

SERFF Data Hosting Calls Summary

NAIC staff hosted three industry calls and one state call in December 2018 to discuss the proposed solution for NAIC to host industry data. The industry calls gave hosted customers an opportunity to ask questions and discuss concerns related to the proposed change from the current data hosting model where two third-party vendors host data for customers who want storage and data recovery beyond NAIC's SERFF system.

There were 204 attendees across the three calls. Calls were scheduled for one hour and most of the three took a good portion of that time. While many of the call attendees understood the current structure and the proposed future state, there were still many customers who did not understand the data replication process so that was explained several times.

Pricing

Most of the questions centered around data retention and cost. NAIC staff could not provide any pricing information because whether there will be a charge for customers hosted on the NAIC site, and if there is what the pricing structure will be, has not been determined. NAIC staff understand this is a big question for the hosted customers and needs to be addressed as soon as possible. There will be features (paper filings, Export Tool, Reports) available at NAIC SERFF that are currently only available to hosted customers at their data hoster's site.

Access

Customers asked how they would access their (hosted) filings and it was explained that they would use the same url and login that they use to create and submit electronic filings to the states. There would no longer be a need to log in to a different site to run reports or use the Export Tool. The current plan is to move any paper filings the companies have created at the hoster site to NAIC SERFF—everything else is already stored in the NAIC database. There were a couple of questions related to whether all industry users would be able to create reports and use the Export Tool. NAIC staff explained those features could be controlled with roles and permissions so that filing managers could limit that access if they so choose.

Hosted customers also asked if all their filings would be available in the NAIC SERFF database and they were assured that everything is already in that database except for any paper filings they generated at the data hoster site. NAIC staff will be evaluating the level of effort to migrate those filings from the data hosters to the NAIC for customer who use that feature.

Security, Disaster Recovery and Performance

Customers use a hosting provider to ensure that their data is safely stored outside of their own company. Several customers asked about NAIC data security, disaster recovery, etc. Staff briefly described off-site storage and disaster recovery but acknowledged the need for more information to be

made available to hosted customers regarding NAIC standards and procedures for ensuring the data managed and stored by the NAIC is secured. A security statement will be distributed to hosted customers if this proposal moves forward. Likewise, customers wanted to make sure that NAIC hosting the data would not affect SERFF performance. NAIC staff will do load testing and no impact is expected from turning on the export tool or reports feature for companies. Additionally, when SERFF migrates to the cloud, better performance monitoring and additional flexibility in responding to performance issues is anticipated.

Data Retention

Much of the conversation on all calls focused on the state data retention feature and what that would mean for industry customers hosted at the NAIC. Staff assured customers that no filings have been deleted and none will be deleted until a decision is made regarding a data hosting solution. Currently, only three states are marking filings for future removal. The current plan is for this feature to be modified so that it does not actually delete filings that a state marks for removal but, rather, it removes the state's access to the filings while preserving access to the filing for the hosted company that submitted it. NAIC hosted a state call on this topic (Dec. 13) which was attended by approximately 70 regulators.

With only three states actively looking to remove data from SERFF, the conversation was somewhat hypothetical but only one state expressed a concern with the approach. That concern was around the legal ramifications if a state were to be subpoenaed regarding a SERFF filing that the state had marked for removal and no longer had access to but was still in the NAIC SERFF database.

States have been asked to review the proposal within their department and notify NAIC staff with any concerns as well as acknowledgment if they feel the plan to remove access rather than delete filings is acceptable for their department. It seems that many states do not plan to use the state data retention feature in SERFF so this will not be an issue for them. Thirteen states have confirmed they do not plan to use State Data Retention. Two out of the three states currently using the State Data Retention functionality did not see a problem with removing the filing from the state side and public access, yet still having it available to the company. NAIC Staff is following up with the third state to confirm.

Long term Storage of SERFF Filings

Several customers asked about the size of the database and whether NAIC would need to delete filings just to keep the size manageable. The NAIC SERFF database currently houses all industry and state filings except for any paper filings created by hosted customers for tracking purposes. Moving those filings to the database will be an insignificant addition. Over time, it is possible that the NAIC will want to employ a data retention strategy but there are many options that allow for data to be moved to less expensive storage options without being deleted. When asked, very few companies said they would consider deleting filing data but there were no objections to old filings being stored as PDFs provided they remained accessible.

Timing

There were some inquiries about how quickly a proposal would be implemented. NAIC staff said that, ideally, a solution would be in place prior to the migration of SERFF to the cloud. That doesn't mean that access to the current data hosters would be shut off. Rather, data replication using the current process would stop at that time. The earliest this would happen is late summer 2019. The NAIC is still determining its plan for migrating NAIC products and SERFF's migration date is part of that ongoing planning.

Other Options for Hosted Customers

NAIC staff covered a few other options if hosted customers did not want to use NAIC as their hosting provider. The SERFF Integration Services (SIS) is a set of web services that are being used by a few companies and a vendor to pull customer data from SERFF for use in a back-office system. This solution is available for a fee and does require the company to have resources who can write to the web services to retrieve the desired data. This is also an option for the current data hosters who could use those services to pull customer data and continue to store that data on their site. Customers could also decide to store the filings themselves by creating a PDF version of any filing the state marks for removal and saving it to the company's network drive.

Next Steps

NAIC staff said the next steps would be for the SERFF Advisory Board to review the calls summary and determine if they need additional information prior to making a recommendation for a new data hosting solution.