the product in various areas. It is recommended that a simple, non-functional prototype be developed prior to the consultant's arrival and demonstrated for PSC feedback. This information can be used to build a set of requirements to be discussed with the consultant. Performance impact will also be discussed with the consultant. The information gathered can be used to make a recommendation on further development. However, this is not expected to be a large development effort, probably less than 140 hours to complete.
220-01	PRL/RSC Part I - Analysis	PSC	1000	2008 Q2		June 2009 - Further action pending Speed to Market TF recommendation.	3/09 Oracle consultant will be in NAIC late April or early May to work with DBAs and developers. Estimate to complete may change based on consultant's recommendation.
220-02	PRL/RSC Part II - Development	PSC	2000	2008 Q4		June 2009 - Further action pending Speed to Market TF recommendation.	We recommend that no further action be taken on this item until the PRL subgroup completes their discussions. The staff has been and will continue to attend the subgroup's calls

Enh No	Project	Source	Project Hrs	Initial Projection	Updated Projection	Status	Recommendation
No ID	State Sole System-Paper Letter Template	Board	750	2008 Q4		June 2009 - No update on this item. See recommendation.	It is recommended that the hours for this project be redirected toward reporting improvements and PSC design suggestions. Alternately, some of the hours could be allocated for improvements to Paper Tracking, an existing feature that is critical for states that have not mandated SERFF but do use it as their sole system for filing review and tracking.
400-01	IIPRC Enhancements 2009	IIPRC	500 375	2009 Q1		Sept 09 will be released on v5.8 (Dec 9) August 2009 - Incorporation of Statement of Intent will be in v5.8 as well as adding the mix-n-match indicator.	At this time, no major development changes are being requested by the IIPRC. Three low to medium effort enhancements are being evaluated. It is our recommendation that small to medium enhancements requested by the IIPRC be announced and discussed as necessary in PSC meetings, then slated for the next possible release. Larger effort enhancements should be discussed with the Board of Directors and the PSC both, as they will impact other development plans. 3/09 There are currently two enhancements that have been estimated for the IIPRC: Incorporating the Statement of Intent fields as fielded data, and added a Mix n Match indicator.

Enh No	Project	Source	Project Hrs	Initial Projection	Updated Projection	Status	Recommendation
No ID	Form-driven Filings	PSC	4000	2009 Q2		June 2009 - No update on this item. Relies on PRL decision.	6-09 One of the greatest challenges to this enhancement is its close tie to the PRL changes that are being reviewed under OEWG. We recommend that no development be started on Form Driven Filings until the PRL issues are resolved. However, additional work to detail this enhancement should be undertaken to help with additional prioritization once the PRL discussions are complete. We recommend that the SERFF team work with the PSC to create a project scope and a set of high level business requirements for this feature.
420-01	Incorporate Filing Mode/Method into Submission Requirements	Board	500			Sep 09 -Preparing a survey to go to states regarding filing mode/method and there impact on Submission Requirements. August 2009-PSC is reviewing this item.	8-09 The PSC has suggested a survey to states to determine whether incorporating the filing mode/method into the Submission Requirements will impact many Sub Req's. If the states say it has little impact, this may not be a good use of development hours. This work was indicated as a potential risk for PRL. If the Board proceeds with this enhancement prior to a decision being made on the PRL redesign, it could cause rework and/or hamper the PRL redesign.
420-02	Allow selection of multiple TOIs and Sub-TOIs on a SERFF filing.	Board	500-750			August 2009-PSC is reviewing this item.	8-09 This was an item that was designated as one the team could move forward on without substantial impact from PRL changes. However, it has a significant impact on not only SERFF's filing wizard but the underlying structure of filings that have been created over the past 10 years.

Enh No	Project	Source	Project Hrs	Initial Projection	Updated Projection	Status	Recommendation
420-03	Tools to Make Filing Rules Maintenance Easier	Board				August 2009-PSC is reviewing this item.	8-09 Note: the enhancement to display the TOIs and SubTOIs that apply for each Requirement on the Requirements page will be included in this enhancement. Until the PSC defines what else would be included here, we will not be able to provide a ballpark estimate.
No ID	Concurrent Rate/Form Review	PSC	3000	2009 Q4		<p>Sept 09 Business Analyst assigned to begin work with PSC. June 2009 - Requirements work not started.</p>	<p>8/09 It is recommended that an initial call be held with the six states that provided feedback on this enhancement to try and develop a scope of work and high level business requirements. This information could be used to develop a more precise estimate so the enhancement can be evaluated further.</p> <p>6/09 This work was indicated as a potential risk for PRL. If the Board proceeds with this enhancement prior to a decision being made on the PRL redesign, it could cause rework and/or hamper the PRL redesign.</p>
No ID	Messages for Filing Rule Changes	PSC	500	2009 Q4		June 2009 - Requirements work not started.	It is recommended this feature be re-evaluated after requirements work for the 5.7 release is complete. At that time, the PSC could discuss the feature and provide a recommendation. Alternately, this work could be completed in 5.7 instead of the proposed work for Reminders. However, this feature will require more analysis and development than a scaled back Reminders.

Enh No	Project	Source	Project Hrs	Initial Projection	Updated Projection	Status	Recommendation
No ID	State Sole System Feature M (TBD)	Board	750	2009 Q4		June 2009 - No update on this item. See recommendation.	It is recommended that the hours for this project be redirected toward reporting improvements and PSC design suggestions. Alternately, some of the hours could be allocated for improvements to Paper Tracking, an existing feature that is critical for states that have not mandated SERFF but do use it as their sole system for filing review and tracking.
No ID	Sole System State Analysis Pt 2	Board	250	NA		June 2009 - No update at this time.	Recommendation is amended per PSC meeting. New proposal is to survey states. The goal of the survey is to validate whether states feel SERFF is moving in the right direction and will be able to meet this strategic goal as a natural consequence of the overall development plan.
No ID	Company data moves from one Data Hoster to another	Board	250	2009 Q3	This process will be outside of the SERFF system so it will not be associated with a release item.	August 2009 Development has been completed on this item.	
No ID	Proof of concepts - remove data per state data retention policy and more complex company data moves	Board	120	2009 Q3	This process will be outside of the SERFF system so it will not be associated with a release item.	August 2009 - Work has not yet begun.	
<p>Enh No-this number corresponds to the 07-08 plan and is added here to assist you in matching those up. color coding in this column is based on the 07-08 plan's estimates of effort and is just added here to help you time these features back to the 07-08 plan. This number has also been added to each feature as it appears in the Roadmap Summary document.</p>							

Enh No	Project	Source	Project Hrs	Initial Projection	Updated Projection	Status	Recommendation
	<p>Yellow= <500 hours; Blue= 500-750 hours; Purple= 750-1,500 hours; Green= > 1,500 hours</p> <p>Project- This is the current name for the enhancement but it should generally match to the 07-08 plan.</p> <p>Source- This column was added so that the Board could see what group is behind each enhancements.</p> <p>Project Hours- this is a high-level estimate only and may not reflect the actual hours spent on any one enhancement.</p> <p>Initial Projection: refers to the tentative release set when the roadmap was developed in 2007.</p> <p>Updated Projection: indicates the release for which the project is currently slated.</p> <p>Status: Shows current status of the feature.</p> <p>Recommendation: this is the summary recommendation from the Roadway Summary document.</p>						

SERFF Strategic Planning-Development Schedule

Development Schedule Update 9/15/2008

Proposed Development Schedule								
Release Date	Avail Hrs Per Release	Scheduled Enhancements	Enh No	Planned Hours	Current Estimate	% Comp	Release	Comment
Q1 2008 Patch	1697	Enhancements						
		EFT Analysis	100-01	250	250	60%	N/A	A baseline report is being prepared to document the current state of EFT in SERFF and a survey is being developed to gather input on what changes users would like to see related to electronic payments. Survey questions and report completed on 11/30/07 5/15 Will present analysis to Board to determine if we should proceed with the survey. 4 State Visits: OH--complete, AR--complete, NC--complete, PA--complete Conference Calls (tentative): IN-COMplete, CO, MA-COMplete, MI, NH, ND, NIM Visits are completed, Bridget Kieras is planning on completing the conference calls with states listed above by early January. 5/15 Used the PSC meeting to gather more information from states. This has resulted in the identification of two new report for states and the revision of the 4 existing reports. Would like to start a focus group on State Paper Tracking. 9/15 Additional conference calls are complete. We need direction from Board as to whether or not to continue conference calls with states and when they would like the work completed, including a report of findings.
		Sole System State Analysis	110-01	250	250	80%	N/A	

Setting Public Access	120-01	750	500	100% v5.4	Survey sent to states to collect detail on the options they would prefer in order to automate the marking of filing documents for Public Access. Scope was cut on this enhancement--default settings regarding the marking of Public Access on prior versions of submitted documents has been moved to v5.5.
IIPRC Enhancements 2008	130-01	500	210	100% v5.4	Change to prevent filing submission if IIPRC Annual Registration Fee has not been paid. Previous estimate was 60 hrs development, 50 hrs requirements gathering, testing and implementation. A design change requested by NAIC architects has added 50 hours to development and 50 hours to implementation of this feature. 01/08 A request was made by IIPRC staff to prevent state members from creating Pipeline versions of the IIPRC filings that include documents not marked for Public Access by the IIPRC. This will be in the v5.4 release. 02/08 NAIC Finance and Legal depts have requested a change in EFT so that IIPRC funds will go directly to the IIPRC accounts. 03/20 At this time there are no other development requests from IIPRC.
Filing Rules Changes	140-01		210	100% v5.4	Requirements gathering and documentation is complete. Estimates will not be available until the requirements have been presented to the developers. Reduced from 310 hours development to 170 hours by cutting scope on the enhancement , 20 hours for requirements has been completed. Reduced from 40 hours testing to 20 hours testing based on scope changes. Will try to get remaining initial scope on this enhancement in the 5.5 release.
Saving Exports	150-01		120	100% v5.4	This enhancement came out of the Sole System requirements gathering. It's a time-save in that it will allow analysts to save their Exports in the same way that they currently can save Searches. 100 Hrs development, 10 hours requirements, 10 hours testing
Planned hours in this release		1750	1540		

SERFF v5.5

<p>Reports 1</p>	<p>200-01</p>	<p>750</p>	<p>500</p>	<p>100% v5.5</p>	<p>Reduced from 750 hours to 500 hours based on WebFocus reporting tool not being available to SERFF until October 2008. We will build some reports using the current tool. Reports will be based on information gathered at E-Reg, during state visits and conference calls. 3/20 The plan is to rework the four existing reports based on PSC input in March. There will be an additional two reports created based on state input and some refining done by states present at the PSC meeting in March. 5/15 One new report and revisions to two additional reports will be in the v5.5 release. 9/15 v5.5 had one new report and revisions to one additional report.</p>
<p>Searching PDFs pt 1</p>	<p>210-01</p>	<p>1500</p>	<p>150</p>	<p>20%</p>	<p>Will not be completed in this release. Waiting for Oracle consulting on the DBA side in order to complete this work. Probably will shift to late 2008 or early 2009. 5/15 Current plan is to have this in 1st qtr 2009. 9/15 Initial work for Pt 1 is complete with no features being moved to production.</p>
<p>Post-Submission Updates Pt 1-Analy</p>	<p>280-01</p>	<p>500</p>	<p>800</p>	<p>20%</p>	<p>Would the Board prefer to do this enhancement before Reminders? We get more production questions/issues raised over this one than Reminders. 5/15 This work will be completed in the 5.6 release for the rate data. There are several more groups of data identified for changes related to post-submission but the business rules for how to deal with those fields, post-submission, have not yet been defined. 9/15 In June the developers requested more time to do a complete design analysis of post-submission changes to filings. They would like to look for a universal solution in terms of how changed data is handled throughout the application.</p>

PRL/RSC Part 1	220-01	1000	125	Hold	?	<p>The majority of these hours were for analysis. The PSC met in March 08 and worked on requirements. Next step is for SERFF staff to compile requirements and propose some options. With the depth and breadth of analysis this project is going to require, it will not be completed in Q2 2008. Timing for development is now going to depend on how much work the PSC recommends be done. The Board will likely need to work with the PSC as their recommendation comes back in order to re-prioritize this work.</p> <p>5/15 The OEWG has developed a group to look at PRL and determine what changes they want to have made in PRL.</p> <p>9/15 OEWG has established a subgroup to work on PRL</p>
Public Access	230-01		250	100%	v5.5	<p>Marking prior versions by default. This is the remainder of the scope cut from v5.4.</p>
Pipeline Improvements	240-01	500	250	100%	v5.5	<p>This work is being done to improve overall system performance when Pipeline is being utilized.</p>
Filing Rules	140-02		140	100%	v5.5	<p>This is another piece of Filing Rules work that was cut from v5.4. This is a Submissions Requirements report.</p>
Responses Pt 1	250-01	750	250	100%		<p>03/08 if we move up the release date for v5.5, the response piece will not be included in v5.5.</p> <p>5/15 two portions of the Response work are completed but not released. The PSC will need to make recommendations on the final portion of this before the entire enhancement can be finished and released.</p> <p>9/15 This work was completed in 2008 but not released because Pt 2 and Pt 3 were not ready. All three pieces will be go into production in v5.6.</p>
Pipeline	240-02	500	300	100	v.5.5	<p>9/15 This work was prioritized for 5.5 based on the need to improve performance. Pipeline gets much more usage than estimated so monitors were put in place to allow the team to measure usage. Based on usage patterns, additional improvements to Pipeline can be made.</p>

									Estimate revised to 250 hours. It is anticipated that most of this time will be spent in testing as there should not be many coding changes that have to be made. 9/15 OAS will be implemented with SERFF v5.6 in early 2009
	NAICTechnology Requirement OAS	260-01	750	250	20%	v5.6			This is a Q4 2008 initiative that has been moved to Q2 to meet NAIC technology deadlines. We may have to delay the Q2 release to Q3 based on how the rollout of LDAP and OAS go with other application areas in the NAIC. 03/08 Moving this piece back to Q4 08 due to NAIC IS schedule. 9/15 LDAP for SERFF is on the schedule for early 2009. Will likely be a patch release one month after the OAS implementation (which will occur in late Jan2009).
	NAIC Initiative (LDAP)	270-01	0	180	100%	v5.6.1			
	Planned hours in this release		6250	3195					

Q4 2008 (Now Q1 2009)	4863	Enhancements							
		PRL/RSC Part II	2000	0					9/15 PRL is currently being analyzed by and OEWG subgroup. SERFF's PSC will work on analysis for integration into SERFF once the subgroup's work is complete. 03/08 If we move up the release date for v5.5, the response piece will not be included in v5.5. 5/15 two portions of the Response work are completed but not released. The PSC will need to make recommendations on the final portion of this before the entire enhancement can be finished and released. 9/15 This work was completed in 2008 but not released because Pt 2 and Pt 3 were not ready. All three pieces will be go into production in v5.6.
SERFF v5.6		Responses Pt 2 & 3	750	500	70%	v5.6			

Field-based General Instructions Pt 1	300-01	500	400	85%	v5.6	<p>5/15 Requirements are being documented now. The first portion of this enhancement should go into the v5.6 release with additional modifications to be developed for subsequent releases.</p> <p>9/15 Added a field set for v5.6. Will add additional fields and a search feature in a future release.</p> <p>May end up being a different enhancement; depends on sole state analysis</p> <p>03/20 This enhancement was more of a placeholder for a state enhancement. We are not getting requests for a letter template feature in SERFF, nor do we have a large request for other state enhancements so suspending this work should not create a big impact. Suggesting we reduce the hours from 750 to 300 and make improvements to State Paper Tracking instead.</p> <p>9/15 Productivity and Filings By TOI Reports were improved in v5.6 based on PSC feedback.</p>
State Sole System-Paper Letter Template (this was a placeholder for a state enhancement. We ended up doing additional reports-- Productivity and a Filing by TOI Report .)	200-02	750	300	70%	v5.6	<p>IIPRC may have enough of their fee analysis complete that they can use 2008 hours to have the fee structure in place by Q4 2008 so that it is available for use by 1/1/09</p> <p>03/20 This enhancement will probably need to stay in the schedule if IIPRC determines a means to handle fees going forward.</p> <p>5/15 IIPRC will need to identify enhancements prior to 6/15/08 in order to get them into the 5.6 release.</p> <p>9/15 as of this time, the IIPRC has not requested enhancements nor provided complete business requirements for any enhancements in the v5.6 release.</p>
IRRPC Enhancements 2008	310-01	0	0	0%		<p>9/15 Additional improvements to Pipeline will be made based on the browser/Acrobat conflicts uncovered with v5.5. This work may go into a late fall patch if significant improvements are anticipated.</p> <p>9/15 approved by PSC to improve Pipeline performance.</p>
Pipeline Improvements	240-03	300	300	20%	v5.6?	
File Attachment Upload Restriction	320-01	250	50	80%	v5.6	

									Would the Board prefer to do this enhancement before Reminders? We get more production questions/issues raised over this one than Reminders. 5/15 This work will be completed in the 5.6 release for the rate data. There are several more groups of data identified for changes related to post-submission but the business rules for how to deal with those fields, post-submission, have not yet been defined. 9/15 In June the developers requested more time to do a complete design analysis of post-submission changes to filings. They would like to look for a universal solution in terms of how changed data is handled throughout the application.
	Post-Submission Updates	280-02	500	800	20%				It's likely that we could get this feature included in the Q1 09 release, unless the Board would prefer to replace this with Post-Submission Updates. 9/15 This enhancement was moved from the Q1 09 Patch.
	Reminders	310-01	750	750					
	Planned hours in this release		5250	4620					

Re-prioritize	4377	Enhancements							
		Concurrent Rate/Form Review	3000	3000					
		State Sole System Feature M (TBD)	750	750					
		Pipeline Layout Improvements	500	500					
		Messages for Filing Rule Changes	500	500					
		Form-driven Filings	4000	4000					
		PRL	3000	3000					

Proposed Enhancements		Hrs Est
Enhancement Block		
< 500 Hrs		
Pipeline		500
Messages for Filing Rule Changes		500
Field-based General Instructions		500
Post-Submission Updates		500
IIPRC Enhancements 2008		500
IIPRC Enhancements 2009		500
IIPRC Enhancements 2010		500
State Sole System Feature S (TBD)		500
EFT Analysis		250
> 500 and < 750 Hrs		
Responses		750
Reminders		750
State Sole System Setting Public Access		750
State Sole System-Paper Letter Template		750
NAICTechnology Requirement OAS		750
NAIC Technology Requirement II		750
State Sole System Feature M (TBD)		750
> 750 and < 1500 Hrs		
Searching PDF's		1500
Reports I (BOD dropped to 750 hrs)		1500
Reports II		1500
NAICTechnology Requirement III		1500
PRL/RSC Part I		1000
NAIC Initiative (LDAP)		1500
> 1500 and < 4000 Hrs		
PRL/RSC Part II		2000
Form-driven Filings		4000
Concurrent Rate/Form Review		3000
>4000 Hr		
Web-based Public Access (approx 5k hrs)		5000

COLUMN DESCRIPTIONS

Column A-E display the proposed schedule for development beginning with Q1 2008.

Column F-G display the proposed enhancements, in blocks based on estimated size.

Column A shows the schedule release based on 2 full releases each year and one 'patch' release for bug fixes and smaller enhancements.

Column B shows the total number of hours available in the release. This includes requirements gathering, documentation, development, testing, implementation and post-release cleanup.

Column C displays the enhancement proposed for each release (these were pulled from Column F-G).

Column D shows the maximum hours currently estimated for the enhancement. These are subject to change, up or down, based on detailed requirements.

Column G maximum total hourly estimate. PRL estimates are in two separate blocks because we suspect the functionality could be separated. Conversely, Web-based Public Access has been broken into two pieces but is listed in the same block (>4,000 Hrs) because it is unlikely the first portion will be accessible until after the second is completed.



Providing flexibility, promoting uniformity

Memo

To: SERFF Board of Directors
From: Bridget Kieras, SERFF Product Support Manager
CC: Julie Fritz, Joy Morrison
Date: September 4, 2009
Re: SERFF Development Update

SERFF 5.7 was released to production on August 12. The release introduced several new enhancements for SERFF, including a Reminders Tool, State Rate Data, additional Correspondence fields in the Export Tool, a search for General Instructions, expansion of the ability to request filing confidentiality, and a PDF search feature. The PDF search feature is currently being enabled for select users as part of a pilot to fine-tune the functionality and ensure it does not negatively impact system performance. Two patches were also released in August to correct issues introduced with the 5.7 release.

SERFF 5.8 is in development and includes two major changes to the application – incorporation of the IIPRC Statement of Intent into a new filing schedule and the ability to update a number of fields, including Rate Data, after submission of the filing. The release is scheduled for December 9.

The Product Steering Committee has begun discussing various enhancements for 2010 and beyond. Some of the enhancements are based on user submitted design suggestions while others are items from the Board's strategic development plan. The PSC recently discussed allowing multiple Types/Sub-Types of Insurance on a single filing. Initial feedback has also been gathered for the Rate and Form Concurrent review project.

The SERFF team is hoping to move to quarterly releases in 2010. The planned release months are February, May, August, and November. The team believes smaller but more frequent releases will be more manageable for development and testing.

Memo

To: SERFF Board of Directors and Interested Parties
From: Thea Cook, Product Implementation Manager
CC: Joy Morrison, Senior Manager II – SERFF
Julie Fritz, Director, Insurance Products & Services Division
Date: Sept. 9, 2009
Re: State Implementation Update

SERFF State Implementation

The Implementation Team has been focusing on state satisfaction monitoring and general support. As reported at the Summer National Meeting, nearly all states have implemented SERFF for all lines and speed-to-market initiatives. By doing so, the states have demonstrated their willingness to achieve uniformity that benefits themselves, the industry and, ultimately, the consumer. Since the last national meeting, Kentucky implemented all health lines of business with the Product Coding Matrix, thereby becoming the 50th state to implement the Product Coding Matrix in all business areas.

Since the Summer National Meeting, two SERFF mandates went into effect and two states announced SERFF mandates. New Mexico's mandate went into effect June 19 and Oklahoma's mandate, which included EFT, went into effect July 14. Georgia expanded their current mandate to include life and health business areas, effective Oct. 1. Maine announced their SERFF mandate in late August, to include all business areas and EFT. Maine's mandate is effective Sept. 12.

Fifty states, DC and Puerto Rico accept filings via SERFF. Of those states, 51 accept all major lines for life, 51 for health and 51 for property/casualty. Twenty-one states have mandated SERFF and 12 states have mandated EFT.

EFT

Since the Summer National Meeting, two states have implemented EFT: New Mexico and Mississippi. State implementation is nearly complete for those states that charge fees at the time of submission. Staff are hopeful to have the remaining states implemented by year-end.

Conclusion

Overall, implementation goals for 2009 are on target and nearly all states should be fully implemented for all speed-to-market initiatives this year.

State Initiative Implementation

EFT	27 states have implemented.
Product Coding Matrix	50 states representing 150 business areas have implemented. Fifty states fully implemented.
SERFF Integrated Uniform Transmittal Document	49 states utilize the Uniform Transmittal Document as built in SERFF.
Product Requirements Locator	26 states P&C, 2 life, 1 health implemented. Five states are in progress.

Memo

To: SERFF Board of Directors and Interested Parties
From: Thea Cook, Product Implementation Manager
CC: Joy Morrison, Senior Manager II – SERFF
Julie Fritz, Director, Insurance Products & Services Division
Date: Sept. 9, 2009
Re: Marketing Update

SERFF Company Implementation

Since the Summer National Meeting, the Marketing Team has licensed 57 companies, primarily due to the state SERFF mandates in Michigan, New Mexico and Oklahoma. More than 2,900 unique companies are currently licensed.

Usage

SERFF usage through July 2009 is down approximately 6% compared to the same time last year. Due to a decent first quarter, usage for the first six months of 2009 is roughly 5% over the budgeted transactions; however, April through July actual transactions were less than budgeted in each month.

EFT

With EFT mandates and general EFT implementation, the Marketing Team has implemented approximately 50 companies since the Summer National Meeting. Nearly 2,700 companies have implemented EFT — roughly 93% of our total number of unique licensed companies.

Events

The Marketing Team participated via the Web during the E-Day conference hosted by the Northwest Chapter of the Association of Insurance Compliance Professionals (AICP). The team also took part in Compliance Day at the Louisiana Insurance Department. For both events, the team provided updates on SERFF, including upcoming releases and a question/answer session.

Conclusion

Even though the current state of the market seems to be influencing overall SERFF usage the latter part of 2009, SERFF continues to prove it is the ultimate speed-to-market tool. With the recently announced Maine mandate, 21 states have mandated SERFF and 12 states have mandated EFT for the payment of filing fees.

Memo

To: SERFF Board of Directors and Interested Parties
 From: Joy Morrison, Senior Manager II – SERFF
 CC: Julie Fritz, Director, Insurance Products & Services Division
 Date: Sept. 9, 2009
 Re: SERFF Board Elections

The election process for the SERFF Board, for seats beginning January 2010, will follow this estimated timeline:

Fall National Meeting	Appoint a nominating committee.
Oct. 5	Send request for nominations.
Nov. 2	Review candidate submissions (nominating committee).
Nov. 9	Name nominees (nominating committee).
Nov. 10	Distribute ballots to voting contacts.
Nov. 23	Announce new Board members.

The following Board members have terms expiring Dec. 31, 2009:

Industry:

- Kim Kennedy, Travelers
- Fred Alvarado, Transamerica

Trade:

- Hank Edmiston (PCI Representative)
- The property/casualty trade seat will rotate to American Insurance Association (AIA)

State:

- Bill Lacy, Arkansas
- Susan E. Voss, Iowa

Draft: 8/26/09

SERFF Board of Directors
Conference Call
August 12, 2009

The SERFF Board of Directors met via conference call Aug. 12, 2009. The following members participated: Mary Jo Hudson, Chair (OH); Susan Eckler-Kerns, Vice Chair (Prudential); Susan E. Voss (IA); Bill Lacy (AR); Tammy Lohman (MN); Ted Hamby (NC); Kathie Stepp (OK); Elaine Leighton (American Council of Life Insurers—ACLI); Hank Edmiston (Property Casualty Insurers Association of America—PCI); Fred Alvarado (Transamerica); and Kim Kennedy represented by Susan Eckler-Kerns (Prudential).

The following ex-officio members participated: Maureen Hartsmith (NH); Karen Schutter and Charlie Rapacciuolo (IIPRC); and Sonja Larkin-Thorne (NAIC Consumer Representative).

1. Financial Illustrations/Budget

Julie Fritz (NAIC) referred to the financial illustrations that were discussed briefly on the last call, reformatted and then distributed to the Board July 16. Board members were given an opportunity to review the illustrations and submit any comments or suggestions prior to the conference call. It was noted that no comments or questions had been submitted. Upon request to consider approval of the 2010 proposed budget, industry members of the Board expressed hesitation. It was suggested that there should be an independent audit to validate the accuracy of data presented in the financial illustrations. Mr. Edmiston asked that this item be included on the agenda for the next meeting.

2. Strategic Plan Update

Joy Morrison (NAIC) referred the Board to the strategic plan distributed prior to the meeting. Discussion centered on the form-driven filings project and the enhancements and features included. The items recommended for potential development prior to the PRL redesign have been included. The Filing Rules maintenance work was expanded to include the feature to display Types of Insurance (TOIs) and the sub-TOIs that apply for each requirement and put them on the requirements page. Further analysis is in progress with the Product Steering Committee (PSC). There have been several individual items added, such as incorporating the filing method and mode into the submission of requirements and allowing for multiple TOIs and sub-TOIs on a single filing. A survey regarding the former is being considered by the PSC.

3. Public Access Demonstration Follow-Up

Ms. Morrison reported that there approximately 75–80 participants for the first demonstration and approximately 85 for the second demonstration. Three additional sessions have been set up to handle the overflow of requests, which will make a total of five demonstrations. The Board decided to include an agenda item for the SERFF Board open session at the Fall National Meeting to allow comments from interested parties on the issue of allowing internet access to SERFF filings that the state has indicated should be available for public viewing. NAIC staff was asked to draft the notice, distribute it and collect comments prior to the meeting.

4. Antitrust Update

Kay Noonan (NAIC) answered a question related to a concern expressed that a state mandate of SERFF would be an antitrust violation. Ms. Noonan stated that the U.S. Supreme Court precedent is determinative that the states are immune from the application of federal antitrust laws when they act in their capacity as states. Ms. Noonan further clarified her statement, noting that there has been no action taken by the NAIC to mandate SERFF, nor is there any plan to move in this direction. Therefore, there is no antitrust concern regarding the association.

Director Hudson said that the SERFF system, as a product of the NAIC, performs an important function for the states and is a way for the states to accept filings efficiently and uniformly. This is part of an effort to move to a paperless system; so SERFF is, in effect, a back-office system for the states. Many states on the call agreed that a SERFF mandate in their state would require legislative approval and, thus, could not be affected by NAIC action.

Mr. Edmiston made a request to put this item on the next agenda for the Board to further discuss, whether or not the Board wished to seek an outside legal opinion on the issue.

5. SERFF Product Development

Bridget Kieras (NAIC) reported that SERFF v5.7 would be released later today, Aug. 12, and would contain several major enhancements — including reminders; changes for Pipeline; a search on General Instruction; state rate data; expansion of the compact confidentiality mechanism; and the ability to search within a PDF attachment on filings. Version 5.8 is now in development and has two major enhancements: 1) implementation of the Statement of Intent for the IIPRC; and 2) the ability to update a number of the filing fields post-submission. Work is also in progress with the PSC on 2010 release candidates.

6. SERFF Marketing Update

Thea Cook (NAIC) reported that over the past several months, monthly transaction volumes have been below budget and July was no exception, with transaction volumes falling about 500 below the budgeted amount of 45,034. There was an average of 1,935 transactions per day in the month of July. The January through July average was 1,217 transactions per day, making the total for SERFF at just over 308,000 transactions year-to-date. The June average per-transaction cost was \$7.64 and January through June was \$7.56 per transaction. Eight new companies were licensed in July, which brings the total up to 2,897 unique licensed companies. The “Getting Started with SERFF” tutorial is still being conducted on a monthly basis. There have been two public access Web demonstrations, with three more demos scheduled. There are plans to deliver some response tutorials in August, as well. A SERFF update was delivered, via Web session, to the Northwest chapter of the Association of Insurance Compliance Professionals (AICP) on July 21 and a member of the SERFF team participated in the Louisiana Insurance Department’s Compliance Day.

Following the report, Ms. Eckler-Kerns made a request to receive the reports in written format in the future.

7. Speed-to-Market Implementation Process

Ms. Fritz said there were only about seven states with remaining issues; three of which are relatively minor changes to be made and the other four with bigger issues. The state implementation issues are as follows:

- Illinois: Uniform Transmittal Document (UTD) still required.
- California: Resolved with the release of SERFF v5.7.
- Hawaii: Paper copy being required on filings. The legislation was approved, so this requirement should be removed soon.
- Indiana: Still has significant implementation issues across all business areas.
- Florida: A conference call is scheduled for Aug. 19.
- New Jersey: Page limitation that should be removed soon.

Since the Summer National Meeting, NAIC staff has focused more on the Medicare supplement project, with 39 states in production with the changes and the 12 remaining states anticipated to be complete by the end of September.

Ms. Eckler-Kerns made a request to receive this report in written format in the future.

8. Approval of Minutes

A motion was made by Ms. Eckler-Kerns to approve the minutes of July 15 (Attachment A). Mr. Edmiston seconded the motion, and the minutes were approved.

Having no further business, the SERFF Board of Directors adjourned.

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Draft: 8/5/09

SERFF Board of Directors
Conference Call
July 15, 2009

The SERFF Board of Directors met via conference call July 15, 2009. The following members participated: Mary Jo Hudson, Chair (OH); Susan Eckler-Kerns, Vice Chair (Prudential); Susan Voss represented by Tom O'Meara (IA); Bill Lacy (AR); Tammy Lohman (MN); Doris Kullman (NY); Kathie Stepp (OK); Elaine Leighton (ACLI Representative); David Emmett (Georgia Mutual); Hank Edmiston (PCI Representative); Fred Alvarado (Transamerica); and Kim Kennedy (Travelers).

The following ex-officio members participated: Maureen Hartsmith (NH); Shawna Greenway (Farm Bureau); Karen Schutter (IIPRC); Charlie Rapacciuolo (IIPRC); and Sonja Larkin-Thorne (NAIC Consumer Representative).

1. Financial Illustrations/Budget

Brady Kelley (NAIC) referred to the financial presentation, noting that changes to the illustrations made since the last meeting are consistent with some of the questions and information for which the Board has asked. Cumulative project results, including allocations made to support SERFF through 2008, are shown. Also illustrated are the actual results through May 31 and the projections from June through December 2009, which reflect \$4.1 million in revenue for 2009, compared to expenses of \$2.9 million. The net change in assets is approximately \$1.1 million. The second page reflects the overall SERFF financial picture, only without the allocations that show the cost to the NAIC to support the SERFF project.

Mr. Kelley explained the importance of presenting all of the information for the life of the entire project from conception. When asked to explain the \$1 million in "Other Expenses," Mr. Kelley said that \$800,000 was a sponsorship for revenue that never was committed by (but never received from) Essentium, which was a potential business partner. That amount was shown as revenue and then a corresponding expense was added when the committed amount was never received. The \$4.4 million in "Professional Services" was explained as consultant fees for work on the SERFF system. It was requested that the allocations also be reflected on the SERFF-only illustration going forward, so that amounts could be viewed side-by-side.

Director Hudson said this information should be taken under advisement and asked the Board to submit their comments for a more formal discussion at the next meeting. The August meeting will be moved up one week due to Director Hudson's travel schedule. Ms. Morrison offered to gather comments, revise the financials and re-circulate them with further explanation.

2. Presentation and Discussion of SERFF 2010 Proposed Budget

Julie Fritz (NAIC) referred to Page 2 of the financial presentation for the 2010 SERFF budget with direct expenses only. She said the 2010 proposed budget does not vary greatly from the 2009 proposed budget. Revenues and expenses are expected to show little change. Ms. Fritz reminded the Board that the 2009 actuals/projections will vary from the 2010 budget, because of the effort to reduce costs in 2009. The Board was again invited to submit questions or comments for discussion at the next SERFF Board meeting.

3. Update and Discussion on Analysis for the Forms-driven Filings Enhancement

Joy Morrison (NAIC) presented preliminary analysis on this project. As requested at the Summer National Meeting, analysis was conducted to determine if there were portions of the forms-driven filing project that could move forward despite the recommendations from the Operational Efficiencies (EX) Working Group that the Product Requirements Locator (PRL) development be suspended until there is some indication of commitment to PRL from the industry. The memo contains a summary of the recommendations and the suggestions to consider. All have been marked to indicate if the NAIC's initial analysis would recommend pursuing the enhancement, completing more analysis or waiting until further decisions were made regarding PRL. An additional suggestion was to have multiple types of insurance (TOIs) completed, because the market demands this and it is also thought that this will make SERFF more user-friendly. It was also suggested that this same level of granularity be applied to rates and rules; perhaps the Product Steering Committee (PSC) could evaluate this. A requirement could then be based on those five categories: Form Type, Filing Method, TOI, Sub-TOI and Filing Type. Ms. Morrison agreed to gather some high-level estimates and place the recommended enhancements into the SERFF Board's strategic plan so that the board can then prioritize the enhancements with the rest of the features already in the plan.

4. Climate Change and Global Warming Survey/Use of SERFF

Director Hudson said there was discussion at the Summer National Meeting about using SERFF to collect results from the Insurer Climate Risk Disclosure Survey. At the time, Ms. Fritz responded that SERFF was not the appropriate tool for that use; however, a Board member asked that it be addressed at this meeting. Director Hudson asked if anyone else had questions and, hearing none, discussion moved to the next agenda item.

5. SERFF and Public Access

The Board received a request from South Dakota to allow public access to SERFF filings via the Internet. Ms. Stepp said many states would appreciate the ability to allow consumers and interested parties the option to access filings without going into the state's offices to do so. Many states do not have the resources to build their own Web interfaces through which rate and form filings might be accessible to the public and, thus, would like to utilize SERFF to fulfill this need. Several questions arose as to the functionality available in SERFF to protect confidential portions of the filings. It was agreed to prepare a Web presentation so that the Board would be given the opportunity to view the current functionality within the public access/confidentiality mechanism in SERFF. It was requested that these sessions be open to interested parties, as well, and that they be conducted prior to the next SERFF Board call so that the discussion may continue on this topic.

6. SERFF Product Development

Ms. Morrison reported that SERFF v5.7 is in testing and was moved to the QA environment last week, with a release planned for Aug. 12. The functionality was split into two releases to allow more time to manage the development and to allow for thorough testing. SERFF v5.8 is scheduled for a Nov. 4 release and it will include the post-submission updates enhancement, as well as the IIPRC's fielded statement of intent.

7. SERFF Marketing Update

Thea Cook (NAIC) said that monthly transactions were reported at the Summer National Meeting and the numbers are down for the months of April and May. For January through June 2009, transactions are still slightly over budget at 14,000. However, the June numbers are still below the budgeted amount and the month of June ended with 46,379 transactions, where nearly 48,000 was budgeted. The average daily transaction rate for June was 2,108 transactions per day and there were 22 business days in June. The average per-transaction amount for May was \$7.47. The average per-transaction amount for January through May was \$7.56. There are 48 new licensed companies and the total number of new licensed companies is now just under 2,900. The SERFF team will conduct a Web session for a meeting of the Northwest chapter of the Association of Insurance Compliance Professionals (AICP) and the Louisiana Insurance Department Compliance Day. The SERFF team still plans to attend the AICP national conference in October, but will not host a booth at the event.

8. Speed to Market Implementation Progress

Ms. Fritz reported that since the Summer National Meeting, California has gone live with all lines of business, the Product Coding Matrix (PCM) and Uniform Transmittal Document (UTD). The state still needs to get electronic funds transfer (EFT) implemented for their rating organizations. A conference call with Florida is planned for early August to discuss integration of I-File and SERFF. Hawaii has finished, has done EFT for life/health and hopes to complete property/casualty shortly. Illinois has only one outstanding issue, which is the implementation of the UTD on the life/health side. Indiana has more work to do and is in progress. Kentucky still needs some work on the health side; they have some different requirements, because not all health filings are handled by the insurance department. Mississippi should begin accepting EFT transactions on July 16. New Mexico finished EFT, but needs to remove the UTD attachment requirement. South Carolina still needs to implement EFT. New Jersey is fully implemented, except for the 200-page limit they will be eliminating.

9. Approval of Minutes

A motion was made by Mr. Edmiston to approve the minutes of the June 13 meeting. Ms. Stepp seconded the motion, and the minutes were approved with one unresolved item, which is clarification of possible trade infringements. Kay Noonan (NAIC) is not currently available to address this issue, so it will be placed on the agenda for the next call.

Having no further business, the SERFF Board of Directors adjourned.

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SERFF Board of Directors
Minneapolis, MN
June 13, 2009

The SERFF Board of Directors met in Minneapolis, MN, June 13, 2009. The following members participated: Mary Jo Hudson, Chair (OH); Susan Eckler-Kerns, Vice Chair (Prudential); Susan E. Voss (IA); Bill Lacy (AR); Tammy Lohmann (MN); Ted Hamby (NC); Doris Kullman (NY); Kathie Stepp (OK); Elaine Leighton (ACLI); Fred Alvarado (Transamerica); and Kim Kennedy (Travelers).

The following ex-officio members participated: Steve Buhr (AEGON); Maureen Hartsmith (NH); Karen Schutter (IIPRC); Charlie Rapacciuolo (IIPRC); Larry Mirel (Wiley Rein); Peg Ising (Nelson, Levine, de Luca & Horst); Charles Breitstadt (NAMIC); and Sonja Larkin-Thorne (NAIC Funded Consumer).

1. Presentation of SERFF Financials Year-to-Date

Julie Fritz (NAIC) presented the quarterly financial information for SERFF, noting that SERFF revenues were relatively flat and that, although the May financials were not completed as of the time of the report, revenue in May was below budget projections for the first time in several months. Ms. Fritz suggested that the overall economy might be contributing to average transactions being lower in May than usual. NAIC staff is conducting analysis of recent filing data in an effort to determine factors that might be influencing filing submissions in the second quarter. Year-to-date revenue numbers are slightly ahead of budget and actual expenses are under budget by approximately \$50,000, as part of an effort to reduce expenses in 2009.

Ms. Fritz drew the Board's attention to the illustrations that were presented at the Spring National Meeting, which have been updated to include 2009 year-to-date numbers. These illustrations are being provided for continuity of reporting and so that the Board can see the fully burdened picture of SERFF's financial status. Ms. Leighton asked why the expense for the 1995 proof-of-concept was still being shown, as she expected that would have been written off by now. Brady Kelley (NAIC) responded that the expense did not require writing off, because it was incurred in 1995 and was fully reflected in the financials in 1995. He explained that the illustration shows a cumulative summary of all expenses; therefore, this amount was carried forward to illustrate a cumulative cost for SERFF over the life of the project. Mr. Kelley assured the Board that this is not a continuing expense for SERFF, but simply an expense that SERFF has incurred. The Board was also informed that the revenue line in this illustration shows a cumulative total for revenue, to include fees paid by original consortium members.

2. Budget

Ms. Fritz presented a draft of the 2010 budget. This draft shows all NAIC Department 89 revenues and expenses (with OPTins shown in a separate column) so that the Board may see those revenues and expenses directly related to SERFF. Ms. Fritz said there is little difference between the 2009 and 2010 revenue budgets. Revenue for SERFF is expected to remain flat, with little growth in 2010. Some expenses in 2010 are shown as much lower than 2009; this difference reflects a concerted effort by NAIC staff to reduce actual expenses in 2009. Ms. Fritz said royalty revenue proposed for 2010 is the result of anticipated contracts with vendors in 2010. The Board will be informed of any potential contracts as negotiations solidify. Ms. Kennedy asked, given the allocation of expenses for 2010 over what is reported in Department 89, what the total revenue to expenses number will be. Ms. Fritz said the rest of the departments that would contribute to the allocation of expenses have not completed their budgets yet, but a rough estimate would be about \$800,000 in revenue over expenses.

3. Strategic Planning

Ms. Morrison said the updates made to the strategic plan were marked as "June 2009" in the document. Ms. Morrison said two new items had been added, per the Board's approval of new items on the May 20 conference call: hours approved to complete simple customer requests to move data from one hoster to another and the proof-of-concept work to explore solutions to some of the more complex scenarios related to data modification and retention. The Board also requested that analysis hours be devoted to continuing with the forms-driven filings enhancement, even though the Operational Efficiencies (EX) Working Group has delayed development on the redesigned Product Requirements Locator.

4. Product Development Update

Development continues for SERFF 5.7, scheduled for release in September 2009. Items in testing include a search feature for General Instructions, additions to the Export Tool that will enhance state and company reporting abilities, Pipeline performance and format changes, and a new Reminders feature. Also planned for this release is an enhancement that will allow users to search for text within a PDF file. Ms. Morrison said this feature initially would be released to a limited group, to allow the team to gauge any impact to performance before releasing it to the entire user group. The implementation of the IIPRC Statement of Intent into fielded data and the ability to update more of the filing fields after submission are also planned for SERFF v5.7.

5. Marketing Update

Since the Spring National Meeting, the marketing team has licensed 95 companies and implemented more than 60 companies. Overall, state support and state electronic funds transfer (EFT) mandates have encouraged the industry to implement EFT. Approximately 2,500 companies have implemented EFT — roughly 87% of the total number of unique licensed companies.

6. Speed to Market Implementation Update

Ms. Fritz said the Speed to Market initiatives effort is going well, and the team continues to work with the remaining states to complete implementation of the initiatives year-end. Hawaii is eliminating a hardcopy requirement through legislation to complete the state's initiatives. Kentucky is expected to complete their health implementation by the end of June. California should be fully implemented across all life lines by the end of June. Mississippi, South Carolina and New Mexico still need to implement EFT.

7. Approval of Minutes

A motion was made by Commissioner Voss to adopt the minutes of the May 20 conference call (Attachment x). Ms. Leighton seconded the motion, and the minutes were unanimously adopted. A motion was made by Ms. Kennedy to adopt the minutes of the April 15 conference call (Attachment X). Ms. Eckler-Kerns seconded the motion and the minutes were unanimously adopted.

8. Any Other Matters

The Board repeated its request for a statement from the NAIC regarding the possibility of an antitrust violation caused by the states mandating the use of SERFF when there is a charge to use the SERFF system. Director Hudson requested that Kay Noonan (NAIC) be invited to address the Board at the next monthly meeting.

Having no further business, the SERFF Board of Directors adjourned.

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Schedule of Revenues and Expenses
SERFF

As of: July 31, 2009

Run Date: 08/13/09 at 11:49

	M-T-D Actual	M-T-D Budget	Variance	Percent	Y-T-D Actual	Y-T-D Budget	Variance	Percent	Annual Budget
Annual License Fees	2,083.75	2,083.00	0.75	0.04	14,583.75	14,585.00	(1.25)	(0.01)	25,000.00
Usage Fees	323,704.00	330,823.00	(7,119.00)	(2.15)	2,339,007.00	2,160,185.00	178,822.00	8.28	3,808,218.00
OPTins Usage Fees	2,528.25	10,604.00	(8,075.75)	(76.16)	17,374.00	58,128.00	(40,754.00)	(70.11)	127,383.00
Royalty Revenue	0.00	2,637.00	(2,637.00)	(100.00)	0.00	18,554.00	(18,554.00)	(100.00)	32,135.00
Maintenance Fees	0.00	15,000.00	(15,000.00)	(100.00)	0.00	22,500.00	(22,500.00)	(100.00)	37,500.00
E-Regulation Conf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenues	328,316.00	361,147.00	(32,831.00)	(9.09)	2,370,964.75	2,273,952.00	97,012.75	4.27	4,030,236.00
Salaries	114,239.91	115,096.00	(856.09)	(0.74)	732,038.18	760,636.00	(28,597.82)	(3.76)	1,301,088.00
Salaries - MIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Turnover Factor (Budget Only)	0.00	(1,403.00)	1,403.00	(100.00)	0.00	(8,885.00)	8,885.00	(100.00)	(15,476.00)
Vacation Liab (Actual Only)	(449.54)	0.00	(449.54)	N/A	23,568.53	0.00	23,568.53	N/A	0.00
Salaries-Promotions & Adjs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Overtime	0.00	0.00	0.00	0.00	136.50	0.00	136.50	N/A	0.00
Interns	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P/R Taxes-Fica	8,471.65	8,559.00	(87.35)	(1.02)	54,417.50	55,147.00	(729.50)	(1.32)	95,626.00
Fica-Turnover Factor	0.00	(98.00)	98.00	(100.00)	0.00	(640.00)	640.00	(100.00)	(1,102.00)
Fica-Vacation Liability	(34.39)	0.00	(34.39)	N/A	2,553.14	0.00	2,553.14	N/A	0.00
P/R Taxes-Unemp Comp	17.72	29.00	(11.28)	(38.90)	3,907.95	4,045.00	(137.05)	(3.39)	4,056.00
Prof Dev-Reimbursed	0.00	0.00	0.00	0.00	195.00	1,088.00	(893.00)	(82.08)	2,176.00
Prof Dev-Prof Dues	0.00	0.00	0.00	0.00	429.00	817.00	(388.00)	(47.49)	905.00
Prof Dev-Prof Training	0.00	600.00	(600.00)	(100.00)	2,493.00	11,085.00	(8,592.00)	(77.51)	13,385.00
Prof Svcs-Computer	0.00	0.00	0.00	0.00	0.00	31,933.00	(31,933.00)	(100.00)	36,933.00
Prof Svcs-Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prof Svcs-Credit Card Fees	16.48	0.00	16.48	N/A	117.11	0.00	117.11	N/A	0.00
Comp Svcs-Db Network	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Travel Expenses-Staff	1,082.68	971.00	111.68	11.50	4,178.77	17,692.01	(13,513.24)	(76.38)	26,587.01
Non-Staff Travel/Enter	0.00	0.00	0.00	0.00	932.34	7,550.00	(6,617.66)	(87.65)	7,550.00
Travel-Sales/Marketing	0.00	682.00	(682.00)	(100.00)	4,953.61	10,210.00	(5,256.39)	(51.48)	21,654.00
Occupancy-Elec,Clean,Prkg	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equipment Rental	35.19	0.00	35.19	N/A	35.19	0.00	35.19	N/A	0.00
Telephone Exp-Local, Ld & Cell	2,542.29	1,078.00	1,464.29	135.83	14,635.40	7,546.00	7,089.40	93.95	12,936.00
Other Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Cap Equip	0.00	0.00	0.00	0.00	360.16	1,093.00	(732.84)	(67.05)	1,093.00
Mail Services	388.52	300.00	88.52	29.51	3,096.90	2,100.00	996.90	47.47	3,600.00
Reference Materials	0.00	0.00	0.00	0.00	217.09	570.00	(352.91)	(61.91)	570.00
Printing & Production	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Training-E-Reg Conf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
State Technical Training	(40.00)	768.00	(808.00)	(105.21)	3,102.35	1,536.00	1,566.35	101.98	3,072.00
Bad Debt Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Recruiting & Relocation-Misce	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Schedule of Revenues and Expenses

SERFF

As of: July 31, 2009

Run Date: 08/13/09 at 11:49

	M-T-D Actual	M-T-D Budget	Variance	Percent	Y-T-D Actual	Y-T-D Budget	Variance	Percent	Annual Budget
Total Operating Expenses	126,270.51	126,562.00	(291.49)	(0.23)	851,367.72	903,523.01	(52,155.29)	(5.77)	1,514,653.01
Revenues Over (Under) Expenses	<u>202,045.49</u>	<u>234,585.00</u>	<u>(32,539.51)</u>	<u>(13.87)</u>	<u>1,519,597.03</u>	<u>1,370,428.99</u>	<u>149,168.04</u>	<u>10.88</u>	<u>2,515,582.99</u>

Schedule of Revenues and Expenses
SERFF

As of: June 30, 2009

Run Date: 07/14/09 at 16:20

	M-T-D Actual	M-T-D Budget	Variance	Percent	Y-T-D Actual	Y-T-D Budget	Variance	Percent	Annual Budget
Annual License Fees	2,083.75	2,083.00	0.75	0.04	12,500.00	12,502.00	(2.00)	(0.02)	25,000.00
Usage Fees	371,837.00	351,965.00	19,872.00	5.65	2,015,303.00	1,829,362.00	185,941.00	10.16	3,808,218.00
OPTims Usage Fees	2,265.91	10,050.00	(7,784.09)	(77.45)	14,845.75	47,524.00	(32,678.25)	(68.76)	127,383.00
Royalty Revenue	0.00	2,750.00	(2,750.00)	(100.00)	0.00	15,917.00	(15,917.00)	(100.00)	32,135.00
Maintenance Fees	0.00	0.00	0.00	0.00	0.00	7,500.00	(7,500.00)	(100.00)	37,500.00
E-Regulation Conf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenues	376,186.66	366,848.00	9,338.66	2.55	2,042,648.75	1,912,805.00	129,843.75	6.79	4,030,236.00
Salaries	108,029.47	110,092.00	(2,062.53)	(1.87)	617,798.27	645,540.00	(27,741.73)	(4.30)	1,301,088.00
Salaries - MIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Turnover Factor (Budget Only)	0.00	(1,340.00)	1,340.00	(100.00)	0.00	(7,482.00)	7,482.00	(100.00)	(15,476.00)
Vacation Liab (Actual Only)	1,585.53	0.00	1,585.53	N/A	24,018.07	0.00	24,018.07	N/A	0.00
Salaries-Promotions & Adjs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Overtime	9.33	0.00	9.33	N/A	136.50	0.00	136.50	N/A	0.00
Interns	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P/R Taxes-Fica	8,005.23	8,148.00	(142.77)	(1.75)	45,945.85	46,588.00	(642.15)	(1.38)	95,626.00
Fica-Turnover Factor	0.00	(93.00)	93.00	(100.00)	0.00	(542.00)	542.00	(100.00)	(1,102.00)
Fica-Vacation Liability	121.29	0.00	121.29	N/A	2,587.53	0.00	2,587.53	N/A	0.00
P/R Taxes-Unemp Comp	(348.97)	35.00	(383.97)	(1097.06)	3,890.23	4,016.00	(125.77)	(3.13)	4,056.00
Prof Dev-Reimbursed	0.00	0.00	0.00	0.00	195.00	1,088.00	(893.00)	(82.08)	2,176.00
Prof Dev-Prof Dues	105.00	44.00	61.00	138.64	429.00	817.00	(388.00)	(47.49)	905.00
Prof Dev-Prof Training	0.00	1,500.00	(1,500.00)	(100.00)	2,493.00	10,485.00	(7,992.00)	(76.22)	13,385.00
Prof Svcs-Computer	0.00	0.00	0.00	0.00	0.00	31,933.00	(31,933.00)	(100.00)	36,933.00
Prof Svcs-Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prof Svcs-Credit Card Fees	40.03	0.00	40.03	N/A	100.63	0.00	100.63	N/A	0.00
Comp Svcs-Db Network	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Travel Expenses-Staff	1,336.75	6,244.00	(4,907.25)	(78.59)	3,096.09	16,721.01	(13,624.92)	(81.48)	26,587.01
Non-Staff Travel/Enter	238.46	0.00	238.46	N/A	932.34	7,550.00	(6,617.66)	(87.65)	7,550.00
Travel-Sales/Marketing	496.70	800.00	(303.30)	(37.91)	4,953.61	9,548.00	(4,594.39)	(48.12)	21,654.00
Occupancy-Elec,Clean,Prkg	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equipment Rental	(35.19)	0.00	(35.19)	N/A	0.00	0.00	0.00	0.00	0.00
Telephone Exp-Local, Ld & Cell	2,664.27	1,078.00	1,586.27	147.15	12,093.11	6,468.00	5,625.11	86.97	12,936.00
Other Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Cap Equip	220.00	177.00	43.00	24.29	360.16	1,093.00	(732.84)	(67.05)	1,093.00
Mail Services	419.09	300.00	119.09	39.70	2,708.38	1,800.00	908.38	50.47	3,600.00
Reference Materials	11.14	180.00	(168.86)	(93.81)	217.09	570.00	(352.91)	(61.91)	570.00
Printing & Production	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Training-E-Reg Conf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
State Technical Training	3,142.35	0.00	3,142.35	N/A	3,142.35	768.00	2,374.35	309.16	3,072.00
Bad Debt Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Recruiting & Relocation-Misce	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Schedule of Revenues and Expenses

SERFF

As of: June 30, 2009

Run Date: 07/14/09 at 16:20

	M-T-D Actual	M-T-D Budget	Variance	Percent	Y-T-D Actual	Y-T-D Budget	Variance	Percent	Annual Budget
Total Operating Expenses	126,040.48	127,165.00	(1,124.52)	(0.88)	725,097.21	776,961.01	(51,863.80)	(6.68)	1,514,653.01
Revenues Over (Under) Expenses	<u>250,146.18</u>	<u>239,683.00</u>	<u>10,463.18</u>	4.37	<u>1,317,551.54</u>	<u>1,135,843.99</u>	<u>181,707.55</u>	16.00	<u>2,515,582.99</u>

Schedule of Revenues and Expenses

SERFF

As of: May 31, 2009

Run Date: 06/11/09 at 15:03

	M-T-D Actual	M-T-D Budget	Variance	Percent	Y-T-D Actual	Y-T-D Budget	Variance	Percent	Annual Budget
Annual License Fees	2,083.25	2,083.00	0.25	0.01	10,416.25	10,419.00	(2.75)	(0.03)	25,000.00
Usage Fees	309,541.00	319,968.00	(10,427.00)	(3.26)	1,643,466.00	1,477,397.00	166,069.00	11.24	3,808,218.00
OPTins Usage Fees	1,365.00	11,750.00	(10,385.00)	(88.38)	12,579.84	37,474.00	(24,894.16)	(66.43)	127,383.00
Royalty Revenue	0.00	2,481.00	(2,481.00)	(100.00)	0.00	13,167.00	(13,167.00)	(100.00)	32,135.00
Maintenance Fees	0.00	0.00	0.00	0.00	0.00	7,500.00	(7,500.00)	(100.00)	37,500.00
E-Regulation Conf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenues	312,989.25	336,282.00	(23,292.75)	(6.93)	1,666,462.09	1,545,957.00	120,505.09	7.79	4,030,236.00
Salaries	103,418.40	105,088.00	(1,669.60)	(1.59)	509,768.80	535,448.00	(25,679.20)	(4.80)	1,301,088.00
Salaries - MIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Turnover Factor (Budget Only)	0.00	(1,233.00)	1,233.00	(100.00)	0.00	(6,142.00)	6,142.00	(100.00)	(15,476.00)
Vacation Liab (Actual Only)	7,512.98	0.00	7,512.98	N/A	22,432.54	0.00	22,432.54	N/A	0.00
Salaries-Promotions & Adjs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Overtime	0.00	0.00	0.00	0.00	127.17	0.00	127.17	N/A	0.00
Interns	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P/R Taxes-Fica	7,749.91	7,786.00	(36.09)	(0.46)	37,940.62	38,440.00	(499.38)	(1.30)	95,626.00
Fica-Turnover Factor	0.00	(89.00)	89.00	(100.00)	0.00	(449.00)	449.00	(100.00)	(1,102.00)
Fica-Vacation Liability	574.74	0.00	574.74	N/A	2,466.24	0.00	2,466.24	N/A	0.00
P/R Taxes-Unemp Comp	216.77	65.00	151.77	233.49	4,239.20	3,981.00	258.20	6.49	4,056.00
Prof Dev-Reimbursed	195.00	1,088.00	(893.00)	(82.08)	195.00	1,088.00	(893.00)	(82.08)	2,176.00
Prof Dev-Prof Dues	0.00	0.00	0.00	0.00	324.00	773.00	(449.00)	(58.09)	905.00
Prof Dev-Prof Training	0.00	3,495.00	(3,495.00)	(100.00)	2,493.00	8,985.00	(6,492.00)	(72.25)	13,385.00
Prof Svcs-Computer	0.00	1,933.00	(1,933.00)	(100.00)	0.00	31,933.00	(31,933.00)	(100.00)	36,933.00
Prof Svcs-Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prof Svcs-Credit Card Fees	26.44	0.00	26.44	N/A	60.60	0.00	60.60	N/A	0.00
Comp Svcs-Db Network	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Travel Expenses-Staff	0.00	1,589.00	(1,589.00)	(100.00)	1,759.34	10,477.01	(8,717.67)	(83.21)	26,587.01
Non-Staff Travel/Enter	0.00	0.00	0.00	0.00	693.88	7,550.00	(6,856.12)	(90.81)	7,550.00
Travel-Sales/Marketing	666.06	1,324.00	(657.94)	(49.69)	4,456.91	8,748.00	(4,291.09)	(49.05)	21,654.00
Occupancy-Elec,Clean,Prkg	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equipment Rental	0.00	0.00	0.00	0.00	35.19	0.00	35.19	N/A	0.00
Telephone Exp-Local, Ld & Cell	3,127.53	1,078.00	2,049.53	190.12	9,428.84	5,390.00	4,038.84	74.93	12,936.00
Other Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Cap Equip	0.00	0.00	0.00	0.00	140.16	916.00	(775.84)	(84.70)	1,093.00
Mail Services	359.24	300.00	59.24	19.75	2,289.29	1,500.00	789.29	52.62	3,600.00
Reference Materials	0.00	160.00	(160.00)	(100.00)	205.95	390.00	(184.05)	(47.19)	570.00
Printing & Production	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Training-E-Reg Conf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
State Technical Training	0.00	0.00	0.00	0.00	0.00	768.00	(768.00)	(100.00)	3,072.00
Bad Debt Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Recruiting & Relocation-Misce	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

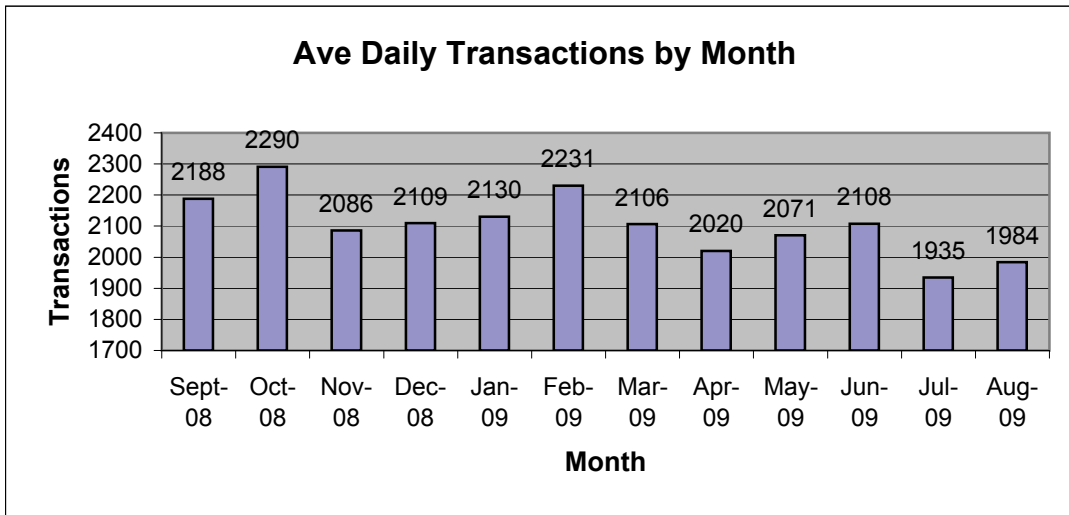
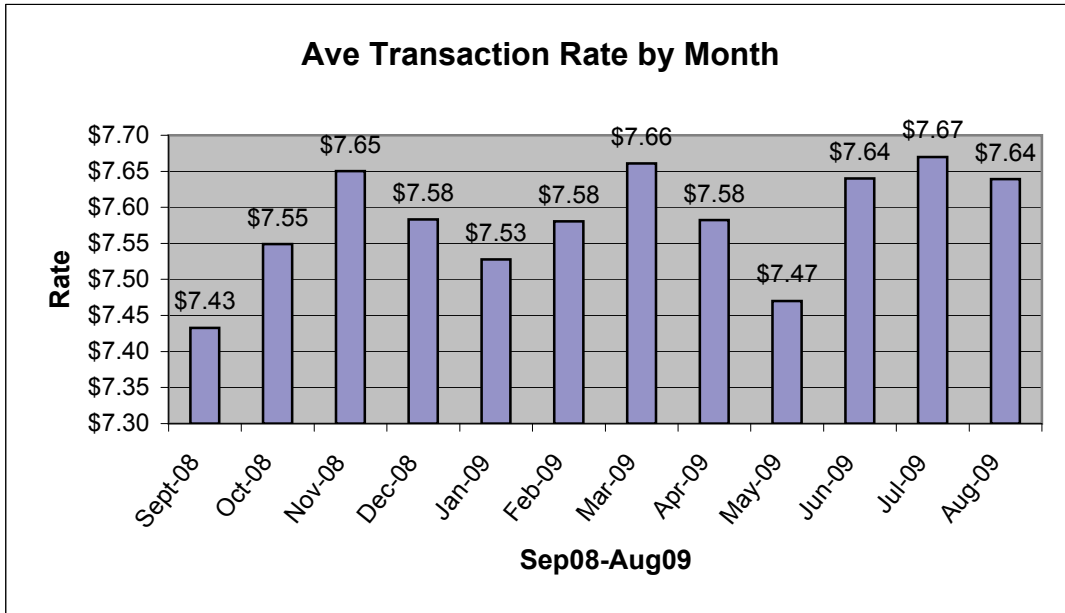
Schedule of Revenues and Expenses

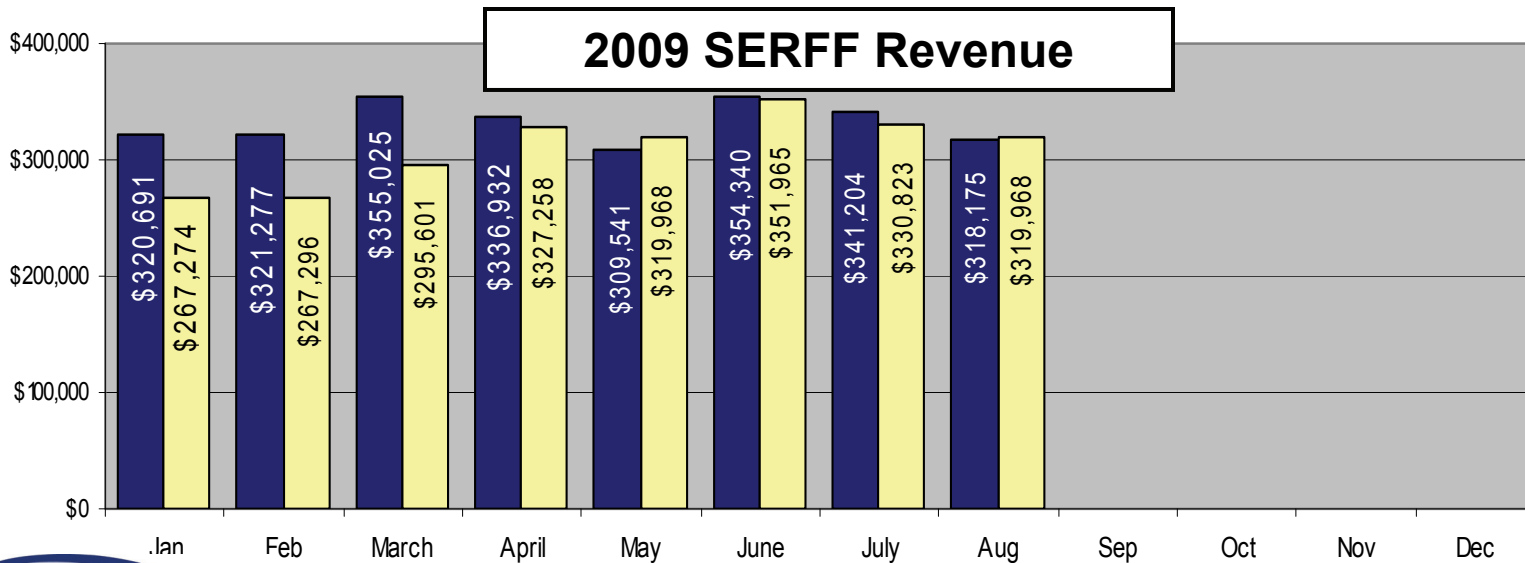
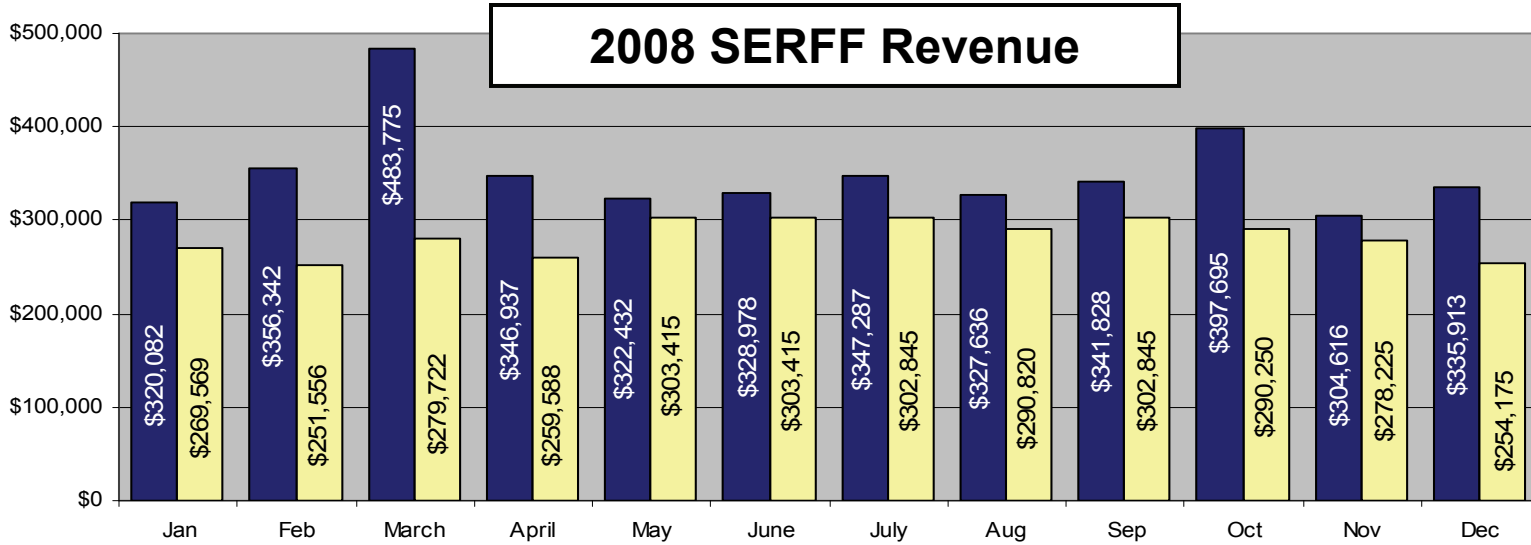
SERFF

As of: May 31, 2009

Run Date: 06/11/09 at 15:03

	M-T-D Actual	M-T-D Budget	Variance	Percent	Y-T-D Actual	Y-T-D Budget	Variance	Percent	Annual Budget
Total Operating Expenses	123,847.07	122,584.00	1,263.07	1.03	599,056.73	649,796.01	(50,739.28)	(7.81)	1,514,653.01
Revenues Over (Under) Expenses	<u>189,142.18</u>	<u>213,698.00</u>	<u>(24,555.82)</u>	<u>(11.49)</u>	<u>1,067,405.36</u>	<u>896,160.99</u>	<u>171,244.37</u>	<u>19.11</u>	<u>2,515,582.99</u>

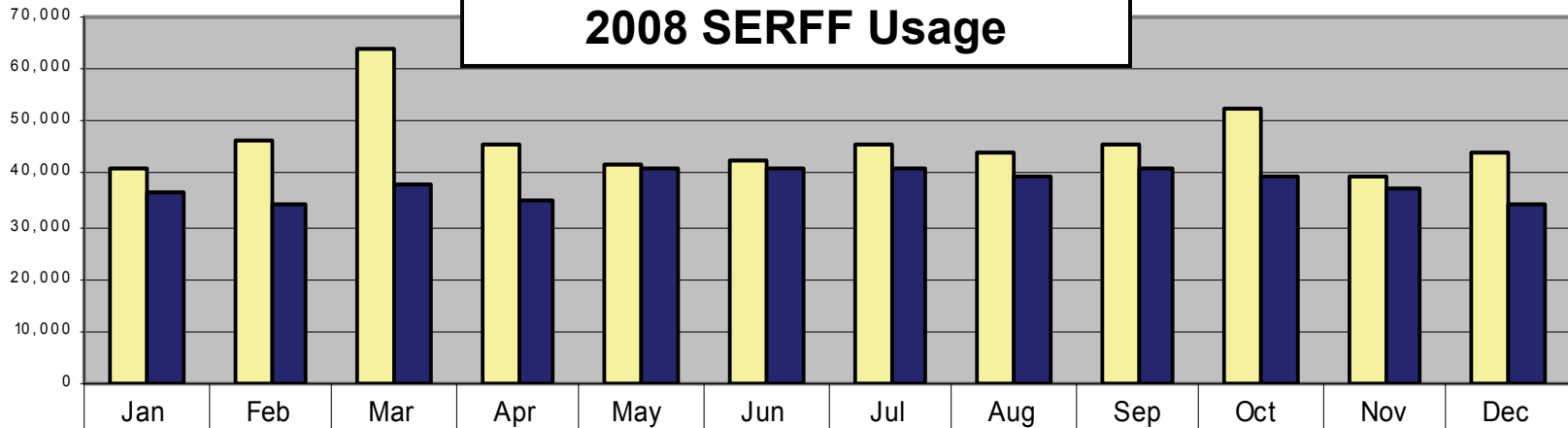




Actual
 Budgeted



2008 SERFF Usage

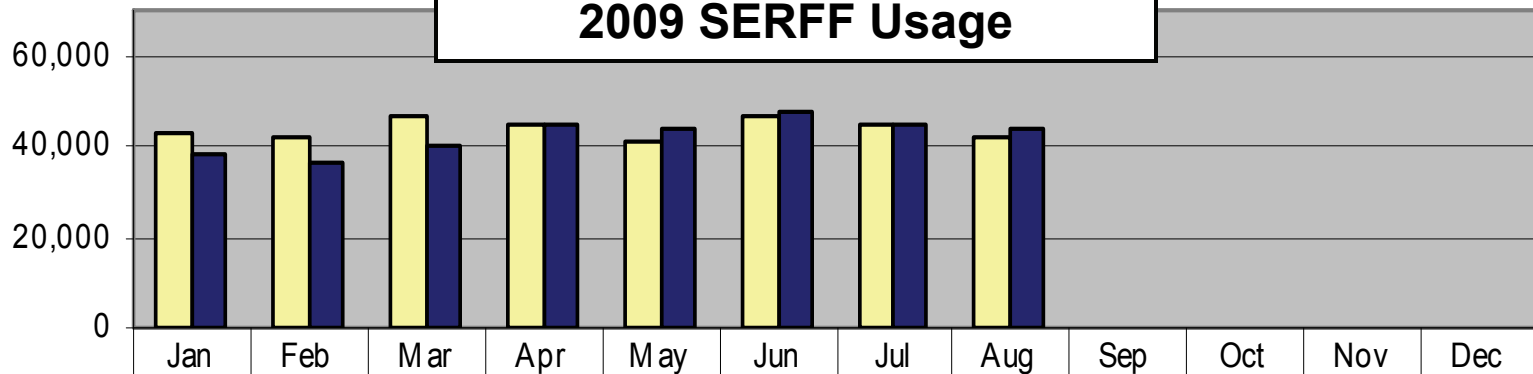


Actual	41,278	46,497	64,019	45,589	41,951	42,841	45,541	43,999	45,942	52,681	39,626	44,297
Budgeted	36,428	33,994	37,800	35,079	41,002	41,002	40,925	39,300	40,925	39,223	37,598	34,348

Actual

Budgeted

2009 SERFF Usage



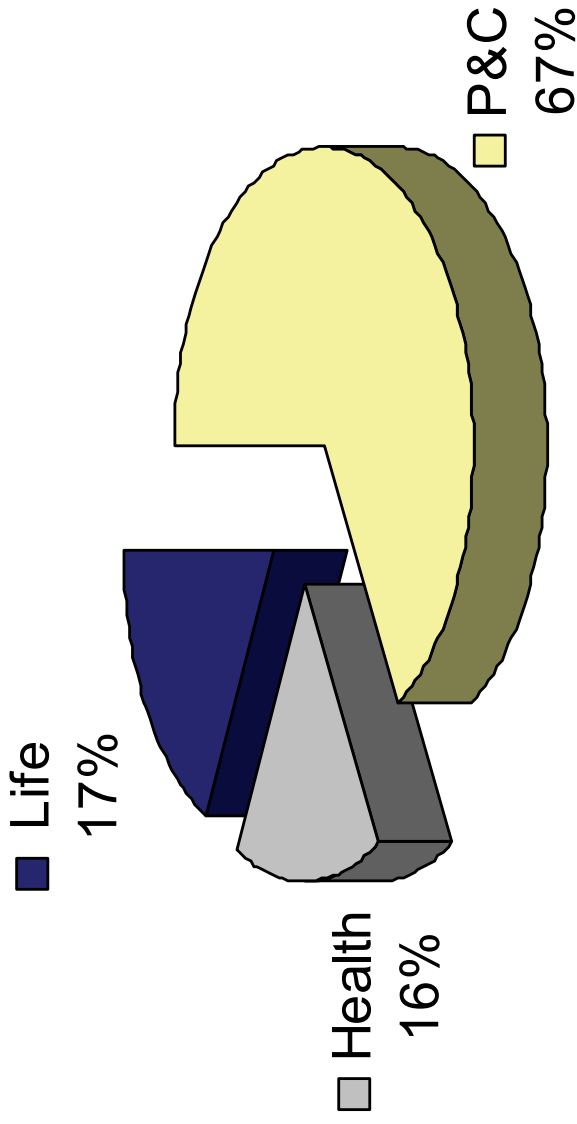
Actual	42,602	42,381	46,342	44,437	41,410	46,379	44,496	41,665				
Budgeted	38,428	36,494	40,422	44,617	43,560	47,916	45,034	43,560				

Actual

Budgeted

SERFF Filing Experience

2009 SERFF Filings by Line of Business



2009 SERFF Filings – 349,712

* through August 31, 2009

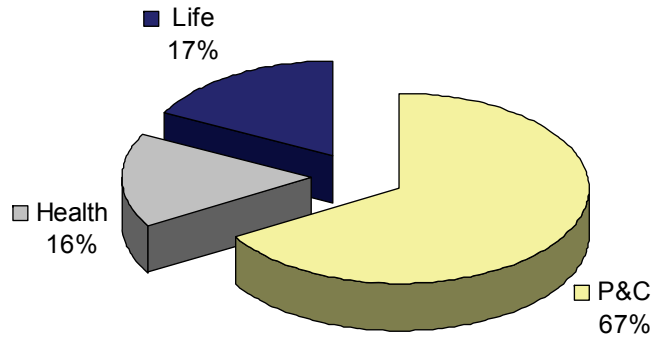


Providing flexibility, promoting uniformity

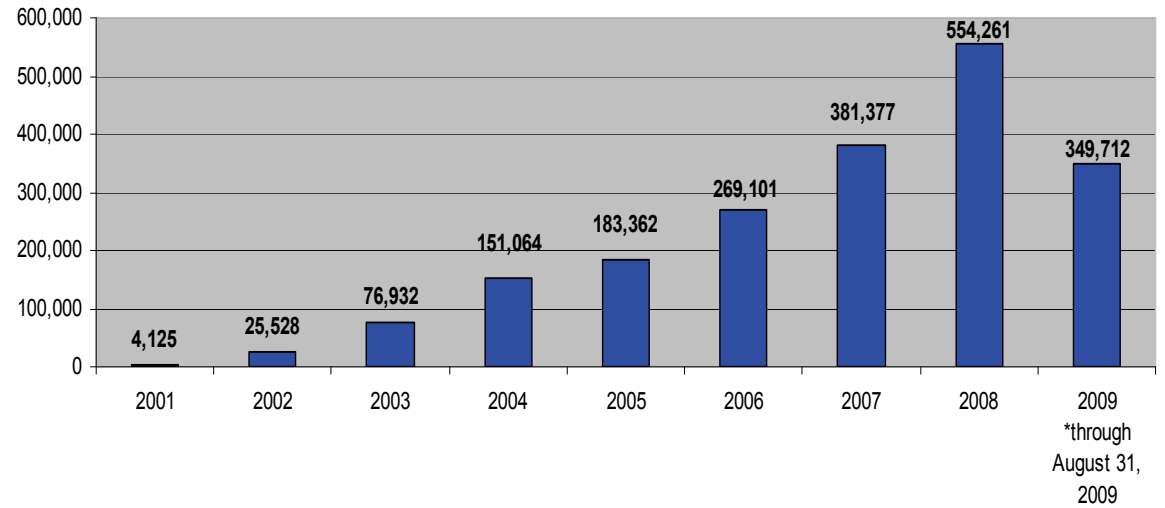


National Association of
Insurance Commissioners

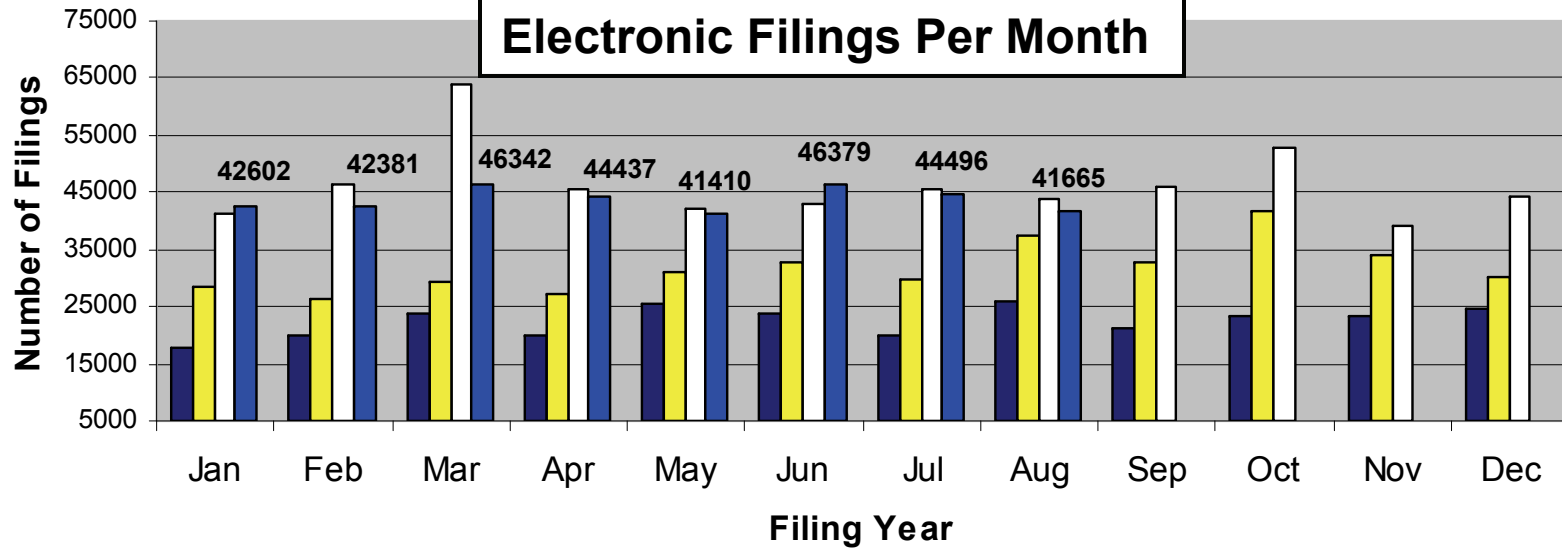
SERFF Filing Experience by Line of Business



SERFF Filing Experience by Year



Electronic Filings Per Month



2006
 2007
 2008
 2009



Optional Use of SERFF to Satisfy Requests for Information (Compilation of Requests and Comments)

July 2009: South Dakota sent a request to the SERFF Board asking that access to SERFF via the internet be made available to allow the state to more easily satisfy public requests for rate and form information.

July 15, 2009: The SERFF Board receives the South Dakota request during their monthly meeting and decides to hold a series of web demonstrations so that Board members and interested parties could learn the current functionality in SERFF to control access to the components of a SERFF rate and form filing. Five demonstrations for approximately 400 attendees were conducted between late July and late August.

August 12, 2009: The SERFF Board asks that the meeting agenda for the Fall National Meeting include an agenda item to allow for comments on this issue. Interested parties are invited to submit their comments and speak on the topic.

August 27, 2009: A notice is distributed to SERFF users and interested parties with the details of the meeting and an invitation to provide comments. Those who wish to speak at the meeting were asked to provide written comments by September 17 and speakers are ordered by the date of their submission.

The attached represents the letter of request by South Dakota and the compilation of comments grouped by Regulator, Industry or Consumer.

From: Gretchen.Brodkorb@state.sd.us [mailto:Gretchen.Brodkorb@state.sd.us]
Sent: Thursday, July 09, 2009 1:18 PM
Subject: Re: SERFF public access

To SERFF Board of Directors:

I wanted to take this opportunity to contact each of the members of the SERFF Board of Directors. Public access to SERFF filings has long been advocated by South Dakota and a number of other states, but to date without success.

South Dakota was one of the first states to require SERFF only for all filings. I believe that many other states will join us in fully utilizing this valuable service for the states and the industry. We now have a very functional and efficient method for processing filings with one glaring exception, requests for public access to filings.

The status quo for public access to filings here and elsewhere is often a cumbersome process in which the person seeking access either has to physically come to the office to inspect and copy the filings or the filing staff identifies and copies the documents for mailing to the person making the request. This is obviously not the most efficient and timely use of resources for either the Division or those seeking the information.

We do understand that North Carolina has offered their program to states which essentially provides the same service if a state were to implement it. However, in order for us to implement this program, IT staff time and resources would be needed. Our Division does not have any IT personnel on staff and is dependent upon another state agency for IT. Unfortunately this means that there will be added costs to implementation and potentially years before the project would be prioritized and completed. I suspect that many other states face the prospect of limited ability to utilize IT to adopt the North Carolina program.

As we all know, there is a simple fix that could be implemented by SERFF, allowing true public access to filings. The only argument against adopting this access as we understand it comes from industry and is based upon a concern that access will result in copyright infringements and use of the filings by competitors. If we were starting from a position of no public access to these filings to one where access would be allowed that concern would have more merit. However, in all or nearly all states there is access, albeit slow and antiquated in many states. In other words those competitors and others who would access the information already do so. It is unclear how implementation of public access by SERFF would adversely affect the industry.

The only other concern that has been expressed is that this would somehow give the appearance that the NAIC is a state agency. Given the plethora of functions that NAIC performs on behalf of the states, it is inconceivable that such an esoteric electronic access issue to a state's records could be construed as the function that gives the impression that NAIC is a state agency. This taken to its logical extreme means any person or entity acting on the state's behalf performing any function would be so construed.

In the absence of some compelling reason for not adopting public access to SERFF, there is simply no reason to delay adopting it. I urge you as a member of the Board to forthwith implement public access

by whatever means necessary. I would certainly welcome any input from you on this important issue.

Sincerely,

A handwritten signature in cursive script that reads "Merle Scheiber".

Merle Scheiber
Director

Regulator Comments

Michigan

Name: Randy Parlor

Title: Director, Product Review Section (P&C)

Comments (via email):

Michigan OFIR would like the SERFF Team to make SERFF filings accessible for public access (view only), with the appropriate ID and password, from any computer by opening up access to internet addresses outside of the department of insurance. All of our filings are open to public inspection. As long as viewers cannot manipulate the file in any way and can only view, download, and/or print it then such access will greatly enhance our ability to serve our customers.

Thank you for your kind consideration of this input and request.

Sincerely,
Randy Parlor

***Illinois**

Name: William R. McAndrew

Title: Deputy Director

Comments (via email):

Illinois is strongly in favor of this proposal and our comments are submitted below. I will be attending the meeting and will speak in favor of the proposal if needed.

Since all insurance filings in Illinois are public record to one degree or another, we would welcome full public access to filings maintained by SERFF from any computer. In today's technology driven world, allowing the public to access insurance filings from their home, work, or any off-site location would greatly facilitate our ability to serve the public. Insurance company arguments that such access would be unfair or divulge trade secrets ignore the fact that such records are already available and fly in the face of open competition. Put differently, public access to SERFF filing makes no change to laws governing which documents are or are not public. It simply facilitates access to already-public documents. In addition, in 2005 the LAH form compliance unit converted entirely to electronic filing, our sole record keeper is the SERFF system. As such all non-SERFF LAH filings are submitted via CD and are downloaded into the SERFF system. In order for the State to allow open access to these documents from our website we would need to create a separate electronic storage system. Since all of these documents are already contained in final form on SERFF such duplication of efforts would be cumbersome and inefficient, and could potentially create errors.

Currently, the public can access the Department's website from any location (home, office, internet café, etc.) and see a list of filings that have been made and request copies from our back office system. Because SERFF provides no such function, access is available only through a far more cumbersome FOIA request process. Putting such barriers to public access does not comport with the broad-based desire for open government. With the current need to ensure that public government documents are available and easily accessible, it is imperative that SERFF provide public access to Department documents.

Ultimately we feel that SERFF is a tool that allows the Director to comply with statutory policy approval requirements and acts as our record storage system. As such, it should be under each state's control to establish access to such records.

Nebraska

Name: LeAnn Hammar

Title: Life/Health Analyst

Comments (via email):

The Nebraska Life and Health Division would like to be able to see filings submitted to other states.

There are times when we are unsure how to process a filing and want to know what other states have done. In these cases, now we ask the companies submitting the filing for information they have received from other states. However, if we could look up the filing in the other states and see the status, objections, comments, etc. that would be a help.

Also companies should be able to see SERFF filings from all states and all companies.

***Vermont**

Name: Kevin J. Gaffney

Title: Senior Market & Insurance Analyst

Comments (via email):

Vermont appreciates the SERFF board allowing us the opportunity to comment on this important issue. Vermont would like to speak in support of the measure to enhance public access to SERFF filings. This measure would allow for secure remote access to SERFF filings. SERFF is the common filing platform for most states, with 22 states, including Vermont, requiring the use of SERFF as the sole filing method. As states move toward 100% SERFF filings, the need for the public to review paper or microfiche filings in person at the Department of Insurance will be a thing of the past.

Currently, Public Records Law in Vermont and many other states allows for access to public records, in person, at designated times during normal business hours. While this process has worked well, current technological advancements allow for remote access to SERFF records at any time. Vermont supports this measure, as it allows for equal access to filings for consumers, consumer advocates, researchers and industry alike. Vermont considers this a positive change, enhancing both public access and transparency.

***Puerto Rico**

Name: Miriam Ortiz-Rodriquez, CPCU

Title: Supervisor, Property and Casualty Insurance

Comments (via email):

Thanks for granting us the opportunity to provide our comments regarding public access to SERFF filings via Internet. The Office of the Commissioner of Insurance of Puerto Rico understands that the initiative will be beneficial for all those parties interested in viewing filings made publicly available. Notwithstanding, before granting our support, we have a few comments and concerns which we will appreciate be taken into consideration.

As you know, each state has different public inspection regulations. Therefore, the access to filings should, as possible, be according to each state's regulations. First of all and although as we understand, states will maintain the power of marking the filing publicly available, we recommend that this should be kept unalterable. This is important to us since, in Puerto Rico, not all filings can be viewed by the public, and those that can be, are subject to public access one year after the date of its approval.

In addition, not all documents submitted in a filing are subject to public access. In our jurisdiction the supporting documents of forms, rules and rates presentations are not subject to public inspection. Among these, but not limited to, are the following: explanatory memorandum, actuarial memorandum, reserve calculations and statement of variables. Likewise, we consider that reviewer notes and all communications with the insurer are private documents, and that they should not be subject to disclosure. Therefore, the system should provide the form to mark those documents within a filing for which access will be allowed.

Finally, we will like to know if the public access to the filings will be provided by the states or by NAIC. Will the control of providing IDs and passwords be the same for the general public and for insurers? We

consider that some kind of guaranty must be offered in terms that it will not be possible for anyone to reproduce the filing.

We trust the above comments will be useful and we will appreciate they be taken into consideration. To present our comments, we request a tentative turn to speak at the SERFF Board meeting. We will confirm you if the person what will assist representing Puerto Rico will be available for this meeting. However, should you have any questions, do not hesitate to contact us at your earliest convenience.



Oregon

Theodore R. Kulongoski, Governor

Department of Consumer and Business Services

Insurance Division
350 Winter St. NE, Room 440
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Salem, OR 97301-0405
(503) 947-7980
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TTY (503) 947-7280
www.oregoninsurance.org

September 15, 2009

Via E-Mail Only

jmorrison@naic.org

The Honorable Mary Jo Hudson
Director, Ohio Department of Insurance
Chairman, SERFF Board of Directors
c/o Joy Morrison
SERFF Staff Support

Dear Commissioner Hudson:

The Oregon Insurance Division supports the proposal to access SERFF filings via the Internet. Over the past few years there has been a lot of interest in Oregon's rate review process for health insurance and providing consumers with more information about this process is a key element of Oregon's health reform.

In 2007, the passage of Oregon's House Bill 3103 established requirements for public disclosure of rate filings submitted for individual, small employer, and portability health insurance coverage. The division posts these filings to its public Web site upon receipt and updates this information when a decision has been made on the filing. The division also posts a rate filing decision summary for each of these filings that explains why the division arrived at the final disposition. And beginning in 2010, Oregon consumers will have an opportunity to send the division comments on these rate filings.

Providing easier access to this information via the Web is good for consumers and supports Oregon's efforts for improved transparency.

We appreciate the opportunity to offer these comments to the Board.

Gayle L. Woods
Operations Manager
Oregon Insurance Division
(503) 947-7217
gayle.woods@state.or.us



Minnesota
Glenn Wilson
Commissioner

85 7th Place East, Suite 600
St. Paul, Minnesota 55101-3165

651.296.4026 FAX 651.297.1959 TTY 651.297.3067

September 16, 2009

SERFF Board of Directors

I would like to take the opportunity of your soliciting public comments on allowing internet public access to SERFF to reiterate Minnesota's strong support for this function.

Minnesota has long been a proponent of this functionality in SERFF as the most efficient way to provide information to the public. Since SERFF was initially developed, the way business is conducted has changed dramatically. The trend in both the public and private sector is to strive to perform as much of our business as possible electronically. This adds not only speed, but efficiency and consistency to the performance of our work. The current public access option, which requires consumers to come to the department to view public filings, is not a viable option for many citizens of our state. Internet based public access to SERFF would allow consumers quick, convenient access to information when making decisions about their insurance needs.

While some states have created their own programs for providing public access to SERFF on the internet, a uniform solution would make more sense. Not only would it save state resources at a time when budgets are very tight, but it ensures that information is provided in the same way regardless of the state in which you are seeking information. Maintaining the integrity of the filings data will also be simplified by having a single repository.

The SERFF team has made great strides in developing enhancements that protect confidential/trade secret information contained in filings from inadvertently being made public. The current version of SERFF protects the business interests of insurance companies far more effectively than would multiple systems created by the states or producing paper copies of filings.

I encourage the SERFF Board to move forward with developing an internet based public access function in SERFF that will provide consumers with easy access to public information and protect the legitimate business interests of insurance companies.

Sincerely,

Glenn Wilson
Commissioner

Minnesota Department of Commerce

SERFF Board of Directors Hearing
On
PUBLIC ACCESS

NAIC Fall National Meeting
Washington D.C., September 22, 2009

Submitted by: Pennsylvania Insurance Department

Good afternoon Directors and thank you for giving me the opportunity to speak to you on this important subject. I am Randy Rohrbaugh, Deputy Insurance Commissioner of the Pennsylvania Insurance Department. Our state is a charter member of the SERFF application tool as well as a member of the Interstate Insurance Product Regulation Commission.

Pennsylvania has a long standing history of supporting regulatory modernization and transparency. We strongly support NAIC's committee goals and activities to develop state uniformity and regulatory efficiencies. We believe these initiatives improve our combined effectiveness and ultimately are more responsive in protecting consumers.

The business of government is complex and the business government's regulation of insurance is even more complex and rarely understood by consumers. Pennsylvania and particularly our current governor do not believe impeding public access to public information makes sense. Consumers have a high level of dissatisfaction with trusting government to protect them from corporate abuse and we have the current state of our financial services industry to look to for examples of government's failure to protect consumers. We in government should be doing all we can do to rebuild faith and consumer trust that we can protect them from abuse. Open government and transparency is one of the strategies that will assist us in that goal. Pennsylvania recently passed a new law to enhance public access to information in our new "Right to Know Law"

SERFF has evolved and improved tremendously over the past decade. As Pennsylvania became more proficient with processing SERFF filings, it became very apparent that we could not only review filing in a paperless mode but we could also build a paperless file room. This lead to a desire to give the public "web based internet" access to SERFF filings. Unfortunately, this feature was not made available to states. Therefore, Pennsylvania decided to build its own public access tool. Several failed attempts delayed our work. Each attempt started with a simple design but ultimately grew into a grand document storage data base project and budget constraints scuttled further work. We finally got smart and simplified our scope. Six weeks later and \$7500 in cost, we built a

web-based PDF Oracle application allowing public access to not only view our approved SERFF filings, but we also scanned and included all paper filings processed by our staff. We implemented our web based Public Room in April of 2008 and we now have over 20,000 filing on our web available for anyone to view over the internet!

For the past decade, consumers could review pending filings in Pennsylvania. We announce significant rate filings to the public and make the filing documentation available for public inspection. We make this information available on our web site, so consumers can access the filing documents from their internet servers. We want consumers to have the opportunity to comment on pending filings and provide the Department with their comments before we conclude our review. This has resulted in many amended and withdrawn filings. With our new paperless file room, consumers now can access every approved rate and form filing made in Pennsylvania. In addition, competition between companies is stimulated by their ability to access filings from their offices via the internet.

Developing this type of access feature in SERFF would greatly enhance public access. Having a uniform feature developed in SERFF is obviously the right direction to take. This was clearly a feature foreseen during the development of SERFF and the Board should proceed with the development of this feature. Legislatures intended for filings to be public and to argue otherwise is inconsistent with the spirit of open government.



States, Strength & Speed Aligned

Date: September 17, 2009
To: SERFF Board of Directors
From: Karen Schutter, Executive Director

Cc: Commissioner Jane Cline, Chair, IIPRC
Director, Mary Jo Hudson, Vice Chair, IIPRC
Commissioner Sean Dilweg, Treasurer, IIPRC

Subject: Comments regarding Request to Access Filings in SERFF via the Internet

The IIPRC is a multi-state public entity, which serves as an instrumentality of the Member States (currently 36 states with more expected to join). The IIPRC serves as a central point of electronic filing for certain insurance products, including life insurance, annuities, disability income and long-term care insurance and develops uniform product standards, affording a high level of protection to purchasers of asset protection insurance products. The IIPRC receives its product filings via SERFF. All IIPRC filings and filing records are maintained in SERFF.

Pursuant to the IIPRC's Establishment of Conditions and Procedures for Public Inspection and Copying of Information and Official Records of the Interstate Insurance Product Regulation Commission ("Public Access Rule"), the IIPRC is required to make product filings available for public inspection upon approval (other than information that qualifies as a trade secret). IIPRC approved-products are available in up to 36 jurisdictions; however, the IIPRC office is located in Washington, DC.

The process of fulfilling public records request requires the same IIPRC resources as are devoted to the product review operations. When a request is made, especially for multiple filings, it takes quite a bit of time for the IIPRC team member to locate the filings and put them in the appropriate electronic format for transmission. With the electronic access proposed by South Dakota, the IIPRC would be able to provide public access to approved filings and would save the time and resources required today to fulfill a request.

The SERFF system today, is a web system. The entire application operates on an internet platform. It has demonstrated the capability of providing public access to consumers and interested parties on a computer in their own home or office, while affording necessary protections to prevent inappropriate access or access to protected information of both filers and regulators such as trade secret information.

Accordingly, the IIPRC supports the request initiated from the state of South Dakota that would allow access to SERFF filings via the internet for filings made publicly available by states.

Industry Comments

The Hingham Group

Name: Anne F. Tierney, CIC, CISR

Title: Product Development Assistant

Comments (via email):

I respectfully request that you bring before the Board at the next meeting the matter of allowing Public Access Records stored on SERFF be accessed at Industry level, rather than having to make an appointment and travel to the State offices to view records that could just as easily be viewed at the comfort of our own offices.

I'm sure this is a concern of many other Industry Users, maybe a poll could be taken amongst the Industry Users before the next Board meeting, so that you will have numbers for the Board to support this concern.

Thank you in advance for taking time to listen to my concern and any assistance you can provide making this change.

Ohio Insurance Mutual Group

Name: Sam Michener

Title: Auto Product Manager

Comments (via email):

We are definitely in favor of allowing the general public to access filings from points outside of the department of insurance.

We are a small company that is expanding into other states. One of the issues that we have is accessing filing information for other companies.

We are dependent on someone physically going to the department of insurance to gather information for us. We are also paying for a service that allows us to access company filings, but they are typically not up to date. This would allow us the ability to access filing information from our office and to access the filings as soon as they are available.

This capability would be a tremendous benefit to us.

Farmers Mutual Hail Insurance Company of Iowa

Name: Connie Doud, CPCU, CCP

Title: Research Analyst

Comments (via email):

I am writing in support of the South Dakota initiative to allow access to SERFF filings via the internet for filings made publicly available by the state. I have personally had to make appointments with DOI's to drive hundreds of miles to log on to their department computer to view SERFF filings. This really doesn't make any sense when we should be able to log on to the internet from any location to view the same information. In a time when we are all conscience of keeping our environment clean, why should fuel and time be wasted driving to a physical location to access data that is available already on an internet application?

CNA Surety

Name: Judy Barjenbruch

Title: Rate and Form Filing Analyst

Comments (via email):

"For reasons of efficiency, CNA Surety supports the proposition that would allow SERFF users access to SERFF filings made publicly available by states."

Permanent General Assurance Corporation

Name: Nicole Brockman

Title: Product Manager II

Comments (via email):

I would just like to comment that this would be a welcome improvement as this would save the industry travel and lodging expenses as often times trips are necessitated only to retrieve filings. Although some Departments of Insurance allow you to view competitor rate filings information at a high level already seeing the actual filings would be hugely beneficial.

***American Council of Life Insurers (ACLI)**

Name: Miriam Krol

Title: Vice President, Long-Term Care

Comments (via email):

On behalf of ACLI, we appreciate the opportunity to comment and submit the following comments:

1. Public access is not a new issue. It was discussed at the very onset of the process of developing SERFF. Industry insisted then, and the states/NAIC agreed, that SERFF would not be used to facilitate access to filings of one company by other companies, nor to filings with one state by other states.
2. Whether the use of SERFF for public access could or would be technologically more efficient has never been the issue. The issue is fair competition between companies and other filing entities. It is not in the interest of those members of the industry who invest money and resources in developing innovative products and other intellectual property to make it easier and more efficient for companies that prefer to sit back and copy such products to access information about those innovative products/property. While such companies can, and occasionally do, go to the necessary efforts to access such information about their competitors' products today, making the process easier is not widely viewed as being in the industry's best interests.
3. Since the NAIC is not empowered to dictate to individual states how they should interpret and enforce their FOIA standards, the net result of using SERFF for public access would be to grant immediate public access to any inquiring company to filings being provided the least trade secret protection. In other words, anyone with a computer could get access to filings from the moment they are transmitted through SERFF to a state that provides little or no protection for trade secrets. So long as the NAIC can not or will not assure that even the most basic protections for trade secrets are imposed, industry is unlikely to see using SERFF for public access as being in its best interests.
4. We urge the SERFF Board of Directors members to withhold the supermajority approval that would be necessary under the SERFF Bylaws to implement the public access function.

Georgia Farm Bureau Insurance Companies

Name: Martha Holland, CPCU, AAM

Title:

Comments (via email):

Currently to view another companies filing requires you to go to the Department of Insurance (DOI) and use their computer and review the filing. This adds to the insurer's and DOI work load without any benefit since the information is public record. To allow this information to be obtained via the internet would improve the process without any hardship to anyone.

Georgia Farm Bureau Insurance Companies

Name: Amy Kinn

Title: CPCU, ARP, CSF, ARC, ARM, AR, AIS, API, AIT, AIC, AU, AIM, AIAF

Comments (via email):Allowing access to SERFF filings via the internet for filings made publicly available by the state would not only benefit Insurers but the Departments of Insurance as well. Obviously the ability to view public filings would be beneficial to Insurers as the access would be simpler, faster and would remove the need to print in some cases. The Departments of Insurance would be freed from the requests of Insurers to make appointments to view filings and to keep a dedicated computer for this process.

Westfield Insurance Company

Name: Lorie Dorsey

Title: Personal Lines Product Management

Comments (via email):

In the September issue of the SERFF Insider is a section regarding the upcoming open forum to discuss public access to SERFF filings via the internet. As a market research analyst for a P/C insurance company, much of my role involves accessing public filings for our competitors in order to validate that we are offering a competitive product at a competitive price. As you can imagine, the economic situation has made it difficult to travel to each state's DOI in order to obtain the filings needed. Online access would be a valuable tool in my research and I encourage the panel to seriously consider this option.

Altius Health Plans

Name: Frank Kyle

Title: Director, Regulatory Affairs

Comments (via email):

Altius Health Plans, a SERFF industry user, supports internet access to filings made publicly available by the state. This change would increase efficiency in the market because it would save time for both the requestor and state regulators, in addition to eliminating travel costs for those wishing to access the filings. The change is particularly beneficial for insurers or other public requestors who need access to filings in states other than the state where their offices are located. Significant time and travel expenses may currently apply to requestors in that situation. Altius believes that if any additional fees for this access will be assessed by SERFF or state regulators, such fees should be minimal.

Alfa Insurance Companies

Name: Neal Harrison

Title: Vice President, Research

Comments (via email):

RE: Accessing public filings

To whom it may concern:

We are in support of being able to access public filings via the internet from any computer outside the insurance departments. We feel it would be beneficial for the following reasons:

1. It should save the companies on the expense associated with travel, lost time, etc. that it takes to go to the departments.
2. It is more efficient to work from your own office than at the insurance department.
3. The soft copy technology is easier to work with and could be accessed multiple times from the users own office.

Any time technology allows us to increase efficiencies and decrease expenses we are in support. The lower the companies expenses the lower the customer rates will ultimately be.

Thanks for allowing us to provide our comments.

MetLife

Name: Judith A. Elpus

Title: Contract Consultant

Comments (via email):

I have been working in the contract/compliance area for over 20 years. I do not believe it is beneficial for any interested persons to be able to access the state filing information from carriers unless they are willing to travel to the state offices to do so. This was the process before electronic filing. I think confidentiality over the internet could become an issue if the access was open to any computer. Thank you for your consideration.

RAM Mutual Insurance Company

Name: Missy Romano

Title: Agency Services Specialist

Comments (via email):

I am writing as a representative of RAM Mutual Insurance Company, Esko, Minnesota. Accessibility of public filings via the Internet would be a great service to the insurance industry. The task of physically travelling to another state's insurance department is a very time consuming and costly. As this information is already available for public review, it should not be so difficult to access – especially in these days of advanced technology. Thank you for your consideration.

Southern Trust

Charity Welch

Underwriting Administrator

Comments (via email):

On behalf of Southern Trust Insurance Company, I am submitting written support of the proposal to be discussed during the upcoming Board Meeting to allow access to SERFF filings via the internet for filings made publicly available by the state. We are unable to send a representative to attend the meeting and wanted to express our support of this issue.

Westfield Insurance Company

Heather L. Smee

Personal Lines Homeowner Product

Comments (via email):

Thank you for soliciting feedback on the upcoming National SERFF Board Meeting topic of *whether or not to allow public access to SERFF filings via the internet.*

This would be considered an amazing breakthrough for those of us in the product development areas of the insurance industry. My colleagues and I are faced with the daily challenge of developing competitive

products at fair prices. In order to do so, we have to remain savvy with our competitors' offerings.

Having the ability to access SERFF filings on-line would streamline the competitive intelligence gathering process. Today we either spend tons of time and money visiting Departments of Insurance, or we spend tons of time and money contracting with vendors to secure needed filings. Both options leave much to be desired, especially in these budget conscious times.

|

AIA
Catherine Paolino
Senior Counsel



American Insurance Association

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202-828-7100
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www.aiadc.org

September 17, 2009

VIA EMAIL (jmorriso@naic.org)

Ms. Joy Morrison
NAIC-SERFF

RE: Outstanding Issues

Dear Ms. Morrison:

The American Insurance Association (AIA) writes in response to several issues pending before the SERFF Board: (1) bylaws - changes to Board; (2) budget; and (3) Freedom of Information Act. A somewhat common thread connects them – uncertainty around the NAIC's / SERFF's capacity to make and to keep promises. Regardless, each is a discrete issue with its own set of concerns.

Bylaws - Changes to Board

SERFF has been an extremely successful regulator-industry effort at making operational filing speed-to-market efficiencies. Even prior to the Board's creation, it was viewed as a win-win for regulators and industry alike. SERFF endeavor demonstrated a constructive way for those involved to work together. Industry funding, intellectual capital, management, support and time has been essential to the creation and the continuing success of the SERFF electronic filing platform.

The SERFF Board was established as joint industry-regulator entity in recognition of the benefits to both regulators and insurers. This acknowledged that industry's role was not limited to start-up efforts, but rather was to be on-going. There were reasons insurers wanted a continuing role in SERFF, including protection of proprietary information.

Please direct your attention to NAIC materials going back to 1996 and 1997. They outline the consortium principles and the agreement for the venture and document the actions and intentions at the outset of the organization.

Those advocating for removal of the SERFF Board (or of the essential powers and authority of the Board) have given no meaningful explanation and/or demonstrated theory as justification for taking this role from industry contributors. The NAIC and some regulators reference a legal opinion, but such opinion and the questions prompting such opinion have not been circulated. Those skeptical of the motives behind the proposal ask whether this is an effort to remove the natural checks-and-balances from the system so as to move forward with initiatives and budgetary changes that would otherwise be questioned.

- At the very least, removal of the Board or re-characterizing it as something less meaningful is a serious breach of trust and good faith.
- Indeed, such action may violate more than a promise.

The NAIC does not have the authority to nullify SERFF agreements with the insurance industry.

Budget

SERFF Board members, regardless of whether employed as a regulator or from industry, have real and meaningful obligations to the Board. For example, consider duties to act on an informed basis and in the best interest of the organization (here, SERFF):

- Understanding finances of an organization through audit is a prudent way to be so informed.
- Continuing to ensure that fees going into the organization are not funneled elsewhere is a prudent way to act in the best interest of the organization and as promised at the outset of the venture.

AIA urges all Board members to consider the budgetary issues through the lens of these obligations.

Freedom of Information Act (FOIA) Responses

On its face, the idea of a single uniform interface housed within State Insurance Departments to assist those seeking access to filings would ease the work of insurance department staff, would leverage the SERFF technology and database, and, if appropriate safeguards are in place, it possibly may be useful to a broader audience.

AIA submitted a letter to the NAIC-SERFF on April 26, 2007 in response to survey questions about public access. That attached letter raised several concerns. AIA is unaware of the answers to these threshold questions. In addition to those questions, AIA sees other practical issues.

Importantly, even if the technology has been developed to protect designated proprietary trade secret information as confidential and it has been sufficiently tested to provide such assurances, there would still be concerns about what would happen when a particular state has received a challenge or has otherwise questioned the confidential

nature of that information. AIA has heard second hand that the idea would be to build in logic to follow the applicable underlying state law. This does not provide adequate assurances. Today, the laws are inconsistent, but the risk is lower given that technology is not in place to provide the information instantaneously or in high volumes. AIA urges SERFF and state regulators to sidestep these problems:

- SERFF should not be the vehicle for turning over filing materials that have been designated as trade secret. Rather, the State Insurance Department should separately, manually and affirmatively be responsible for each such instance. Upon independent review, Department personnel may make a deliberate determination to pull and share such information in accordance with that state's notice, FOIA, and other procedures.

Further, consider additional concerns:

- It is unclear whether/how the system would work with respect to older filings submitted using earlier versions of SERFF, which did not include a confidentiality indicator for proprietary information.
- SERFF does not own the insurer filed information; it should be clear that it cannot now or in the future sell such information.
- There is a concern that down the road SERFF may become an aggregator. This was not the purpose of the platform. There is danger in putting information together in a way other than as it was intended to be used.
- For filings that contain proprietary data omitted from the publicly available SERFF information, there should be some such indication to avoid confusion.
- There are some aspects of the SERFF bylaws that would need to be revised in order to implement the public access function. In addition, SERFF license agreements would need to be modified.
- It is unclear how new functions are to be funded.

* * * * *

In closing, AIA seeks to work collaboratively with SERFF and state regulators to preserve and enhance the filing system, consistent with the discussion above.

Respectfully submitted,

/s/

Catherine Paolino
Senior Counsel
202 – 253 - 8920

Third Party Filer/Vendor Comments

***Perr&Knight**

Name: Tim Perr

Title: Managing Principal

Comments:



September 17, 2009

The SERFF Board of Directors

The Honorable Mary Jo Hudson, Chairman, SERFF Board of Directors
Susan Eckler Kerns, Vice Chairman SERFF Board of Directors
The Honorable Susan Voss, Director
Fred Alvarado, Director
Hank Edmiston, Director
H. David Emmett, Director
Ted Hamby, Director
Kim Kennedy, Director
Doris Kullman, Director
Bill Lacy, Director
Elaine Leighton, Director
Tammy Lohmann, Director
Kathie Stepp, Director

**Re: NAIC Proposal to Make SERFF Filings
Available to the Public via the Internet
Perr&Knight's Comments**

Dear Board,

I am Tim Perr, Managing Principal of Perr&Knight, a provider of consulting services to the insurance industry. Among other services, we offer access via the Internet to publicly available insurance company filings through our website Ratefilings.com. We have maintained a digital library of filings since 1998. We object to the proposal for the NAIC to make all SERFF filings available via the Internet through SERFF for the following reasons.

1. This service is already provided in the commercial marketplace.

Perr&Knight, through our website, Ratefilings.com, already makes these filings available via the Internet. On Ratefilings.com, SERFF filings, as well as paper filings, are integrated seamlessly providing complete access to parties interested in obtaining publicly available filings. Our service extends to all U.S. jurisdictions. We have spent many years and several millions of dollars developing Ratefilings.com to make it easy for our customers to use. It is widely used by the insurance industry to access filings. In addition to Perr&Knight, several other

companies already exist that provide access to filings through Internet applications. With additional cooperation from the states and perhaps the NAIC through SERFF, we and our competitors can achieve everything the states are looking for through this proposal. Therefore, it is not necessary for the NAIC, a quasi-governmental entity, or any of the states to make any investment to provide a service that is already available in the commercial marketplace.

2. **The funding of this proposal could be unfair to insurance companies and service providers like Perr&Knight.** SERFF is presently funded by assessing fees onto insurance companies filing over the SERFF system. If the NAIC, through SERFF, is to provide insurance company rate, rule and form filings to the public at no cost (or at a subsidized cost), the NAIC will be required to cover the cost of SERFF's file viewing function through the revenues it receives from SERFF's filing submission service. This would be unfair to SERFF's filing submission service customers who would be effectively subsidizing SERFF's filing viewing service. It would also be unfair to filing service providers like Perr&Knight (and our competitors) who cannot rely on any subsidies and must pass along all of our costs directly to our customers.
3. **The proposal will likely result in more paper filings.** Insurance company rate, rule and form filings, while deemed public information, contain very valuable information for competitors. Insurance companies don't want it to be easy or inexpensive for their competitors to obtain copies of their rate, rule and form filings. Currently, there is a cost for insurance companies to obtain their competitors' filings whether they go directly to the states or whether they buy the filings from Perr&Knight or one of our competitors. If the NAIC removes this cost by making all SERFF filings available via the Internet, it could encourage companies to revert to paper filings (i.e. filings submitted to the states via hard copy), in the states where it is allowed, to avoid having their valuable filing information becoming so easily and inexpensively available to their competition. This result will be magnified if service providers like Perr&Knight, who obtain copies of paper filings and make them available on our websites, are driven out of business. This result is not desirable for the DOIs as they could see an increase in the number of paper filings that they must review, as well as a counter-productive return to high traffic in their physical public viewing rooms and use of their copy machines. This result is also not desirable for the NAIC as they could see reduced use of SERFF if more companies revert to paper filings.




- 4. The NAIC and the DOIs are not prepared to handle the associated customer service.** As a current provider of insurance company rate, rule and form filings, Perr&Knight can attest to the significant number of customer questions that the NAIC will receive if they make SERFF filings available via the Internet. Perr&Knight employs a staff of insurance professionals who are dedicated to handling phone calls and email inquiries regarding competitor rate, rule and form filings. The inquiries range from questions involving perceived missing information, technical issues with respect to downloading and viewing documents, finding information within a document, etc. Furthermore, the NAIC will likely direct most of these questions back to the various DOIs. Consequently, what is meant to be a relief to DOIs with respect to providing customer service in their public viewing rooms will likely end up as an increased burden with this unforeseen flood of customer questions.

In summary, we urge the Board to reject the proposal to open an Internet-available SERFF Public Viewing Room. Alternately, we urge the NAIC, SERFF and the individual DOIs to partner with firms like Perr&Knight with existing, proven solutions and infrastructures to meet the objectives contemplated here.

On a final note, it should be clearly understood that if the Board does decide to go forward with this proposal, it will most likely drive Perr&Knight, our competitors, and the dozens of small businesses that revolve about the DOI public viewing rooms out of this business which will result in the loss of many jobs in this already distressed economy.

Perr&Knight is happy to participate in further discussions with the NAIC or the DOIs regarding this proposal.

Sincerely,



Timothy B. Perr
Managing Principal
Perr&Knight



Consumer Comments

Name: *See Undersigned

Title:

Comments:

The undersigned consumer representatives, consumer organizations and other interested parties write in support of providing public access to SERFF filings from computers other than those located in state insurance departments.

This proposal benefits both regulators and the public. The proposal will benefit regulators by reducing the costs of staff time and department resources to respond to public information requests.

It will make it easier for members of the public to access rate and form filings made electronically through SERFF. This is particularly important for consumer organizations with limited resources --organizations unable to travel to states to sit at the public access computer in the state insurance department. Insurers and insurance company consultants possess the resources to access filings from state insurance departments already. While this proposal will reduce costs for insurers and their consultants, it means the difference between having access and not having access for consumers and consumer organizations located outside of the state.

Finally, the proposal is good public policy because it makes public records more accessible to the public.

Joseph M. Belth, Professor Emeritus of Insurance at Indiana University

J. Robert Hunter, Director of Insurance, Consumer Federation of America

Bonnie Burns, Training and Policy Specialist, California Health Advocates

Karrol Kitt, NAIC Consumer Representative

Bonita Kallestad, NAIC Consumer Representative

Pam Bolton, TexasWatch, NAIC Consumer Representative

Kevin Lucia, NAIC Consumer Representative

Colleen Repetto, Fair Insurance Rates in Monroe, NAIC Consumer Representative

Greg Squires, NAIC Consumer Representative

Birny Birnbaum, Center for Economic Justice, NAIC Consumer Representative

Brendan Bridgeland, Center for Insurance Research, NAIC Consumer Representative