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TESTIMONY IN SUPPORT OF SB 236

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Chairman Hackett, Vice Chair Romanchuk, Ranking Member Craig and members of the Insurance Committee. My name is Michael Stern and I am the Midwest Vice President of State Government and Industry Affairs for Chubb Insurance. Chubb is the world's largest publicly traded property and casualty insurance company. With operations in 54 countries and territories, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients in over 100 nations. Chubb maintains executive offices in Zurich, New York, London, Paris and other locations, and employs approximately 31,000 people worldwide. In Ohio, Chubb operates two branch offices in Cleveland and Cincinnati and operates a smaller production office in the Columbus metro area.

Chubb is grateful to Senators Lang and Wilson for sponsoring SB 236. Chubb believes this bill is an important step in recognizing that the business of insurance is evolving. As Senator Lang stated in his testimony before this committee, insurance law was originally written to address paper transactions between insurance providers and its customers. Slowly but surely insurance law is being enacted around the country that recognizes other forms of communication. Indiana most recently enacted legislation similar to SB 236, understanding that consumers are becoming more comfortable purchasing insurance through digital means. There are similar plans to enact this type of legislation in many more states.

SB 236 recognizes the changing nature of how insurance business is conducted in the following ways:

- Insurance products are bought online
- Insurance consumers are comfortable transacting insurance business online
- Insurance companies are providing products and services online

BLINKSM by Chubb is an example of a product that was developed to transact business in this way. BLINKSM offers a suite of products through a dedicated website. Through one's phone or computer a customer is presently able to purchase on the BLINKSM by Chubb platform up to \$50,000 in cyber protection insurance. In the future, BLINKSM by Chubb will be able to offer travel protection insurance, gadget protection insurance, valuables protection insurance and pet protection insurance. It is much more common to see these types of

products come to market as insurance companies continue to develop product offerings.

Chubb believes this bill does not require a customer to conduct its business with an insurance company solely through digital means. As Senator Wilson stated in his testimony, a customer may continue to receive communications through the mail if the customer is more comfortable in doing so. Chubb recognizes that the internet is not available everywhere and that it is not available in every household.

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Chubb also believes this bill does not require an insurance company to transact its business online. Chubb believes companies should have the freedom to choose how it transacts its business as long as it is within the legal and regulatory framework established by the states and nations within which it operates.

In conclusion Chubb supports the passage of SB 236 and is grateful for the opportunity to provide testimony in doing so. Thank you for your consideration. I would be happy to answer any questions committee members may have.