



LEAGUE OF WOMEN VOTERS OF MASSACHUSETTS

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Testimony submitted to the Joint Committee on Financial Services
In Support of HB 1173 and SB 413 – An Act Providing Equitable Coverage in Disability Insurance
By Carole Pelchat – LWVMA Vice President/Program and Action Committee Chair

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Since passage of the Massachusetts Equal Rights Amendment in 1976, the League of Women Voters of Massachusetts has worked with Representatives and Senators of the General Court to remove gender inequality in all forms of insurance coverage. Since then, in an agonizingly slow process, and through the hard work and persistence of legislators like Representative Balser and Senator Clark, Massachusetts now has gender equity in the areas of health insurance, automobile insurance, homeowners' insurance and annuity policies.

Workers Compensation, which all employers are required to purchase, is gender neutral. We are now asking that the General Court remove the barriers to gender equality in individual disability insurance policies. Disability insurance provides a source of replacement income, for a stated period of time, when the insured is unable to work because of an illness or an accident if that illness or accident is not excluded from the coverage. Currently, state-regulated individual disability coverage is classified by sex, with different (insert higher) premiums for women than men, even when they have the same types of jobs (for which they often receive less pay.)

So why might a woman need disability insurance? In 2009, according to the Population Reference Bureau, 61.6% of married couples had both husband and wife in the work force and the United States Census reports that 30% of women are self-employed. The 2009 United States Census Bureau also reported that 84% of single parents raising children under the age of 18 are women, 79.5% of these women are gainfully employed, and 39.1% of custodial single mothers are over the age of 40. Obviously, a woman's income has a significant impact on the financial stability of a family unit, and loss of that income can be catastrophic.

- Social Security disability benefits are gender neutral.
- Workers Compensation Insurance benefits are gender neutral
- There is no negative impact on the state budget other than to reduce the number of women who need state aid when they become disabled.
- Women, and their families, would benefit with more economic security when they have a disability.

The League of Women Voters of Massachusetts respectfully requests that you support the expansion of gender equality in insurance coverage to disability coverage.

Thank you for your time.