



FTR

To: Committee Chairs Connecticut Legislative Committee on Insurance and Real Estate

Via hand delivery – Anita Schepker Connecticut Counsel to Aflac

Re: HB6365 An Act Concerning Insurance for Municipalities

Thank you for considering Aflac's comments regarding the captioned legislation. It is our position that the producer compensation disclosure should not apply to supplemental health insurance products.

Aflac is the preeminent writer of supplemental health insurance in the country. Unlike comprehensive, major medical or basic health insurance coverage, these supplemental policies provide limited benefits at a commensurately low premium. In addition, our rates remain the same and the commission amounts decrease over the life of the policy. Our producers receive the majority of the compensation in the first year and then only receive renewal commissions for four years after the effective date of the policy. Further, our policies are paid for by the individual and the employer is the vehicle in which the policyholder may receive a payroll rate.

Attached please find a proposed amendment to HB 6365. We appreciate your consideration of these thoughts. If we can be of any assistance please do not hesitate to contact our counsel Anita Schepker. We are happy to provide additional information and detail for the Committee's consideration.

Respectfully submitted,

Edward J Donahue, Jr.
2nd V.P. Regional Director and Counsel