

NAIC Life Insurance Working Group Holds Hearing On Use Of Foreign Travel In Underwriting

<http://www.insurancenewsnet.com/article.asp?n=1&id=68048>

ST. LOUIS (Sept. 9, 2006) – The Travel to Foreign Countries Working Group of the National Association of Insurance Commissioners' (NAIC) Life Insurance and Annuities (A) Committee held a public hearing today in St. Louis to discuss the use of past and future foreign travel in life insurance underwriting.

"Lawful travel to foreign countries should not be used as an underwriting tool to be used against American life insurance consumers," said North Dakota Insurance Commissioner Jim Poolman, who chairs the Travel to Foreign Countries (A) Working Group.

Testimony by U.S. Rep. Debbie Wasserman Schultz (D–Fla.) kicked off the hearing, which was held during the NAIC's 2006 Fall National Meeting. In her pre-taped testimony, the congresswoman discussed her personal experience with being denied life insurance coverage because of her tentative future plans to travel to Israel. As a member of the House Financial Services Committee, Rep. Wasserman Schultz introduced legislation last year to end this practice.

Other groups providing testimony included representatives from the American Council of Life Insurers, the American Academy of Actuaries, the Anti-Defamation League and consumer organizations.

"Individuals who travel for religious, social and cultural purposes should not be denied a policy unless there is actuarial justification," said Florida Insurance Commissioner Kevin McCarty. "The NAIC proposal requires justification before coverage is denied."

The Travel to Foreign Countries (A) Working Group will continue to analyze the issues related to this underwriting practice over the next few months. During that time, the Working Group may draft guidelines for the interpretation of the NAIC's Unfair Trade Practices Act or consider developing model legislation to address the issues.

About the NAIC

Headquartered in Kansas City, Missouri, the National Association of Insurance Commissioners (NAIC) is a voluntary organization of the chief insurance regulatory officials of the 50 states, the District of Columbia and the five U.S. territories. The NAIC's overriding objective is to assist state insurance regulators in protecting consumers and helping maintain the financial stability of the insurance industry by offering financial, actuarial, legal, computer, research, market conduct and economic expertise. Formed in 1871, the NAIC is the oldest association of state officials. For more than 135 years, state-based insurance supervision has served the needs of consumers, industry and the business of insurance at-large by ensuring hands-on, frontline protection for consumers, while providing insurers the uniform platforms and coordinated systems they need to compete effectively in an ever-changing marketplace. For more information, visit NAIC on the Web at: http://www.naic.org/press_home.htm

<http://www.lowcostinsur.com>