



2018 MULTISTATE INSURANCE DIVERSITY SURVEY

The complete set of **instructions** for the entire survey process for MIDS are available within the MIDS portal and on the **MIDS resource page**.

FREQUENTLY ASKED QUESTIONS

TECHNICAL

NOTE: Answers to many questions regarding individual survey items can be found in the [MIDS 2018 Instructions](#) document that is also available on our [MIDS Resources webpage](#), or within the MIDS portal. If you are unable to find an answer to your question, please email mids.ca@insurance.ca.gov for assistance.

Q: Our company did not receive an email with a unique link to setup our account. How can I get one?

A: Please contact mids.ca@insurance.ca.gov.

Q: How can I change the contact information for my companies?

A: Once a primary account has been created, you may log in to the portal to update your user profile (“Update Profile” button in the portal) and add secondary users (“Manage Users” tab in the portal).

NOTE: You are also able to change the individual who will serve as the primary user for your company by adding in the personal information of the person you’d like to designate as the primary user in the “Update Profile” section.

Q: Is it possible to download the survey to send it to individual subject matter experts?

A: An HTML copy of the survey is available from the [MIDS Resources webpage](#). If you’d like fillable Word and Excel documents for the Narratives and Charts (respectively), contact mids.ca@insurance.ca.gov.

Q: Do I have to complete the sections of the survey in order (i.e.: narrative section first and then charts)?

A: No. You may complete the survey sections in any order; however, you will not be able to submit your survey until all parts are completed.

Q: What is the submission due date?

A: July 2, 2018

Q: Is there a deadline to request an extension for submission of the survey? (Maximum 30-day extension)

A: Extensions must be requested by June 25, 2018, one week prior to the July 2 submission due date. You may submit your extension request to mids.ca@insurance.ca.gov, and will receive an email confirmation once your request has been acknowledged and approved. An extension allows up to 30 additional days to submit your survey; the extension-approved submission date is August 2, 2018. Please include a complete [list of companies with NAIC numbers](#) for which you are requesting the extension.

Q: Can previously reported information be populated into the current year survey via the MIDS Portal?

A: Yes. The portal offers you the option to choose a previous survey from your account via a drop down menu; the information in the narrative portions of the survey will then populate in the current year’s survey. This may help to streamline the process, but information should be modified or updated to reflect the most current information for the company prior to submission.

GOVERNING BOARD DIVERSITY

Q: If reporting as group, do we only need to reference the parent company's board demographics in Part 1?

A: Yes.

Q: The first question in Part 1 of the survey states: "Provide the name of the company with a public, U.S.-based Board of Directors that represents the ultimate controlling parent of the insurance group." If we are not a publicly traded company, do we still need to complete this part of the survey?

A: Yes, you are still required to complete this section of the survey. **"Public" refers to the directors who are elected/appointed to jointly oversee the activities of the company**, and who are not internal employees of the company.

Q: What if our Governing Board is comprised of both employees and non-employees?

1. If the majority of the board are public (non-employees, please count them all as part of your total number of governing board members. For example, if 9 members are public and 1 member is an employee, please report on the total number of board members (10).
2. If the majority of the board members are employees, please report on the next board within your organization that meets the criteria.
3. In the event that no board within your company meets the criteria, please contact us at mids.ca@insurance.ca.gov

Q: What if the governing board of our ultimate controlling parent is not based in the United States?

A: In this case, you would report on the next highest governing board authority for your company / group that is located within the United States and is composed of members who are elected/appointed to jointly oversee the activities of the company, and who are not internal employees of the company.

Q: If we are reporting on non-employee member boards; how can CEO/CFO/COO be included in Question 3?

A: Some board members serve in these executive positions as well, thus these are simply options from which a company can choose. The goal of seeking a company's non-employee member boards is to avoid collecting data on boards that are served 100% by internal employees.

Q: Is "the average number of years served by the current board..." in question 4 the mean or the median?

A: The mean (add all values and divide by number of values). The portal is unable to accept decimal points; in this case please round down and in Question 8 note the appropriate number for Question 4.

Q: What effective date should we use for the Governing Board?

A: Companies should report on the board in place as of December 31, 2017.

Q: Because Board demographics requests information on how members "publicly identify", is it acceptable to include answers based on what I know of board members?

A: We strongly encourage that the most qualified person to answer the questions respond. To assist with gathering this data, please refer to the sample Governing Board Diversity Survey form template previously requested by members of the insurance industry. This convenient sample template form states the requested demographic categories and can be distributed to Board members in order to help you collect this information if desired.

INSURER SUPPLIER DIVERSITY NARRATIVE + CHARTS

Q: What is included in "Total Procurement Spend"?

A: The total dollar amount (\$) of all invoices paid out to all suppliers (diverse and non-diverse) reported by industry category. All procurement spend reported should only include procurement paid directly to the vendor.

This **includes** payments paid, including but not limited, to: body shops or other vendors whether or not in the company's preferred network, ACH payments as long as the payment is transferred directly to the vendor, and credit card and/or p-card purchases as long as the payment is made directly to the vendor.

This **excludes** payments including but not limited to: producers and/or agents and payments to policyholders/claimants.

Note: Any paid invoices by suppliers that do not fall into the outlined categories should be reported as "other". All reported procurement should include any kind of discount(s) being applied to the purchase; please report the actual amount paid.

Q: Are public companies considered to be non-diverse spend? E.g.: Purchases with companies such as FedEx, UPS, US Mail, Verizon, Microsoft, Amazon, Delta Airlines, etc.

A: Both public and private companies have the opportunity to be certified as a diverse supplier, if they meet the criteria. The diverse spend reported should be with diverse suppliers, regardless if the company is public or private.

Q: What if we pay a company that contracts with a supplier that is diverse? Can we count that supplier as a second tier supplier?

A: The procurement charts currently only request data on spend with a company's primary supplier (or "tier 1" supplier). However, in the Insurer Supplier Diversity Narrative section, Question 6 of the survey, there is a question about whether a company requires or encourages its primary suppliers to *subcontract* with diverse suppliers. It is recommended that companies take this opportunity to discuss their efforts with "tier 2" diverse suppliers in response to this question.

Q: Are "classified" and "certified" businesses counted? Or only certified? Is self-certification counted?

A: Companies have the ability to determine which of its suppliers they consider diverse. Many insurers rely on the national certifying agencies (National Minority Supplier Diversity Council, Women's Business Enterprise National Council, etc.) to determine which suppliers are diverse.

Q: If a company is licensed to do business in only one of the participating states, what is the purpose of completing charts for the other states?

A: Typically, procurement spend is reported with businesses headquartered in each state. For example, if Company X procures goods/services from businesses headquartered in Oregon, it will report spend with those businesses on the Oregon Chart. The **instructions** provide an in-depth explanation of the charts and the tables within each chart; we recommend reviewing the instructions carefully as you complete the survey.

Q: For national expenditures - should we report the expenditures made in the participating states or all states in which we are licensed to write business?

A: The National charts are aimed to include spend within all 50 states, including spend in both the partner states and non-partner states, and regardless of where an insurer writes business.

Q: Does Table B only request information for contracts signed in 2017? Or, for example, if we have a two-year contract with a vendor signed in 2016, and we paid out in 2016 and 2017, would we report the total contract dollars in Table B?

A: Table B requests information on contracts signed in 2017. However, if a company has entered into a multi-year contract, the amount reported should only be the amount paid out in the year 2017.

Q: For the national charts, should we include spend with vendors who have a corporate address in a US territory? Puerto Rico? Guam? US Virgin Islands?

A: Yes.

Q: What if some services paid in 2017 do not meet the criteria outlined in the description of the different industry categories?

A: The categories and their descriptions are provided as a guidance tool and as such are broad in their depictions. Please use “other” for those that are unable to fit into the outlined categories.

Examples of services and their industry category:

- **Underwriting expenses** – claims services
- **Employee benefits** – report only if your company is doing business with a firm that provides services related to employee benefits - professional services
- **Sponsorships or contributions** – report only if your company is doing business with a firm that provides services related to sponsorships/contributions - professional services
- **Rating and Credit Reporting agencies** (ex. Standard & Poor’s, Experian) – professional services
- **Third party administrator** handling new business and claims processing – claim services
- **Attorney fees** directly to the law firm – legal services
- **Staffing/Temp Help** – report only if your company is doing business with a firm that provides services – human resources
- **Placement/Recruiter fees** (to place permanent employees) report only if your company is doing business with a firm that provides services – human resources

Q: Can you provide the name or names of publicly-available databases that contain supplier diversity information? I understand there are private databases, but I am interested in information about publicly-available databases.

A: Please note that CDI does not maintain a database of diverse suppliers. The online databases below are maintained by other **CA state agencies** that are accessible to the public and include some of the state's diverse suppliers. **Other states may or may not have similar programs.**

- A complete overview of the CPUC Supplier Diversity resources can be found here: <http://www.cpuc.ca.gov/PUC/supplierdiversity/>
 - CPUC search database for certified businesses (Disabled Veteran Business Enterprise (DVBE), LGBT Business Enterprise (LGBT), Minority Business Enterprise (MBE), Small Business Administration (8a), Women Business Enterprise (WBE), Women/Minority Business Enterprise (WMBE)): <https://sch.thesupplierclearinghouse.com/FrontEnd/SearchCertifiedDirectory.asp>
- DGS DVBE: <http://www.dgs.ca.gov/pd/Programs/OSDS.aspx>
 - Search for a DVBE: <https://caleprocure.ca.gov/pages/PublicSearch/supplier-search.aspx>
- DBE Certification: http://www.dot.ca.gov/hq/bep/business_forms.htm
 - Search for a certified firm: http://www.dot.ca.gov/hq/bep/find_certified.htm

GENERAL

Q: Is there a portal to look up potential diverse suppliers' headquarter addresses?

A: Unfortunately, this resource does not exist at this time. One way to gather information about your company’s current vendor pool is to survey them using the template letter and form that is available on the [MIDS Resources webpage](#).

Q: What statutes provide for the authority to collect information from insurers?

A: Below, with the exception of the District of Columbia (which will apply the partner states’ statutory authority as applicable, and will communicate directly with its licensed companies requested to report in response to MIDS) and Oregon, we have included each partner state’s specific and/or general authority to collect data from insurers:

- **California:** California Insurance Code Section 12924.
- **New York:** New York Insurance Law Section 308 and 2404; New York Financial Services Law Sections 301.
- **Washington:** RCW 48.02.060(3)c.