

June 13, 2016

Representative Brian Dempsey, Room 243
Representative Stephen Kulik, Room 238
Representative Todd M. Smola, Room 124

Senator Karen Spilka, Room 212
Senator Sal DiDomenico, Room 208
Senator Viriato M. deMacedo, Room 313C

cc: Speaker of the House, Robert A. DeLeo, Room 356 Senate President, Stanley
Rosenberg, Room 332

Massachusetts State House
24 Beacon Street
Boston, MA 02133

Dear Conference Committee Members:

On behalf of a large, diverse group of organizations and membership associations we urge you to adopt Section 132 from the Senate FY 2017 Budget to end gender-based discrimination for women purchasing individual disability insurance policies.

Individual disability insurance covers lost wages when the policyholder can no longer work due to a non-job-related accident or illness. It is unfair that women must pay more to protect their income, and troubling that some are priced out of a product that is more affordable for men. Just as race or religion cannot be used as a rating factor when pricing insurance policies, consideration of gender should be removed. Currently in Massachusetts, insurers are provided with de facto legislative support for continuing the discriminatory practice of setting premiums higher for women than for men. We believe it is well past time to correct this oversight.

We no longer allow gender-based price disparities for annuities, auto insurance, homeowners' insurance, and health insurance. Workers' comp insurance and employer-based disability policies are also gender neutral. Changing this discriminatory practice will bring individual disability insurance policies in line with others in Massachusetts.

The impact of this discrimination is significant. Approximately 180,000 Massachusetts residents purchase an individual disability policy annually and 100,000 of them are women. The rates vary, but the average cost for an individual disability policy for women is 23.5% more than men, with some policies charging as much as 70% more for women. This unequal treatment results in women paying hundreds of dollars more per year and thousands of dollars more over the lifetime of a policy. Women, many who are self-employed, single parents, and struggling to make ends meet, should not bear the brunt of an industry's discriminatory practices.

Please include the following language included in the Senate budget and end this remaining discriminatory pricing insurance bias that treats women unfairly. We believe the insurance industry in the Commonwealth can absorb the cost of new non-discriminatory language.

"Section 132. Said chapter 175 of the General Laws is hereby further amended by inserting after section 108J the following section:-

Section 108K. No company or officer or agent thereof shall make or permit any distinction, classification, discrimination or otherwise recognize any difference on the basis of race, color, religion, sex, marital status or national origin in the amount or payment of premiums or rate charges or in the benefits payable or in any of the other terms or conditions of any group or individual disability, accident or sickness

insurance policy or contract issued or delivered within or outside the commonwealth on or after January 1, 2011 which covers a resident of the commonwealth. As used in this section, "sex" shall include, but not be limited to, conditions unique to 1 sex, such as pregnancy. A violation of this section shall constitute an unfair method of competition or an unfair or deceptive act or practice in violation of chapter 176D."

Thank you for your consideration,

Jill Ashton, Director
MA Committee on the Status of Women

Rachel Biscardi, Deputy Director
Women's Bar Association

Mary Anne Bray, Government Affairs
Director
Massachusetts Nurses Association

Chris Condon, Director of Politics &
Legislation
Service Employees International Union
Local 509

Deirdre Cummings, Legislative Director
Massachusetts Public Interest Research
Group

Susan Davidoff
Progressive-MA

Sheila Decter, Executive Director
Jewish Alliance for Law and Social Action

Stacy Fatale, Public Policy Chair
American Assn of University Women-MA

Thomas J. Gosnell, President
American Federation of Teachers-MA

Meg Hogan, Board President
Massachusetts Women's Political Caucus
CEO, Boston Senior Home Care

Barbara Madeloni, President
Massachusetts Teachers Association

Christian Miron, Deputy Director
NARAL Pro-Choice MA

Carole Pelchat
League of Women Voters- Massachusetts

Christine Poff, Political Director
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Chapter

Deborah Shields, Executive Director
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Steven Tolman, President
American Federation of Labor and
Congress of Industrial Organizations- MA

Gavi Wolfe, Legislative Counsel
American Civil Liberties Union of
Massachusetts