

Christine A. Cappiello  
Director  
Government Relations

Anthem Blue Cross and Blue Shield  
370 Bassett Road  
North Haven, CT 06473  
Tel 203 985-6360  
Fax 203 234-5157  
christine.cappiello@anthem.com

Anthem. 

763

February 3, 2009

Statement  
Of  
Anthem Blue Cross and Blue Shield  
On

**SB 763 An Act Concerning The Connecticut Unfair Insurance Practices**

Good afternoon Senator Crisco, Representative Fontana and members of the Insurance Committee, my name is Christine Cappiello and I am the Director of Government Relations for Anthem Blue Cross and Blue Shield in Connecticut. I am here to speak on **SB 763 An Act Concerning The Connecticut Unfair Insurance Practices**.

We are unclear of why this legislation was submitted. We opposes the deletion of the words "with such frequency as to indicate a general business practice" in lines 18 and 19 of the bill.

The entire unfair insurance practices act was written with this condition, of demonstrating a pattern or practice in mind. If you intend to change the standard upon which penalties can be invoked, you should also change the language of all the prohibited practices to define with specificity what acts are prohibited.

In an insurance company the size of ours, it is probably inevitable that no matter how thorough our procedures, no matter how well management monitors those procedures, some human errors will occur. For example, we might fail to acknowledge a few letters within a reasonable time. We receive over 10 million pieces of mail each year. No matter how good a job we do, a few are inevitably misrouted or lost.

We strongly object to being subjected to penalties for each such violation. The current law, which lets the Insurance Department look at our procedures, look at how well we follow those procedures, and then fine us if we fail "with such frequency as to indicate a general business practice" seems fair to us. The deletion in this bill would, in our judgment, make the law unfair.

We respectfully request that the committee does not move forward with this legislation. Thank you for the opportunity to speak on this bill and I welcome any questions you may have.