



February 19, 2020

Senate Finance Committee

Testimony of Chesapeake Employers' on SB 556 – Support

SB 556 proposes to allow carriers, including Property and Casualty insurers, to offer products or services to their policyholders for the purpose of educating a person regarding or to assess, monitor, control or prevent, risk of loss to persons. Additionally, this bill would allow the offering of products or services that have a nexus to or enhance the value of certain insured benefits. The requirements associated with these offerings are that they have a nexus to the risk the carrier is insuring against and that the product or service is made available to all similarly situated policyholders.

Under current law, carriers are prohibited from offering, promising or giving any valuable consideration, other than educational, promotional materials or articles of merchandise, valued under \$50. This monetary restriction likely prohibits almost any new technologies due to the low value on the allowable limit.

As technology continues to change and develop in every facet of our lives, insurance will too. This bill will allow carriers to stay in step with innovations in their respective industries. Carriers offering and/or providing the use of telematics and wearables, as well as, any other safety innovations in the workers' compensation field would now be allowable under this bill.

For the foregoing reasons, Chesapeake Employers' supports SB 556.

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