

ICAE HERSHEY EXCHANGE 2023 CATALYST

The 2023 ICAE Fall Exchange was held in the beautiful (and sweet) town of Hershey, Pennsylvania. Amid the rolling cornfields and many facilities of the Hershey Candy Company, attendees experienced an energy and excitement that is exhibited at our in-person events as folks reconnected with old friends and made new ones. This year's theme was "Engaging Consumers with a Dose of Sweet Hospitality."

Monday September 25, 2023, Session

The opening remarks of the exchange were delivered by ICAE President, Susan Hatfield, on Monday morning. She encouraged the attendees to make the most of this opportunity to network with industry and government peers, as well as to take some time to enjoy all that Hershey Lodge and the surrounding town had to offer.

Following these opening remarks, Pennsylvania Commissioner, Michael Humphreys addressed the attendees with a welcome message where he outlined the importance of what everyone in the room tries to accomplish each day. He referenced some of the current challenges that the insurance industry faces, in particular about the reputation it has with the public. He encouraged the industry to take up outlier analysis to try to find out why some claims are not paid within the timing that the majority are.

He also discussed the rise of Artificial Intelligence, algorithms and machine learning in the industry as well as NAIC accreditation work being done with the D committee. He then joined the other commissioners in attendance on a panel that was moderated by Ryan Blakeney, Deputy Director of Consumer Services for the Mississippi DOI.

Commissioners Panel

Public adjusters

Pennsylvania commissioner Humphreys said they are seeing more complaints involving public adjusters. Often the company initial estimate is too low then public adjuster's estimate is too high. PA is a state where they don't cap what a public adjuster can charge "yet." Issue with positive impact of use of technology making things faster, but not taking into account the full degree of damage. Technology is definitely a driver as is aggressive advertisement particularly after a storm.

Mississippi does cap public adjuster fees at 10%. Andy Case shared that his background before joining the MS department was working at a P&C carrier where he was not a fan of public adjusters. In MS they are seeing more public adjusters with small business owners who don't understand the process. Breakdown of communication between the company and the insured seems to be the issue and not setting the right expectations at the outset. Insureds don't seem to understand the supplement estimate process.

Virginia (Katie Johnson sat in for Commissioner Scott White who was unable to attend) shared that they are seeing contractors acting as public adjusters. They get an Assignment of Benefits and then they are contacting insurers on the insured's behalf. The Virginia Bureau of Insurance has talked to Board of Contractors; however, they don't seem to think this is a problem. VA has legislation about not being both a contractor and adjuster, but regulations are still in the works.

North Carolina commissioner, Mike Chaney, shared that in his state they are seeing a lot of fraud with roofing contractors. Mike is concerned about insurance companies "low balling" estimates and says that his office's investigation of a large insurer resulted in findings that they were shaving off \$1-2K from total loss settlements.

Life and Health balance-billing topic

NC doesn't have statutory authority but has agreement with CMS.

VA does have a law on balance billing. If there is a dispute between the provider and insurer, they have an arbitration process that the Bureau will appoint.

PA does not have any regulation on balance billing. Could not get it passed at state level. At the Federal level they passed some regulation which included air ambulance but not ground ambulance. PA does have some protections with ground ambulance, but there is still work to do. Much faster resolution time when working on state level. 30-60 days with state, 6-9 months when trying to resolve items at the Federal level.

Supply chain and delays

NC seeing backlog and increase in complaints. Deer strike example - Chaney personal example. Was told initially wouldn't get part for 30-60 but ended up getting part overnight from Canada and repair was completed in 12 days. Issue with exhausting rental coverage.

MS parts shortage and delays have gotten better. Possible issue with UAW strike. Impact is impact to loss of use claims and insureds that don't want their vehicles totaled now.

VA no answers for this.

Updates from NAIC - hot topics

Market regulation voluntary certification program is the biggest topic. Product of 10 years of work. Next issue will be public adjusters. Artificial Intelligence and Machine Learning. Meeting in August at NAIC resulted in revisions to NAIC handbooks, guidance for training, producer manual, Pet insurance added to Market Conduct Annual Statement.

Coastal exposure

MS - a "huge problem" Climate change is real – you can debate whether it is man-made or cyclical, but regardless the impact is real. Seeing increased media interest in insurance availability issues. Outside of hurricane exposure it is a profitable - only 30% loss ratio. MS is aggressively pursuing mitigation exposure. NC - in better shape. Was not aware that Nationwide was non-renewing on coast until MS commissioner Chaney said they were nonrenewing there. NC put in place private flood insurance program.

VA - HO is not a standard form and there is provision that you can't exclude wind. Seeing a lot of premium increase complaints. VA just starting to look at risk mitigation programs. VA hasn't had a significant hurricane in 20 years.

Inflation and premium increase issues

MS - frequency and severity both up and insurers trying to get profit wherever they can. Carriers coming looking for 30% increase. Using satellite technology to show striations in roof that is 15 years old, and we will non-renew if you don't replace. Having a hard time seeing carrier perspective when we have approved a rate increase then the insurers change the underwriting requirements. Don't like seeing the consumer stuck in middle and at a breaking point. This is the tightest market they have seen.

PA - they have been pushing back on actuarial leveraged impact of increases particularly on auto side with low limit policies. Disparate impact of increases to policyholders with different limits. PA digs into monthly severity trends during rating discussions. Will give rate but requires supports.

NC - stable auto environment. Interstate is like a racetrack. Speed. DUIs. Distracted driving. Hasn't been able to pass a law for hands free. There are opportunities with agents and consumer to give better education on coverage (e.g., UM/UIM an inexpensive coverage).

VA - has passed law to increase minimum limits from 25/50 to 35/60 and next year will go to 50/100.

Changes to UM/UIM are confusing, may change to excess. Consumers don't care about coverage until they have a loss. Probably something for NAIC C committee to address.

Artificial Intelligence - it's here so we should embrace it.

NC – recognizes it is everywhere, but really has not explored it.

VA - we have to embrace it. NAIC H committee is creating a bulletin for states to send out to companies. If you use it, remember it's still subject to state laws.

MS – regulator perspective is that they need to understand what's behind it, how it is driving decision-making. Making sure it doesn't have unintended consequences. Likely it may be responsible for an uptick in complaints. AI used in UW decision - can scan face and see lines in face to tell if you have ever smoked or not. Andy noted that this topic is on every agenda of the conferences he attends.

PA – there is definitely a role for states to regulate but too big and there should be a federal floor.

Most pressing issue:

PA - consumer education; insurance products are becoming more complicated.

MS – agreed with PA and also only so much that can be done with rates, hoping for new policy options from the industry, even basic policy options.

VA - staffing; losing people daily to retirement; problems with staff coming in for 2 years and leaving.

NC - created a career outreach program with tenured employee - has visited 75 colleges. 1500 applicants for one job.

Authored by: Gail Cleary

Keynote Speaker: Matthew Smith, Coalition Against Insurance Fraud

Topic: Consumer Attitudes toward Insurance Fraud

30th anniversary of Coalition Against Insurance Fraud and we have 300 member organizations in every state except for Indiana and Hawaii.

Consumer Attitudes Toward Fraud

Why should we care?

61% of CEOs would break law to make financial results (McKinsey study)

In 1995 the cost of insurance fraud was determined to be \$80B. This was cited in countless pieces of legislation over the past several years, but no updated study until 2021 which determined that the number had increased to \$308.6B. This translates to \$932 per year for every American man/woman/child.

Fraud in life insurance is highest because its pure fraud.

Attitudes are not changing for the better.

Matthew provided information from a psychology study conducted by Dynata which surveyed 1500 respondents. Some of the breakdown was that respondents don't view insurance fraud as a crime and don't think they will get caught and are envious/motivated to commit fraud (up to age 45). The percentages for this behavior are higher among younger people. What's driving it?

Millennial ethics - theft is widespread. Technology has blurred lines of ownership and theft. People are lying more often, and younger people are more accepting of lying as a way to get something you want.

Value Penguin fraud study shows that 35% of auto and 33% of home insureds have committed fraud – and these percentages increase when surveying millennials. Who are insurance carrier's marketing to?

Millennials and Gen Z!

Future issues:

Layoffs in insurance leave Special Investigation Units gutted.

Desk v. field investigations - now looking to regulators to require percentage of investigators in state.

Over-reliance on data promises - saying you can eliminate human element of looking at a case and rely solely on data analytics.

There is even debate at the international conference of fraud investigators about the need for a better definition of insurance fraud – a draft definition has been proposed and adopted by Coalition. Opposition says that they don't need a definition of fraud. Question in Matthew's mind is how committed are they to fighting fraud if they won't define it.

Matthew closed out his presentation by encouraging the insurance industry to take up the fight to change the public's mind about the importance of fighting fraud. He used some examples of other organizations that have taken up an issue and over time have changed the attitudes of Americans about an issue:

Mothers Against Drunk Drivers (MADD) launched a campaign that resulted in a drop in drunk driving deaths by 60%.

Marriage Equality worked to change attitudes about same-sex marriage and now it is legal in the United States.

How did these organizations accomplish these societal changes in attitudes about topics that in some cases were either apathetic or even hostile?

Education

Public Outreach/Personalization ("make it real")

Legislative Action

Court Decisions

Contributed by: Rich McGee

Interactive Session

Participants: Patrick Devlin, VP & Senior Counsel, Liberty Mutual Insurance Co. and Andy Case, Director of Consumer Services, Mississippi DOI

Patrick Devlin Discussed the following points:

NAIC Priorities

Climate Change and Resiliency

Discriminatory Rating and use of Bots

Data Security and Privacy

Use of AI/ML across Home and Auto

Exam volume and data calls increasing - issue with staffing - challenging environment.

MCAS – not just for regulators, there is an opportunity for carriers to leverage the data internally, track and look at historical, escalate to business, proactively communicate with regulators, remediate issues ahead of time. Ideal state is to encourage a proactive compliance environment.

What can we start working on?

Regulators – It is helpful if you define the due dates for a response, not just give the number of days. Also providing the specific contact names and information.

Companies: explain the corrective action taken as part of your response and share more information about the complaint so regulators can understand better what happened on your end to cause the claim to go off the rails.

Both Sides: Pick up the phone and talk to each other.

Andy Case raised the follow points:

Consumers think the industry and regulators are aligned with each other.

Sometimes DOIs need to have contact with those in the weeds, but carriers funnel all contact through government affairs to contact the regulators.

Is there an opportunity to have a meeting sandbox type of environment or a working group?

Trends with Diminished Value on third party claims. Proactive communication leads to a turnaround reduction in Diminished Value complaints.

Recommended that industry proactively communicate with regulators on MCAS findings.

Other opportunities for collaboration: Cyber, Federal Insurance Office looking at data calls.

Contributed by: Jim McNally

Back to Basics, Part 1: Intake Process

Moderator: Krista Young, Liberty Mutual Insurance

Panelists: Katie Johnson, VA BOI; Rachelle Malone, Shelter Insurance; Becca Donegan, Erie Insurance; Michelle McNamee, Virginia BOI and Will Felvey, Virginia BOI

The follow questions with answers by the panelists outlines the discussion that took place during this session:

How do you define a complaint vs inquiry?

The NAIC defines complaints as any written communication that expresses dissatisfaction with a specific person or entity subject to regulation under the state's insurance laws.

Becca- Something that comes in writing with issues that have not been resolved.

Rachelle- For her company, a written communication that the claims department would normally receive, they usually let it go to the chain of command before it gets to their complaints department. If it goes to a different department and it is not identified as a true complaint, that the department is allowed to handle it.

Michelle: - They don't usually sent inquiries, most of what they receive are complaints. Virginia BOI has an email for people to send inquiries or complaints, if it gets through the portal is a complaint, fax or mail is another way to file the complaint. They can make a complaint an inquiry depending on the type of request that has been submitted.

Confirmed complaints are considered if there is a violation of a regulation or policy provisions were not followed.

Attorneys can file complaints, (with proper authorization from the PH), if it is not their jurisdiction- they still contact the company so they can be aware of the complaint, and they forward the response to the

complainant and direct them to the right jurisdiction.

Will- When it comes through the portal and with supporting documents that is a complaint. If there is not much info, they reach out to the complainant to get the exact info for the complaint, some inquiries are submitted to the DOI from the complainant wanting to know their rights. If a body shop file a complaint, they need the customer authorization, they are not entitled to receive all the claim info.

Intake process:

Rachelle- Her department has 4 people – 2 respond to all the complaints, they have their own system that IT created. Once a complaint is received, they decide who will handle the response, “repeat offenders” stay with the same handler, they complete the entire process (sending the complaint to the DOI, they work with the TMs not with the adjuster, once the response letter is written it is sent to the TM for a final review if what was written before it goes to the DOI

Becca- 7 staff member – They get the complaints by email, the admin enters the complaint in their system, the complaint gets assigned to a manager to get it assigned to a team member.

Will: Complaints can be filed in person; majority comes through the portal and some by email or mail. Phone complaints are not allowed. The admin scans all the complaints, and upload them to the system, they filter the complaints to make sure that there are not duplicates or if it needs to go to an existing complaint. Everything goes to the portal; he looks at all the complaints so they can be assigned. Same “repeat offenders” are assigned to the same analyst.

Michelle: Looks at all the complaints daily in the portal, she has 9 examiners, assigns the complaints based on their expertise. The examiners get calls over the phone, they can get fax or letter complaints as well.

Both carriers’ reps aligned that if the complaints come through a different channel, they will be separate complaints (example DOI, BBB, email to an executive).

Due dates

Michelle- Portal sets the due dates automatically for them. Not a big issue if they don’t receive the emails responses on the due date.

Will: They try to make it easy; they have no issues for extensions specially on complex complaints, they try to be flexible. If a company requests over 3 extensions, they call to verify where the disconnect/need is.

Rachelle: they manage their due dates entering what it was asked, and the system calculates it. They try to get the responses out before the due date, they try not to get extensions, they can send the responses in a timely manner. Emails are high importance. Phones complaints are resolved during the call. Complaints that go to other departments – 3 business days

Becca- 7 days response for DOIS, BBB, emails, 3 days response, executives’ complaints 1 day. For extensions try not to get them

Follow up complaints, expectations, and concerns when they have to send a follow ups.

Michelle- She gets concerned when they must contact the company because they didn't receive what they originally requested. If the complainant has a new question/concern she sends to the company to give the company the opportunity to address the additional concern.

Will- When the outcome is not favorable to the complainant, they tend to get more follow ups from them, the consumer is able to write a comment in the portal (syrcon) and the examiner is able to review if it is new information, it can be submitted to the insurance company. They are also able to educate and explain that the position has not changed.

Katie: Sometimes it helps when someone else that the consumer has not spoken with talk with explains the results (same resolution)

Rachelle: Unless there is new info the position remains the same. They develop relationships with regulators to come out with resolutions.

For all of them, the follow ups get assigned to the same examiner/analyst.

Managing multiple logins and passwords:

Becca- Sharepoint with all logins and passwords
Rachelle- They utilize a system named Last Past

Market Conduct Exam Overview & Updates

Facilitator: Lois Alexander, NAIC

Panelists: Patrick Devlin, Liberty Mutual; Paul Towsen, PA DOI; Gary Jones, PA DOI and Randy Helder, NAIC

What triggers an MCE - complaints is the biggest trigger, then MCAS. Regulators will often schedule market analysis rather than wait for MCE which can take longer to tee up and execute. Also conduct a review of regulator actions by other departments.

Trends:

Patrick Devlin - seeing very claim focused, CAT related exams, staffing concerns, rate/risk appetite in some states (industry wide) NR/Cancellation related increases.

PA DOI - wants remote access to systems for exams; Liberty gave access to PA exam; issue with system policy decline knock-out e.g., did you have a DUI? Photo only estimates (going to start look at those)

Gary gave an example of parents total loss situation and insurer did a photo only estimate that took off unrelated damage.

PA prefers to do targeted exams, encourages self-reporting - will just require restitution and then monitor. Prefers to have an on-site person if they are onsite particularly for training on manual rating.

Randy Helder/NAIC - complaint trends do drive NAIC priorities. Improper marketing of health plans priority on this was driven by complaints and what regulators were experiencing themselves. He did express concerns about using MCAS as trigger for exams as he thinks most questions can be better addressed by giving a call to the company to see what is going on. Recommends carriers use the comment section in attestation to explain any issues with the data submission. Also use FAQs, Market Reg Handbook to look at Market Analysis level 1 and 2 questions.

Tuesday September 26, 2023, Session

Member Showcase – Complaint Management via Sharepoint

Presenter: Adam Stanhope, Hanover Insurance

The Hanover Insurance Group uses Sharepoint (Microsoft tool) for the logging/tracking and reporting of complaint activity. A live demo was provided in a test/mock environment to show the various ways the company has leveraged this self-built tool in order to manage complaint activity. The demo also profiled the use of this tool to then export data to Power-BI in order to produce dashboards/reporting.

Real-time data updates are fed to the dashboards so that you can view what is happening with complaint activity, volumes, trends, and other elements at any given time.

Hanover has found benefit in embedding a data/analytics person within their compliance team to development and maintain tools like this not only for complaints but for the tracking of other compliance related work.

Attendees were encouraged to contact Adam if they wanted to get more information on Hanover's use of this tool.

Contributed by: Adam Stanhope

SBS, NAIC Reporting System

Presenter: Trish Skahan, Senior Product Owner ITG/SBS, NAIC

SBS has been in place for 20 years. 32 states are signed on and it continues to grow. statebasedsystems.com. SBS is a department of the NAIC. The data belongs to the states, and they sign a contract with SBS.

Reporting Manager function is open, no login required. You can lookup licensee information, CE Providers. However, for organizations you are required to have a login, but can have a shared pin. Have to update state by state, UW company by UW company. Can update business and mailing address, phone numbers but not domicile or items that are on financial statements. Online complaint form on state's site links back to NAIC/SBS and vice versa.

Trish then took the group through a live demo which included the following:

Theoretical Complaints Portal demo

Complaint Assistance Dashboard

Direct messages section - between the company and regulator (looks like MD ECTS)

Correspondence

Attachments

Options for notifications - system or email

Unlimited attachments - 10MB recommended otherwise it will impact performance.

Contributed by: Gerard O'Sullivan

Back to Basics, Part 2: Complaint Resolution

Facilitator: Adam Stanhope, Hanover Insurance

Panelists: Shaun Johnson, Brighthouse Financial; Susan Hatfield, Nationwide, Amy Miilu, Michigan DIFS and Vickie Trice, Tennessee DCI

The general topic segments of this session were:

- A. How to choose to respond to the complaint: Letter/ Email /Phone
- B. What information is appropriate to include in a response to a complaint?
- C. Complaint Follow Up Inquiries
- D. Coding the Complaint at Closure
- E. Closed Loop Feedback or Post-complaint corrective action.
- F. Annual Complaint Reconciliations and Reporting

The panelists providing some of the following insights:

Phone calls to persistent callers, or to regulators if there is back and forth.

Brighthouse sends a letter after a phone call.

Nationwide records calls but will always respond in the manner of preference of customer.

Social media: TN redirects social media complaints to file complaint; Nationwide tries to get more information. IL treats social media as written complaint and requires written response. Brighthouse marketing team handles social media and then gets referred over to complaint team.

Resolution letters are not automatically provided by most states, but if asked they will provide.

Issue with policy situs in Michigan - would prefer to have a response even if there is no jurisdiction – regulator will still try to help the consumer.

TN - Situs and location of the accident varies on if first versus third party and some pushback on jurisdiction.

Companies redact PII and use labeling for confidentiality/proprietary.

TN will not send out any proprietary and even if not marked they will not share.

MI is case-by-case, some companies label all confidential, but policies are in SERFF which is public, so they encourage companies to think about whether something really is confidential.

MI letter now addresses 3rd party complaints and specifies that they don't want any PII.

MI says it's ok to avoid sending duplicates with response e.g., if complainant has already sent it.

TN makes contractors have the insured sign the complaint - they ask if they are representing the insured and then if they say yes, they ask for their public adjuster license.

MS regulator from the audience recommended that companies be more specific in response with explanation of rate increases.

Nationwide doesn't use template per se but there is some standard language that is used for certain complaints.

Consensus of the DOIs was that if the company has concerns about what they are sharing in their response that they create a separate letter for the DOI to share with the consumer.

Persistent/Repeat offenders

Nationwide tracks but adds as one. Give them options DOI, legal. Cease and desists are rare and would require senior management approval.

Brighthouse will advise the complainant that if they have any new information, it will be reviewed.

TN first looks to make sure the response is complete. Tells the complainant they have 10 days to file a rebuttal. If no new information, try to give them other options - small claims.

MI closing letter explains determination and next steps. They don't reopen a file unless there is new information. Definitely seeing more frequency and then complainants going to legislators, AG, Governor.

Hanover tracks the number of follow ups on each case and uses that to track/remediate and train.

Coding complaints at closure

Brighthouse looks at DOI closing and sometimes disagrees with disposition. Nonregulatory - applies their judgment since with many states the company doesn't know.

DOI using SBS system in TN and coding if overturned that is justified.

Brighthouse uses RegEd code product for issue tracking.

MI looks at patterns in coding and refers to enforcement or market regulation, discusses internally.

TN refers violations to Legal Department.

Some examples:

MI roof complaints - will explain to them it's a question of fact. Helpful if the carrier will highlight the policy language or cite the page number in the policy as a reference.

TN – public adjusters are challenging the appraisal clause. Appellate court ruling says scope of damages must be determined in court. Public adjusters are trying to use the DOI and appraisal clause, which is only applicable to the costs of damages, not coverage questions. Recommends that insurers contact the DOI if we see that our consumers are being financially harmed by public adjusters. A tip from Erie Insurance resulted in a public adjuster’s conviction.

Contributed by: Adam Stanhope

Coordinator: Regina Bourne, Travelers

Topic: Speed Networking with Regulators

For the second year in a row, Regina Bourne, had attendees at each table network with regulators to “break the ice” and get to know each other as people. She provided some questions to keep the activity moving and dynamic and it was well received according to the feedback we have received in our surveys.

Presenter: Bob Hartwig, PhD, CPCU, Clinical Associate Professor of Finance and Director of Risk & Uncertainty Management Center, University of South Carolina

Topic: Insurance Industry Overview & Outlook

Bob Hartwig, who was a welcome return presenter provided a riveting presentation on the trends, challenges, and opportunities for the insurance industry.

Professor Hartwig provided a plethora of information and advised:

- The P/C Insurance Industry Remains Strong, Stable, Sound and Secure
 - Auto lines, property and reinsurance segments are stressed but not impaired.
- Private Passenger Auto Frequency, Severity and Loss Ratio Trends are Adverse.
 - Inflation is a Major Driver
- Economic and Tort Environment Create Pricing Pressure in Commercial Lines
- Investment Performance Is a Key Driver of Insurer Profitability
- Reinsurance Markets Remain Under Pressure
- The Rise in CAT Losses Shows No Signs of Easing
- Odds of a “Soft Landing” Increasing but Shallow Recession is Still Likely in Early 2024

- Asset Price Volatility Will Persist as Inflation Uncertainty
- Interest Rates Will Remain “Higher for Longer”
- Higher Interest Rates Provide a Modest Tailwind for Investment Income
- Inflation, Geopolitical Conflicts and Rising Interest Rates are Weighing Heavily on Business and Consumer Sentiment but the Economy Remains Resilient
- Inflationary Pressures Persist in 2023, But Are Subsiding (Peak Reached in June 2022)
- Loss Cost Challenges Remain but Should Ease in 2023/24—Inflation, Supply Chain
- Legal System Abuse Issues Remain a Long-Term Challenge

Contributed by: Joan Olson

Wednesday September 27, 2022, Session

Following both the Regulator Breakfast meeting and the ICAE Business Meeting, the entire group reconvened in the main hall for the final topics of the exchange:

Topic: Ask the Regulators & Company Reps Panel

Facilitator: Jim McNally, Travelers

Panelists: Ryan Blakeney, Mississippi DOI; Emily DeLaGarza, Michigan DIFS; Rachelle Malone, Shelter Insurance and Shaun Johnson, Brighthouse Financial

The panelists discussed an overview of how Covid impacted the insurance workplace. In particular on the industry side staffing overturns/challenges and the loss of experienced staff due to earlier than expected retirements. Although newer adjusting staff can be obtained the lack of experience with newer staff has impacted productivity and decision making on the claims side. Some additional discussion points were:

- a. Improper marketing practices leading to claim complaints.
- b. Use of independent adjusters impacting service on storm related claims
- c. Increased complaints on sheltered annuities due to extended dates to repay loans and delayed premium payments due to financial hardship.

- d. General unhappiness in the consumer space due to increase costs across the board/inflation.

Regulators expressed a desire to see more consumer education by the industry to help customers be more informed. Regulators find they are consistently having to educate consumers about their insurance products.

The discussion turned to repeat complaints from the same customers for whom the initial response was not satisfactory. Regulators indicated that they always take threatening behavior by complainants seriously, but at a certain point they no longer feel the need to explain the same points to a consumer. Company panelists emphasize that their goal is to lower the temperature and try to calm the complainant even if they are not able to provide any compensation or accommodation regarding the complaint. Regulators emphasized that as long as a company has followed the law that is the extent of their ability to advocate for any accommodation or action by the insurer and they explain this to the consumer.

Discussion next centered on obstacles to a successful resolution. Regulators indicate that if there is a gap in complete information on a claim, they want to understand where things went off the rails and what steps is the company taking to get things back on track. This information should be included in any response to the regulator. Regulators also emphasized that company complaint handlers should always feel free to pick up the phone and discuss a complaint with them. Often this can be a very effective way to gain an understanding of what happened and what the regulator will need from the company to close out the matter on their end.

The final topic of discussion was asked as “What are Regulators Up to?.” Somewhat tongue-in-cheek, but the core question is about what do you most need from the company to get a complaint resolved? Regulators cited the following:

- a. We are hopeful the company response will provide a resolution or clear path toward one.
- b. Please give us a call to update us on a matter if a resolution is in the works, don’t leave us guessing.
- c. Alert us if you anticipate that there is not going to a satisfactory outcome so we can be prepared to interact with the consumer.
- d. More information in your response is always welcome.
- e. If we see trends, we may have suggestions on what you can do to improve the process.
- f. Respond in layman’s terms, not insurance or legal-eze terms. Making your response plain and clear goes a long way toward ensuring that it can be clearly articulated to the consumer.

Author: Rich McGee

Topic: Diversity, Equity & Inclusion – Corporate Considerations and Personal Experiences

Facilitators: Regina Bourne, Travelers and Adam Stanhope, Hanover Insurance

Participants: Melanie Irvin, Branch Insurance; Kelly Armstrong, USAA; Adam Stanhope, Hanover Insurance and Regina Bourne, Travelers

This session was conducted as a fire-side chat with two armchairs and two participants at a time tag teaming questions or having a conversation. The session started out with Melanie and Kelly providing some insight on the following questions:

1. As a new company with a lot of competing objectives, how has Branch invested in DE&I and conversely, as an established company, how has USAA implemented its investment in DE&I?
2. What have been some of the greatest successes or challenges?
3. How does a remote or hybrid work environment impact DE&I efforts?
4. How does your company's DE&I strategy support your company's business objectives?

Melanie and Kelly highlighted the various ways that both carriers have taken action in the DE&I space along with the differences in size between their organizations presents unique challenges for them. They both provided great insights into how companies at the corporate level are trying to ensure that all employees feel welcomed and comfortable to be their authentic selves regardless of their background.

The session then turned to Regina and Adam taking over the fire-side chat and sharing some personal experiences of their own which highlighted how their diversity has impacted their work and relationships with their peers. There were several questions from the audience which really brought home for everyone how important it is for us all to ask each other the simple question "How are you doing?"

It was clear that this segment sparked a lot of discussion for everyone and was a format/style of segment that may be welcome in future exchanges to generate even more "real" conversations about how we are handling our differences in the workplace.

Contributor: Adam Stanhope

Closing

The exchange closed with final thoughts from ICAE President, Susan Hatfield, who thanked all attendees for their participation and contributions to the success of the exchange. She previewed that next year's in-person exchange would take place in Gatlinburg, Tennessee.

ICAE Catalyst 2023 Exchange Editor: Adam Stanhope, The Hanover Insurance Group

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