



## **Representative Bill Dean**

### **House District 71**

Chairman Lampton, Vice Chairman Barhorst, Ranking Member Jarrells, and Members of the House Insurance Committee, thank you for the opportunity to offer sponsor testimony regarding House Bill 587, legislation which has bipartisan support that will restore Ohioans' ability to make informed choices about their Medicare supplemental insurance. For several years, the Ohio Department of Insurance has firmly regulated the ability of insurance agents and advisors to solicit potential customers to purchase Medicare supplemental insurance. What started as a well-intentioned attempt to protect senior citizens has turned into bureaucratic overreach that prevents insurance professionals from contacting potential clients and leaves Ohio far beyond the mainstream when it comes to solicitation policies, whose higher rates are passed on to policyholders.

A current rule in the Ohio Administrative Code, 3901-8-09, prohibits virtually all agent-generated communication with potential clients except via direct mail or if the potential supplemental insurance client is already a business client.

Here are a few examples of how restrictive the current prohibitions are:

- An agent calling fellow members of a 65+ group about purchasing supplemental insurance;
- An agent sending a social media message about interest in purchasing insurance to someone with whom they graduated high school 50 years ago;
- An agent approaching a group of seniors at a coffee shop to ask them if they're interested in chatting about supplemental insurance

Unless the agent has an existing business relationship with these potential customers, all of these interactions violate the current administrative rule. Simple personal connections at the heart of entrepreneurship are banned because someone in government thinks senior citizens are incapable of saying, "I'm not interested."

None of us want to take advantage of seniors. Treating all licensed agents as potential predators and banning them from having any kind of discussion with folks about a legitimate insurance product that helps seniors is a classic example of heavy-handed government. This bill repeals the prohibitions currently in rule and brings Ohio in line with other states as to how agents can reach potential customers. The legislation restores the ability of small business owners to grow their business by selling legitimate, regulated products that benefit Ohio citizens.

This bill has earned the full support of NAIFA (National Association of Insurance and Financial Advisors), whose Ohio chapter has members across our state. Thank you for your time and consideration of this legislation.