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Worldwide Headquarters • 1932 Wynnton Road • Columbus, Georgia 31999

Submitted Testimony on SB 50 before the  
Insurance and Real Estate Committee on  
SB50  
February 18, 2010  
1:00 p.m.

We are writing to you today to ask for modification of SB 50.

Aflac sells individual, guaranteed renewable health insurance policies which are designed and sold to provide supplemental benefits in the event of serious illness or hospitalization. These policies, short term disability, and supplemental hospital policies fill a niche not covered by normal health and accident insurance. These insurance products compete in a healthy major market for optional additional coverage and fill gaps in an individual's health coverage as a matter of choice. Unlike comprehensive, major medical or basic health insurance coverage, these individually owned, supplemental policies provide limited benefits and have average annual family premiums of less than \$500 per year. Also, the benefits are payable in addition to and regardless of other coverage the insured may have.

Our products are designed to help offset the other costs incurred because of the illness not the actual costs to treat the illness itself. This type of mandated coverage really is more appropriate for major medical than it is for supplemental products.

We have been in contact with the proponents of SB 50 and it is our understanding that this bill is not meant to cover our supplemental policies, and as a result would offer the following changes to the bill (deleting the parts highlighted in red):

Section 1.(d) (1) Each policy of the type specified in subsection (a) of this section [and in subdivision (13) of section 38a-469] that provides outpatient chemotherapy coverage shall provide coverage for orally-administered anticancer medications used to kill or slow the growth of cancerous cells that are prescribed by a prescribing practitioner, as defined in section 20-571.

Section 2.(d) (1) Each policy of the type specified in subsection (a) of this section [and in subdivision (13) of section 38a-469] that provides outpatient chemotherapy coverage shall provide coverage for orally-administered anticancer medications used to kill or slow the growth of cancerous cells that are prescribed by a prescribing practitioner, as defined in section 20-571.

We thank the Committee for considering these changes to the proposed bill which again, we understand is not the intent of the proponents.

If you have questions, contact Anita Schepker [aschepker@sbcglobal.net](mailto:aschepker@sbcglobal.net) or at (860) 604-4749.