

Advocacy in Action for Massachusetts



NAIFA NORTHEAST: ADVOCACY IN ACTION - MASSACHUSETTS

Massachusetts has a two-year legislative session. Therefore, the last three years encompass both years of the current 2013-2014 two-year legislative session, as well as the second year of the 2011-2012 two-year legislative session.

How many bills were "sifted" through during the last three years: 14,685 bills

There are approximately 6000 bills filed at the beginning of each two-year session, and more throughout the session. There were 7258 bills in the 2011-2012 Session and 7427 bills in the current 2013-2014 Session. Therefore, it is estimated that in the last three years The Suffolk Group has sifted through ~14,685 bills. The complete list of bills is refined by conducting a thorough bill text search using over 100 insurance-related keywords/search terms compiled by The Suffolk Group and NAIFA-MA.

How many bills did we "watch" during the last three years: 157 bills

After the NAIFA keywords/search terms are used to refine the list of bills, the Suffolk Group then reviews all of those bills and further narrows to a smaller list of NAIFA "watched/monitored" bills. There were 93 bills actively monitored in the 2011-2012 Session and 64 bills in the current 2013-2014 Session. Therefore, it is estimated that in the last three years The Suffolk Group has watched 157 bills. The Suffolk Group sends regular tracking reports to NAIFA members to keep them informed about the progress of the bills.

How many bills did we provide "testimony" on during the last three years: 23 bills

2011-2012 SESSION = 13 bills

2011 – 6 bills

- 1) HB 300 - An Act relative to continuing education of insurance producers
- 2) HB 283 - An Act relative to long term care insurance
- 3) SB 411 - An Act to establish standards for long term care insurance.
- 4) HB 1201 - An Act to establish standards for long term care insurance
- 5) SB 269 - An Act relative to long term care insurance claims
- 6) HB 2082 - An Act relative to nursing facility and long term care claims

2012 -7 bills

- 1) HB 1206 - An Act Relative to Medical Loss Ratios
- 2) HB 1207 - An Act Relative to the Massachusetts Life and Health Insurance Guaranty Association Law
- 3) HB 1172 - An Act prohibiting discrimination in insurance policies
- 4) SB 414 - An Act prohibiting discrimination in insurance policies
- 5) HB 1173 - An Act providing for equitable coverage in disability policies
- 6) SB 413 - An Act providing for equitable coverage in disability policies
- 7) HB 1194 - An Act relative to universal voluntary retirement accounts

2013-2014 SESSION = 10 bills

2013 – 5 bills

- 1) HB 934 - An Act relative to a long term care partnership program
- 2) HB 922 - An Act relative to the Massachusetts Life and Health Insurance Guaranty Association law
- 3) HB 870 - An Act relative to continuing education of insurance producers
- 4) HB 880 - An Act relative to continuing education requirement for insurance producers
- 5) HB 994 - An Act relative to long term care insurance

2014 – 5 bills

- 1) HB 838 - An Act providing for equitable coverage in disability policies
- 2) SB 427 - An Act providing for equitable coverage in disability policies
- 3) HB 837 - An Act prohibiting discrimination in insurance policies
- 4) HB 920 - An Act prohibiting discrimination in insurance policies
- 5) SB 426 - An Act prohibiting discrimination in insurance policies

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What were the three most significant legislation that was either passed or defeated during the last three years?

PASSED: SB 2359 -An Act Establishing Standards for Long Term Care Insurance (signed as Chapter 312 of the Acts of 2012) + Inclusion of Separate Bill (SB 269) language on MassHealth Exemption

In October 2012, Governor Patrick signed SB 2359 into law, capping a long effort by NAIFA -MA to establish guidelines for long-term care insurance consistent with those set forth in the NAIC LTC Model Act. NAIFA's advocacy on this bill resulted in the successful removal of provisions relative to the creation of a Group Insurance Commission LTC plan and LTC premium deductibility - both believed to be roadblocks in passing the bill. NAIFA's advocacy on the bill also resulted in successful inclusion of language from a separate bill, SB 269, that amends the amount of coverage required in the MA Medicaid Lien Exemption, changing the amount of coverage necessary to provide lien protection from "upon entry to a nursing home" to "when the policy was purchased". Also, NAIFA successfully advocated to be specifically named in the legislation to be part of a working group to assist the DOI Commissioner to conduct an investigation to identify best methods to stabilize rates and prevent exceptional rate increases. Passage of this legislation has allowed Massachusetts to join 46 other states who have already adopted the NAIC LTCi Model Act.

In addition to participating in the DOI Commissioner's Rate Stabilization workgroup, NAIFA has also actively participated in the ensuing regulatory review process. Representing the agent voice, NAIFA has provided substantive comments to assist the DOI to develop regulations to implement Chapter 312 in the areas of LTCi benefits, accelerated death benefits and life insurance products, disclosures and producer training, and rate review.

DEFEATED: Governor's Proposal to Eliminate Life Insurance Interest Tax Deduction

The Governor's Initial Tax Reform Plan, released prior to his FY14 Budget, included 45 tax breaks that were proposed for elimination, including life insurance interest, Health Savings Accounts and Qualified Retirement Plans Services. The Suffolk Group and NAIFA-MA worked closely with others to convince the Governor's Office to exclude life insurance interest from the proposed list. NAIFA was successful, and the Governor in his FY14 HB 1 Budget solely omitted Life insurance interest from the list, while retaining the other 44.

DEFEATED: Bills to Make Life and Disability Insurance Gender-Neutral

The MA legislature in 2008 passed legislation that requires gender neutrality in individual and group annuities sold to Massachusetts residents. Several bills have been filed in subsequent years that attempt to make disability and other state-regulated insurance policies gender-neutral, and NAIFA has consistently testified in opposition to these bills. Most recently, NAIFA provided strong testimony and studies conducted by the Council for Disability Awareness to the Financial Services Committee. NAIFA was facing strong women's organizations supporting the bill based on gender equality, including the Women's Bar Association, the American Association of University Women, American Civil Liberties Union, and MA Attorney General Martha Coakley, also a gubernatorial candidate. NAIFA worked to educate the committee and the legislature on the difference between employers sponsored group disability insurance and individual disability insurance policies, the different health risks that men and women have, and the related statistics which show that women and men should pay different premium rates due to actual claims experience and actuarial science. NAIFA's advocacy efforts have contributed to these bills being given study orders, effectively ending their chances of passage for the Session.