

Bill No. 2  
Date 2-8-05  
Bill No. SB 351

# S. Jane Lopp, CLU, ChFC

February 5, 2005

Senator Michael Wheat, Chair  
Senate Judiciary Committee  
PO Box 200500  
Helena, MT 59620-0500

Dear Senator Wheat and members of the Senate Judiciary Committee:

As a member of the Montana insurance community since December 1979, I oppose SB 351 and the repeal of non-gender insurance in Montana because it would adversely affect Montana citizens.

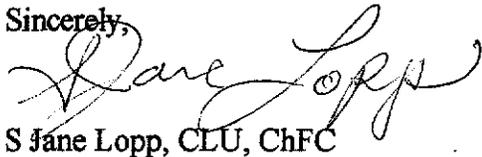
The primary impact of SB 351 is to eliminate mandatory maternity coverage from Montana health insurance policies. Pregnancy is one of the primary medical costs faced by Montana families. Maternity costs have risen significantly statewide with changes in medical procedures and fewer physicians and hospitals performing deliveries. To cover these costs Montana families will have to purchase expensive maternity benefit riders to their health insurance policies. Many cannot afford the ongoing expense of this additional insurance coverage.

Insurance is intended to spread a risk across the insured population reducing the cost to each individual, but covering the cost of all the members. Gender is not a necessary rating factor. Insurance companies often use gender as a substitute for rating specific risk factors, like smoking, drinking, or job hazard, associated with the gender of some insureds.

The insurance industry in Montana is thriving. Insurance companies are generating ever-increasing premiums. The non-gender insurance statute has not adversely impacted the Montana insurance industry. Elimination of this family-based benefit increases and shifts cost to taxpayers.

Passage of SB 351 will dramatically harm insured families in Montana. I strongly urge the committee to table this very bad bill.

Sincerely,



S. Jane Lopp, CLU, ChFC

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