



ROBERT W. WIRCH

STATE SENATOR TWENTY-SECOND DISTRICT

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Wirsch to Introduce Legislation Requiring Insurance Companies to Pay Death Benefits *Problem Was Highlighted by a Recent "60 Minutes" Investigation*

Madison - State Senator Bob Wirsch (D-Somers) will introduce legislation to protect families from insurance companies that refuse to pay death benefits. Twenty-five of the country's largest life insurance companies have recently settled with both individual states and unpaid beneficiaries for more than \$7.5 billion, and thirty-five more are under investigation for failure to pay out benefits which have been paid for by policyholders.

"My jaw hit the floor watching that '60 Minutes' segment. This is a huge rip-off that could impact millions of American families, taking billions of dollars out of their pockets. I knew I had to do something," Wirsch said.

The legislation would require companies providing life insurance policies or annuity contracts to compare their records against Social Security's "Death Master File" at least semiannually to determine whether a policyholder or annuitant has died and then take reasonable steps to contact the beneficiary and pay out the benefits. A number of states, such as Illinois, Florida, West Virginia and New York have recently enacted similar laws.

"It's entirely reasonable to expect life insurance providers to pay out benefits when they know that a claimant is deceased. However, as we have seen, dozens and dozens of companies have been sitting on these payments, hoping that the beneficiary isn't aware of the policy and keeping the money for themselves. With this bill, companies will no longer have plausible deniability when it comes to life insurance claims," stated Wirsch.

Wirsch's bill has completed the drafting process and will be introduced when the new session of the Legislature begins in January.

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