

September 4, 2024

Mark Fowler, Commissioner, Alabama Department of Insurance
Co-Chair, Life Workstream of the Special (EX) Committee on Race and Insurance
Michael Humphreys, Commissioner, Pennsylvania Insurance Department
Co-Chair, Life Workstream of the Special (EX) Committee on Race and Insurance

Dear Co-Chairs Fowler and Humphreys,

Ref: Survey of Life Insurer Underwriting guidelines as applied to Justice Impacted Individuals

The District of Columbia Department of Insurance, Securities and Banking (DISB) is pleased to provide the following comments on the Survey.

Beginning in 2022, DISB launched one of many outreach education initiatives around life insurance with the goal of educating our residents about how life insurance can be used as a tool to reduce the wealth gap and provide a financial safety net for families. To this end, DISB has been working with community partners and other District agencies to educate the community on the benefits of life insurance and how to obtain it.

It would be a great disservice if access to the benefits of a life insurance policy was somehow limited or unavailable due to barriers erected because of a resident's prior involvement with the justice system.

Below are our recommendations for improving the Survey.

Life insurers offer different products that would likely have different underwriting criteria related to interactions with the criminal justice system. It sounds like this is limited to life insurance products (as opposed to annuities, disability, LTC, etc., that may be offered by a life insurance company), but we believe that can be made clearer.

While life insurers would consider criminal justice system interactions both for mortality considerations and financial underwriting, we believe those considerations should be separated.

Given the changes in drug laws, it might be beneficial to ask if there have been any changes to the way insurers treat certain drug charges – for example marijuana has been legalized in many jurisdictions. Would a marijuana conviction still be considered in underwriting?

Thank you for the opportunity to submit our comments.

Sincerely,

Sharon Shipp

Sharon Shipp,
Deputy Commissioner
Market Compliance