

This Task Force has been a driving force in pushing forward the most progressive initiatives in both the supplier and board diversity areas in the CA insurance industry. The Task Force is regarded as a model for others. He is very proud of what this Task Force has collectively achieved and continue to do as we all continue to navigate the pandemic. We want to continue to empower women, communities of color, LGBTQ+ people, veterans, and disabled veteran. Looking forward to continuing to hear the great work of the Task Force as they embark upon the 2022-23 Strategic Plan. Thanked all Task Force members for their service and commitment.

VI. Presentation of 2022-23 Strategic Plan

a. Presentation & Discussion

i. Presented by: Insurance Diversity Task Force

Chandara Phanachone, CDI – The Task Force has been working diligently since 2019 to outline all of the strategic goals that we strive to achieve. The Task Force has been diligent in advancing diversity, equity, and inclusion long before it was trending on social media. The Department is very fortunate to have the expertise of the Task Force. One main goal is to benchmark the progress from where we have gone and where we wish to go. CDI sponsored insurance diversity legislation would not have been as nearly as successful without the Task Force. Senate Bill 534 and Senate Bill 655, both authored by Senator Bradford and sponsored by the Department of Insurance, were both signed into law and we know that is in part due to the support of the Task Force. The basis for change is public policy and for it to be sustainable, this starts with our community. The critical milestones for us is to push beyond California. Even among the National Association of Insurance Commissioners (NAIC), we have received lots of inquiries about California's diversity initiative. Believes that one of the greatest things about the Initiative is the Task Force, who knows their communities better than anyone. Excited to do continue to do the work together. Happy about the latest board refreshment to bring new perspectives to this Task Force. Having conversations with Secretary of State, NASDAQ, have been so inspiring to see changes. Goal of the 2022- 2023 Strategic Plan is to amplify the work the Initiative and Task Force are doing and to create a cultural shift in the insurance industry that's rooted in the values of the company, rather than an afterthought. Looking forward to see what the Task Force has for the upcoming years.

Jose Plascencia, IDTF – Thanked Chandara and team for onboarding and welcome to the team. He has been a part of many organizations and the background and onboarding have been top notch.

Chandara Phanachone, CDI – Thanked Jose. Offered thanks to the Diversity Initiative team for all the work in getting these initiatives going.

Mark Morales, IDTF - Discussed the dimensions of impact. This is what guides us as we make an impact in the insurance industry. We have identified four pillars that our Strategic Plan covers: Education & Awareness, Community Engagement, Access to Opportunities, and Recognition and Accountability.

Impact Pillar I - Education & Awareness

Rebecca Aguilera-Gardiner, IDTF – Need to continue to get out and educate our communities about all opportunities. This is a wonderful time to be part of this Task Force. To be able to let them know that the door is open for diverse communities to make an impact at insurance companies. Excited to educate communities, let them know that insurance companies are open to utilizing diverse businesses and giving previously underrepresented communities opportunities to establish themselves in the supply chain.

Impact Pillar II – Community Engagement

Rebecca Aguilera-Gardiner, IDTF – Currently at WBENC in Atlanta. Introduced herself to insurance companies that she is the Vice Chair of the Task Force. Insurance companies have many questions and are eager to learn more about what Task Force does. Many insurers asked her about the California Insurance Diversity Survey (CAIDS). What does it do and what are they looking for? Shared that we are there to help them and wanting to see diverse supplies become successful. Encourages all Task Force members to continue to share about the Initiative and Task Force when they are all in their conference season.

Impact Pillar III – Access to Opportunities

Mark Morales, IDTF – In order to diversify boards, there needs to be a pipeline of diverse candidates. We need to help identify organizations that can prepare diverse candidates for board service. Continue to work to promote and provide access to opportunities for diverse businesses with the insurance industry. Finally, we need to continue strengthen our partnership with the Statewide Coalition of Diversity Initiatives. There are many state agencies all working to support and promote diverse businesses in obtaining contracts.

Impact Pillar IV – Recognition & Accountability

Mark Morales, IDTF – First objective is to refine and launch the Insurance Diversity Designation. We are creating an insurance diversity designation that each company will strive to achieve based on their supplier diversity, governing board diversity and community investments. This will be launched at the Insurance Diversity Summit. Second, we want to heighten the transparency of the state of diversity in the insurance industry in California. This is done by the California Insurance Diversity Survey, which is currently being administered. All of this data is housed on the Diversity site and is a wealth of information. Since the inception of the survey, anybody can go back and look at reports for insurance companies.

Jay Greene, IDTF – Looking at Strategic Plan, wants to compliment Department and Staff on moving us in this direction.

Linda Akutagawa, IDTF – Asked to clarify how we are measuring success in general.

Chandara Phanachone, CDI – Many of the initiatives we are spearheading are focused on engagement. If we did an assessment, we want to ensure that we are reaching out to the appropriate audience. For example, if we are speaking about board diversity, would like to have a targeted and segmented communication to the CEOs and C-suite. If we are reaching out about supplier diversity, we want to make sure that we are contacting the supplier diversity professionals who are decision makers.

Griselda Gonzalez, IDTF – What is the Department doing similar to the Supplier Clearinghouse from the California Public Utilities Commission (CPUC)?

Chandara Phanachone, CDI – The whole idea behind the Statewide Coalition on Diversity Initiatives was to leverage the work that all the other state agencies (that are focused on supplier diversity) are doing. The idea came after Chandara met with a leader from the CPUC. They determined that there would be value in sharing ideas and leveraging what each agency is doing. For example, on our site, we direct suppliers to the Clearinghouse to learn more about how they can contract with the public utilities industry if they wish.

Griselda Gonzalez, IDTF - With regard to matchmaking, she has made the decision to not attend any more matchmaking events. Taking the time to attend events takes away from her work and she has never received a contract for it. Would be very interested to know how many dollars are actually being

contracted based on matchmaking. From the resources that it takes from the Department and the suppliers, would be interesting to know what actually comes from those meetings.

Chandara Phanachone, CDI – That is a very valid point. One of the reasons we have not hosted a matchmaking event this year is that we are looking to measure success, and to do so, we need more information. Our new plan is to create focus groups of insurance companies and diverse suppliers. It's important for us to ask ourselves "is this working?" And if it's not – how do we improve it? Ultimately what we want is to be a conduit to make connections happen.

Mark Morales, IDTF – The Department does not have resources to recreate certifications, so instead we highlight on our page all of the certifying agencies. The Supplier Clearinghouse does their own, but we don't need to recreate since all of the agencies are out there. Second, as a salesperson, always wants to know "where are the contracts?" Since the beginning of the Diversity Initiative, we have seen an increase in diverse spending. Perhaps one of the questions we can add to the Diversity Survey would be "did any of these dollars come from matchmaking events?"

Jose Plascencia, IDTF – Most strategic plans are time bound. Is this a two-year, five-year plan? Who is the champion to ensure that the goals are being met?

Chandara Phanachone, CDI -*Everyone on the Task Force is responsible.* It's a very democratic process and not just on the Chair and Vice Chair to make the Task Force accomplish the goals. This is a 2-year plan.

Jose Plascencia, IDTF - In his experience, a good way to learn is to hear from diverse suppliers who have been successful in getting contracts and getting their foot in the door. Offered any of his contacts that could be helpful in sharing success stories.

Jay Greene, IDTF – An easy solution for matchmaking could be to create a strategy for follow up for both the prime and the supplier. If we had a process to reach out to individuals and determine where they are and what they need, that could be helpful.

Linda Akutagawa, IDTF – What she is hearing is that we need to identify the gaps. Perhaps we can create an electronic way to do matchmaking. Many relationships that happen are based on introductions. If we don't put the expectation that the goal is a contract signed, but instead of making a connection, could be very successful. Much of the process is meeting a potential buyer and learning what they might have on the horizon, staying in contact and then following up when the time comes that they need something. Creating a relationship and finding out what the need is and keep them on your radar.

Chandara Phanachone, CDI – Agrees completely.

Linda Akutagawa, IDTF – Does community investment look at insurance company philanthropic investments?

Chandara Phanachone, CDI – Believes that the Department's California Organized Investment Network (COIN) program tracks community investments and green investments, but is unaware that the program tracks philanthropic investments. I can find out and circle back with a response from COIN.

VII. Policy and Legislation – Updates

- b. Legislative Updates with Question & Answer Session
 - i. Presented by: CDI Legislative Office and Health Equity & Access Office

Melerie Michael, CDI - Last time addressed three bills, will provide an update and introduce one new one.

[AB 1604\(Holden\)](#) – Upward Mobility Act of 2022 – Reintroduction of AB 105 from last session. Would require have at least one board member or commissioner from an underrepresented community. Also makes changes to Department’s Upward Mobility Programs. Only applies to appointments made by specific elected officials. Has been sent to committees to be heard.

[AB 1733 \(Quirk\)](#) and [AB 1795 \(Fong\)](#) – Both bills relating to Bagley Keene Open Meeting Act. Both bills have died, meaning that they did not meet the deadline to be heard and committee. No further action will happen with these bills in this legislative session. Does not mean it won’t be seen in futures sessions.

[SB 1387 \(Limon\)](#) would require the office of the Governor to create a working group discuss and make recommendations on the most effective way to ensure the state’s leadership on boards and commissions reflects the diversity in age, ethnicity, gender, gender identity, disability status, region, veteran status, and sexual orientation, among other things, that are representative of the state. Being heard in committees at this time.

Linda Akutagawa, IDTF – In response to the bills related to Bagley-Keene Open Meeting Act, is there anything that the Task Force can and should do to help? Saying from a perspective not only from convenience, but knows that there are a number of factors that prohibit people from attending meetings: health concerns, cost/time associated. The virtual option (to participate in public meetings) provides access to people. What can the Task Force do to support these bills moving forward?

Melerie Michael, CDI – Agrees that these are great reasons for making amendments to Bagley Keene. Knows that the Task Force can take a position, submit a letter of support, or possibly event testify in a session. She can immediately flag anything for the Insurance Diversity Initiative related to Bagley Keene and then can determine how to get that information to the Task Force.

Jose Plascencia, IDTF – Thanked Melerie for the review of the Senate bills. Inquired if CDI is monitoring [SB 1107 \(Dodd\)](#). This would increase limits of personal auto from a lower limit to a higher limit. This is particularly important to him as he lives in an area where the people will be most impacted. This will directly affect lower earners, people who live in rural areas and those in underrepresented communities. While he is in favor of increasing limits, during this time in our economy, while food, gas, and transportation is so high, the impact would be very significant for some.

Melerie Michael, CDI – This is a bill that CDI is engaged on. Currently it has been referred to Assembly Insurance – there would only be one hearing. Will plan to keep it in the bills she is monitoring for the next Task Force meeting.

Kayte Fisher, CDI – Provided an update about [AB 2029 \(Wicks\)](#). This bill would change the definition for infertility so that more people would have ability to access it. It also would mandate coverage for infertility. Infertility is the only “disease” that is covered by Book of Diseases for diagnosis, but not for treatment. The bill is no longer moving. Assessed by California Health Benefits Review Program, how Legislature outsources review to a group located in Berkeley and they came up with a costing that was extremely high and complicated. This is the fourth time in the last ten years that the bill has been attempted. Likely will not be stopping at any time. People are deeply invested in family building and will likely continue on until it gets approved in some form in the coming years.

c. 2022 California Insurance Diversity Survey Administration

Amy Ives, CDI – Sent out Reporting Notifications to insurers in early April. A number of insurers requested extensions, so we are actively working with them. We provide a great deal of technical support. In late April and in May, we provided two webinars: Resource and Technical. The Resource

webinar outlined all the available resources for the CAIDS administration and the Technical webinar provided a step by step walkthrough of completing a CAIDS report. We have 325 companies that will be required to report based on the lowering of the California written premium threshold from \$100 million to \$75 million (effective January 1, 2022). We have had about 15 additional companies advise that they will report even though their company did not meet the reporting threshold. Deadline for reporting is July 1, 2022 unless there was an approved extension, which would make the deadline July 31, 2022. Following the submission deadlines, we complete a data validation check to ensure all fields are populated and all surveys are complete. Once that period is over, we begin the analysis phase, which continues on to November 1, 2022 when the results are published on the Diversity site.

Chandara Phanachone, CDI – For additional context to our newest Task Force members, the California Insurance Diversity Survey, otherwise known as CAIDS, is statutorily-codified, mandated survey that requires all California admitted insurers that meet the prerequisite premium threshold to report on its supplier and board diversity efforts. Initially, the CAIDS was the product of the successful passage of Senate Bill 534, authored by Senator Steven Bradford which was enacted on January 1, 2020. For years, the Department has administered a diversity survey, but when the legislation expired, Commissioner Lara sponsored legislation that would still provide transparency on the state of board and supplier diversity. At the time, this survey was the only one in the nation that collected this level of information. The Department is very proud of it and is looked as a model for other states. New York initiated their own diversity data call and will be releasing their data later on this year. The U.S. House Financial Services Committee issued their own diversity data call to 27 of the nation's largest insurance companies (many were in our CAIDS reporting group) to request diversity and inclusion data with regard to the company's board demographics, status of supplier diversity programs, including their diverse asset managers. They issued their data call in March and have already collected their responses as of May. We are excited to see what their reports reveal.

Jose Plascencia, IDTF – Regarding the survey, the sample size is 325 companies. Are there a number of different participants? Or are there only 325 surveys?

Chandara Phanachone, CDI – 325 companies met the reporting threshold of \$75 million in California premiums from the years 2020 and/or 2021, so those companies are all required to submit a report to the Department. Most companies are required to report both years. After this administration, we will have four years' worth of data. We're looking towards a longitudinal study to see what has changed. It will be interesting to see how the pandemic has impacted supplier diversity and board diversity.

Jose Plascencia, IDTF – What is the level of compliance? Is it mandated?

Chandara Phanachone, CDI – The compliance is 100%. Yes, it is required by California law.

Linda Akutagawa, IDTF – Previously, it was a voluntary survey.

Chandara Phanachone, CDI – That's correct. In 2011, the survey was voluntary and we received 30% of reporting. Based on that less than desired number, the public policy came in. First AB 53 (Solorio) codified supplier diversity reporting. Board Diversity reporting was codified by SB 534 (Bradford). Whether it's a product of being required to report or having to report your numbers to your CEO, we have noticed improvements to the data. Both of the Task Force members in Oakland (Pradip Khemani from Blue Shield and Tommy Smith from Kaiser) work for companies that are required to complete the CAIDS survey. They are leaders in this space.

VIII. Task Force Elections

Chandara Phanachone, CDI – The leadership role of Chair and Vice Chair on the Task Force are one-year commitments. At our first quarterly meeting, there were two candidates who were

nominated for these roles. For the role of Chair, the nominee was Mark Morales. For the role of Vice Chair, the nominee was Rebecca Aguilera-Gardiner. Because there is only candidate for each position, they can be voted on as a slate. Each candidate will share their candidate statement and then voting will be conducted via roll call.

i. Candidate Statements

Mark Morales read candidate statement for Chair.

Rebecca Aguilera-Gardiner read candidate statement for Vice Chair.

ii. Action Taken: Roll-Call Voting for 2022-23 Insurance Diversity Task Force Chair & Vice Chair

Amy Ives, CDI – Conducted roll call voting for slate of Chair and Vice Chair

- Linda Akutagawa – Yes
- Rebecca Aguilera-Gardiner- Yes
- Griselda Gonzalez – Yes
- Jay Greene – Yes
- Pradip Khemani – Yes
- Mark Morales – Yes
- Jose Plascencia – Yes
- Tommy Smith – Yes
- *Absent Task Force members – Imelda Alejandrino, Annalisa Barrett, Fabiola Cobarrubias, M.D., Cecil Plummer, Vikita Poindexter, Maria S. Salinas*

iii. Confirmation of the 2022-2023 Chair & Vice Chair

Chandara Phanachone, CDI – Confirmed Mark Morales as Chair and Rebecca Aguilera-Gardiner as Vice Chair. Thanked Mark and Rebecca for their work. They are responsive and dedicated to the Task Force. This leadership role is not paid, so it's very indicative to their level of commitment. The people of California are able to benefit from their leadership.

Mark Morales, IDTF – Thanked CDI. There has been a lot of change over the years, but this strategic plan demonstrates the focus and commitment for making things more equitable for people in California. Thanked Rebecca and other Task Force members as well.

IX. Advisory Groups – Progress Updates & Discussion

i. Supplier and Board Diversity Advisory Groups

Chandara Phanachone, CDI – Unfortunately, both Advisory Group leads are out today, but we are happy to report that our newest Task Force members have also elected to serve on the Advisory Groups. We meet as the Task Force on the quarterly basis, but the Advisory Groups are the ones that keep things moving forward and hold us accountable to the Strategic Plan. Due to the fact that the Bagley Keene bills have died, we know that we will be back in person for meetings. Being mindful of the effort and planning it takes to attend meetings in person, we will be holding the Advisory Meetings on the quarterly basis.

One of the things we are working on is Pillar 4 A of the Strategic Plan, the Diversity Designation. In 2019, Commissioner Lara met with the Task Force members and wanted a way to formally recognize insurers for the work they are doing, but still hold them accountable to the people of California. There are three main objectives to the Designation:

1. Recognize the achievements of insurance companies,
2. Measure the progress of companies and insurance industry as a whole, and
3. Foster accountability.

We are utilizing data from 2022 CAIDS and the 2021 Community Investment Survey from the California Organized Investment Network (COIN). This is the community impact arm of the Department.

The three areas being measured are Board Diversity, Supplier Diversity and California Community Impact Investments. ESG encompasses board and supplier diversity and investments. Want to take all of these elements into consideration when creating a designation.

Back in 2020, we surveyed insurers at the Virtual Insurance Diversity Summit and asked if it would be meaningful for them to have a designation. Overwhelmingly it was a yes. We believe the Diversity Designation is a way to honor the progress made and also identify the gaps. We are excited to see how it will all be coming together. The Task Force will be given a draft prior to rollout.

Jose Plascencia, IDTF – Do we have a target date?

Chandara Phanachone, CDI – The goal is by the end of the year.

Mark Morales, IDTF – The delay in rollout occurred because the group elected to include the community impact portion.

Jose Plascencia, IDTF – Thinks it's an excellent decision to incorporate this information. To Linda's point earlier, it's important to know what level of community investments insurers are engaging with.

Chandara Phanachone, CDI – For us, we need to understand how we can leverage data. With every iteration of the CAIDS, we get asked "what are you going to do with this information?" If we are collecting data, we need to leverage it in a way that's meaningful to us and insurance companies. Making it available for companies to measure their progress compared to other companies. We need to ensure that our methods are statistically sound before rolling out.

Mark Morales, IDTF – To echo what Chandara stated before, the vast majority of the work is done in the Advisory Groups. Encourages all Task Force members to get involved. It is not only important to share the concerns from the communities they represent, but to take the information that the Task Force is given and share with your communities. It's a two-way communication street.

X. 2022 Insurance Diversity Summit – Updates & Discussion

Julia Juarez, CDI – Very excited to work with Task Force on the Summit. CDI has been working with contacts at Department of General Services and determined that 2022 Summit will be hosted at the CDI Los Angeles headquarters. There is a large auditorium that can hold everyone for keynotes and welcome. Additionally, a number of spaces available for sessions to be held throughout the building and matchmaking meetings as well. Very excited about the possibilities.

Chandara Phanachone, CDI – Intentional that it was not called Virtual. After consulting with our Legal team, confirmed that the Summit was a meeting of the state body and therefore would be subject to the rules of the Bagley Keene Open Meeting Act. We have had virtual events in the past couple of years, so moving back to in person this year. We will continue to work on developing the schedule and confirming day and will notify Task Force as soon as possible. We understand that the Veterans Day holiday weekend will be shortly after.

Jay Greene, IDTF – Has there been a selection made for a vendor to manage the organization/logistics of the Summit?

Chandara Phanachone, CDI – There have been no decisions made at this time.

Amy Ives, CDI – Previously we held separate Summit planning meetings separately with the Task Force Summit Planning Committee. This year, with the Bagley Keene laws back in effect, we have elected to incorporate the Summit planning into every Advisory Group meeting.

Chandara Phanachone, CDI – *If you've attended the Summit in the past, you will recall that Task Force members usually moderate sessions or lead the keynote. This will be similar this year. We look to the leadership from the Task Force to make content that is relevant.*

Rebecca Aguilera-Gardiner, IDTF – Very excited that it's in person again. It could be a great win for VIB as well since their event is just a couple of days later.

XI. Statewide Coalition on Diversity Initiatives – Updates

i. Presented by: Chandara K. Phanachone – California Department of Insurance

Chandara Phanachone, CDI – In April, decided collectively to utilize the Coalition as a forum to share best practices and resources, leverage our capabilities and keep other state agencies informed of the initiatives or projects we're working on. In our most recent meeting, we spoke with Chris Earl from the Office of the Small Business Advocate (CalOSBA) and he informed us that state leaders announced that \$65 million in grants would be granted to businesses via the Economic Resilience Fund. This could be very meaningful to suppliers. We have also been very fortunate to have members from the Coalition participate in different ways in our past Summits. With our increased collaboration, we can help to support policy that will have a positive impact on communities. For example, Commissioner Lara submitted a support letter this year for the proposed CPUC goal of increasing the LGBTE spend by 0.5% every year for three years, up to a maximum procurement goal of 1.5%. This change is essential for there to be more opportunities for the LGBTQ+ community. This is just a testament to the partnership we have with the Coalition members.

Mark Morales, IDTF – Adding the LGBTBE annual procurement goal for the Utilities is a huge win. Currently, they are spending .13% in the LGBT community. Over three years, adding .05% will ultimately require 1.5% of procurement to be done with LGBTEs. The Utilities require action and enforce these rules, so this will have a huge impact on the LGBTBE community.

XII. Past/Upcoming Events/Announcements - Updates & Discussion

Rebecca Aguilera-Gardiner, IDTF – Currently in Atlanta at WBENC conference representing the VIB Network and the CDI Task Force. Met with fellow Task Force member Imelda Alejandrino and able to see the things she has been working on.

The VIB National Conference will be held November 14th and 15th. Focus this year is on building connections. Starting off conference with teambuilding exercise between all attendees. There will be a number of panel discussions, including one intense panel called "The Secrets of Success". This will have a group of Veteran businesses telling about the hard things that happen in business, including death and divorce. They will be holding tactical networking again this year, a Veteran business reception and finish up the event with the Above and Beyond Award Banquet dinner.

Mark Morales, IDTF – Thanked Rebecca for information. Has attended the VIB Conference every year and always something valuable to learn and take away.

Chandara Phanachone – Congratulated Rebecca on her recent award of Veteran Champion of the year award that was presented to her during the WBENC Conference in Atlanta.

Jay Greene, IDTF – Normally would speak about the GGBA event, but has Olga Garcia (an allied member of the Golden Gate Business Association) attending the meeting.

Olga Garcia, Public – The Golden Gate Business Association’s [Power Connect](#) event will be held next week and will be much different than the past events, which were more like a luncheon. The goal behind this was to make things experience based and to have face to face connection following the COVID-19 economic shutdown.

Jay Greene, IDTF – There are lots of interesting sessions scheduled for the morning, some food vendors offering tastings at lunch, and a networking session in the afternoon. This year, the Chamber decided to make the event free for everyone.

Jose Plascencia, IDTF – The California African American, Asian Pacific, and Hispanic Chambers of Commerce have created the California Diversity Awards. These awards recognize leaders whose commitment to diversity, equity, and inclusion (DE&I) are advancing opportunities in the workplace, creating more inclusive policies, and ensuring investments in California’s diverse communities. Event will not be public, but encourages everyone to view the recipients of the awards on [website](#). The California Hispanic Chamber of Commerce will also be holding the [annual Statewide Convention](#) August 10th – 13th in Oakland. There will be over 800 businesses, the majority of them are minority businesses. There will be a number of matchmaking sessions available with corporate and government partners. CHCC sponsors college students from a grant from Wells Fargo and partners with them.

XIII. Public Comment: Public attendee open forum related to agenda items

There were no public comments.

XIV. Closing Remarks and/or Future Agenda Items

Mark Morales, IDTF – Thanked everyone for joining. Welcome to newest members, looking forward to keeping things moving, there is lots of work to do and looking forward to the future. Next quarterly meeting is September 15, 2022.

XV. Meeting Adjournment

Motion to Adjourn: Jay Green

Motion Seconded: Jose Plascencia