

**TO:** THE HONORABLE ROB OLSON, CHAIR  
SENATE FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE

**FROM:** WILLIAM W. SNEED, LEGISLATIVE COUNSEL  
AMERICA'S HEALTH INSURANCE PLANS

**RE:** H.B. 2107

**DATE:** MARCH 13, 2013

Mr. Chairman, Members of the Committee: My name is Bill Sneed and I am Legislative Counsel for America's Health Insurance Plans ("AHIP"). AHIP is a trade association representing nearly 1,300 member companies providing health insurance coverage to more than two million Americans. Our member companies offer medical expense insurance, long-term care insurance, disability income insurance, dental insurance, supplemental insurance, stop-loss insurance and reinsurance to consumers, employers and public purchasers. Please accept this testimony as our support of H.B. 2107, which will benefit consumers and insurance customers in this state.

Increasingly, consumers are showing preferences for electronic access to their records in lieu of receiving paper mailings. While many state insurance laws require certain information or documents to be provided to an insured or other party "in writing," two existing laws confer on electronic records and signatures the same status as paper records and ink signatures, so long as a consumer voluntarily "opts in" to the electronic transaction: the federal Electronic Signatures in Global and National Commerce Act (ESIGN, 15 USC § 7001), passed in 2000, and the model Uniform Electronic Transactions act (UETA). Forty-seven states, Puerto Rico and the District of Columbia have adopted UETA. Illinois, Washington and New York did not adopt the model by have passed laws of similar effect.

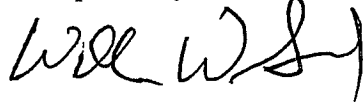
We agree with the sponsor of the bill that it is important to note that it is the consumer's CHOICE to have such a means of delivery, while providing consumers with the protections set out in the Uniform Electronic Transaction Act (UETA). If the consumer does not choose to opt in to receive electronic communications, then communications are to be delivered the good old fashioned way.

AHIP strongly supports H.B. 2107 and urges this committee to pass the bill favorably.

The Honorable Rob Olson  
March 13, 2013  
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I am available for questions at your convenience.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Will W. Sneed". The signature is written in a cursive style with a large, sweeping initial "W".

William W. Sneed

WWS:kjb