

July 21, 2023

Sent via email: [GWelker@naic.org](mailto:GWelker@naic.org)

Martin Swanson, Chair  
Improper Marketing of Health Insurance (D) Working Group  
c/o Greg Welker  
Sr. Antifraud and Producer Licensing Program Manager  
National Association of Insurance Commissioners  
1100 Walnut St, Suite 1500  
Kansas City, MO 64106

RE: Improper Marketing of Health Insurance (D) Working Group  
Exposure Draft Model 880

Thank you for the opportunity to provide additional feedback regarding the most recent draft of proposed revision to NAIC Model #880. We offer the following comments and suggestions.

Section 2. Definition Lic200 82r Working Group 15 4th



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Under the current proposal, it ap

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and Performance Records (Paragraph J) be revised to incorporate ‘health insurance lead generators’.

It appears that only difference between these two paragraphs is the inclusion of the new sentence in the new paragraph stating that failure to maintain marketing and performance records is a violation of state law. The purpose of Section 4 is to define Unfair Trade Practices, not to specify penalties for violations of unfair trade practices. The language is not consistent with the remainder of the section and does not align with the purpose of the section. Penalty provisions are contained elsewhere in the Model and should not be included in a definition section.

If the new paragraph C in Section 4, ‘Failure to Maintain Marketing and Performance Record’, specific to ‘health insurance lead generators’ is to remain in the proposal, Items I through P of Section 4 (starting at the bottom of page 6) will need to be re-lettered.

#### Sections 6 - 11

Sections 6 through 11 of Model 880 outline a department’s authority to take action against individuals and entities engaging in unfair trade practices as defined by the Model. To ensure departments have sufficient authority to take action against ‘health insurance lead generators’, we recommend that provisions in these sections applicable to particular entities (e.g. insurers) be revised to explicitly include ‘health insurance lead generators’.

Again, thank you for the opportunity to provide comments on this topic. We look forward to future opportunities to continue this important dialogue.

Sincerely,



Jo A. LeDuc, GIE, MCM, CPCU, FLMI, AIDA  
Director, Insurance Market Regulation Division