

California among first to green light new consumer discounts for life insurance

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New option for life insurance designed to encourage healthy lifestyle

SACRAMENTO, Calif. - California consumers now have more affordable options when it comes to planning for their financial futures. The Department of Insurance recently gave the green light to California's fifth largest life insurer, John Hancock, to offer an innovative new discount on life insurance. Insurance Commissioner Dave Jones was one of the first insurance regulators in the nation to approve this new product, so that Californians now have the option to take advantage of special discounts John Hancock is offering for consumers who take steps to improve their health.

This new life insurance product allows consumers with active and healthy lifestyles the option to lower their premiums by accumulating Vitality Points for health-related activities such as exercising, getting a flu shot and logging their annual visit to the doctor. The points are translated into discounts.

"New and innovative insurance products, like the healthy living life insurance policy, give Californians more options to decide how best to meet their insurance needs," said Commissioner Dave Jones. "When this new life insurance product was filed, we worked to expedite approval so California consumers could benefit from more life insurance options as well as financial incentives for healthy living."

This life insurance product rewards consumers who take care of their health with lower premiums. The data about fitness routines and medical consultation that insurers use to justify discounts is only shared if the consumer decides to do so. Consumers opt in to the program and can discontinue participation at any point. While they may cease to earn points and discounts after discontinuing, no penalties are involved.

"We are very appreciative of the thorough and expedited review and approval by the California Department of Insurance, which made California one of the first states to approve our innovative new product," said Brooks Tingle, Senior Vice President of John Hancock's Insurance Division.

This life insurance product does not penalize or shift costs to consumers who are less active, but instead offers an actuarially sound method to provide discounts for those policyholders who choose to live a healthy lifestyle, and are therefore likely to increase life expectancy. The product has been available in other countries for some time.

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The California Department of Insurance, established in 1868, is the largest consumer protection agency in California. Insurers collect \$257 billion in premiums annually in California. In 2014 the California Department of Insurance received more than 175,000 calls from consumers and helped recover over \$54 million in claims and premiums. Please visit the Department of Insurance web site at www.insurance.ca.gov.