



FTR

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

Via hand delivery – Anita Schepker Connecticut Counsel to Aflac

Re: SB 172 An Act Concerning Disclosures for Certain Life Insurance Policy Owners

Thank you for considering Aflac's comments regarding the captioned legislation. It is our position that these disclosures should not apply to low premium life insurance products.

Aflac is a preeminent writer of low premium supplemental health and life insurance policies. We make every effort to keep our administrative costs down; doing so helps keep our premiums competitive and our products affordable.

The captioned bill would require insurers to provide policyholder disclosure materials which would increase insurer administrative costs but not provide meaningful information for life insurance consumers. The proposed notices fall well outside the national norm for life insurance disclosure and would require a manual process to prepare the needed materials. This would prove particularly costly for Connecticut consumers without providing any benefit to them. Further, many of the statements prescribed by the bill are inapplicable to policies like ours. For example our policies are not assignable as a gift, not subject to maintenance through a life settlement contract, or convertible from a term to a permanent policy, or long term care plan. The bill would allow us to distinguish our products in a notice however requiring such a notice would create unnecessary confusion and increase our cost of service to policyholders and applicants.

We request that SB 172 be amended to exempt life insurance policies with a death benefit of \$100,000 or less and have attached hereto a proposed amendment reflecting the same.

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