

**In this Issue**

<b>Commissioner's Greeting</b>	<b>1-2</b>
<b>Financial Education Month</b>	<b>2</b>
<b>Non-Discrimination Notice</b>	<b>2</b>
<b>Long-Term Care Rates</b>	<b>3</b>
<b>Renters Insurance Outreach</b>	<b>3</b>
<b>Recent Press Releases</b>	<b>4</b>
<b>Flood Zone Appeals</b>	<b>4</b>
<b>Upcoming Consumer Events</b>	<b>4</b>

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**A message from the Insurance Commissioner...**

Transparency in how we do business is a hallmark of Gov. Wolf's administration and one reason I held a public hearing in March on rate requests from four long-term care insurers. These companies requested large rate increases, following a trend in recent years in this business. At the hearing, the insurance companies laid out their reasons for the rate increase requests, the Insurance Department explained how we review these requests, and consumers discussed the impact large rate increases would have on them.

I believe this was a good session to help consumers learn more about why long-term care insurance rates are rising and explain our role in the process. I also believe this greater transparency into the process will help policyholders understand better what is taking place in the long-term care insurance market. Information gathered at this hearing helped me and department staff in deciding on the final rate approvals, announced recently. Consumer impact is one reason I reduced the requested rates for 81 percent of the policyholders of the four companies



that testified at the hearing. I am also pleased all the companies are offering options to many of their policyholders to further reduce or avoid rate increases altogether, in return for benefit reductions.

Helping consumers understand more about how insurance impacts their finances is also an important goal, and why we joined Banking and Securities Secretary Robin Wiessman and other state agencies and private organizations, in announcing Gov. Wolf's proclamation of April as Financial Education Month in Pennsylvania.

*(continued on page 2)*

## A message from the Insurance Commissioner...

(continued from page 1)

Executive Deputy Commissioner Seth Mendelsohn spoke at the state capitol news conference about our efforts, including the outreach to schools by our consumer liaison.

Young adults are the key target audience for an initiative I announced this month at Lehigh University. The goal is to encourage more tenants to purchase renters insurance to protect their possessions. Though this

coverage typically costs only \$20 to \$30 a month, a national survey found only 40 percent of renters buy this important coverage.

I followed Gov. Wolf's announcement last month that he is extending anti-discrimination protection to the LGBT community for state employees under his jurisdiction and state contractors, with a notice to insurers that they may not discriminate on the basis of gender identity in paying

for services normally covered under their policies. This is an important step in providing fair, non-discriminatory health coverage for all Pennsylvanians.

Thank you,

Teresa Miller  
Insurance Commissioner

### Financial Education Month Announcement

Executive Deputy Commissioner Seth Mendelsohn joined Banking and Securities Secretary Robin Wiessman, Secretary of Aging Teresa Osborne, and representatives of other agencies and private organizations in announcing Gov. Wolf's proclamation of April as Financial Education Month in Pennsylvania.

At a news conference in the state capitol rotunda, Executive Deputy Commissioner Mendelsohn highlighted efforts by Commissioner Miller and the department to help Pennsylvanians better understand their insurance needs and how to make sure they get the best coverage for their money and avoid being scammed.

Executive Deputy Commission-

er Mendelsohn noted the Insurance Department has created a new website for information on flood insurance, is developing an interactive lesson for high school teachers on insurance issues, has launched a new informational flier and outreach effort to college students and other renters on the importance of renters insurance, and is preparing a new informational brochure on things to consider when purchasing annuities, which will be aimed at people nearing the end of their working careers and seniors.

The Insurance Department's consumer liaison is also part of an inter-agency group within the Wolf Administration focusing on consumer financial education and protection.

### Non-Discrimination Notice

Following Gov. Wolf's announcement last month that the Commonwealth's policy is to treat all Pennsylvanians with the respect and dignity they deserve regardless of race, color, religion, sexual orientation, gender, or gender identity and expression, Commissioner Miller has issued a notice to insurers about non-discrimination provisions in health insurance policies.

The guidance to insurers does not require that they cover any particular services that they are not otherwise required to cover. However, health insurance policies under the jurisdiction of the department will not exclude services based on gender identity and will provide coverage for medically necessary covered services, regardless of a policyholder's gender identity. In addition, policies will not contain a blanket exclusion of coverage for health services related to an individual's gender transition.

This policy is also consistent with Section 1557 of the Affordable Care Act and a proposed rule issued last year by the Department of Health and Human Services' Office of Civil Rights. This proposed rule delineates non-discrimination protections on the basis of sex to include sex stereotyping, gender identity, and sexual orientation.



Executive Deputy Commissioner Seth Mendelsohn speaks at the Financial Education Month news conference alongside Secretary of Banking and Securities Robin Wiessman.

### Commissioner Miller Announces Reductions in Long-Term Care Rate Requests

Commissioner Miller announced that she reduced rate requests for 81 percent of policyholders of four long-term care insurers, following a public hearing on these rate requests March 10. The commissioner also said all four companies are offering many policyholders benefit reduction options that could further reduce or eliminate premium increases.

Long-term care insurance companies made several assumptions decades ago when this product was being sold that proved to be inaccurate. Because of this, many companies have stopped selling new long term care policies, and insurers have incurred deep financial losses on this product. This means premium increases, in many cases

large increases, have been sought by companies to address losses incurred and ensure they can continue to pay policyholders' claims.

Already concerned about this trend, Commissioner Miller decided to hold a public hearing when the Insurance Department received significant rate increase requests from four companies early this year. These companies, Metropolitan Life Insurance Company, Genworth Life Insurance Company, Unum Life Insurance Company of America, and John Hancock Life Insurance Company (USA), explained their reasons for the rate requests at the hearing. Insurance Department officials explained their process for reviewing rate requests, and consumers testi-

fied, in person and via Skype from around the state, about how rate increases were impacting them.

Commissioner Miller said in announcing the rate approvals that consumer impact is always a priority for her in reviewing rate requests, in keeping with Governor Wolf's emphasis on consumer protection. The commissioner said she believes by reducing many of the rate requests, as well as encouraging companies to offer policyholders options to further reduce or avoid altogether rate increases in return for benefit reductions, the department has achieved the most consumer protection possible, while making sure companies have the revenue needed to pay policyholder claims.

### Commissioner Miller Announces Renters Insurance Outreach Initiative

With Insurance Information Institute figures showing that only 40 percent of tenants have renters insurance, Commissioner Miller kicked off an initiative to raise that figure by announcing a new, easy-to-read flier encouraging the purchase of renters coverage.

The Commissioner announced the initiative at Lehigh University in Bethlehem, Northampton County, which is making the new flier available to its students. Representatives from Lehigh, the Young Professionals Council of the Lehigh Valley Chamber of Commerce, and Diversified Investors Group, which represents landlords in eastern Pennsylvania, participated in the announcement. The Young Professionals Council is also making the information available to its members.

Statistics from the Na-

tional Multifamily Housing Council show 51 percent of renters are age 30 or younger. While the renters insurance outreach is for all tenants, the flier specifically targets young adults.

Commissioner Miller said young adults and families have many things on their minds, and renters

insurance may not be one of them. However, she pointed out that both single renters and families have valuable possessions, including clothing, electronics, and furniture, that could be financially impossible to replace without insurance.

Renters should not be concerned about the cost of coverage.

Most rental policies cost between \$20 and \$30 a month, and a study by the National Association of Insurance Commissioners says in Pennsylvania that price may be even lower, in the range of \$15 monthly. Commissioner Miller also noted many insurers provide discounts if renters insurance is bundled with other coverage, such as auto insurance.

Information on renters insurance is available at [www.insurance.pa.gov](http://www.insurance.pa.gov), under the Coverage tab, by clicking on "Renters".



Commissioner Miller speaks to a crowd of students at Lehigh University on the importance of purchasing renters insurance.

## Insurance Department on the Road

### For Consumer Groups & the Public

- 5/10/2016, 10 a.m. - 2 p.m. - Scam Jam - Kovalchick Convention & Athletic Center, Indiana, PA
- 5/13/2016, 8:30 a.m. - 12:30 p.m. - Making a Difference, Farm and Home Center, Lancaster, PA
- 5/19/2016, 3 p.m. - 5 p.m. - Health Fair, 541 High Road, Yeadon, PA (Delaware County)
- 5/26/2016, 10:30 a.m. - Consumer Fair, First National Bank Field, City Island, Harrisburg, PA

## Commissioner Miller Issues Consumer Alert on Appealing Flood Zone Designations

Continuing her effort to help homeowners dealing with rising flood insurance premiums and properties newly re-mapped into flood zones, Commissioner Miller issued a consumer alert giving homeowners information on how they can appeal a flood zone designation.

The Federal Emergency Management Agency (FEMA) recently re-mapped the country, using 100-year flood projections. This resulted in many properties being placed in what are called Special Flood Haz-

ard Areas for the first time, including many properties that have rarely or never experienced flooding.

Commissioner Miller's alert notified homeowners they can appeal their property's placement in a flood zone, if they believe their new flood zone designation may be in error. Homeowners will need to do some work before filing an appeal. To file what is called a Letter of Map Amendment, the property owner needs to show the lowest adjacent grade, or the lowest ground touch-

ing the structure, is at or above what is called the Base Flood Elevation, which is the computed elevation to which flood water is anticipated to rise during the base flood used in FEMA's 100-year flood projections.

Information on how to file an appeal is available from FEMA, at <https://www.fema.gov/information-homeowners>, or by calling 1-877-FEMA-MAP (1-877-336-2627).

## Recent Press Releases

April 28, 2016 - Insurance Commissioner Continues Consumer Protection Effort by Encouraging Purchase of Renters Insurance

April 27, 2016 - Governor Wolf Applauds PA Insurance Commissioner for Issuing Non-Discrimination Guidance to Insurers

April 26, 2016 - Insurance Commissioner Announces Significant Reductions in Long-Term Care Insurance Rate Requests

April 4, 2016 - Insurance Commissioner Issues Consumer Alert for Homeowners on Appealing Flood Maps

March 24, 2016 - Insurance Commissioner Encourages Motorcyclists to Take Action to Reduce Risk, Save Money While Riding

March 14, 2016 - Insurance Commissioner Hails Congressional Committee Passage of Bill Supporting Private Flood Insurance

March 11, 2016 - Insurance Commissioner Holds Public Hearing on Long-Term Care Rate Increases, Hears Testimony