



United Policyholders

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October 20, 2013

Commissioner Joseph G. Murphy
Commonwealth of Massachusetts
Division of Insurance
1000 Washington St, Suite 810
Boston, MA 02118

Re: House No. 973 "An Act relative to greater fairness in insurance"

Board of Directors

Amy Bach
Executive Director

E. Gerard Mannion
President, Board of Directors

David Baria
Mississippi State Representative

Hon. Stanley G. Feldman
Chief Justice (RET)
AZ Supreme Court

Larry P. Ginsburg, CFP®
Ginsburg Financial Advisors, Inc.

William H. Hedden
Consolidated Adjusting, Inc.

Jim Jones
Industry Ventures

Brian S. Kabateck
Kabateck Brown Kellner LLP

Susan Piper
Disaster Survivor

Shirley Roberson
Non-Profit Consultant

Deborah Senn
Insurance Commissioner (1993-2001)
Washington State

Alice J. Wolfson
DL Law Group

William M. Shernoff
Shernoff Bidart Echeverria Bentley LLP
Ex Officio

Programs

Advocacy in Action
Roadmap to Preparedness™
Roadmap to Recovery™

Dear Commissioner Murphy,

I hope you are well and look forward to seeing you again at the NAIC meeting in December.

We are writing to express our strong support for House No. 973, prohibiting discretionary clauses in annuity products, life, health, accident, long term care and disability insurance policies and urge you and your agency to support this important piece of legislation. Thank you in advance for your time and consideration of our position: This bill would bring Massachusetts in line with Texas, California and other states that prohibit insurers from engaging in the unfair practice of inserting language in their products that give themselves authority to override a treating doctor's views and interpret their own policy terms as to whether or not an insured is entitled to benefits.

Discretionary clauses have great legal significance because they serve to nullify bargained-for contract provisions, they create an illusory contract, and they defeat insureds reasonable expectations of coverage. They place an unfair burden on insureds and insurers use them as a legal shield to escape responsibility for denying covered claims.

United Policyholders, ("UP") is a non-profit 501(c)3 organization founded in 1991 that is a voice and an information resource for insurance consumers in all 50 states. Through an *Advocacy and Action* program, UP advocates for policyholders legal rights by filing amicus curiae briefs and working with elected officials in legislative and regulatory proceedings. Through the *Roadmap to Recovery™* program, UP gives individuals and businesses free tools and resources to help solve insurance problems that can arise after a disaster, accident, loss, illness, or other adverse event. Through the *Roadmap to Preparedness* program, UP promotes disaster preparedness and insurance literacy through outreach and education in partnership with civic, faith based, business and other non profit associations.

United Policyholders strongly urges you to **SUPPORT** House No. 973

Sincerely,

Amy Bach, Esq.,
Executive Director