

Currin Chronicles

Quarterly Newsletter

May 2018

President's Corner

Tom Hartman, formerly a senior actuary with NYSDFS, is now able to work with you at LONG last!

Most, if not all, of you know Tom Hartman from his days as a senior actuary with NYSDFS. He had a reputation of doing a tremendous volume of work and doing it well. Tom was always helpful to companies trying to figure out how to comply with some of NY's byzantine rules and regulations. Guess what? He can do that for you again!

Since he left DFS, all of us – and none more than Tom himself - have been counting the days until he could come out of his basement and work directly with you. More than once he has mused, in the two years since leaving DFS while barred from appearing before

the Department, that it was hard not to be able to do the things he is best at and has the strongest reputation for, but now he can!

He has learned about the Compact and other states and he has done important and great work since joining us, and now he is free to do what he and so many of you want him to do . . . the work he is best at and has the strongest reputation for: New York product work.

Please welcome Tom to the industry in his new and full capacity as senior compliance actuary at CCS. We are thrilled he is with us and we know you will be too! ~ Cailie



Spring has finally arrived in the Northeast and Otis is very happy . . . as are the rest of us!

Electronic Applications in NY

By Suzanne Seay

Electronic applications seem to be reviewed in a much more expansive way by New York than are paper applications.

We get questions about replacement, about how consumers get to review their answers, and about follow-up from underwriting. These aren't bad questions, but they generally only come up when an application is electronic.

In an electronic application, the NYSDFS policy form reviewers want to know what happens when it's determined that the policy being applied for is a replacement. Fair enough. But what happens when a replacement occurs with an agent? Is the electronic situation mysterious, and the agent situation obvious? I tend to think both situations are fairly obvious and don't need to be explained in a policy form filing. NY rules about what needs to happen in a replacement are clear. And every company already has to explain its Regulation 60 (replacement) procedures, but that's done in a separate, broad-scope Reg 60 filing. A company's Reg 60 procedures have to be rehashed on an electronic-application form filing, but not on a paper-application form filing.

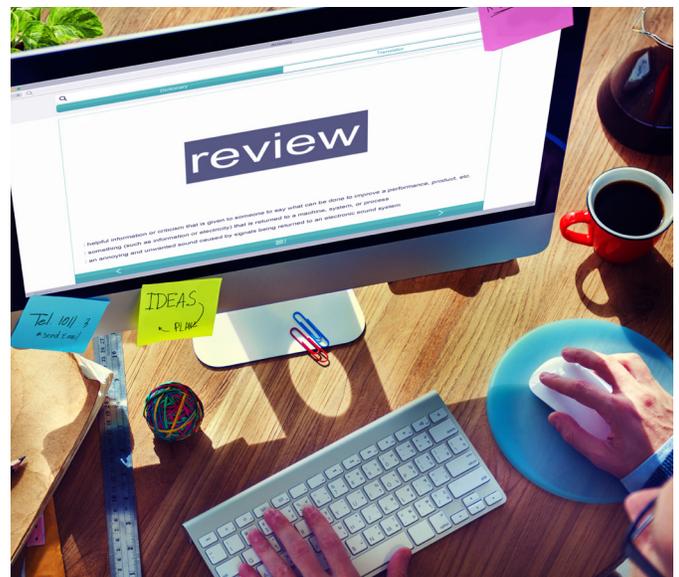
NY is very concerned that consumers get a chance to review and change their answers. Fair enough. But how does NY know that an agent gives a consumer that opportunity? The how-consumer-gets-to-review issue is big on electronic-application filings, but non-existent on paper-application filings.

And then there's underwriting, aka Reflexive Questions. When follow-up (reflexive) questions are electronic and could appear on the application in the "blank" Additional Information section, along with the answers,

NY requires they be filed for approval. In the in-person situation, the agent can say most anything, ask any question, or give directions. On a paper application, only the consumer's answers would appear as Additional Information.

NY also usually has comments on any "extra" text that appears on the electronic screenshots, text that is instructional or definitional or navigational help. It's usually allowed, if it's innocuous enough, in the individual reviewer's opinion. But the extra text is definitely read and reviewed, unlike everything that an agent says when a consumer is filling out an application.

Maybe this is just the nature of the beast. Regulators are able to review what's written, so they do. They are not able to review conversations between agents and consumers, so they don't. And maybe, as we move into an increasingly electronic world, where everything is reviewable, we'll have to get used to more review. But does that really make sense?



Our mission at Currin Compliance Services, Inc. is to deliver an unparalleled combination of knowledge, creativity, and superior problem-solving skills to each compliance challenge faced by our clients in the insurance industry.

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Please Keep Off Rails

By Machael Heise

As I get older, I am realizing that I must have been destined to have a career in compliance. As a child, I did my best to color within the lines, to snitch on my sister when appropriate, and to generally follow the rules. I have always appreciated the order and consistency that can result from rules and conformity. Coloring books neatly maintained, justice occasionally served, obedience effectively engrained.



While attending the AICP Western Chapter E-Day in San Francisco this week, I took our Compliance Hero with me when I went out for a walk in this beautiful city. I was looking for a photo opportunity

for our Hero – if you read our newsletter frequently, you know he gets out and about occasionally.

My intent was to get a photo with a landmark in the background, so if you look closely, you might see one! But if you are like me, you may notice that our Hero is being a bit non-compliant. Wouldn't you know that as soon as I took the picture, the wind blew him off the rails, then he proceeded to bounce away, requiring a short chase to rescue our Hero from certain further danger. Perhaps it would have been better if he had just been compliant?



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Join us for CICS and Fall Foliage at the Bedford Village Inn in New Hampshire October 25, 2018



If you're interested in learning about insurance advertising compliance in the digital era, sharing your challenges, and looking at solutions as a group, join us on THURSDAY, OCTOBER 25, 2018, in Bedford, New Hampshire. We are hosting another one-day Currin Insurance Compliance Symposium and will be exploring some of the unique challenges digital advertising presents compliance professionals and best practices for reviewing content for digital channels.

This day will be full of information with the opportunity to share and discuss your experiences. You will walk away with ways to approach your digital advertising review process, as well as an increased knowledge about how to review ads for the digital channel.

We want to tailor this event to your needs and challenges. We encourage attendees to [email questions for discussion in advance to Glenda Bean](#).

SPACE IS LIMITED!

We are intentionally keeping this group small to have real discussions on these important issues. Don't hesitate...register now and secure your spot. [Read more here](#).

The Bedford Village Inn (BVI) is New England at its finest...where "the beauty of nature blends seamlessly with sophisticated New England style." BVI is located 10 miles from the Manchester-Boston Regional Airport with complimentary shuttle service to and from. New England is known for its spectacular foliage this time of year so we hope you're able to stay and enjoy the surrounding area. CICS attendees are eligible for a discounted room rate (Wednesday 10/24 until Sunday 10/28). Attendees are responsible for booking their own transportation and accommodations.

The link below will take you directly to the hotel group reservation page (simply change the dates as needed). If you call the hotel directly for reservations, our group code is: CUR19GB5.

[The Grand at Bedford Village Inn Rooms for Currin Compliance](#).

The Bedford Village Inn
2 Olde Bedford Way
Bedford, NH 03110

Toll-free: 1-800-852-1166
Local: 603- 472-2001

[Register Now!](#)