The COVID-19 pandemic proved what National Association of Insurance Commissioners (NAIC) CEO Mike Consedine already knew – the regulatory community is swift, nimble, and creative when dealing with an unprecedented emergency.

During the AAIS Virtual Main Event, Mr. Consedine sat down and talked through the regulatory community’s response to the pandemic, the importance of cooperation amongst state regulators and where he sees the regulatory community heading in the future.

Internally, the NAIC used their business continuity plan to quickly pivot to remote work as soon as the pandemic began. Mr. Consedine said the NAIC team immediately reassessed their priorities and built a strong strategy to support state regulators and the unique challenges they faced in response to the pandemic fallout. In the past several months, the NAIC has coordinated state regulatory actions, provided pandemic resources to their members, issued data calls to assess the industry’s solvency as the crisis continues, and have been active voices in the new legislation affecting the insurance community.

Much of this quick action can be attributed to lessons learned from past catastrophes, like the financial crisis in 2008 and the September 11th terrorist attacks. While those events impacted a few segments, Mr. Consedine notes that the COVID-19 pandemic has touched nearly every industry across the globe. While the duration and scope are significant, he believes the insurance sector is strong, and the regulatory community is well positioned to respond to the short- and long-term challenges the pandemic has brought.

Mr. Consedine said the NAIC is keeping an eye on the overall solvency of the insurance industry, working with state regulators to evaluate the system and affirm the health of the industry. Initial evaluations of the industry when the pandemic began found the industry to be stable. The NAIC is also focusing on consumer protection, making sure there are adequate resources to plan for lost jobs, furloughs, and business interruption. The NAIC is working closely with state and federal legislators to ensure the needs and rights of consumers are met, particularly in business recovery after pandemic-related closures. Mr. Consedine believes it is important to set the standard correctly now, so that future pandemic and catastrophic issues can be handled with thoughtful precedent.

During an event like the COVID-19 pandemic, Mr. Consedine believes cooperation is key – not only amongst state regulators, but with the international regulatory community as well. He said the International Association of Insurance Supervisors (IAIS) is working to manage the pandemic response on a global scale, ensuring that the response is unified across the world. Domestically, the NAIC is helping its members tailor their responses to individual markets, understanding that the virus has hit certain states and regions harder than others.

Ultimately, Mr. Consedine believes we are entering a ‘new normal’ as an industry and a country – a normal with more virtual meetings, an increased need for open communication, and more emphasis on cooperation and future planning. The NAIC is ready to embrace this new way of life, and, like AAIS, is focused on its Members and their needs as they navigate a changing environment.

To see the full Virtual Main Event interview with Mr. Consedine and Ms. Westcott, visit the VME Library.