

## FROM THE NAIC CONSUMER REPRESENTATIVES

To: Special (EX) Committee on Race and Insurance  
Kay Noonan

Date: May 14, 2021

### **Re: Comments on 2021 Proposed Charges**

On behalf of the undersigned NAIC consumer representatives, thank you for your leadership in convening the Special (EX) Committee on Race and Insurance. The Special Committee has served as a powerful forum to help keep regulators and industry focused on addressing systemic racism, bias, and discrimination and increasing diversity and inclusion in the insurance sector. The Special Committee should continue to play this role going forward in addition to ensuring that the NAIC takes concrete actions and adopts meaningful changes. An Executive-level committee will remain crucial to ensuring that state insurance departments and the NAIC develop and adopt consistent policies throughout the organization.

As you know, racial inequities are deeply entrenched and have been laid bare at a time of renewed national focus on systemic racism, police brutality, and violence against people of color, especially Black and Asian Americans. At the same time, the COVID-19 pandemic has disproportionately affected communities of color and underscored that inequities in our country's health care and economic system are structural and heightened during a public health crisis.<sup>1</sup>

Addressing racial and ethnic disparities—and the long-standing structural barriers that contribute to these disparities—demands a comprehensive approach. This includes a review of and response to systemic racism, bias, and discrimination in all lines of insurance and across all aspects of the insurance benefit design, marketing, consumer information, purchasing, pricing, and claims processes.

The Special Committee's proposed charges for 2021 are a strong step forward but should be more directive and specific.<sup>2</sup> Strong charges from the Special Committee are necessary to ensure that its workstreams and the NAIC letter committees, working groups, subgroups, and task forces act quickly and take meaningful action. This action is long overdue to further our shared commitment to addressing racial inequities in insurance markets.

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<sup>1</sup> The NAIC consumer representatives previously issued COVID-19-specific recommendations for state regulators. NAIC Consumer Representatives, [Protecting Consumers During COVID-19: Recommendations for State Policymakers from the NAIC Consumer Representatives](#) (Aug. 2020).

<sup>2</sup> Center for Economic Justice, [Comments to the NAIC \(EX\) Committee on Race and Insurance](#) (Apr. 10, 2021).

As you proceed with this work, we encourage you to adopt actionable and specific charges coupled with specific timeframes to meet the urgency of the moment. The nation's reckoning with systemic racism and embedded discrimination is very much ongoing, and we appreciate the Special Committee's efforts to keep its work simultaneously broad and directed. In light of that, we urge the Special Committee to establish a framework for transparently setting and meeting milestones for each workstream and the letter committees.

Among the proposed charges, we urge the Health workstreams to especially prioritize 1) enhanced data reporting and record-keeping requirements for demographic data based on race, ethnicity, language, sexual orientation, gender identity, and disability status; and 2) the use of plan network standards to advance health equity. As a starting point, we urge the NAIC to develop white papers on these topics that summarize the existing literature, identify best practices, and discuss the need for consumer guardrails (such as privacy protections and training requirements). The exercise of developing white papers on these two issues will help inform stakeholder approaches, provide guidance to industry, and serve as an evergreen NAIC resource upon which to build a strong foundation.

As the Special Committee, workstreams, and other parts of the NAIC turn to this work in earnest, we encourage you to think of the consumer representatives as a resource. Many of us have expertise in issues that you will be considering related to health disparities, discrimination, data collection, language access, and more. We also intend to release new research on the insurance-related needs of consumers of color during the Fall 2021 meeting. We believe this type of data is critical to informing your efforts at the Special Committee and throughout the NAIC.

Thank you again for your leadership, and we look forward to working with state regulators and NAIC staff on ensuring that the Special Committee's efforts are successful. Millions of consumers are depending on it.

Sincerely,

Jamille Fields Allsbrook  
Birny Birnbaum  
Ashley Blackburn  
Brendan Bridgeland  
Courtney Bullard  
Bonnie Burns  
Lucy Culp  
Deborah Darcy  
Yosha Dotson  
Eric Ellsworth  
Justin Giovannelli  
Marguerite Herman

Anna Schwamlein Howard  
Janay Johnson  
Katie Keith  
Karrol Kitt  
Ken Klein  
Rachel Klein  
Peter Kochenburger  
Natasha Kumar  
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Erin Miller  
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