
After 30 years, Ben Nelson returns to NAIC

By Editor Test Thu, Jan 24, 2013

The retired Democratic Senator from Nebraska, a former insurance executive and regulator, succeeds outgoing NAIC CEO Terri Vaughn at a turbulent time for the regulation of annuities and other insurance products.

Former Nebraska Sen. Ben Nelson has been named CEO of the National Association of Insurance (NAIC), the organization announced. News outlets reported that Nelson has already met with Federal Insurance Office Director Michael McRaith and insurance lobbyists.

Nelson, who has extensive experience in insurance, will lead the NAIC at a time when security products play an increasing role in the offerings of insurance companies and when some have called for federal as well as state oversight of insurance products.

He has served as an insurance commissioner and has a foundation as an insurance executive. Before retiring from the Senate in 2012 after two terms, he served as governor of Nebraska from 1990 to 1998. He also served as executive vice president and chief of staff for the NAIC (1982-1985); Director of the Nebraska Department of Insurance (1975-1975); and executive vice president and then president/CEO of the Central National Insurance Group (1977-1981). Nelson earned a Juris Doctorate, as well as undergraduate and graduate degrees in philosophy, from the University of Nebraska.

A Democrat from a "red" state, Nelson irritated many conservative constituents by voting for the Patient Protection and Affordable Care Act. As NAIC CEO, he is expected to face difficult issues, including challenges to the tradition of state-by-state regulation of the insurance industry.

The NAIC announced in August that then-NAIC CEO Dr. Therese M. (Terri) Vaughan intended to retire. Vaughan left the association earlier than expected, on Nov. 30 rather than the first quarter of 2013, and Andrew Beal became acting CEO for the second time.

Vaughan had been the longest-serving insurance commissioner in Iowa history (1994-2004) as well as a past NAIC president and as a professor of insurance and actuarial science at Drake University. She served on the board of The Principal Financial Group and was a member of the Executive Committee of the International Association of Insurance Supervisors (IAIS).

The NAIC CEO position, which used to have a disclosed salary, no longer does, as the NAIC is exempt from filing a public form 990 with the IRS. In January 2008, the NAIC released pay information for top executives that stated the CEO's salary at \$370,000.