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**Sent:** Wednesday, June 7, 2023 12:04 PM  
**To:** Oberholtzer, Todd <[Todd.Oberholtzer@insurance.ohio.gov](mailto:Todd.Oberholtzer@insurance.ohio.gov)>  
**Cc:** Helder, Randy <[RHelder@naic.org](mailto:RHelder@naic.org)>  
**Subject:** MCAS Exemption  
**Importance:** High

Dear Mr. Oberholtzer,

The following is submitted on behalf of FCSLA Life in response to agenda item "c" included on the June 12 virtual meeting of the Market Analysis Procedures (D) Working Group. We are grateful for this opportunity to provide our views about the importance of the fraternal exemption to MCAS reporting.

Fraternal operate differently; our society has strong ties to our members because of the unique fraternal insurer structure. Members belongs to a local branch and participate in the election of our society's leadership. Our producers and members are active in communities. We are happy to continue to provide appropriate information which demonstrates the low incidence of member complaints.

Fraternal are not exempt from market conduct exams that state regulators conduct on a routine or targeted basis. We feel that by submitting data and market conduct exams get to the core of protecting our members. Requiring MCAS reporting creates burdensome work for our society and may not provide meaningful data for your department.

Almost 60 fraternal benefit societies write approximately two percent of the total life insurance and annuity policies in the nation. A majority of fraternal are small organizations and operate primarily on a regional basis.

We are proud of the diverse nature of the fraternal sector, and we understand fraternal industry data can be inconclusive and sometimes misleading which makes MCAS data problematic to use effectively.

Our society is eager and proud to serve and protect our members. We look forward to continuing the dialogue on this issue and are happy to answer any questions.

Fraternally,

Cynthia M. Maleski  
National President/CEO

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Executive Assistant

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