



AMERICAN ACADEMY *of* ACTUARIES

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November 28, 2018

Ms. Mary Mealer
Chair, Life Insurance Online Guide (A) Working Group
National Association of Insurance Commissioners
Via Email: Jennifer Cook (JCook@naic.org)

Re: Life Insurance Online Guide—Landing Page Idea

Dear Ms. Mealer,

The Non-Guaranteed Elements Work Group of the American Academy of Actuaries¹ has been following the discussions of the Life Insurance Online Guide (A) Working Group and, on their behalf, I would like to offer our assistance on this important initiative.

On the call on Oct. 10, 2018, a regulatory perspective was shared on the concept of creating a “grid” for the online landing page. We believe this is a good idea, so we have created a prototype that we would like to offer for your consideration.

The items marked with an asterisk (*) in the grid in the following appendix are intended to provide a short explanation pop-up when the user hovers over each term. The blue/underlined items are intended to be hyperlinks to pages which would provide more detail on additional types of product features. We also propose short explanations for these terms based on the text in the new buyer’s guide in the appendix.

We would be happy to help develop the content for these pages.

We hope this input is helpful. Please contact Ian Trepanier, the Academy’s life policy analyst (trepanier@actuary.org; 202-785-7880), if you have any questions.

Sincerely,

Gabe Schiminovich, MAAA, FSA
Chairperson, Non-Guaranteed Elements Work Group
American Academy of Actuaries

¹ The American Academy of Actuaries is a 19,500-member professional association whose mission is to serve the public and the U.S. actuarial profession. For more than 50 years, the Academy has assisted public policymakers on all levels by providing leadership, objective expertise, and actuarial advice on risk and financial security issues. The Academy also sets qualification, practice, and professionalism standards for actuaries in the United States.

Appendix:

WEBPAGE CONTENT

[Text in blue—hyperlinks to pages that will go into more detail. Terms marked with (*)—hover for short explanation pop-up (see proposed explanations below).]

[Short introduction text...]

AVAILABILITY		
●	◐	○
USUALLY	SOMETIMES	RARELY

	Coverage for life*	Cost	Cost can change*	Premium payments*		Cash value	Cash value credits*		
				Scheduled*	Flexible*		Fixed*	Indexed*	Variable*
Term life insurance	○	\$-\$\$	◐	●	○	○	○	○	○
Whole life insurance	●	\$\$\$	○	●	○	●	●	◐	○
Universal life insurance	●	\$\$-\$\$\$	●	○	●	●	●	◐	◐

Additional types of product features...

- [Additional benefit riders](#)
- [Dividends and dividend options](#)
- [No lapse guarantees](#)
- [Death benefit options](#)
- [Term conversion options](#)
- [Endowment \(full or partial\)](#)
- [Coverage renewability](#)
- [Policy loans](#)
- [Cash value withdrawals \(full or partial\)](#)

SHORT EXPLANATIONS FOR POP-UPS

(Note: These short explanations are based on the new buyer's guide for consistency.)

Coverage for life: Some insurance is intended to provide low-cost coverage for a specific period of time (a "term"). If you want coverage for a longer period of time, such as for your lifetime, cash value insurance may be more cost effective.

Cost can change: Some policies offer premiums and charges that can change over time.

Premium payments: The money you pay for the policy.

Scheduled: The policy prescribes the amount and timing of the premium payments according to a set schedule.

Flexible: You can choose the amount and timing of the premium payments, as long as you pay enough to keep your policy in force.

Cash value credits: The amount the insurance company credits to the policy. For variable policies, credits can be positive or negative.

Fixed: The insurance company credits interest based on a declared interest rate.

Indexed: The insurance company credits interest based on changes in one or more market indexes.

Variable: The investments you choose (such as stock and bond funds) directly impact your cash value.