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**Statement of the American Council of Life Insurers
Vermont Senate Committee on Health and Welfare
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SB 197 Relating to Discrimination Based on Genetic Information**

On behalf of the American Council of Life Insurers (ACLI), we appreciate the opportunity to provide the following comments on SB 197, relating to discrimination based on genetic information.

ACLI is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 280 member companies represent 94 percent of industry assets in the United States.

Each day, life insurers pay out \$3.6 million in life insurance and annuities to Vermont families and businesses, helping Vermont families secure the things that matter most through all stages in life. Our mission is to financially protect families by embracing opportunities to issue coverage to as many consumers as possible.

As drafted, SB 197, places restrictions on the use of genetic information, including family history, in the underwriting process. Underwriting is a fundamental principle that keeps insurance affordable. Underwriting consists of the confidential assessment of an applicant's complete medical record, which may include genetic information, and family history. Underwriting based on family history is a long-standing practice in Vermont and in all other states.

Advances in genetic science are improving healthcare in America, by giving doctors a better picture of their patients' true medical conditions. These advances improve doctors' ability to treat their patients. In addition, advances in genetic science also empower consumers to better control their health and their lives overall.

Life insurers encourage lawmakers to allow consumers to leverage advances in genetic science to their advantage. This allows more consumers to obtain the financial protection

they want and deserve. Underwriting restrictions could serve to make coverage less affordable and less accessible, interfering with insurers' ability to personalize and customize the products and services for consumers.

It is our understanding from the bill's sponsor that the intent of SB 197 is to ensure that Vermont consumers better control their health and future. Legislation similar to SB 197 was introduced last year in Maine and Illinois. Lawmakers in these states understood the consequences of a complete ban on the use of genetic information in underwriting and instead, enacted legislation that prevented home testing companies from sharing genetic information with life and health insurers without consumers' consent.

We encourage similar legislation in Vermont and recommend replacing the changes proposed by SB 197 with the following language, similar to that enacted in Maine:

Use of information obtained through direct-to-consumer genetic testing.

In connection with the issuance, withholding, extension or renewal of an insurance policy for life, disability income, or long-term care, an insurer may not request, require, purchase or use information obtained from an entity providing direct-to-consumer genetic testing without the informed written consent of the individual who has been tested.

ACLI members are committed to a robust and competitive insurance market that offers a variety of products that are affordable and meet consumers' insurance needs. In addition, ACLI members support laws and regulations that promote transparency with consumers regarding the collection and use of their personal information, including their medical and genetic information.

Vermont consumers have long benefitted from the accuracy, transparency, and confidentiality in the underwriting process. Prohibitions on the use of genetic information in the insurance policy evaluation process would result in higher prices and fewer choices for Vermont consumers.

Thank you for your consideration and the opportunity to provide comments.