

SERFF Product Steering Committee Meeting

Wednesday, June 26

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Meeting Recording Link:

<https://naic.webex.com/naic/ldr.php?RCID=9b3a3efd60f3cf5d51d89882838a4e1e>

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Roll Call

- Roll was called for current PSC members
- Interested parties who called in and wish their attendance to be recorded can email lbandle@naic.org

PSC Membership Interest Form

- Link: [PSC Membership Form](#)
- 6 industry seats up for new membership in 2024
- Will use this form to pull membership nominations.



SERFF Modernization Progress Updates

Phase 3.1 - Interstate Compact

- In Progress Work:
 - Hardening and defect correction
 - Filing Review workflow
 - Filer-Reviewer Notes
 - Document Comparison

SERFF Modernization E-mail

- Project E-mail Address: serffmodernizationquestions@naic.org
- Have a team of staff monitoring
 - Currently training to be able to answer more questions
- Every e-mail is kept and read

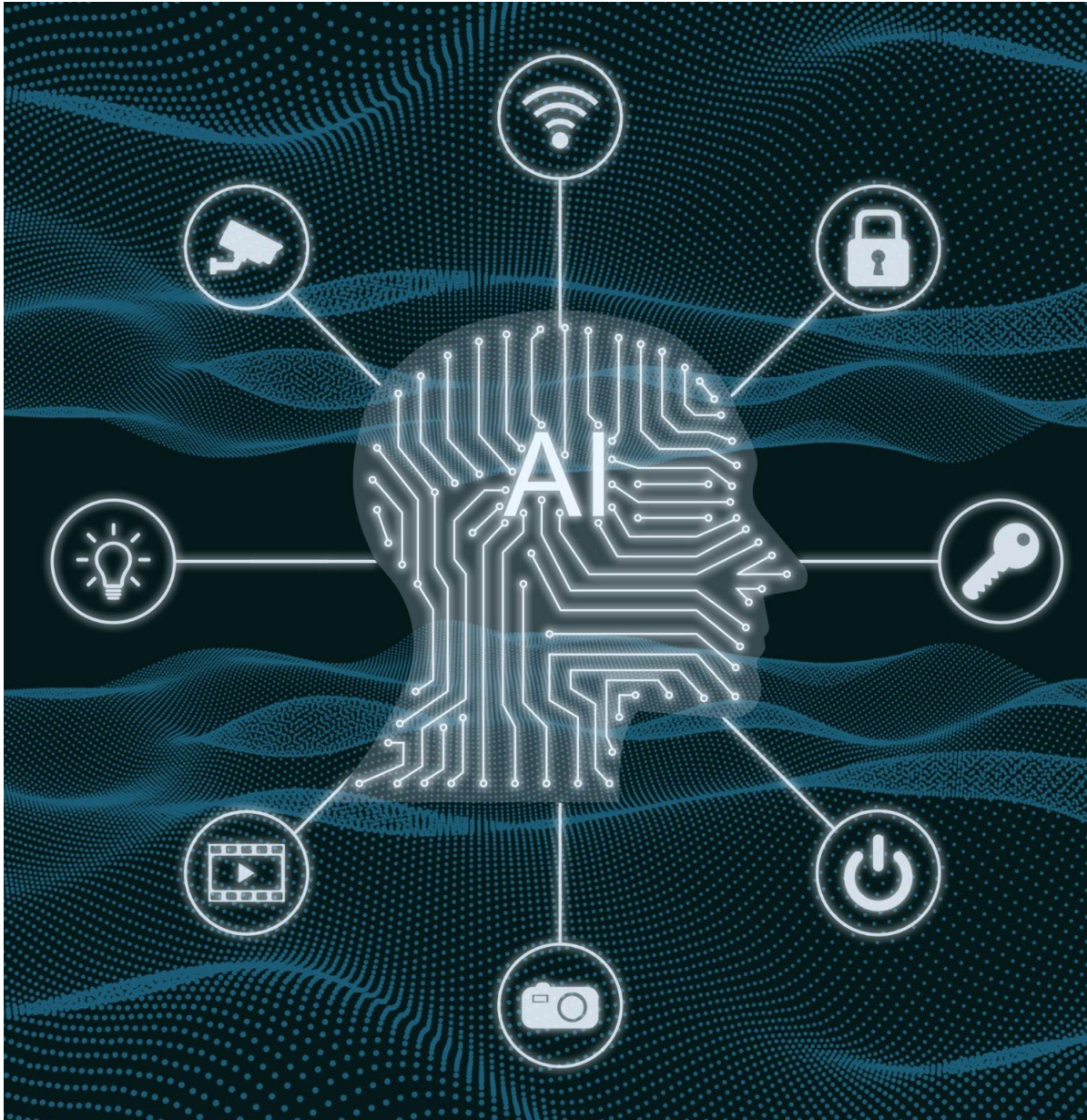
AI & SERFF



SERFF Product Steering
Committee
June 2024



NATIONAL ASSOCIATION OF
INSURANCE COMMISSIONERS



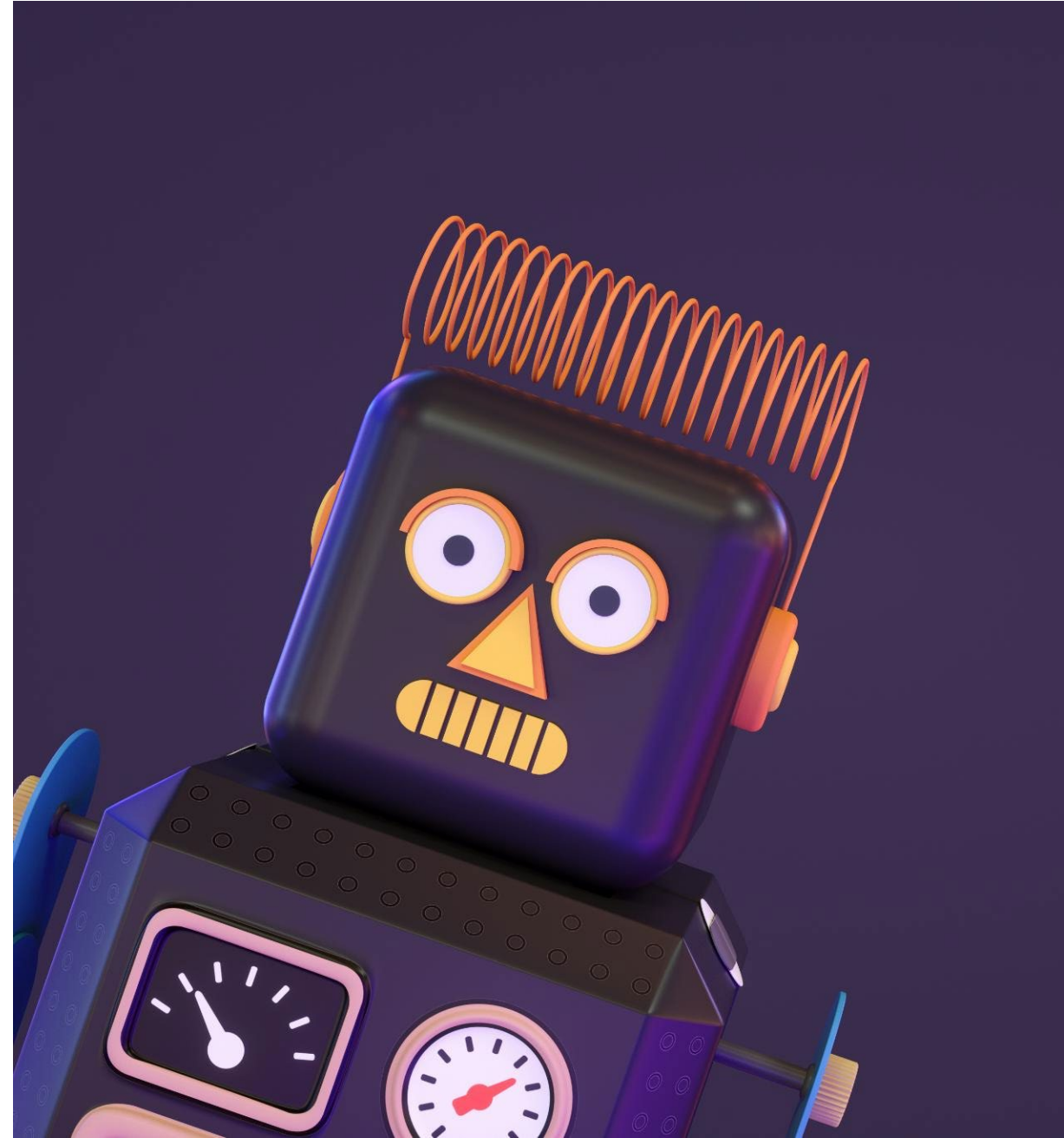
Agenda

- AI Concepts
- Use Cases for AI in SERFF
- Impact of AI for SERFF users

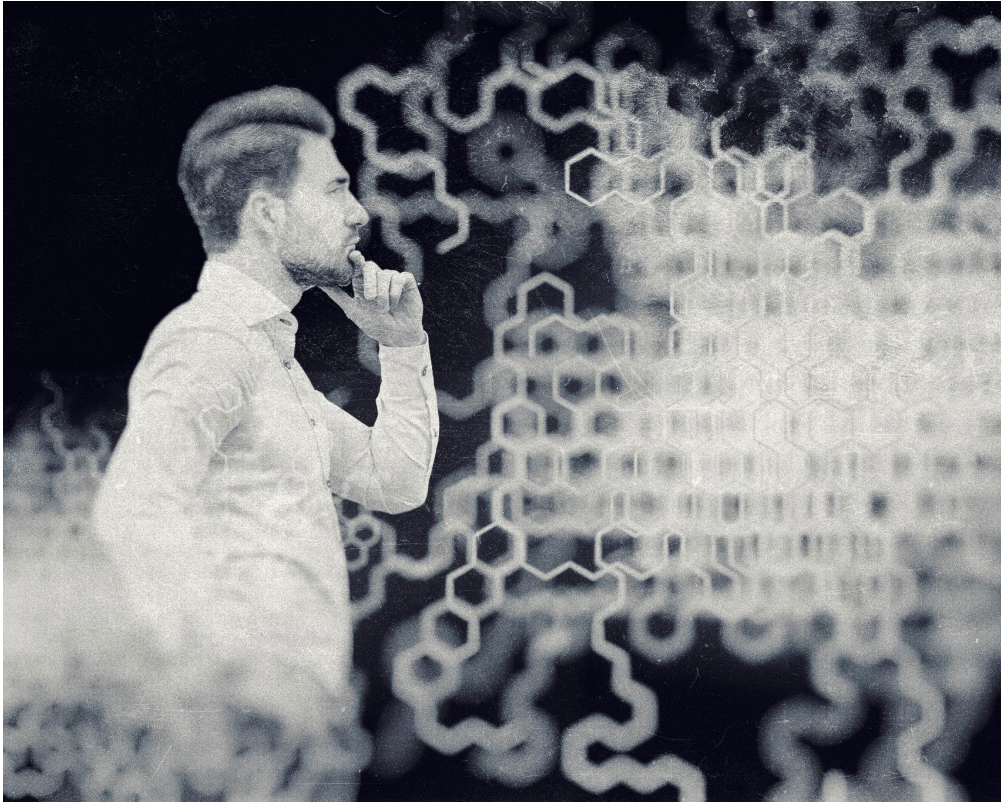
AI Concepts

The Definition of AI

Artificial Intelligence, or AI, refers to the development of intelligent machines that can perform tasks that typically require human intelligence. These tasks include visual perception, speech recognition, and decision-making.



History of AI



Early Days of AI Research

AI research began in the 1950s, with the goal of developing machines that could think like humans. Early researchers focused on rule-based systems, which involved encoding human knowledge into machines using a set of rules.

Machine Learning

Machine learning is a type of AI that involves training algorithms to recognize patterns in data. It has become a popular approach to AI in recent years, with applications in image and speech recognition, natural language processing, and more.



Descriptive, Predictive, and Prescriptive Analytics

- Descriptive analytics focuses on the what-happened aspect of data analysis, helping to identify patterns and relationships in historical data
- Predictive analytics refers to the use of statistical models and machine learning algorithms to analyze past data and predict future outcomes
- Prescriptive analytics is a type of data analytics that focuses on finding the best course of action for a given situation, based on past data and predicted outcomes

Training an AI Model



The first step in training an AI model is to choose the right data and features.



The data must be large and diverse enough to capture a wide range of patterns and relationships.



Different types of models require different types of data, so it is important to choose the right model for the problem at hand.



Once the data is collected, it is preprocessed to remove noise and irrelevant information, and then fed into the model.



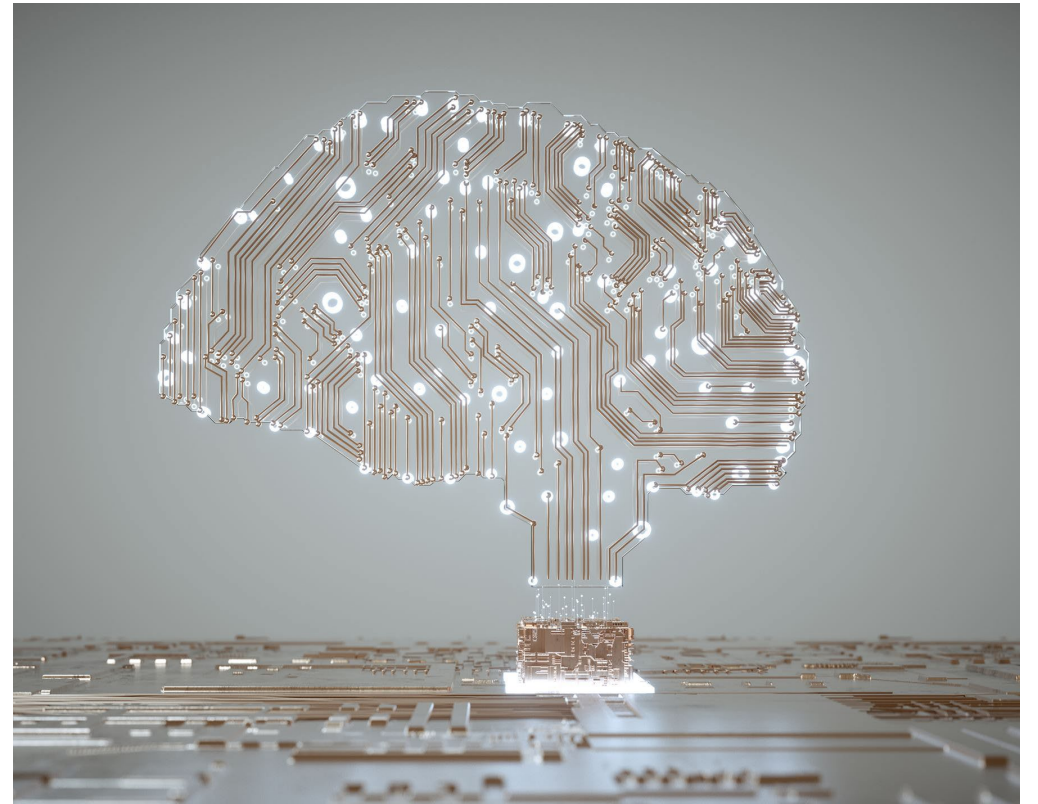
The model is trained using an optimization algorithm that adjusts its parameters to minimize the difference between its predictions and the actual outcomes.



The performance of the model is evaluated on a validation set, and the process is repeated until the model achieves satisfactory performance.

Retrieval Augmented Generation

- Retrieval Augmented Generation is a machine learning technique that combines the strengths of both generative and discriminative models
- It uses a retrieval model to provide context for a generative model to produce high-quality outputs
- RAG has many potential applications, including in natural language processing and image synthesis



AI for SERFF

First Steps - Form Schedule

- Extraction AI skill identifies Form Number and Form Name to populate Form Schedule
- Classification AI skill identifies type of Form and populates Form Schedule

To be introduced in first release

| Form Schedule | State Required Supporting Documents | Additional Supporting Documents | Rate / Rule Schedule |
|---------------|-------------------------------------|---------------------------------|----------------------|
|---------------|-------------------------------------|---------------------------------|----------------------|

ADD FORMS

REA

All uploaded documents and key extracted information are visible here.

STATUS | Any

Uploaded Document

| Document Name | Status |
|--|--------------------|
| ICC20-LL-EL-50-WP Rider Policy Form | Successfully Added |
| ICC20-A1069920NW | To be Reconciled |
| ICC20-SPCAP2 | To be Reconciled |
| ICC20P-AZ100 Policy rev_2_2_21 | Successfully Added |
| ICC13-TLA-E14_2-19 | To be Reconciled |
| ICC09-1101 Term Life Insurance Policy to Age | To be Reconciled |

ICC20P-AZ100 Policy rev_2_2_21

| Form Type | Form Name | Form Number | Readability Score |
|--|--|--------------|-------------------|
| Policy/Contract/Fraternal Certificate; Form Schedule Classified Doc Type | LadderLife™ Individual Level Life Insurance Policy | ICC20P-AZ100 | ADD SCORE |

91% View Measure

Ladder

Allianz

[LadderLife™ Individual Level Term Life Insurance Policy]

Allianz Life Insurance Company of North America
87101 Oakton Hills Drive
Meriden, CT 06455-1207
www.allianzlife.com

AI for Checklists

The application of AI to evaluate filing submissions against state checklists is the chief use case for SERFF.

What might this look like?



Possible Path to AI for Checklists

Checklists are built into SERFF and made interactive.



Filers complete checklist by linking to filing components, including languages in forms and other attachments.



State users send feedback to filers, linking issues to the checklist items.



AI models “learn” in the background.



AI models begin to participate in the process, generating feedback to both filers and reviewers

Possibilities



- Chatbot for help
- Content generation
 - Filing Description
 - Consumer friendly summaries
 - Guided review & response language
- Statement of Variability scenarios
- Intuitive reporting & research
- Anomaly identification
- More...

Impact to Users

Human-in-the-Loop AI

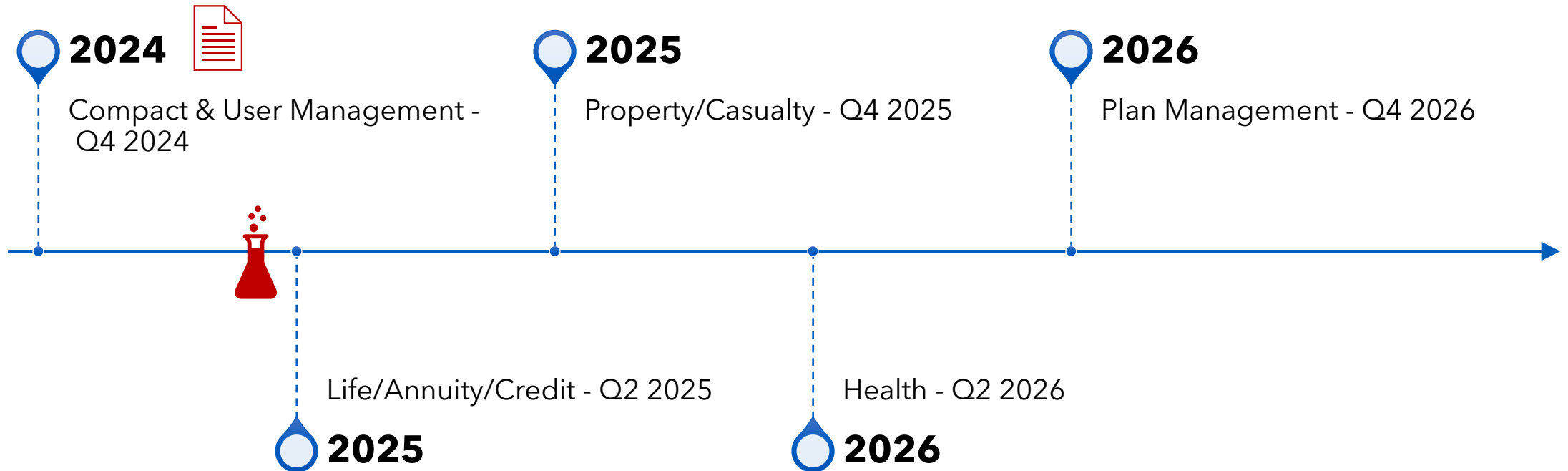
- The AI approach for SERFF will include supervision by human experts.
- Allows for humans to provide oversight for AI decisions.
- Can help address issues with AI bias.
- Can improve AI algorithms through user feedback.



Integration Options

- NAIC provided tools will be built into SERFF directly and widely available.
- Internal teams and vendors may offer alternative AI solutions to states or companies.
- The tools will generally sit "outside" of SERFF and communicate with SERFF via APIs to exchange information.
- For states, these tools can integrate with SERFF and provide AI capabilities after filings are submitted.
 - Filings are pulled from SERFF using an API.
 - Filing is processed outside of SERFF.
 - Results can be sent back to SERFF for further action.

When?



SERFF Modernization Engagement Activity

- Used online tool – Menti
- About 180 PSC attendees participated
- Main topics covered: AI & SERFF
- Questions from the activity are on page 26
- Results from the Menti Activity start on page 28
- **If you were not able to participate in the activity or would like to expand on your answers, feel free to email responses to the questions to Lauren (lbandle@naic.org) and Bridget (bkieras@naic.org)**
 - Please include what type of SERFF user you are (state, industry, or other) and how frequently you use SERFF (daily, weekly, once a month or less) with your answers.

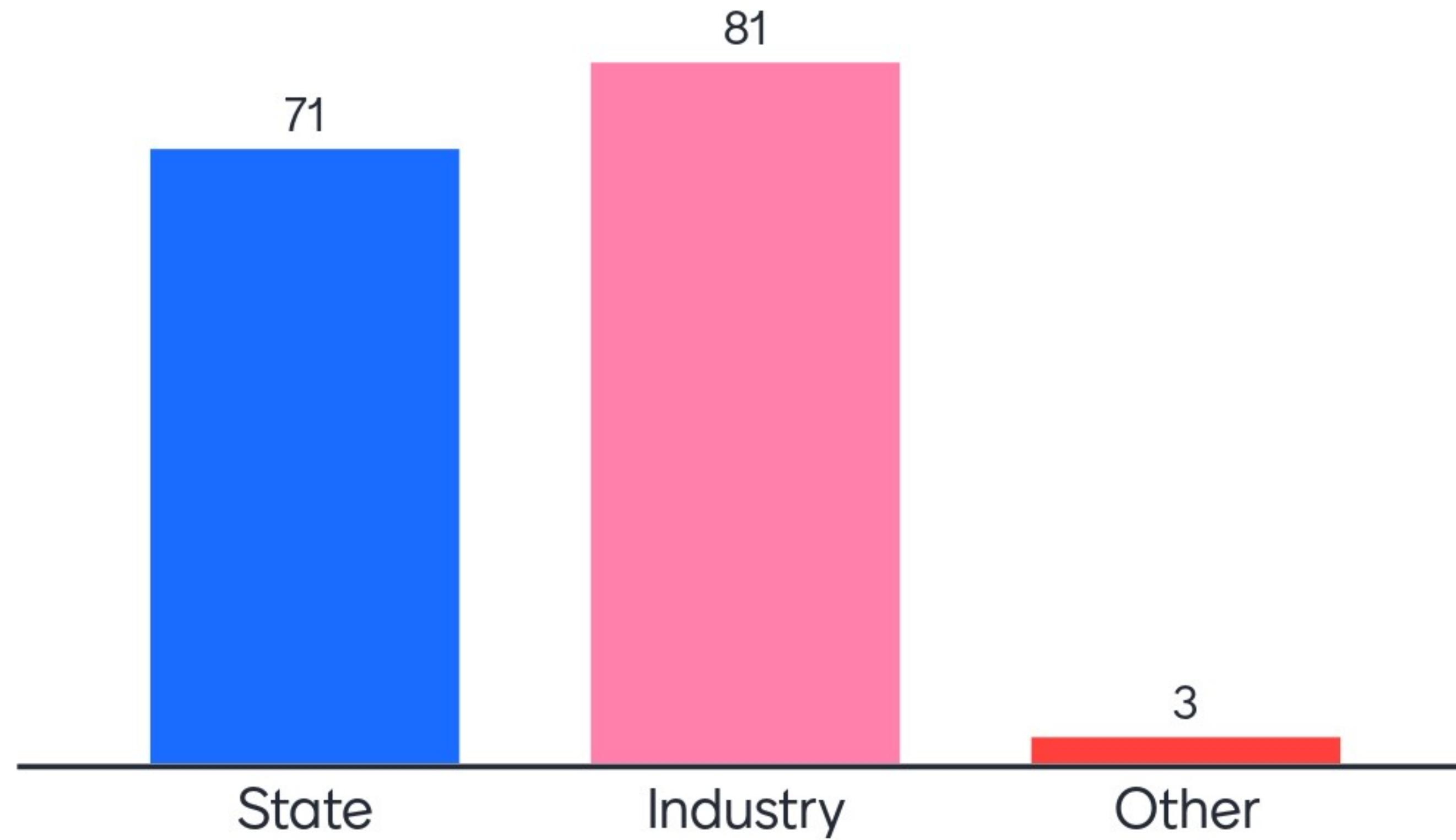
Engagement Activity Questions - AI & SERFF

- On a scale of 1-10, how would you rate your knowledge of AI concepts?
- Are you using AI on the job today?
- Do you use AI tools, like ChatGPT, in your personal life?
- What words come to mind when you think of the possibilities of AI in SERFF?
- On a scale of 1-10, how positive or negative do you feel about the idea of AI in SERFF?
- Beyond what was discussed in the presentation, what are some additional ways you think AI could be used in SERFF?
- What are additional topics or sessions you would be interested in regarding AI in SERFF?

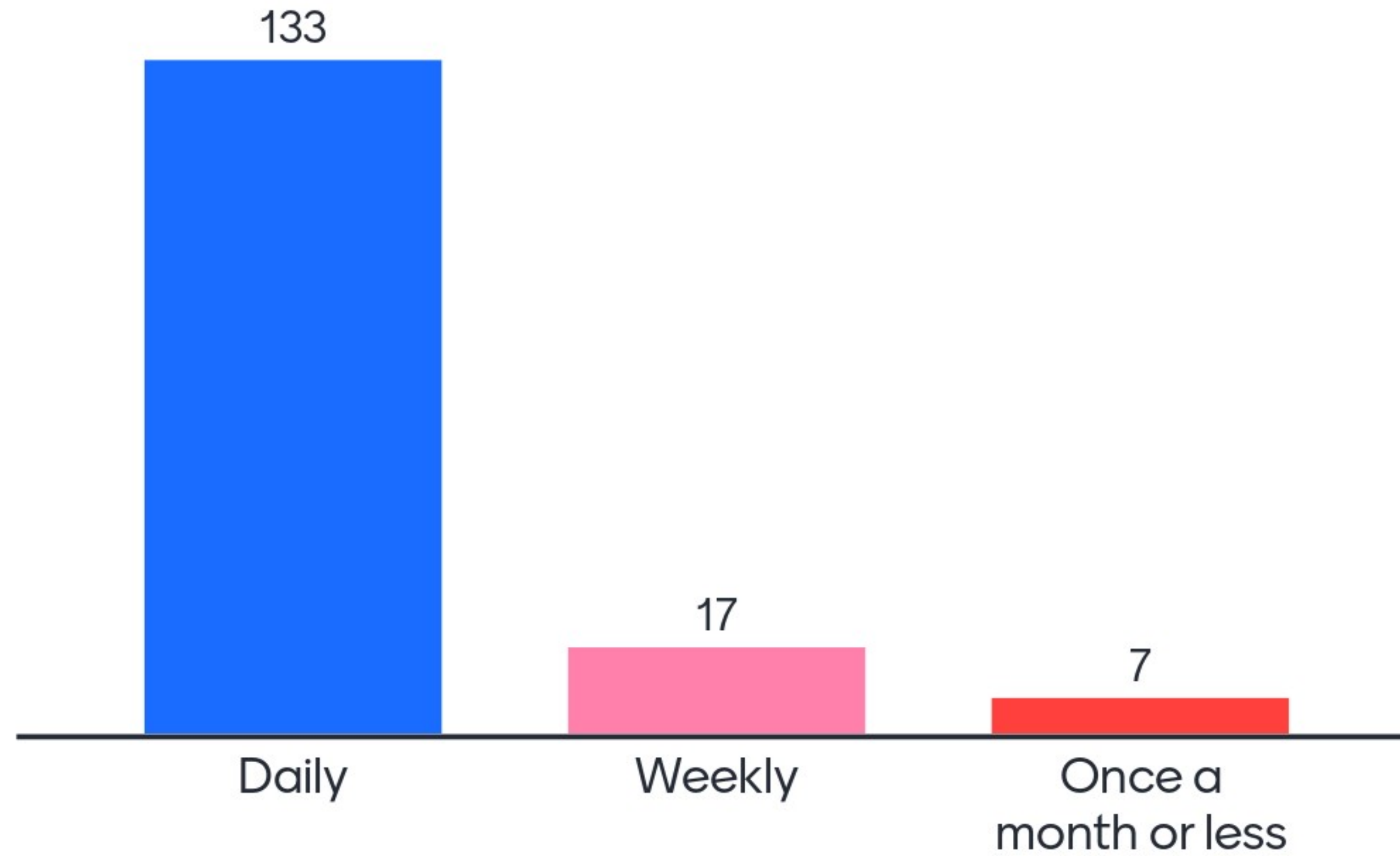
2024 Call Dates - Wednesdays 12:30-2pm CT

- July 24
- August 28
- September 25
- October 23
- November 13
- December 11

What type of user are you?

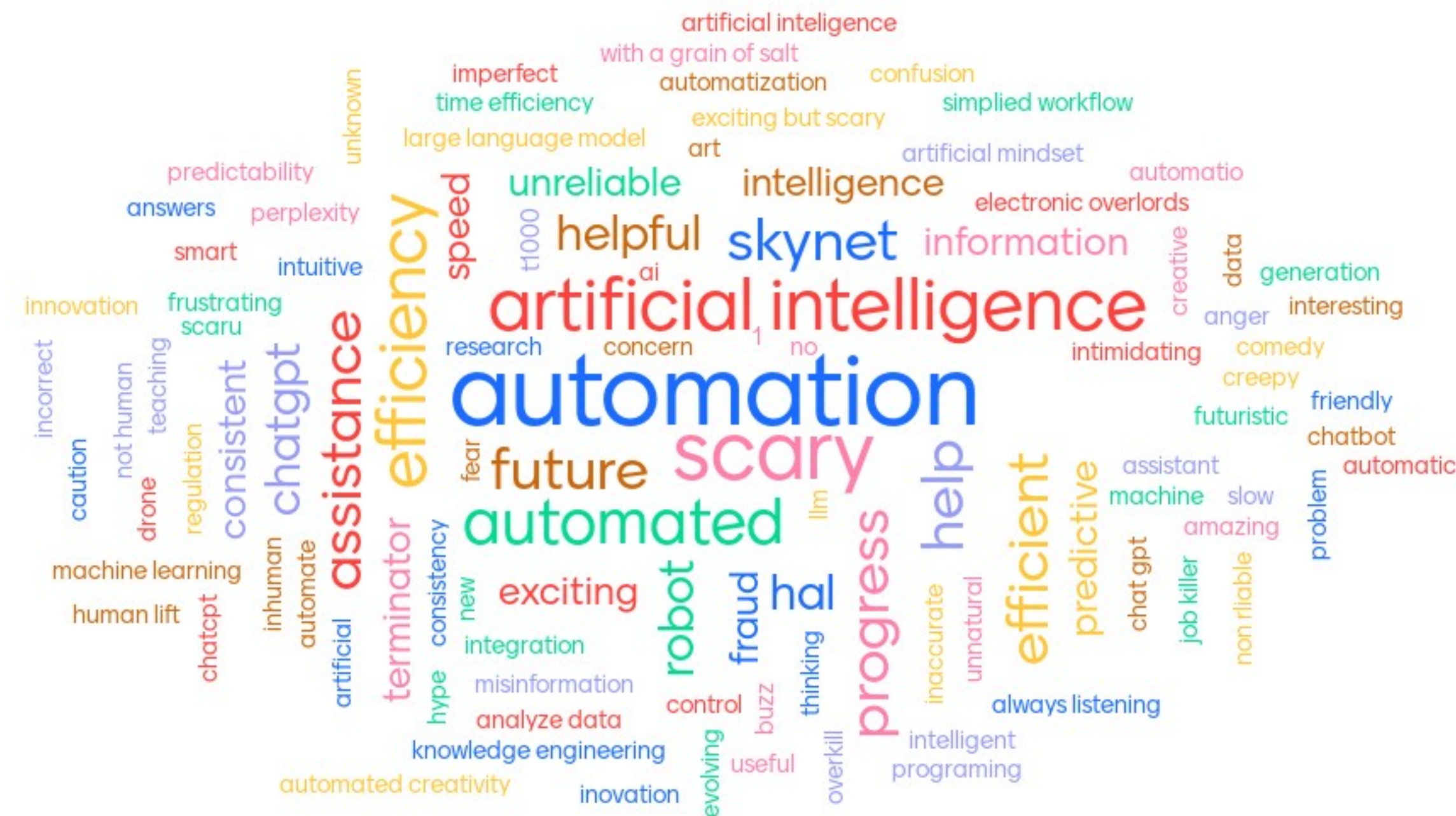


How often do you use SERFF?

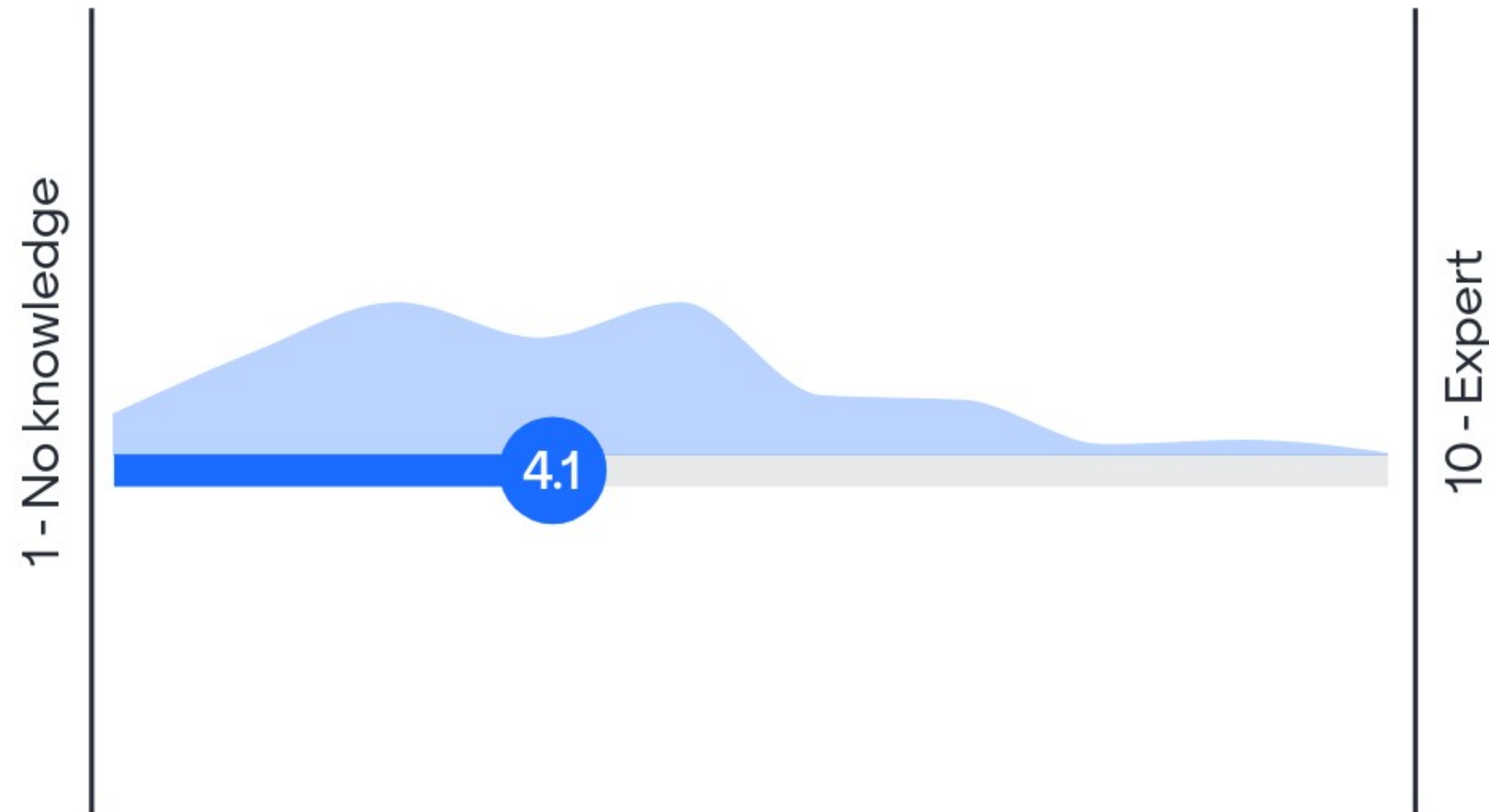


What words come to mind when you think of AI?

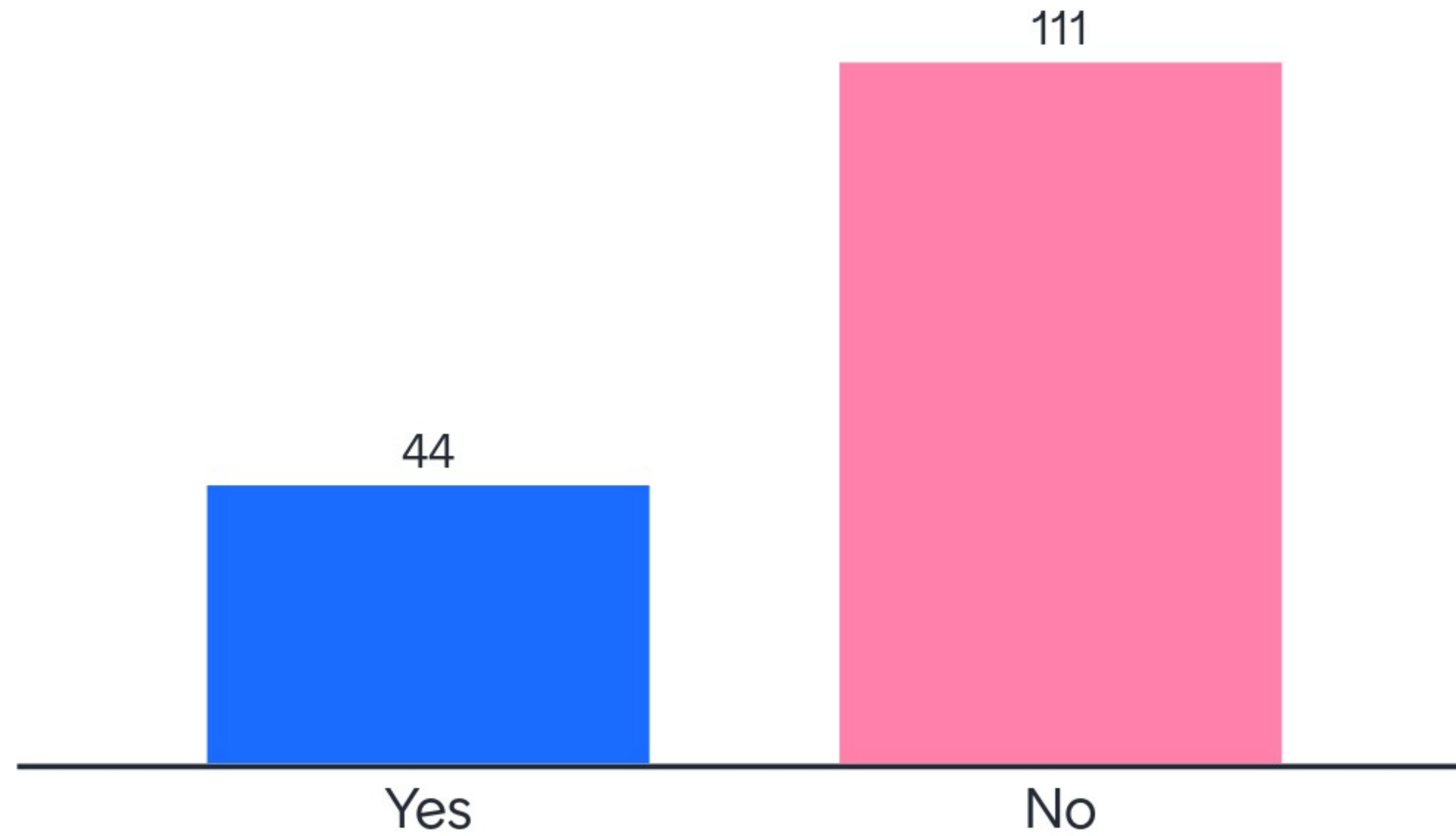
191 responses



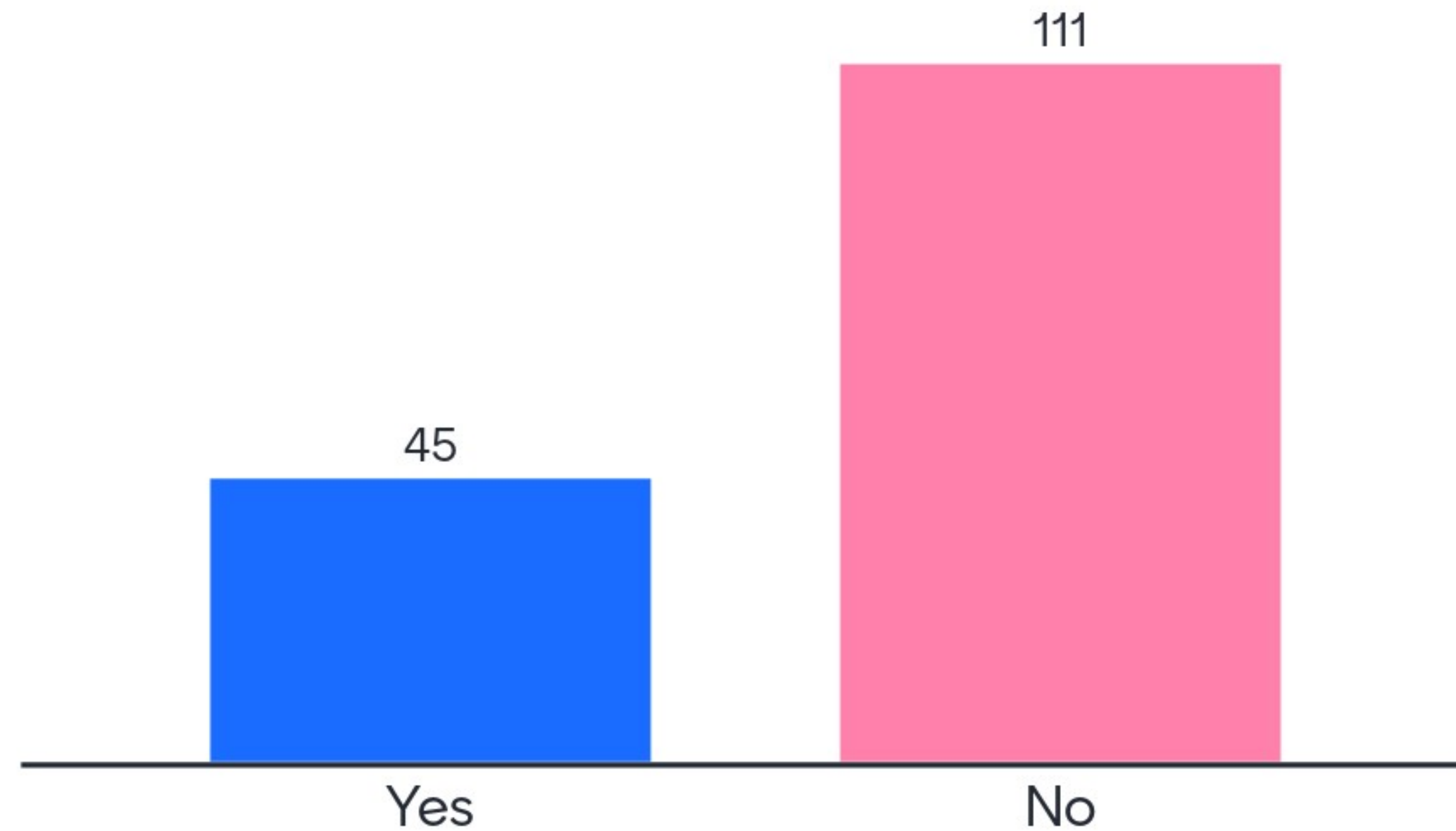
How would you rate your knowledge of AI concepts?



Are you using AI on the job today?



Do you use AI tools, like ChatGPT, in your personal life?



What do you hope to get from today's session?

Knowledge of AI

Knowledge

Knowledge

Knowledge to share

How AI will be integrated
with SERFF

Not sure

Progress

AI's role in SERFF and
state review



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What do you hope to get from today's session?

How SERFF will be Using AI

Knowledge

An idea of where SERFF is going with AI

Which areas of SERFF that will use AI concepts?

knowledge of how AI in SERFF will change what we do today

General knowledge of AI

knowledge

AI knowledge



What do you hope to get from today's session?

Knowledge on how
SERFF will change with AI

Demo

Increased knowledge

impact of AI on SERFF

Knowledge

AI use within SERFF

understanding

options for my state



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What do you hope to get from today's session?

Learn about AI in SERFF.

clarity

idea of how AI is being
used

The plans for AI in SERFF

Comfortability with AI
topics

comfort

insight productivity

Impact to workflow



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What do you hope to get from today's session?

Knowledge

Understanding how it will
be used in SERFF

Update

Better AI Prompts

Knowledge

How is AI going to be
used in SERFF

INFORMED AND
EDUCATED!!!

How AI will make SERFF
work better



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What do you hope to get from today's session?

AI AND serff

Knowledge

ditto

Knowledge

How AI will impact SERFF

Update on how AI will be
the new norm

Learn about SERFf AI
tools

schedule



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What do you hope to get from today's session?

AI knowledge

AI Tips

Get a date

How SERFF will use AI

How AI will work with
SERFF

General Knowledge

SERFF and how AI is
being used.

A better understanding



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What do you hope to get from today's session?

AI knowledge

I hope to learn how AI will change SERFF and possible replace me.

Info about what AI tools will be integrated into SERFF

What AI can do for us

Intel on upcoming changes in SERFF

knowledge

Info about AI and Serff

what will AI do for SERFF rate reviews



What do you hope to get from today's session?

Knowledge, a better understanding.

Is this truly AI?

knowledge

how SERFF will use

Progress on SERFF upgrade

Not sure

what's planned for AI integration in SERFF

Knowledge of AI



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What do you hope to get from today's session?

Knowledge and more questions

Knowledge

Understanding how SERFF will use AI

What AI the NAIC is considering for SERFF

When will SERFF use AI

How the upgrades will help .

SERFF's use of AI

Will AI replace humans



What do you hope to get from today's session?

Will I still have a job.

How SERFF will use AI &
how it will improve our
workflows.

how AI is being utilized

How will SERFF use AI?

Understand SERFF AI
direction

Better understanding of
AI and it's potential
benefits in SERFF.

SERFF Modernization
and AI

insight on how AI changes
SERFF



What do you hope to get from today's session?

Learn

Will users be able to
update what AI returns?

AI and serff

Knowledge on how AI will
be used in SERFF

Knowledge of AI

More knowledge about AI
and how used in SERFF

Timelines

Is there machine
learning?



What do you hope to get from today's session?

Information on how AI will be used in the new SERFF and what guardrails will be in place to ensure it's used equitably and appropriately

Ways to increase efficiency and consistency

how SERFF will use AI

Demo

Risks of AI

How the changes will be implemented in SERFF

Are there Key Performance Metrics regarding accuracy?

How SERFF will use AI and what the industry needs to implement if anything



What do you hope to get from today's session?

Keep up to date on progress

ideas

Improving the SERFF experience with AI

How the SERFF team expects to have AI to help us

How AI is used in SERFF

How AI will integrate into SERFF workflows.

Learn

Knowledge of new SERFF and how AI plays a role



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What do you hope to get from today's session?

Better understanding of AI

How will Serff be using AI. Are the states ready for AI and using AI to review filings?

Unsure

How confidentiality would be maintained with training data.

Projected rollout date

Clone filings and pdf pipelines

knowledge

Type of AI used in SERFF - how it works



What do you hope to get from today's session?

How will our information be protected while using AI.

How AI will make my job easier

How to prepare for AI within SERFF

Efficiency through automation. Promote consistency. Work with reduced number of staff.

Good AI versus too far down the rabbit hole.

Why SERFF has chosen to use AI concepts

Reporting

How can we trust AI



What do you hope to get from today's session?

Benefits of AI

How AI can be used in
SERFF

How can the AI in SERFF
assist with
reporting/metrics

cautious

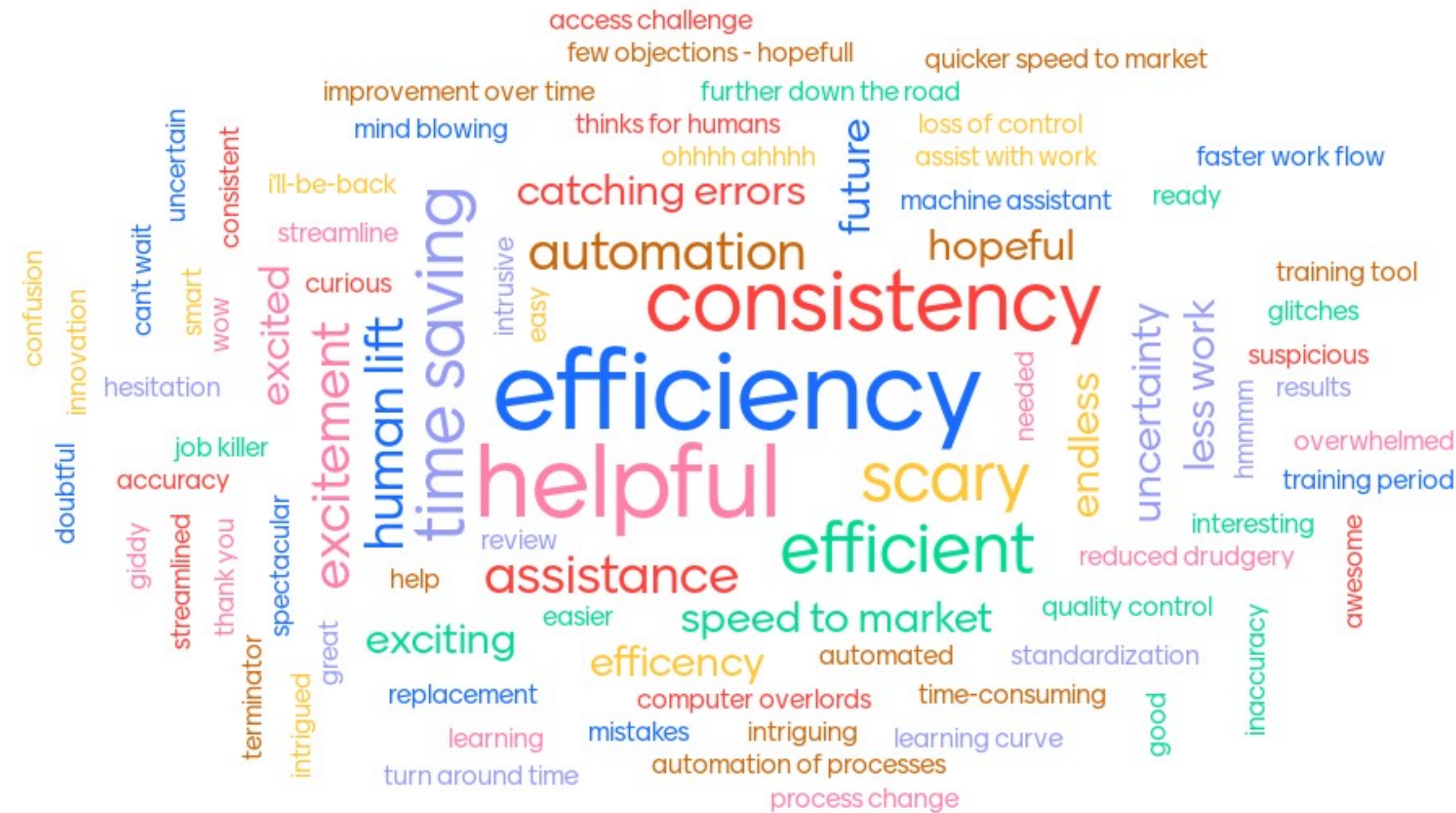
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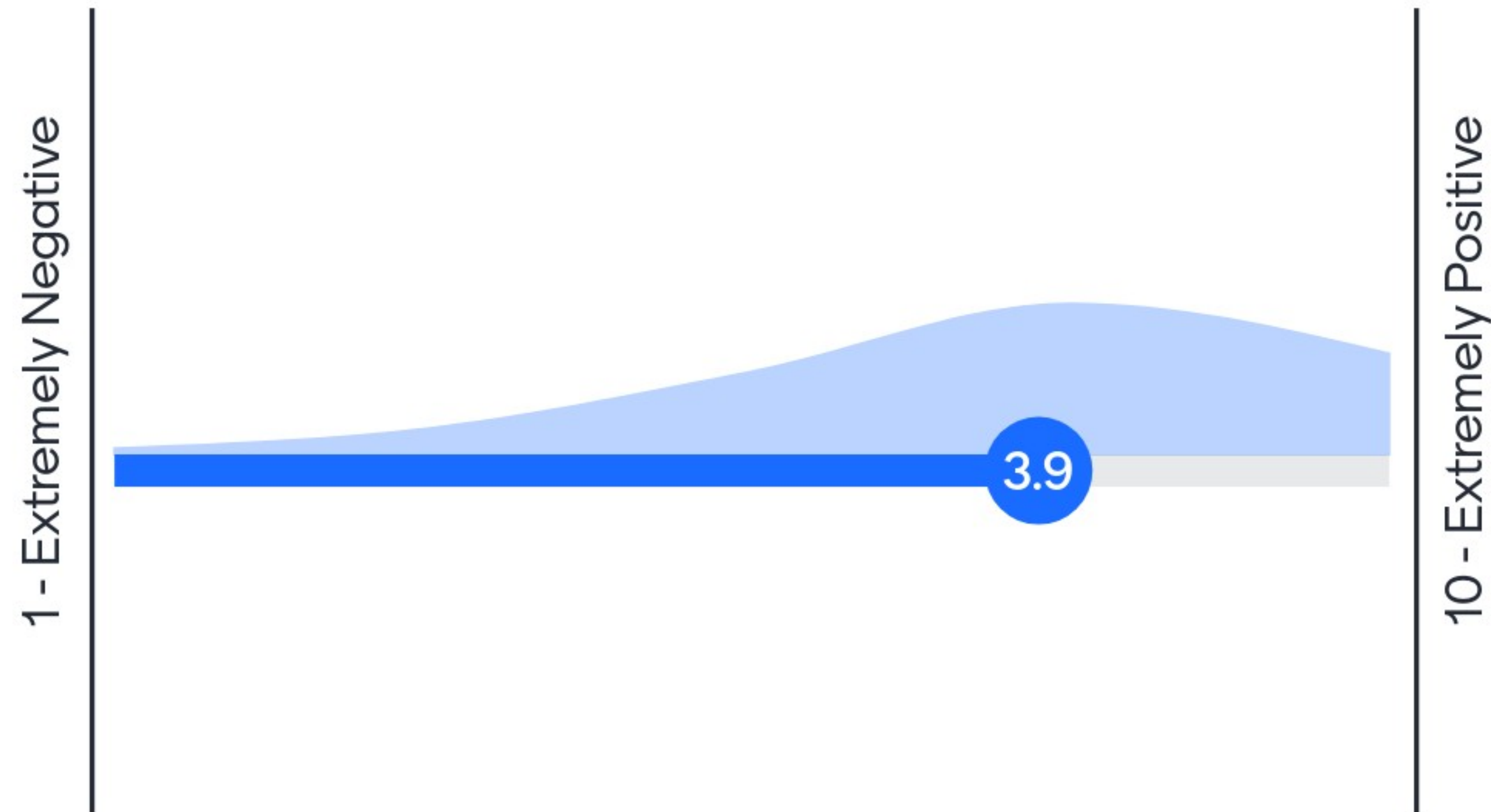
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What words come to mind when you think of the possibilities of AI in SERFF?

162 responses



How positive or negative do you feel about the idea of AI in SERFF?



Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

Instant readability?

N/A

Trend
increases/decreases in
rate

Filing fees

Calculate Fees

Ensure forms are
searchable

Filing fees

product development
help like state
requirements database
now

Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

Do all the work for me

Filing Fee

Predictive reporting

Help with Readability
Scores

Generating objections!

More consistency

readability score

fees



Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

Prioritize work

Compare new and proposed rates, compare previous filings for changes

reporting

customized supporting documents

automate reports

Help with fees

Objection creation and responses

readability



Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

fees

Identifying related filings

Readability

filing fees

Generate objection responses

tracking due dates for all open objections

Prequalify regulatory compliance with complicated statutes

Proofing

Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

Filing fee, consistency

menial tasks

Creating spreadsheet of
due dates/statuses for
organization

redlines to approved
forms

point out errors

Assist with generic
objection response

Trends

Don't know

Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

Help with responses to objections

Finding errors

readability scores

Helping filers respond to objections with predicted revisions

Rule Manual Review

Red flags - including licensure status

Reporting

error find

Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

Generating responses

I can take more PTO.

The actual rate increase
or decrease that was
approved

Assist with objection
responses

Calculate filing fees

Finding filings with
specific items

reject faulty filings upon
submission

I hope it can show objection
trends, help with fees,
possibly assist with
objections and generate
readability scores

Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

Readability

Implement new regulations

calc fees, bypass items that do not pertain to filing, objection response ideas

Responding to objections

Product development will let us steal other company ideas

Allowing faster filing approval

Automating manual "intake" processes

Standardization

Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

Compare to base products for amendments, riders, etc. You'd be surprised how many filers make mistakes referring to their own products

Filing fees

Peer Review

filing fees; predictive objections

Side by Side comparisons

Readability

Finding Sarah Conner

generating marked-up pages

Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

Simplify the evaluation process of the filings submitted by the companies.

readability scores;
confirm marked copies included

More robust reports

error checking

Check for consistency between filings and documents.

Filing Fees

Identifying common errors

Automatically pinging reviewers with status requests

Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

Highlighting error prone filers

compile all active forms for TOI or sub TOI per company

Readability

Eliminate repetitive tasks

common objections

More accurate filings

Consistency

State specific requirements



Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

filing fee

Filing compliance check

reducing administrative
errors creating a filing

Pointing out repeated
objections about the same
thing to the same company

fees, readability,
objection/response
reports

Accuracy

Generating
memorandums

locating sister or similar
filings

Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

Any help with statements of variability

demo

checklist and filing fees

demo of the training as well as working with

demo

Demo

Formatting data to maximize learning capabilities

I'd like to see a demo of the human-in-the-loop state checklist AI workflow.



Beyond what we discussed today, what are some additional ways you think AI could be used in SERFF?

Will there be a copy of the presentation available to view after?

Can it be used to avoid any unintended consequences

What are additional topics or sessions you would be interested in regarding AI in SERFF?

DEMO

N/A

filing fees

demo

Demo of how it is working

Demo

demo

how does it use the
state's checklist

What are additional topics or sessions you would be interested in regarding AI in SERFF?

Practical testing demos

demo

Demo

Demo and training if possible.

Yes, Demo!

DEMOS

demo

Checklist

What are additional topics or sessions you would be interested in regarding AI in SERFF?

Demos and feed back on demos

Demo/Hands On

stress test

actual use data and updates

Demo

hands-on use during demo

Quantifying time saved

Reports

What are additional topics or sessions you would be interested in regarding AI in SERFF?

Training on prompts

Demo

demo

demo

Demo

Demo

demo

Demo

What are additional topics or sessions you would be interested in regarding AI in SERFF?

Demo

Demo

how it works with a
checklist

Demo with training

Anything

Info about Co-pilot or
other interim options

Agreed demo

preparation of checklists

What are additional topics or sessions you would be interested in regarding AI in SERFF?

Demo using a checklist

Reporting capabilities

Hands on

FAQ page or meeting

demo

using it for state
amendatories

Demo

costs of AI

What are additional topics or sessions you would be interested in regarding AI in SERFF?

Anything that SERFF is using for AI, I'd like to learn about it.

Would like to see a demo on Rate/Rule filing and how we feed in all the support the state asks for

Demonstration

how checklist works with AI

How AI would learn state specific laws and regulation

demo checklist

Demo with AI showing a correct response or hallucination

More info on anticipated timelines. Everything sounds super vague right now

What are additional topics or sessions you would be interested in regarding AI in SERFF?

We like to see how the concept grows in demos

demo

Discussion of what states need to do to (a) prepare for AI and (b) change its operations to optimize the new process.

Applications outside of form review. Rate review for example..