Meeting Minutes –I&RS Review Board

CATEGORY	DESCRIPTION
Meeting Name:	DTCC I&RS Review Board
Facilitator	Cory Stark, Jeanann Smith
Scribe	Cory Stark, Jeanann Smith
Date & Time:	March 5, 2019 @ 2:00pm – 3:30pm
Location:	Conference Call

Advisory Group Attendees

NAME	GROUP
Karen Mottley	ACORD
Narendra Dommaraju Sathya Srinivasan Adam Neumann Monica Avery	AIG
Michele Reece	American Equity
Susanne Kennedy	Athene
Dawn Maffiolini	Delaware Life
Jeanann Smith Cory Stark Jon Volpe Jovani Munoz	DTCC
Saul Herrera Bryan Holland	EBIX
Kelly Black Krystina Spohn Ryan Brown	Edward Jones
Jennifer Yerly	Genworth
Ellen Lester Stephen Kilbon	Global Atlantic
Adam Ducorsky Jay Rottenberk Andrew McMorris	iPipeline
Rene Fedewa	Jackson National
Sanjay Bharadia Dan Falco	John Hancock
Rob Hosier Dan Wilson	Lincoln
Sarah Baraff	M Financial
Joe Procacini	Mass Mutual
Kelly Dinville Charles Evans Mark Watermiller	MetLife / Brighthouse

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Angela Thompson Carol Steele	Merrill Lynch
Matt Sullivan	New York Life
Nicole Breitenstein	Ohio National
Liz Moore Randi Gordon Danny Smith	Pacific Life
Chad Turner	Principal
Susan Sanders	Protective
Thomas Tofil Michael Syrett	Prudential
Stephen Terry	Raymond James
Beverly Erieau	Securian
Rob Kirk	Stifel
Wendell Tobiason Allie Floro Chani Lu	Symetra
Truda Wodke Nancy Merryman Daniel Reiss Fran Forslund	TransAmerica
Nick Jellings Anne Schoville	Voya
Jim Gilmore Gregory Searle	Wells Fargo

Meeting Minutes

Enhancements Re-Reviewed:

IPS00616 – POV – IFW – Add Death Benefit SubType

There is a need to support the reporting of a death benefit that will allow a client to select a dollar for dollar reduction in their benefit. Since clients are paying for this election, we felt the need to report it as a feature on the death benefit.
The request is to add new a rider sub type code (item #3612) to support this reduction in the death benefit.

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03/05/2019 status: This enhancement was reviewed again based on the direction from the ACORD Standards Enhancement Review Group. We agreed to add new field titled Benefit Reduction Method and code list to support the type of reduction to the 13/15 record.

Approved for inclusion in the September 2019 release.

02/14/2019: DTCC received an email from ACORD and during the Standards Enhancement (SE) Review Group call this morning. The group decides based on the use cases that Dollar for Dollar and Pro-rated are not sub type codes but rather Benefit Reduction methods for reducing the death benefits (which may or may not have an additional fee based on the method chosen.)
The new property BenefitReductionMethod will be added under Rider with a look up code list of 'dollar for dollar' and 'pro-rated/proportionate'.
The definitions for property and codes are as follows:
Benefit Reduction Method (property) – On Rider, BenefitReductionMethod defines the calculation method used to reduce the benefit when withdrawals have been made. It is used to determine the new benefit amount, not how that benefit amount is paid out or distributed.

Dollar for Dollar (code) – Withdrawals reduce the benefit on a dollar for dollar basis.
Pro-rata/Proportionate) – Withdrawals reduce the benefit based on the proportion of withdrawal to case value.

02/05/2019 status: Still being reviewed by ACORD.

01/08/2019 status: ACORD did report this request is under review by the ACORD Data Conformity Work Group. No further information is available at this time.

10/16/2018 status: We need to verify with ACORD that there is a corresponding sub type code to be used. If not, SR needs to be submitted. In addition, it was requested that carriers that have death benefits that 'decrease' beyond the above 'dollar for dollar' should be sent over so that we can capture all business scenarios for review to include in the enhancements. (e.g. proportional, floor, etc.)

IPS00619 – FET – Add New Product Type Codes

There is a need to identify the new product type codes within the Fee & Expense Transmittal (FET) message. These new products – Registered Indexed Annuity (RXA) and Index Variable Annuity (IVA) were added to the core, mainframe products and should be supported with the DTCC implemented ACORD messages. ACORD added these new products in the latest standard version; therefore private type codes will need to be used. FET is built on version 2.37.

The request is to add three new product types RXA – 56; IVA – 57; FIA – 58.

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02/05/2019 status: While this enhancement request was approved, the question surrounded the need to add the new fund types (Floor and Buffer) to the InvestProduct level. FET supports a Policy Product Type Code (fixed – 9; VA – 10; Indexed – 11; 416 – Retirement plan). Additionally, there is Investment Product Type code which is Variable Annuity/Fund – 15) and an Asset Class (Fixed – 1; Equity – 2; Static Model – 8; Indexed – 9). Would the new fund types be added to Investment Product Type code or Asset Class? Also, it looks like DTCC is already supporting 11 – Index Annuity. How is this different then FIA – 58 being requested in the request.

It was requested that Symetra bring it up on the next IRI Framework and Conformity WG.

This will be reviewed during the March 2019 review board meeting.

03/05/2019 status: Reviewed the feedback from IRI data conformity call. Chani indicated that ACORD had to add a new product type since they need to support backwards compatibility. We will be adding all 3 product types to FET with future removal of existing type code of existing Indexed Annuity code of 11.

The enhancement was approved for inclusion of the upcoming release. We will be adding 3 new types. (please note: we will keep 11 in FET for future removal.) Additionally, add 'fixed' to the description of the Product Type (item # 3025) type code = EIA. The updated description will be Fixed Indexed Annuity.

Approved for inclusion in upcoming September 2019 release.

New Enhancements Reviewed:

IPS00621 – IFW – Modify Business Rule Edit on 113 POA message

DTCC is building out the IFT Access platform to support the processing of Non-ACAT broker/dealer of record changes leveraging the 113 – Policy Administration message. Currently, there is a business edit that requires the Non-Resident Alien Indicator (conditional if Citizenship is present and not US tc = 1.) The edit is pointing incorrectly to the AddressCountryTC in error.

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03/05/2019: This enhancement is for a DTCC change only. We will be making the edit change as part of upcoming PSE release for IFT Access Expansion PSE date of 3/21/19 and production change with the March 2019 release cutover on 3/21/19.

IPS00622 – IFW – RMDCalcMeth to VIQ

Enhance the Values Inquiry (21209) response message schema so the property RMDCalcMeth is included as optional. RMDCalcMeth is located within the Annuity object for ACORD data structure. This property is a type code look up property and the supported type code values should be 3 (Uniform Life Table), 4 (Uniform Life Table Exception) and 5 (Single Life Table). Note that RMDCalcMeth is already supported in the DTCC schema with these type code values for the 105 withdrawal and 107 arrangement request transactions.

If the RMDCalcMeth is provided by the carrier in the VI response Ebix is planning to provide the display the value on the maintenance platform for information purposes. The value will be beneficial for active systematic withdrawal transactions which are for RMD withdrawals. If the user wants to update the active systematic withdrawal they will be able to understand the current RMDCalcMeth and possibly update it if the carrier's product allows the value to be updated.

03/05/2019 status: This enhancement was reviewed and approved for inclusion in the upcoming September 2019 release. This property will be optional and will be added to Values Inquiry (21209) and will have a look up code list (OLI_LU_RMDCALCMETH) with three code list items: Allow the type code values 3 (Uniform Life Table), 4 (Uniform Life Table Exception) and 5 (Single Life Table) to be defined.

Approved for inclusion in the upcoming September 2019 release.

IPS00623 – POV FAR – Cancelled Contracts Definitions Modifications

Symetra's new carrier admin system correction process entails cancelling an existing policy and issuing a new one reflecting the correction. As a carrier, we want to ensure the switch on policy numbers flows on an understandable manner for the distributor.

The recommendation to modify the definition of contract status (3022) for CC (Cancelled) to support the reporting of cancelling for corrections. This code definition will be for both POV and FAR. In addition, we will be modifying the standard usage for FAR to support the reporting of the Distributor Transaction ID (DTID) as part of the transaction being reported.

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03/05/2019 status: This enhancement was reviewed and approved for documentation update. This includes updates to the standard usage documentation as well.

Approved for inclusion in upcoming release. This may include September 20198 or next code list release.

IPS00624 – IFW – Add element TaxDistributionType to Values Inquiry (21208)

Ebix is looking to add the property TaxDisbursementType to the Values Inquiry Estimate (21208) request message. This property already exists on the Values Inquiry (21209) response and Withdrawal (105) and Arrangement (107) request messages. We need the schema to allow for TaxDisbursementType to be included in the 21208 so those calls can match the 105 calls that would be transmitted to the carrier.

This enhancement has been approved to include the property <TaxDisbursementType> and look up code list to the Values Inquiry 21209, 105, and 107 messages. The look up code list will be 3 = Direct Transfer, 11 = Rollover, and 2147483647 = Other (means regular distribution.)

Approved for inclusion in the upcoming September 2019 release.

Discussion Items:

- Review Service Feature Options for Modifications
  - Review Examples from 2014
  - This was not discussed due to the fact the attendees did not have time to review.

- Standard Usage
  - APP, FAR, STL – 'Payment Type' Definitions for 4I, 4J, Q4 (Mass Mutual)
    - This standard usage review has been pulled from discussion, per Mass Mutual.
  - Review FAR Standard Usage – Free Look Premium and Value Cancellations (Symetra)
    - The modifications submitted for review by Symetra was approved to be included in the standard usage documentation on I&RS website.
  - FAR, POV Definition for Registered Index Annuity – RXA (Symetra)
    - The definition was submitted in

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- Discuss POV – Contract Value Qualifier – 3102 (Transamerica)
    - Guaranteed Protection Amount (code = GPA) definition

- Regulatory Items
    - New York Reg 187
        - IRI GLAC is working on providing a strawman recommendation before passing it over to Ops/Technology.
        - Insurance Profile was launched by DTCC to support the reporting proposed by the DOL. Potential modifications will need to be made but will wait to hear from IRI before moving forward with client meetings and review by this group.
        - Two carriers mentioned they heard that RegEd has submitted a course to the state of NY for approval. They were expecting the financial advisors to complete the 'Best Interest' course prior to submission of new business. An enhancement will be discussed with Prudential and submitted to DTCC for review by review board.
    - California Consumer Privacy Act
        - Does in fact affect carriers and should be reviewed. DTCC will not be making any modifications to existing services.

Next Call:

April 2nd @ 2:00pm

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