



March 23, 2015

TO: The Honorable Shemia Fagan, Chair
Members, House Committee on Consumer Protection and Government Effectiveness

RE: HB 2850: SUPPORT AS AMENDED WITH -3

Dear Chair Fagan:

On behalf of the American Council of Life Insurers (ACLI) and America's Health Insurance Plans (AHIP), together with our member companies who write life, disability income and long term care insurance for Oregonians, we are writing express our support of HB 2850 as amended with the -3 amendments.

HB 2850 as amended by the -3 amendments would enact model language from the National Association of Insurance Commissioners (NAIC) that protects long term care policyowners from suffering an unintentional lapse in coverage. Specifically, these provisions allow policyowners, many of whom are seniors, to designate an alternate recipient of their premium statements who can take action to continue coverage if the policyowner is impaired or otherwise unable to respond. Long term care insurance is particularly important as our longevity increases and more seniors require assistance at home or in nursing homes. The alternate notice provisions in HB 2850-3 help ensure that this important protection stays in effect during the time it is most needed.

Other provisions of HB 2850 reflect current best practices for lapse notices on life and disability income policies. Our members want to ensure that policyowners are aware of any potential termination of coverage so they can take action to keep these valuable protections in place. These coverages help reduce Oregonians' reliance on Medicaid and other state government services.

Thank you for your consideration. We hope you will support HB 2850-3. Please let us know if you have any questions or would like further information.

Sincerely yours,

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