

**Susan K. Neely**  
President & CEO

February 19, 2021

Mr. J. Robert Hunter  
Mr. James H. Hunt  
Consumer Federation of America  
1620 I Street, NW - Suite 200  
Washington, DC 20006

Dear Mr. Hunter and Mr. Hunt:

Thank you for including the American Council of Life Insurers (ACLI) in your January 28 letter to National Association of Insurance Commissioners (NAIC) President and Commissioner David Altmaier and Life and Annuities (A) Committee Chair Commissioner Marlene Caride. We have also read the [Reuters article](#) prompting your outreach to them.

The questions you raised in your letter regarding the availability of life insurance coverage to Americans during this challenging time are understandable. I am pleased to inform you that despite the challenges posed by COVID-19, life insurers' mission to provide financial protection to as many people and families that need it remains fully intact.

Coverage remains widely available, and life insurers continue to fulfill their promises without interruption. They pay out an average of \$215 million in life insurance benefits every day.

As the commissioners know well, life insurers in the U.S. and in Europe share fundamental principles, such as the importance of sound underwriting, but the respective markets, laws and regulations in Europe and the United States are distinct. COVID-19 has not changed each life insurer's duty under state law to treat people with similar health characteristics fair and equitably. Insurers fulfill this responsibility by regularly assessing health and mortality developments.

While today's circumstances may delay a coverage decision for some people in some situations, a delay in the application process is not a rejection. Insurers are legally required to make underwriting decisions based on sound actuarial principles to protect all policyholders. It allows us to ensure that we can cover more Americans in the long-run and deliver on the promises we have made policyholders. Arbitrary decisions are prohibited.

---

**American Council of Life Insurers** | 101 Constitution Ave, NW, Suite 700 | Washington, DC 20001-2133

---

The American Council of Life Insurers (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.

Keep in mind: a life insurance policy represents a long-term commitment. We assess risk just once—during the application process, before issuing coverage. Assuming the policyholder makes their premium payments per the terms of the contract, we are assuming all future health changes/risks for that customer.

Many of the long-term implications of COVID-19 are still unknown. As experience evolves and more information becomes available, underwriting will evolve as well.

When any significant public health crisis arises, life insurers must consider its potential impact on all those applying for coverage. Regulators expect insurers to prudently take on risks that balance assets and liabilities. This helps make sure premiums are set properly and that insurers will have the funds to pay claims. It also helps make sure consumers can access affordable life insurance, as they have for generations.

Financial security at all stages of life is our core business. ACLI advocates on behalf of 280 member companies which are dedicated to providing products and services that contribute to consumers' financial and retirement security. 90 million American families depend on our members for life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, dental and vision and other supplemental benefits. COVID-19 has not changed our mission.

Life insurance is a dynamic business, and companies want to provide valuable coverage to as many Americans as possible. This pandemic won't stop them from offering in the future even more than the nearly \$20 trillion in financial protection that they're providing today for families and businesses large and small across the country.

Please let me know if you have any questions or would like to discuss this matter further. ACLI would be happy to discuss at any time.

Sincerely,

A handwritten signature in cursive script that reads "Susan K. Neely". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Susan K. Neely

cc: David Altmaier, NAIC President  
Florida Insurance Commissioner

Marlene Caride, Chair, A Committee  
Commissioner of the New Jersey Department of Banking and Insurance

Andrew J. Beal  
NAIC Chief Operating Officer and Chief Legal Officer

Kay Noonan  
NAIC General Counsel