

March 14, 1979

SUBJECT: INSURANCE

CIRCULAR LETTER NO. 7 (1979)

TO: ALL AUTHORIZED LIFE INSURANCE COMPANIES AND FRATERNAL BENEFIT SOCIETIES

RE: NON-MEDICAL LIFE INSURANCE LIMITS INSURANCE LAW, SECTION 40-e REGULATION NO. 75 (11 NYCRR 217)

It has come to the attention of the Insurance Department that some insurers have placed different limitations, as between males and females, on the maximum amount of life insurance available to an applicant without taking a medical examination.

Section 40-e of the Insurance Law prohibits an insurer from refusing to issue a policy of insurance "because of the sex or marital status of the applicant or policyholder".

It is the position of this Department that the use of different nonmedical insurance limits for males and females is discriminatory in violation of Insurance Law Section 40-e and Insurance Department Regulation No. 75 (11 NYCRR 217).

When advised of the Department's position on this matter these insurers voluntarily discontinued this practice and revised their non-medical underwriting limits to apply equally to males and females.

All life insurers are directed to review their underwriting practices with regard to non-medical insurance limits and to take steps necessary to insure compliance with Insurance Law Section 40-e.

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Very truly yours,

[SIGNATURE]

ALBERT B. LEWIS

Superintendent of Insurance