



TALHI

Texas Association of  
Life & Health Insurers

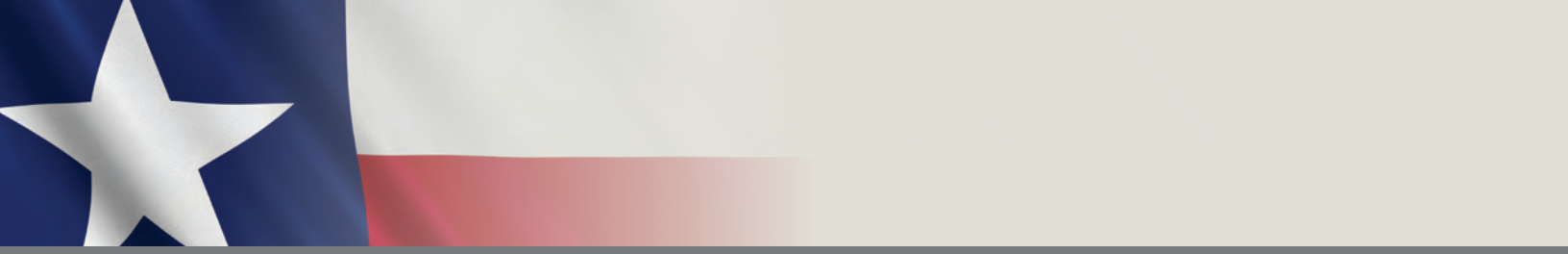


Regulatory  
Round Table  
March 19, 2014

Driskill Hotel • Austin, TX

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# Welcome to the Regulatory Round Table

I'm excited to welcome you to TALHI's third Regulatory Round Table.

We've designed this biennial event to provide you the opportunity to hear the latest on regulatory, legislative and political developments of interest to our industry. From TDI updates to election forecasts, our goal is to ensure you have the information you need to keep your company informed.

We're especially pleased to hear from our state's regulatory leaders as we work to maintain informative and policy-focused discussions between those who make public policy and those who are governed by it.

TALHI is not only committed to working on behalf of its members but also for the financial security of the citizens of Texas. We're pleased to have the ability to bring together regulators, industry leaders and other stakeholders who share a common interest in a fair, competitive and vibrant life and health insurance market for our state.

On behalf of the TALHI membership, I extend a special thank you to our sponsors for their support.

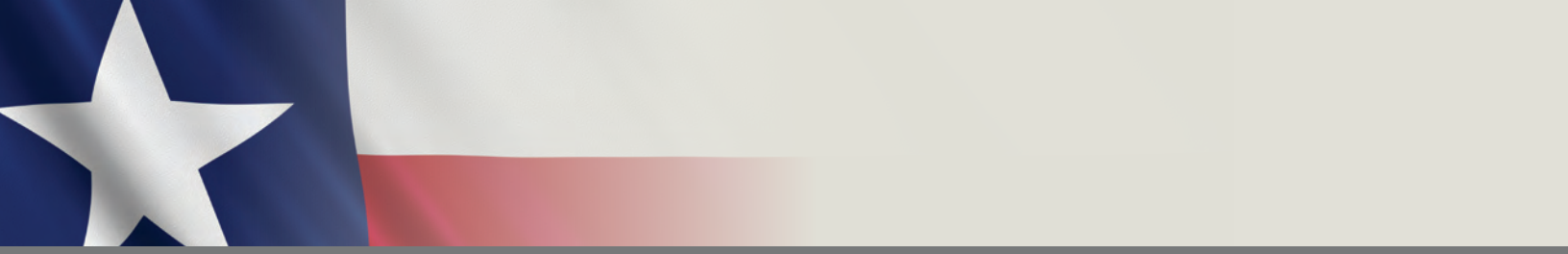
I hope you find the 2014 Regulatory Round Table informative and enjoyable. We are pleased that you are here.

Jennifer Cawley  
*Executive Director*

# About TALHI

## Texas Association of Life and Health Insurers

TALHI is an open-door trade association whose members include some of the most respected life and health insurance companies doing business in Texas. These companies are united by their mutual interest in supporting a strong and competitive life and health insurance market within the state and in so doing, contributing to the financial security and well-being of the citizens of Texas. TALHI's goal is to serve its members while also serving all who are touched by our industry.



# Sponsors

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## PRESENTING SPONSORS



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## SUPPORTING SPONSOR



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# Agenda

## Tuesday, March 18, 2014

5:30-6:30 p.m. **Welcome Reception (Victorian Room)**

## Wednesday, March 19, 2014

*All sessions will be held in the Driskill Ballroom, unless otherwise noted.*

9:00-9:30 a.m. **Breakfast**

9:30-9:40 **Welcome and Overview**  
*Jennifer Cawley*

9:40-10:10 **TDI - Current Life and Health Insurance Issues**  
*Deputy Commissioner Katrina Daniel*

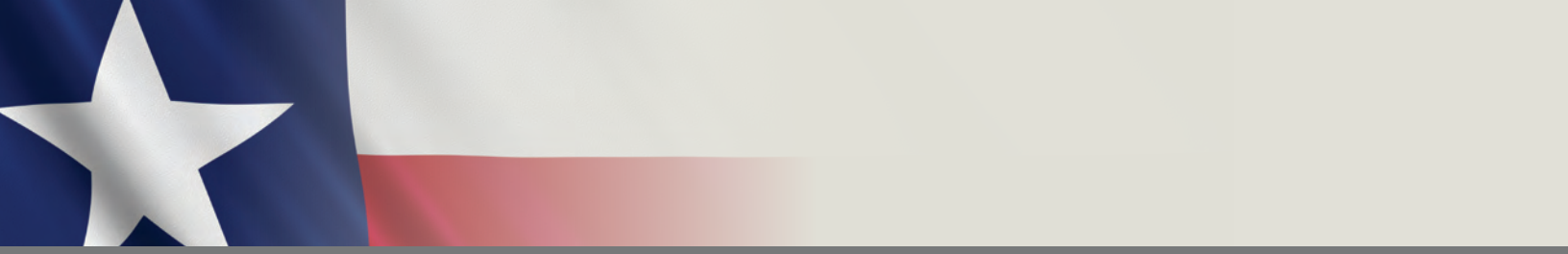
10:10-10:40 **New World of Financial Regulation**  
*Deputy Commissioner Danny Saenz*

10:40-11:55 **Round Tables**

12:00-1:15 p.m. **Lunch: 2014 Texas Elections** (Citadel Room)  
*Ross Ramsey, Texas Tribune*

1:15-2:00 **Federal Power Creep into States' Rights**  
*John Scott, Texas Attorney General's Office*

2:00-2:45 p.m. **Texas Elections from the Left and Right**  
*Bill Hammond, Eric Bearnse, James Aldrete*



# Round Tables

## **What's New in Life and Health**

*Jan Graeber, Katrina Daniel, Doug Danzeiser*

Hear from Katrina, Jan, and Doug about current hot topics in the Life, Accident and Health Division

## **Compliance at TDI**

*Mark Einfalt, Jack Evins, Melissa Hield*

Meet new head of Compliance at TDI, Mark Einfalt and hear from Jack and Melissa about ongoing projects such as the Life Insurance Look-Up Project

## **Financial Regulation**

*Danny Saenz*

Talk with Danny in a small group setting about what is happening at the NAIC on committees important to the industry

## **TDI Industry Outreach**

*Melissa Hamilton, Kevin Brady*

Find out what the industry has told TDI are important issues that should be addressed in the TDI Biennial Report to the 84<sup>th</sup> Texas Legislature.

## **TALHI Priorities: An Open Mic**

*Jennifer Cawley, Jay Thompson*

Bring your questions about any issues to the TALHI team - PACs, lobby law, regulatory questions, etc.

# Presenters

## James Aldrete

James Aldrete is President and Creative Director of Message Audience & Presentation (MAP), a political communications company that serves Democratic, progressive and social causes across the country.

In 2008, Mr. Aldrete served as a member of the Obama '08 Media Team, leading their Latino media efforts. He has also advised clients ranging from the National Education Association to Planned Parenthood Federation of America on communicating with and mobilizing the Hispanic electorate.

Campaigns & Elections magazine named Mr. Aldrete a "Rising Star," and his firm's work has been recognized in previous issues, as well as in the Wall Street Journal, the Washington Post, and Slate magazine.

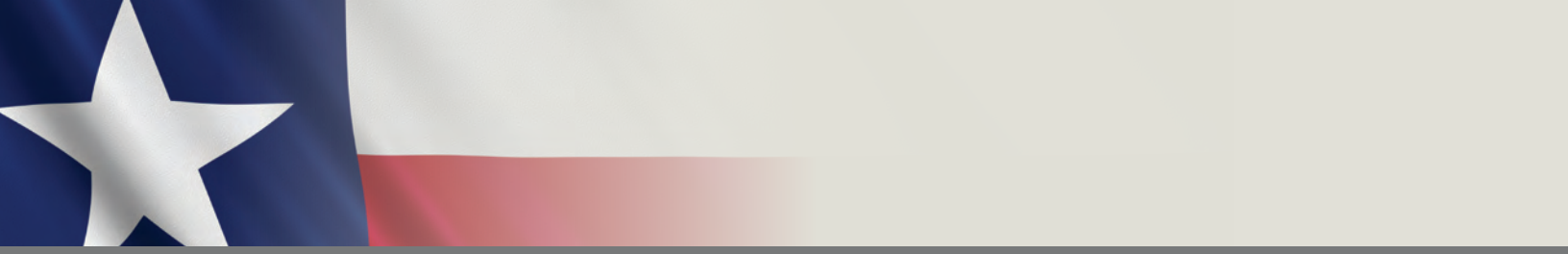
Prior to founding MAP, Mr. Aldrete served as Deputy Press Secretary to the Ann Richards for Governor Campaign, Creative Director for Gold Communications, and Affiliate of Public Strategies, Inc. He has served as past Board Chair for Planned Parenthood of Austin, currently serves on the Board of Directors of the Texas Freedom Network and the ACLU of Texas, and is on the Advisory Council of the Annette Straus Institute for Civic Participation at The University of Texas.

## Eric Bearse

Eric Bearse is a veteran speechwriter, communications consultant and political adviser to candidates and officeholders. He specializes in helping private- and public-sector clients develop and communicate key messages to the public.

Mr. Bearse wrote speeches for Gov. Rick Perry from 1999 to 2007, including two inaugural addresses, four "state of the state" speeches and several Republican State Convention addresses. He is a 15-year political professional who has provided political consulting services to Texas House Speaker Joe Straus and former Texas House Speaker Tom Craddick, speechwriting services to Attorney General Greg Abbott and Railroad Commissioner Michael Williams, and communications consulting services to Comptroller Susan Combs' campaign.





# Presenters

Mr. Bearse has worked on six political campaigns in Texas, including Gov. Perry's campaigns for lieutenant governor and governor, and served as a voluntary spokesman for the Republican National Committee in the final weeks of the 2004 presidential race in Minnesota. He moved into private consulting in 2007. Among his accomplishments is helping Gov. Perry write his first published book, *On My Honor*.

A 1993 graduate of Texas A&M University, Mr. Bearse was a proud member of the Fightin' Texas Aggie Corps of Cadets and earned a B.A. in political science. He and his wife, Jené, have two young children, Charlotte and Andrew, and reside in Austin.

## **Kevin C. Brady**

Kevin C. Brady serves as the Deputy Chief of Staff for the Texas Department of Insurance (TDI), which is charged with regulating the Texas insurance market, protecting the interests of consumers and fostering fair competition within the insurance industry.

Mr. Brady's wide-ranging responsibilities include the areas of regulatory policy, operational administration and strategic management. He serves as an adviser to the Texas Commissioner of Insurance and facilitates the implementation of executive-level decisions, including TDI's priorities, business planning and management. He also coordinates the development of TDI's recommendations to the Texas Legislature on legislative changes relating to the regulation of insurance.

Mr. Brady began his career at TDI in 1984 as a Financial Examiner conducting solvency examinations of insurers. He has held a variety of positions, primarily related to the financial regulation of insurers, from initial company formation through receivership. His prior duties include serving as TDI's Associate Commissioner for Licensing and Registration, supervising the licensing of all insurance companies and agents in Texas.

# Presenters

## Jennifer Cawley

Jennifer Ahrens Cawley has been the Executive Director of TALHI since 2008. Prior to her current role, she was the Senior Associate Commissioner for the Life, Health & Licensing program at the Texas Department of Insurance. In that capacity, Ms. Cawley oversaw the regulation of a wide range of life, annuity, accident and health insurance and related coverages offered by insurance companies, in addition to the licensure of insurance agents and adjusters in Texas.

From 2004 to 2005, Ms. Cawley acted as general counsel and adviser for Gov. Rick Perry's Office of Budget, Planning and Policy. In that capacity, Mrs. Cawley advised the governor on policy and budget issues primarily related to insurance and the workers' compensation system. She served as general counsel to Sen. Jane Nelson of Grapevine and as legislative aide to Sen. Jeff Wentworth of San Antonio. She was also government relations liaison for the Texas Department of Family and Protective Services.

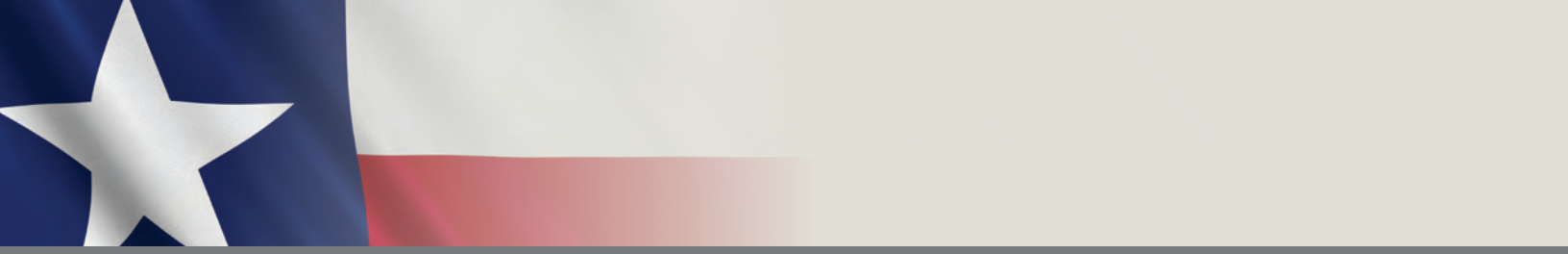
Ms. Cawley graduated from Texas Tech University with a Bachelor of Science in agricultural and applied economics.

## Katrina Daniel

Katrina Daniel is the Associate Commissioner for the Life, Health & Licensing program at the Texas Department of Insurance. Ms. Daniel oversees the regulation of a wide range of life, annuity, accident and health insurance and related coverages offered by insurance companies, in addition to the licensure of insurance agents and adjusters and other health insurance administrators. In addition, Ms. Daniel oversees development and approval of workers' compensation health care networks. Ms. Daniel and her staff implement state and federal legislation and monitor the extensive federal activities related to life insurance, health coverage and licensing. She places a high priority on educating regulated entities and other interested parties.

Ms. Daniel brings extensive experience in policy development to the department. She has served as a policy aide to senators and representatives in the Texas Legislature, focusing on health and human services issues and the state budget. Ms. Daniel also worked for several years as a Project Manager and Policy Analyst for the Texas Sunset Advisory Commission, reviewing executive branch agencies for continued need and effectiveness.

Ms. Daniel graduated from Texas Woman's University School of Nursing with a Baccalaureate in Science and has completed coursework for a Master of Public Health from The University of Texas School of Public Health. She is also a registered nurse.



# Presenters

## **Doug Danzeiser**

Doug Danzeiser is Manager of the Regulatory Matters area of the Life, Accident and Health Section of the Texas Department of Insurance, a position he has held since March 2007. Prior to that, he was the team leader of the Life, Health & HMO team in the Enforcement Division of the department.

Mr. Danzeiser has been an attorney for the state since 1994, working for the Texas Attorney General before coming to the Texas Department of Insurance in 2000. He obtained his law and undergraduate degrees from The University of Texas at Austin.

## **Mark Einfalt**

Mark Einfalt serves as Deputy Commissioner of Compliance for the Texas Department of Insurance, leading the activities of the Consumer Protection, Enforcement and Fraud Sections.

Previously, Mr. Einfalt served as an Assistant Attorney General V in the Medicaid Fraud Division of the Office of the Texas Attorney General. Prior to his public service, Mr. Einfalt was a partner in a private law firm in Austin.

Mark graduated from the University of California at Santa Barbara. His undergraduate education included a year of study abroad at the University of Madrid in Spain and a semester internship in the White House. He subsequently obtained a Masters in Public Affairs from the LBJ School of Public Affairs and a Juris Doctor from The University of Texas.

## **Jack Evins**

Jack Evins received his bachelor's degree in political science from Texas A&M University in 1973, followed by post-graduate studies in government at The University of Texas.

Mr. Evins has been employed with the Texas Department of Insurance since 1974. His positions at TDI have included Assistant Director of Agents Licensing, Deputy Commissioner - Licensing Group and, since December 2013, Director of the Consumer Assistance & Special Assignments Office in Consumer Protection. Currently, in addition to managing that office, he coordinates Consumer Protection's legislative reviews and analyses, and serves as the direct TDI contact for the Texas Division of Emergency Management in the event of Texas disasters.

Mr. Evins reports directly to Melissa Hield, Associate Commissioner for Consumer Protection.

# Presenters

## Jan Graeber

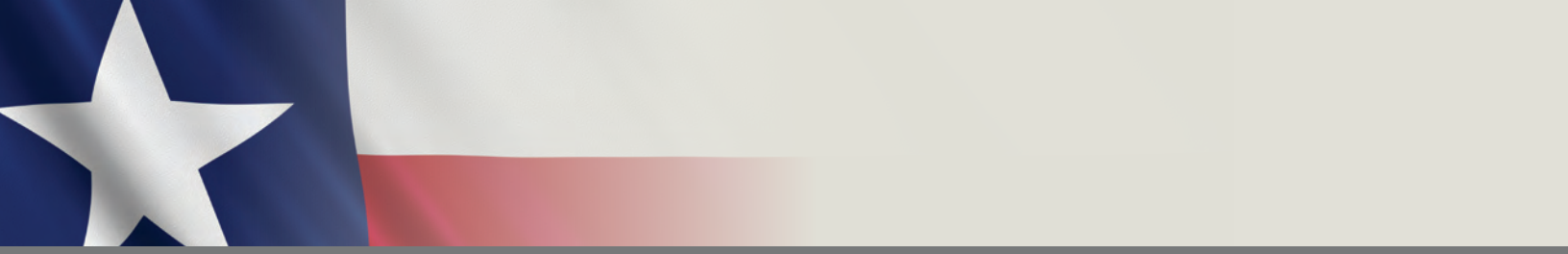
Jan Graeber is Director and Chief Actuary of the Rate and Form Review Office of the Texas Department of Insurance. Ms. Graeber graduated from The University of Texas at Austin with a Bachelor of Business Administration in actuarial science. She is a member of both the Society of Actuaries and the American Academy of Actuaries.

Ms. Graeber joined the Texas Department of Insurance in 1994 and has extensive experience in the review and analysis of Medicare supplement and Medicare select rates and refund calculations, long-term care initial rates and rate increase filings, HMO rate and rating methodology filings, accident and health rate increases, small group rating requirements, calculations demonstrating compliance with the Standard Nonforfeiture Law for Life Insurance and Annuities, collection and analysis of credit life and credit accident and health data submitted in connection with the Department's Credit Life and Credit Accident and Health Data Call, and with the development and recommendation of credit life and credit accident and health presumptive rates. In addition, Ms. Graeber provides comments and recommendations regarding legislative implementation, rule and bulletin development, and assistance to consumer protection and government relations with the resolution of consumer and legislative inquiries and complaints regarding rating issues. Most recently, Ms. Graeber has been extensively involved with the implementation of the Affordable Care Act and serves as the agency's Rate Team Lead and Market Reform Team Lead.

## Melissa Hamilton

Melissa Hamilton was hired as Government Relations Director for TDI in October 2012. Prior to her tenure at TDI, Ms. Hamilton graduated Magna Cum Laude with a Bachelor of Arts degree from Texas A&M University in 2001. She then moved on to receive a Doctor of Jurisprudence degree from The University of Texas at Austin School of Law in 2004. After completing her education, she received a two-year Fair Trial Initiative fellowship to work at Texas Defender Service, representing indigent defendants in capital cases throughout Texas. Following her fellowship, Melissa worked as a staff attorney for The Justice Project and then went on to work in the Texas Senate.

Ms. Hamilton served as Staff Counsel for Texas State Sen. Glenn Hegar from 2008 through 2012, where she staffed numerous committees, including Business & Commerce, Education, Health & Human Services, Jurisprudence and State Affairs. During her service as Staff Counsel, Sen. Hegar authored the Texas Department of Insurance Sunset Bill and co-authored the Division of Workers'



# Presenters

Compensation Sunset Bill. Ms. Hamilton was instrumental in staffing both of these pieces of legislation. Before accepting her current position as Government Relations Director for TDI, Ms. Hamilton worked for Nationwide Insurance as a Regulatory Attorney.

## **Bill Hammond**

Bill Hammond is President and Chief Executive Officer of Texas Association of Business & Chambers of Commerce (TAB/TABCC) and has led the state's most influential business and chamber organization since April 1998. At the helm of TAB, Mr. Hammond has worked aggressively and successfully to ensure a strong pro-business tax and regulatory climate in Texas.

Texas Monthly named Mr. Hammond one of the top 25 most powerful people in Texas politics in 2011. Prior to leading TAB, Mr. Hammond served for three years as chairman of the Texas Workforce Commission (TWC), appointed by then-Gov. George W. Bush. Mr. Hammond also served as employer representative on the three-member commission. He served four terms in the Texas House of Representatives during the 1980s, where he successfully authored the Texas Education Agency Sunset Bill, and was named one of the state's top 10 legislators by Texas Monthly and Dallas Morning News.

## **Melissa Hield**

Melissa Hield is the Associate Commissioner for Consumer Protection at the Texas Department of Insurance. She oversees the section of the Compliance Division that helps hundreds of thousands of consumers each year via the agency's call center, complaint process, outreach events, and website and print publications. She also coordinates TDI's response during a disaster.

Ms. Hield began her career at TDI in 1989 as the agency's first strategic planner and has worked in consumer protection since 1994. She holds a M.A. in American Civilization from The University of Texas at Austin and B.A. in American Studies from Smith College. She is a 1983 graduate of Leadership Texas.

# Presenters

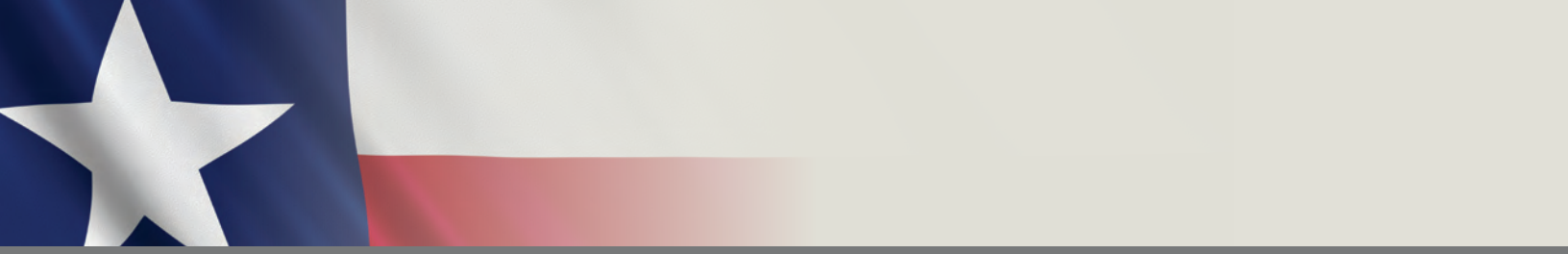
## **Ross Ramsey**

Ross Ramsey is Executive Editor and Co-founder of the Texas Tribune. Before joining the Tribune, Mr. Ramsey was Editor and Co-owner of Texas Weekly for 15 years. He did a 28-month stint in government as Associate Deputy Comptroller for Policy with the Texas Comptroller of Public Accounts and the agency's Director of Communications. Before that, Mr. Ramsey reported for the Houston Chronicle from its Austin bureau and for the Dallas Times Herald, first on the business desk in Dallas and later as the paper's Austin bureau chief, and worked as a Dallas-based freelance business writer, writing for regional and national magazines and newspapers. Mr. Ramsey got his start in journalism in broadcasting, working for almost seven years covering news for radio stations in Denton and Dallas.

## **Jose Daniel (Danny) Saenz**

Danny Saenz holds a Bachelor of Business Administration in accounting from Pan Am University. He is currently the Deputy Commissioner of the Financial Regulation Division with the Texas Department of Insurance. The Financial Regulation Division has responsibilities for licensing and monitoring insurance companies and agents throughout their entire life cycle, from initial formation, through subsequent surveillance, to initiating action to revoke authorities to operate. He has a Certified Financial Examiner's designation from the Society of Financial Examiners (SOFE) and has been an active member since 1988. He has also been a member of the Insurance Regulatory Examiners Society (IRES) since 1996. Mr. Saenz began his career with the Texas Department of Insurance in May of 1988 as an examiner trainee in the Examinations Division. After a series of promotions within the agency, he was promoted by the Commissioner of Insurance to his current position over the Financial Regulation Division in August of 2007.

Mr. Saenz has been actively involved in various National Association of Insurance Commissioners (NAIC) committees and working groups, including Co-chair of the Group Solvency Issues Working Group, International Insurance Relations Leadership Working Group, and Financial Condition (E) Committee.



# Presenters

## **John Scott**

John Scott was appointed to his current position by Attorney General Greg Abbott in 2012 and is currently in his third year as Deputy Attorney General for Civil Litigation for the Texas Office of Attorney General. Prior to accepting the appointment he had been a practicing trial attorney in Dallas with over twenty-five years of experience. In his current position, Scott oversees the Consumer Protection and Antitrust Division, Civil Medicaid Fraud Division, Environmental Protection Division, and the Bankruptcy and Collection Divisions along with the approximately 20,000 ongoing litigation matters and serves as the Chair of the Texas Medicaid Dental and Orthodontia Fraud Task Force. Scott received his B.A. in Economics from the University of Texas at Austin in 1985 and his J.D. from South Texas College of Law in 1988.

## **Jay A. Thompson**

Jay A. Thompson is a Partner with the firm of Thompson, Coe, Cousins & Irons, LLP. He practices primarily in insurance regulatory and legislative areas, as well as litigation matters that affect both the life/health and property/casualty insurance companies. Mr. Thompson earned his Bachelor of Business Administration in accounting from Texas Tech University and his Juris Doctor from The University of Texas at Austin. In addition to representing other insurance associations, he has served as general counsel for TALHI since its inception in 1997. Prior to that, he was general counsel for one of its predecessors, the TLIA, for a number of years. Mr. Thompson also served with distinction in the U.S. Air Force Reserves as a Judge Advocate from 1972 to 1999.

## TALHI Conference – March 19, 2014

### TDI Compliance – Regulatory Round Table

- Meet Mark Einfalt, new Deputy Commissioner for Compliance
- Update on National and State Level Disaster Planning for the Financial Services Sector – Jack Evins, Director
  - The insurance industry falls within the Financial Services Sector for federal and state efforts at protecting “critical infrastructure and key resources (CIKR). TDI and the Texas Department of Banking are co-chairing Texas’ Financial Services Sector Working Group, which includes both public and private sector representatives.
  - The primary threats to the Financial Services Sector’s normal operation are likely cyber-security issues and pandemic disease.
  - To register for access to the Homeland Security Information Network (HSIN), contact the Texas Office of Infrastructure Protection (TIP) at 512-462-6156 or by email at tip@dps.texas.gov. You should be prepared to provide the following information:
    - Name:
    - Sector: *(for insurance participants, that would be Financial Services)*
    - Title:
    - Corporation or Organization:
    - Business Address:
    - Business Telephone
    - Cellular Telephone:
    - Business Email:
    - Personal Email:
    - *There is no charge for an HSIN account*
  - For information regarding access to the Financial Services -Information Sharing and Analysis Center (FS-ISAC), visit [www.fsisac.com](http://www.fsisac.com). There is a charge for an FS-ISAC account.
- Update on Life Policy Locator project – Melissa Hield, Associate Commissioner, Consumer Protection
  - New voluntary program, all companies are invited to participate
  - How it works
  - Statistics
    - *61 participating companies*
    - *401 consumer requests received*
    - *Companies have reported 48 matches*
  - Web page is <http://www.tdi.texas.gov/life/life.html>



## **Texas Department of Insurance (TDI) Industry Outreach**

### TDI Biennial Report to the 84th Texas Legislature

- State law requires TDI to prepare a report for the Texas Legislature recommending changes in the laws related to the regulation of the insurance industry.
  - TDI's next biennial report is due on or before December 31, 2014.
  - Among other things, TDI wants to attract more capital and insurance companies to Texas, which relates to TDI's charge to foster a competitive market.
- In the fall of 2013, TDI reached out to various trade and professional associations, including TALHI, to seek input regarding suggestions for TDI's next biennial report.
  - TDI desires input from stakeholders regarding laws that could be updated or streamlined, requirements that may have possibly outlived their usefulness, etc.
  - TDI also seeks input on ways to lower the costs of compliance for the industry.
- TDI has received a substantial number of suggestions from stakeholders.
  - The input received is currently being reviewed by TDI's subject matter experts.
- TDI will continue to work with trade associations like TALHI on these biennial report suggestions.
  - TDI anticipates on-going/follow up meetings with the industry over the spring and summer.

#### **Melissa Hamilton**

TDI Director of Government Relations  
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#### **Kevin Brady**

TDI Deputy Chief of Staff  
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*kevin.brady@tdi.texas.gov*

# Save the Date



2014  
**Round Up** ★  
Texas Association of  
Life & Health Insurers

*Save the Date*  
August 10-13, 2014

The  
*Greenbrier*  
AMERICA'S RESORT  
West Virginia





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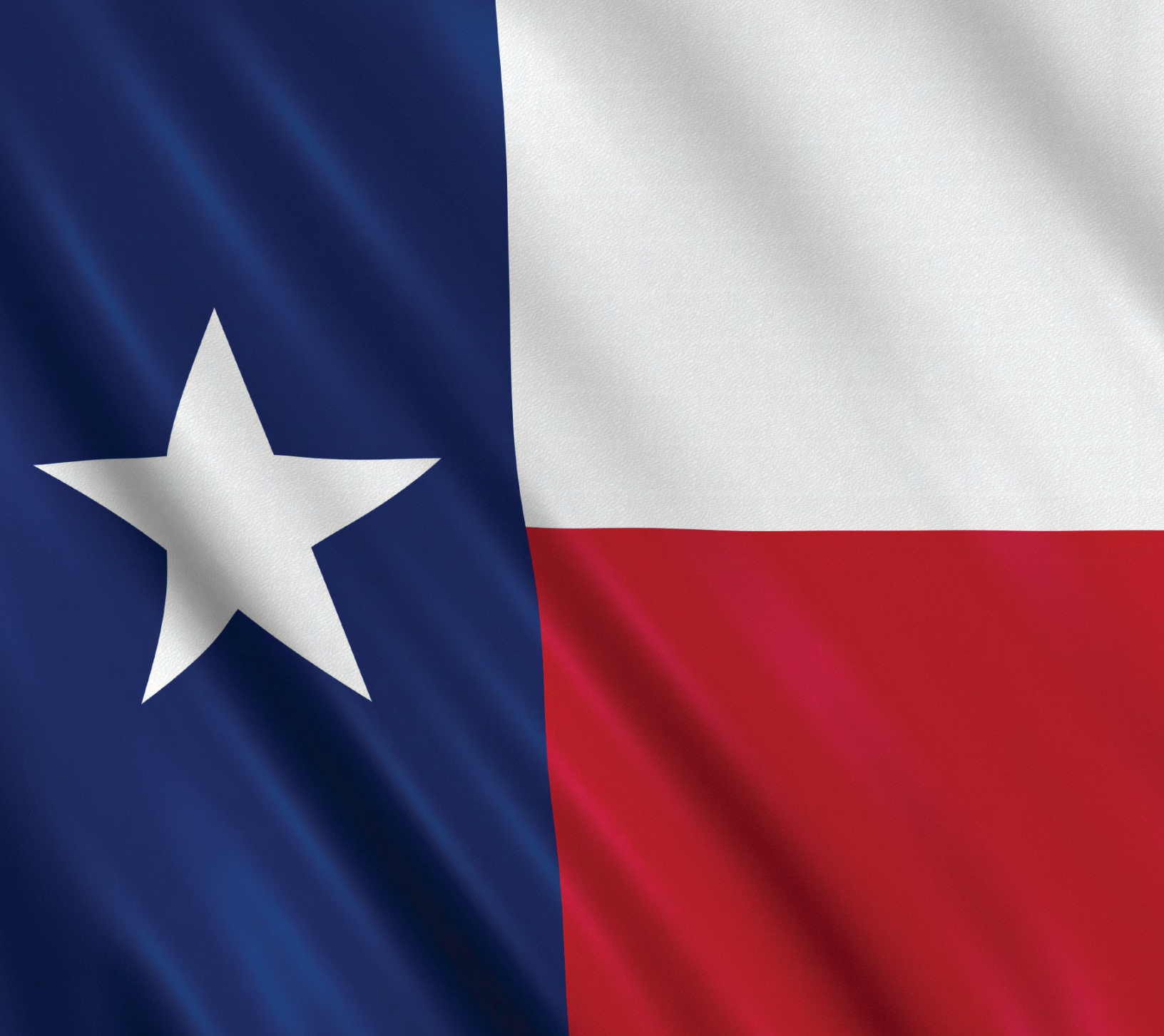












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