

1 [Supporting Assembly Bill 1553 (Yamada) - Prohibit Long-Term Care Insurance Providers  
2 from Charging Higher Premium Rates Based on Gender]

3 **Resolution supporting Assembly Bill 1553, authored by Assemblymember Mariko**  
4 **Yamada, to prohibit long-term care insurance providers from charging higher premium**  
5 **rates based on gender.**

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7 WHEREAS, Long-Term Care Insurance (LTCI) is designed to reimburse policyholders  
8 for long-term services and supports, including personal and custodial care, in a variety of  
9 settings such as in a home or at a skilled nursing facility; and

10 WHEREAS, The nation’s largest seller of LTCI reports that women account for 57% of  
11 policy sales and account for two of every three dollars in claims paid out; and

12 WHEREAS, According to the American Association of Long-Term Care Insurance  
13 (AALTCI), some of the major providers of LTCI in California are currently seeking to get  
14 approval for products with rate increases based on gender, which in effect will shift a greater  
15 burden of cost onto women; and

16 WHEREAS, According to AALTCI, almost 70% of women age 75 or older are widowed,  
17 divorced, or never married, leaving them less likely to have spouses to care for them and  
18 more likely to live in assisted living and nursing facilities; and

19 WHEREAS, Approximately 75% of California caregivers are women, most of which are  
20 forced to give up formal work, leading to lost benefits and savings, and by the time women  
21 need long-term care services, they are widowed and do not have the resources to pay for  
22 such expensive care; and

23 WHEREAS, The Affordable Care Act prohibits insurers from charging women higher  
24 premiums for health insurance policies, but long-term care insurance in California is classified  
25 as disability insurance, so it is not bound by that law; and

1           WHEREAS, On January 28, 2014, Assemblymember Mariko Yamada introduced  
2           Assembly Bill 1553 (AB 1553) to prohibit a long-term care insurance policy issued, amended,  
3           or renewed on or after January 1, 2015, from charging a different premium, price, or charge  
4           based on the sex of the contracting party, potential contracting party, or a person reasonably  
5           expected to benefit from the policy; and

6           WHEREAS, The term “sex” would be defined for these purposes to mean a person’s  
7           gender, gender identity, and gender expression, as defined; and

8           WHEREAS, Without AB 1553, rates for women could rise as much as 40%; and

9           WHEREAS, The States of Montana and Colorado have already acted to prohibit  
10          gender-based pricing for LTCI; now, therefore be it

11          RESOLVED, That the Board of Supervisors of the City and County of San Francisco  
12          hereby urges the California State Legislature to pass AB 1533 in order to prohibit gender  
13          discrimination in one of the most vital and critical healthcare services in the State.