

## **MONDAY, SEPTEMBER 22, 2025**

### **President's Address & ICAE Welcome, 8:30-8:45am**

#### **Speaker: Kristi Colbert, ICAE President, UnitedHealthcare**

Kristi Colbert provided the conference welcome with 30 first-time attendees and new members from various organizations including UNUM, USAA, and KY Farm Bureau. Kristi emphasized that "consumers are in the middle of our relationship, passing through" (quote from Michael Barber) highlighting the importance of consumer-focused service in insurance.

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### **Welcome to Idaho, 8:45-9:15am**

#### **Speaker: Dean L. Cameron, Idaho Insurance Director**

Commissioner Cameron provided an overview of Idaho and growth in Boise, emphasizing:

#### **Economic Profile:**

- Idaho produces 185 commodities
- 240,000 farms and ranches
- #1 in potatoes, barley, alfalfa, hay, 13 billion pounds of potatoes produced yearly
- #2 in hops
- #3 in sugar peas and milk
- #4 in onions

#### **Geography & Attractions:**

- Known as "The Gem State" (nearly every type of gem found in Idaho)
- 107,000 miles of rivers and waterways
- 5th driest state in the country
- Hells Canyon: 7,900 feet deep (2,000 feet deeper than Grand Canyon)
- Snake River Canyon: Site of Evel Knievel's famous attempted jump
- Television was invented in Idaho
- Home to Anne Frank Human Rights Memorial

**State Symbol:**

- Boise means "The City of Trees" (named by trappers)
- State seal is the only one designed by a woman
- Boise State football stadium is the #1 attraction for sports fans (17,000 visitors in 2023)

Geothermally heated State House

**Insurance Market Context:**

- 40% of Idaho is covered by trees, most of the state is owned and managed by the Federal government
  - Only "Red State" with a state-based health insurance exchange
  - Health insurers have doubled since 2016
  - Very independent state that typically resists federal interference
  - 2019 Red Tape Reduction Act implemented zero-based regulation
  - DOI goal: reduce regulations by 25%
  - DOI successfully regulations by 28 chapters without impacting consumers
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**Keynote Address - Gratitude**

**Speaker: Mark Hiltz, Gratitude Researcher & Keynote Speaker**

**Part 1: 9:15-10:30am**

Mark Hiltz delivered an interactive two-part keynote on the science and practice of gratitude, drawing from research by Brother David Steindl-Rast (founder of grateful.org, who just turned 99) and his popular 2013 TED Talk.

**The Connection Between Happiness and Gratitude:**

- "All of us want to be happy"
- Key insight: "It's not happiness that makes us grateful; it's gratefulness that makes us happy"
- Dr. Robert Emmons (UC Davis Professor) research shows grateful people are 25% happier than their counterparts

- Grateful people have better sleep, more energy, exercise more, eat better, fewer heart attacks, less stress, and less pain

### **Understanding What Holds Us Back:**

#### **1. Negativity Bias**

- As humans, we notice the negative first and give it more weight
- Defense mechanism to protect us
- "We always recognize a headwind but rarely appreciate a tailwind"
- We worry way more than things actually happen
- Cognitive dissonance: Can't have two opposing thoughts at the same time - can't be grateful and negative

#### **2. Gift Giving**

- Ironic quote with gift giving: "You haven't given me a gift, you've given me an obligation"
- Gift giving should endear feelings of gratitude
- Set expectations if you don't expect anything in return

#### **3. Comparison**

- "Comparison is the thief of joy" - Theodore Roosevelt
- We really should be grateful for what you have

### **How to Practice Gratitude:**

#### **The Busy-ness of Life:**

- Quote: "We are all more blind to what we have than to what we have not" - Audre Lorde
- Being grateful is a choice
- You have to make time for gratitude - make a commitment

### **3 Things to Consider:**

#### **1. Say Thank You or Give Thank You Notes**

- Next time, say thank you AND what it meant to you and how it made you feel

#### **2. Set Aside Time for Mindful Daily Reflection**

- Pew research study: Over 70% of people pray every day, over 50% pray before a meal

### 3. **Gold Standard: Keep a Gratitude Journal**

- Write it down (research shows writing helps more than just thinking about it)
- For example, Oprah Winfrey has over 50K journal entries since 1996
- Benefits:
  - Allows you to savor it
  - You can read it to remind you
  - Sets an example
- Two apps mentioned for gratitude tracking

#### **Keynote continued**

#### **Part 2: The Science of Habit, 1045-1200pm**

- 50% of what we do every day is on autopilot (habit)
- Habit frees up mind to think about other decisions
- Small changes can make big impact
- 1% better every day = 37x better

#### **Building Good Habits:**

- Make it Obvious (need cues to remember)
- Make it Attractive (feel benefits from it)
- Make it Easy (prep the environment)
- Make it Satisfying

#### **Best Cue: Define an Implementation Intention - Be Specific:**

I will

[action]

at

[time]

in

[location]

- Tie to another habit you already do
- Things that are rewarded are repeated
- Things that are punished are avoided

**Breaking a Habit (Do the Opposite):**

- Make it invisible
- Make it unattractive
- Make it hard
- Make it unsatisfying

**Key Takeaway:** Expressing your gratitude will make you happier!

Contact: [MarkRHiltz@gmail.com](mailto:MarkRHiltz@gmail.com)

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**Commissioners Panel 1:00-2:30pm**

**Panelists:**

- Dean L. Cameron, Idaho Insurance Director
- Glen Mulready, Oklahoma Insurance Commissioner
- Ryan Blakeney, Mississippi DOI
- Facilitator: Aaron Cooper, Mississippi DOI

**Discussion on Weather in the Homeowners Market and Conditions by State:**

**Idaho:**

- Great weather but changes rapidly
- Forested area with federal lands
- Significant fires over the last several years
- In Top 5 of acres burned but NOT structures burned
- Carriers are contracting but not leaving the state

- Have seen 35% premium increases, but valuations have also increased
- 2024 was worst fire season: across 1M acres, 140 structures, 40 residences
- 2025 (so far): only 124K acres, 8 structures
- Working with carriers and IBHS on mitigation and data gathering effort looking at non-renewal activity by zip codes compared to premium increases and claims activity
- Idaho does not have a FAIR plan

**Oklahoma:**

- Sits in “tornado alley: which sees impact of corrective storms, wind and hail
- 85% of claims are roof damage related
- Haven’t seen wildfire activity in recent years until March this year (following a drought)
- Hail is becoming an increasing issue in OK
- Haven't seen any carriers exit as yet; over 60 companies write homeowners insurance
- Also working with IBHS on roof fortified home program
- Using grants to homeowners (up to \$10k) if they fortify when replacing roofs; 45 homes completed so far
- Rates are an significant issue
- Also no FAIR plan in OK
- Have seen 1 company with exclusions for wind and hail for the roof

**Mississippi:**

- Issues are rate, roofs and reinsurance
- Costs of reinsurance have come down
- Risks in Mississippi include wind, fire, hail, hurricanes, earthquakes, tornadoes
- Consumers very upset about rates - availability is there, but not the affordability
- Seeing complaints from consumers with inconsistency with handling hail claims (some carriers denying versus others paying)
- Started to see cosmetic roof endorsements + companies offering scheduled roof deductibles

- 2024 mitigation program can be meaningful with discounts
- Adding licensing fees for companies
- Uses an AI bot “Janie” for consumers to file a complaint

#### **Automobile Market Discussion:**

##### **Mississippi:**

- Auto market finally started to stabilize - filing for some decreases
- Unfortunately, still many uninsured drivers
- Looking to change to modified comparative from pure comparative negligence state

##### **Oklahoma:**

- Put camera law in place to fight uninsured motorists
- Uninsured rate has dropped - no ticket, but requires proof of insurance
- Supply chain costs have dissipated
- Rates are steady

##### **Idaho:**

- Very stable market
- No cameras, but did pass law tying insurance to registration - if no insurance, can't register your vehicle
- 3rd lowest uninsured rate in the country
- Premium 3rd lowest

#### **Back to Basics, Adam Stanhope, The Hanover, 2:45-3:00pm**

- General complaint questions answered by selected insurers and regulators in attendance.

#### **Consumer Complaints & The Path to Market Conduct Examinations, 3:00–4:15pm**

##### **Panelists:**

- Tolanda Coker, Arizona DOI - Asst Director Market Regulation & Consumer Services

- Shannon Hohl, Idaho DOI - Market Oversight Bureau Chief
- Will Felvey, Virginia BOI - Manager P&C Consumer Services
- Facilitator: Chris Palmieri, Travelers

**Idaho DOI:**

- “Light touch” regulations but the state does a lot market analysis not exams
- Market teams and consumer affairs areas meet every other month on trends
- And will share with other departments

**Virginia BOI:**

- Commissioner White is not NAIC President-Elect
- Bureau has balanced regulation but does internal complaint analysis and looks at systemic business practices
- Market Conduct Annual Statements “MCAS” can be “stale” so they do pull all confirmed complaints and looks at spikes
- Complaints can be ok for instances if direct written premiums are increasing
- However, can be red flag if DWP is dropping or if defense costs are not going up
- BOI will randomly sample unconfirmed complaints
- For company responses they want response in order of how asked and to respond completely
- Will definitely look at response tone and who respond e.g. if it has been sanitized by an attorney; have seen some companies are hostile to department
- Feels that internal complaint analysis is the most important tool

**Arizona DOI:**

- One time a year will look at complaint trends
- Follows the Market Conduct Handbook
- Also participates on NAIC D Committee MAWG working group and has raised issues they see
- Notes that this forum is good to see if there can be some alignment among the states (made mention that no minutes are taken during these sessions)

**Idaho DOI:**

- Will reach out to a company's domicile status if they have issues – this can actually help to avoid unnecessary work if issues can be resolved locally

**Market Conduct Continuum:****Idaho DOI:**

- Will first write to the company with questions - similar to a complaint – e.g. "Please explain..."
- Looks at thoroughness of complaint response
- Commissioner has inquiry authority, but tries to avoid exercising that authority

**Virginia BOI:**

- Utilizes continuum actions
- Historically was using full comprehensive market conduct exams
- Now a scarce resource - can be full or targeted exam and/or focus on a topic
- Also has regulatory actions
- Recommends self-reporting
- Generally, there is enough information to indict already before calling a Market conduct Exam
- BOI will match continuum action to severity of the trends seen

**Arizona DIFI:**

- Team of 4 people - usually will use contract examiners to tends to use continuum, ask questions with interrogatories then will do testing
- Can still be lengthy

**Best Practices When Company Has an Issue:**

- Ask yourself: "If company has an issue, you should be asking if you have the issue in other states"

**Avoiding Market Conduct Exams:**

- Demonstrate a proactive drive to compliance

- Self-report
- Act with Humility
- Don't stonewall or be hostile

**Regulatory Approach:**

- Idaho regulators are always willing to take a meeting; appreciate self-reports; prefers to take a "flashlight" versus a "hammer" approach
- Arizona recommends instituting a solution. For example, if a system went down impacting one complaint should address the solution

**Consumer Issues seen in their states:**

**Arizona:**

- Issues with oversight of 3rd party vendors

**Virginia:**

- Personal lines Auto + home terminations and nonrenewals
- Communication breakdowns

**Idaho:**

- Wildfire risks, nonrenewals, claims payment issues

**General themes:**

- Consumer expectations: used to only pay small amounts and premiums have increased dramatically
- DOIs now have to educate the insurers
- People now have to budget for insurance when they didn't in the past (e.g., coastal)
- Seeing issues with adding rated drivers
- Some companies are pulling Lexis-Nexis reports for rated unlisted drivers
  - Can't exclude drivers in VA
- VA has seen examples of complaints where the complainant was swearing company representation. The complainant denied it and the Bureau asked for the transcript and the company could not provide it. The company had also cut off the complainant's access to the app. Can be an opportunity for training

- Departments are also seeing changes in the surplus lines market, which is growing. Excess and surplus lines are still required to follow termination requirements and fair claims handling in VA; AZ does not have authority over the surplus lines
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## **TUESDAY, SEPTEMBER 23, 2025 – DAY 2**

### **Generative AI, Fraud and the Insurance Consumer, 8:30-9:30am**

#### **Speaker: Brent Walker, Coalition Against Insurance Fraud**

#### **Coalition Overview:**

- All DOIs except one are members of the Coalition

#### **Research Studies Presented:**

##### **2020 Cost Study:**

- Old number was \$80B a year in fraud
- New number: now up to \$308.6B

##### **Ethical Use of Data Study:**

- Surveyed US Census data from 2020
- 83% of consumers support use of data to protect from fraud
- But they want the state (not Fed) to regulate

##### **Study on Consumer Attitudes:**

- 16% of Americans do not view insurance fraud as a crime (53M Americans)
- 35% have considered or would commit fraud
- 27% of 18-24 year-olds are envious or motivated to commit fraud
- Coalition speaks in college settings - trying to engage younger generation

##### **AI and Fraud:**

- AI is #1 concern among SIU in 2024
- Fraud fighter staffing is slowing with field to desk SIU at nearly 50/50 mix
- Shift from face to face to desk since COVID

- This shift makes it easier for fraudsters
- States have complained about quality of fraud referrals
- Most states require reporting of reasonable suspicion of insurance fraud
- If done in good faith, companies are immune
- Problem: State can't handle volume of referrals

**Automation of Referrals:**

- Almost 1/3 of referrals are automated by companies through AI or Machine Learning
- Year over year fraud is growing
- Anti-Fraud technology rules and predicting modeling adoption varies significantly

**Generative AI Study is coming at this end of the week:**

- Poll of 42 Insurance carriers, 8 law firms, 2 prosecuting agencies
- 100% of responders are concerned about AI in the use of insurance fraud
- Insurer lead in live deployments
- Regulators are unsure how to regulate
- Some insurers are presenting to the NAIC about their AI governance
- Other findings:
  - AI can create new content that resembles human-created work
  - Can be used to alter words
  - Use of Gen AI has increased 900% in 2 years
  - Coalition is working with Microsoft on the malicious use of AI
- Some fraud examples:
  - Altered images
  - Edited text
  - Deep fakes – very hard to determined if they are fraudulent
  - Most come in the Claim phase
  - Seeing complaints brought by AI citing regulations and codes, impacting workload

- Policyholders and 3<sup>rd</sup> party claimants are top users
- Challenges:
  - Difficult to verify the authenticity of metadata since more carriers are compressing files when they come in
  - Need to upskill forensic expertise with data training and technical guidance
  - Hard to identify the suspects
  - Obtaining records from AI providers
  - More funding is needed
- With regulators:
  - NAIC Model Bulletin on the use of AI has been adopted by 24 states
  - NCOIL Draft Model on Insurer use of AI – AI cannot be sole basis for claim denial...but can assist if a qualified human professional is involved
  - 2 states have criminalized deep fake and digital forgery (PA and NJ)

Take away: Insurance Fraud is here to stay

## **AI in Claims and Underwriting: Transforming Insurance, 9:30–10:45am**

### **Speakers:**

- David VanDyke, Shelter Insurance
- Vrushank Nayak, Financial Times Group Ltd

### **Vrushank's Background:**

- Has covered AI for 4 years

### **Examples of AI Use:**

#### **Claim Filing:**

- It used to take days or weeks
- Now using drones
- Data fed into claim platform
- Algorithm role is transforming from manual note checker to validating data

**Before AI:**

- Manual call center staffing
- Employees pulled from other areas

**After AI:**

- Large language models give guidance in real time
- Employees with no claim experience can handle claims
- More efficient, shorter timeframes

**David's Governance Framework:****Rules:**

- Make sure AI follows the rules already in place
- Already laws in place for oversight but need to be more specific to AI
- Framework for AI Governance – make sure AI is vetted, tested and documented. Must have executive oversight at Board level and committed to writing.
- AI Program is the System. AI Policy is the Rules.
- Regulatory baseline moves into your program taking risk factors into account.
- Human in the loop is a way to lessen the compliance needs...but only if the human has authority, knowledge and independence to override the AI.
- You have to validate your model – the performance, fairness, drift/monitor and remediation to document corrective actions.
- There are different obligations between Developers/Vendors and the Deployers/Companies
- Have to do due diligence
- Obtain Contract Obligations
  - Including AI addendums
  - Have to have in place as part of Enterprise Risk Management
- Have to be transparent - give notice and explain

- NAIC draft AI Systems Evaluations Tool asks for count, location of AI models across operating and any related complaints
  - E.g. "How many systems do you have?" is a difficult question to answer
- **Back to Basics, Adam Stanhope, The Hanover, 11:00-11:15am**
  - General complaint questions answered by selected insurers and regulators in attendance.
- **Case Studies, Facilitator, Makenzie Mahler, Country Financial, 11:15-12:15am**
  - Attendees divided into groups to review and give suggested responses to complaint examples involving all lines of business.

### **At the Crossroads, The New Economics & Politics of P&C Insurance**

**Speaker: Bob Hartwig, Clinical Associate Professor, Center for Risk & Uncertainty Management, University of South Carolina (VIRTUAL), 1:15-2:00pm**

#### **P&C Insurance Overview and Outlook:**

- 98.5 Combined Ratio forecast for 2025
- Quiet CAT year so far; only 102 days left → looking good
- 2023 and 2024 - a flurry of rating downgrades but should be lower this year which shows some improvement in the industry
- CAT losses increase more than 150% in the 2020s - average \$89B
- Helene, Milton and CA Wildfires: significant losses over the past year
- 2024: 27 events in the US
- 100 point difference in homeowners' performance – highest NE and lowest MA
- Affordability: most expensive in LA + NE

#### **Economic Outlook:**

- Likely GDP under 2% this year - effect of taxes and tariffs
- Slower growth environment
- Unemployment maybe slightly ~4.5%

- Recession likelihood has decreased since April spikes “Liberation Day” - only 33%
- Companies taken no-hire, no fire policy
- Inflation to stay roughly near 3%

Legal system abuse is still a problem

Aggressive advertising

Significant impact in commercial auto

Report is available for download at [uscriskcenter.com](http://uscriskcenter.com)

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### **Speed Networking with Regulators, 2:15-3:45pm**

#### **Regulators:**

- Michael Barber, Tennessee DOI
- Diane Robbs, Oklahoma DOI
- Michelle McNamee, Virginia BOI
- Sheila Williams, North Carolina DOI
- Red Ligon, North Carolina DOI
- Lou Macias, New Mexico DOI
- Gerard O'Sullivan, Connecticut DOI
- Amy Miilu, Michigan DOI
- Facilitator: Lindsay Xander, Virginia BOI

General questions asked during networking period.

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### **Breakout Sessions, 4:00-5:00pm**

#### **Life & Health Breakout:**

- Facilitators: Joan Olson, Swiss Re; Kristi Colbert, UnitedHealthcare

- **Discussion Topics:**

Company and NY Complaints

- Make sure your procedures cover requirements by these states/regulations
  - Coding – ECDIS
  - Oversight
  - AI Requirements - WW issues
  - Customers may not complain about ECDIS
  - ECDIS (reporting) vs medical records
  - Bottom line: AI cannot discriminate against customers.
- Agent transferring annuities to other companies
  - Possible churning
  - Agent using a cover letter to DOI.
    - NC DOI ok trends on agent complaints.
    - TX DOI asked that companies contact them to report.
- Agents not responsive to statement requests
  - If carrier cannot obtain response let regulator know.
  - Regulator will attempt if non-responsive, will take action/fine agent.
- Complaints vs Inquiries
  - DOIs will log as an inquiry if there is no complaint or request for information.

**Property & Casualty Breakout:**

- Facilitators: Thomas Herndon, Liberty Mutual; Becca Donegan, Erie Insurance

**Discussion Topics:**

**AI:**

- Mostly home office timelines
- TN DOI - Jansen seen some AI responses
- NC P&C - using for rate structure

**Shelter:**

- AI - Sitting over complexity

**Legislator Issues:**

- Don't always get informed of law changes

**USAA:**

- No panics in advocacy + complexity, been only CE H →

**Rate Increase Explanation:**

- Consumers been told that state made them increase the premium
- Liberty 60/40 - Flipped like us

**Ohio Colleague:**

- Confused reports & they do everything - P&C and L&H
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**WEDNESDAY, SEPTEMBER 23, 2025 – DAY 3****What Have We Learned, 9:00-10:00am**

- Group Exercise – discuss information we learned during the exchange.

**Back to Basics, Adam Stanhope, The Hanover, 10:00-10:15**

- General complaint questions answered by selected insurers and regulators in attendance.

**Ask the Regulators & Company Reps Panel – DAY 3, 10:15-11:45am****Panelists:**

- Gunther Eger, Liberty Mutual
- Red Ligon, North Carolina DOI
- Michael Barber, Tennessee DOI
- Susan Hatfield, Nationwide
- Facilitator: Gerard O'Sullivan, Connecticut Insurance Department

**Affordability and costs of insurance - What Are We Doing?**

- **Nationwide:**
  - Encourage them to talk to the agents
  - Using Telematics
  - Mitigation Products

- **TN DOI:**
  - Recommends consumers shop around
  
- **NC DOI:**
  - Rates set by state
  
- **Liberty:**
  - Move to offer VIN companies
  - Deductible increases
  
- **CT DOI:**
  - Using a good template letter to explain the value of the policy

**Company Responses:**

**Liberty:**

- Has dedicated team for regulatory responses, set up by region

**DOIs:**

- Just want a complete response

**Tennessee:**

- They want to know if we have blocked email or phone calls - be they may also have to do it too
- Want responders to identify pages in policy in the response

**North Carolina:**

- Would rather give 7 day extension to get a complete answer
- Recently added to complaint: "What's your desired outcome?"

**Other observations:**

- DOIs will reach out to consumer if it's a rambling complaint
- DOIs have struggled with 3rd parties - contractors etc – since they can't regulate pricing
  - TN has referred to Board of Contractors to refer contractors to and has warned consumers of "vultures" after a loss

- Nationwide has seen public adjusters write to CEOs - messages in these complaints
  - DOIs have seen increase in belligerent complainants with entitlement attitude
  - Safety concerns – e.g. AL now only identifies by title and not name
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## **2026 Exchange Preview & Closing Address, 11:45-12:00pm**

**Speaker: Kristi Colbert, ICAE President, UnitedHealthcare**

The 50th Anniversary conference will be held in San Antonio.

Key themes to carry forward:

- Learn more along AI Governance
- Gratefulness (continue practicing gratitude)
- Fraud (ongoing vigilance)

### **KEY CONFERENCE THEMES**

1. **Gratitude and Professional Well-being** - Mark Hiltz's keynote emphasized the scientific benefits of practicing gratitude
2. **AI Governance** - Critical need for proper oversight, transparency, and human involvement in AI systems
3. **Fraud Detection** - Growing concerns about AI-enabled fraud and the need for better detection tools
4. **Regulatory Relationships** - Importance of self-reporting, transparency, and proactive communication with regulators
5. **Consumer Education** - Need to help consumers understand rate increases and the value of their insurance
6. **Market Challenges** - CAT losses, affordability issues, and regional variations in market conditions

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