

***A CALL TO END
UNFAIR INSURANCE DISCRIMINATION
AGAINST UNMARRIED CONSUMERS***

**REPORT OF THE
ANTI-DISCRIMINATION TASK FORCE
OF THE CALIFORNIA INSURANCE COMMISSIONER**

JULY 1993

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EXECUTIVE SUMMARY

Unmarried adults, some 10 million strong, are one of the largest minorities in California. By the year 2000, unmarried persons will constitute a majority of the state's adult population.

Previous studies have documented widespread discrimination against unmarried consumers. This study has confirmed that many insurance companies discriminate against unmarried individuals and unmarried couples. Sometimes the discrimination is hidden or subtle but often it is quite obvious.

By being forced to pay higher premiums simply on account of their marital status, unmarried consumers are, in effect, subsidizing lower rates for married couples. This type of rate discrimination affects singles, divorcees, widows, and widowers. It has a particularly harsh and unfair effect on gays and lesbians who are precluded by law from marriage.

Companies that charge higher rates to unmarried consumers have not shown the Task Force any actuarial data to justify such marital status discrimination.

A survey conducted by the Task Force shows that some companies do not penalize consumers on account of their unmarried status. The Automobile Club of Southern California,

for example, does not discriminate on the basis of marital status in *any* of its insurance practices.

Several years ago, the Auto Club reviewed its practice of giving multiple-car discounts to married couples but not to unmarried couples. Its own analysis showed that its objectives could be achieved even if it eliminated marital status as an underwriting criterion. The Auto Club now grants the same discount to any two people who live together, as long as their cars are jointly owned and are garaged at the same residence. The company has not reported any adverse effect on its profits as a result of this change.

It is time for other companies, including those selling automobile, renters, and health insurance to end unfair discrimination against unmarried individuals and couples.

We trust that Commissioner John Garamendi will work with other elected officials to protect consumers from marital status discrimination. Consumers should not be economically rewarded or punished on the basis of a decision to marry

or not to marry. Marital status discrimination should be treated for what it is -- a violation of the fundamental right of privacy protected by the California Constitution.

"Insurance pricing by its nature is legitimately discriminatory as insurers attempt to charge a premium that reflects the true cost of each type of risk. Historically, insurers have found that for some lines of insurance, particularly auto insurance, married couples generated lower losses than single persons and have priced rates accordingly. Many speculate this it is lifestyle, rather than strictly marital status, that is responsible for the difference in loss costs and suggest that insurers should explore the use of lifestyle characteristics rather than simply rely on marital status as a pricing factor. This change in philosophy and insurance pricing would address most of the concerns [raised in this report]. The Exchange does not base rates on marital status, but we believe that lifestyle and similar characteristics are legitimate and reliable indicators of risk and should be allowed as insurance rating factors."

-- Alice Bisnow

*Interinsurance Exchange of
the Automobile Club of
Southern California*

SUMMARY OF RECOMMENDATIONS

1. Additional Resources. No current resources of the Department of Insurance are specifically focused on the problem of marital status discrimination even though such discrimination is unfair and pervasive. In order for the Department of Insurance to tackle the problem of discrimination against unmarried individuals and couples, the Insurance Commissioner should assign staff and direct resources to combat the problem. (See page 15)

2. Information Retrieval. The Department of Insurance does not tabulate the number of complaints it receives each year about marital status or sexual orientation discrimination or categorize the types of insurance discrimination about which unmarried consumers are complaining. The Insurance Commissioner should direct his staff to study the data collection and retrieval systems of the Department of Fair Employment and Housing (DFEH) which has years of experience investigating complaints of discrimination. DFEH classifies each complaint according to context (housing, employment, public accommodations), the type of discriminatory action (refusal to rent, eviction, firing, verbal insult) and the basis of the claim (sex, race, marital status, age, disability). The Department of Insurance should do the same. (See page 15)

3. Auditing. In addition to responding to complaints, the Commissioner should take a more aggressive stance toward solving the problem of marital status discrimination. The Department of Insurance should periodically audit the practices of a representative sample of insurance companies and agents to see if they are engaging in marital status discrimination. (See page 15)

4. Education. Consumers, brokers, and agents are often unaware that marital status discrimination may violate constitutional protections, statutes and existing regulations. Education is often the key to reform. The Insurance Commissioner should initiate a campaign to educate consumers, agents, and insurance company executives about current

legal protections against marital status and sexual orientation discrimination. The Department of Insurance should prepare a brochure advising consumers of laws and regulations against such discrimination and complaint procedures. The brochure should be distributed to civil rights groups, singles organizations, and outlets in the lesbian and gay community. (See page 15)

5. Cease and Desist Orders. The freedom of choice to marry or not to marry is a fundamental right protected by the right of privacy in the California Constitution. The Insurance Commissioner should acknowledge the fundamental right of adult consumers to be married or single. To protect that right from unwarranted interference, the Commissioner should begin to issue cease and desist orders against companies that discriminate against unmarried individuals or couples. Such action would also be consistent with the Commissioner's authority to enforce the Unfair Business Practices Act, relevant sections of the Insurance Code, and departmental regulations. (See page 16)

6. Litigation. Some existing statutes and regulations are vague and need judicial clarification. Others have loopholes that must be filled. The Insurance Commissioner can provide the necessary leadership to further strengthen protections against marital status and sexual orientation discrimination by participating in test cases when they come to the Commissioner's attention. To prevent future insurance discrimination cases from being decided by appellate courts without participation from the Department of Insurance, the Commissioner should request the California Supreme Court and all divisions of the Court of Appeal to notify the Commissioner when cases involving discrimination are pending before those courts. Even though appellate judges would not be required to honor such a request, they should know the Insurance Commissioner wants to be heard before precedents are created that may adversely affect insurance consumers. (See page 17)

7. Omnibus Regulation. Existing regulations have not stopped discrimination against unmarried individuals and couples. Based on the right of privacy, Insurance Code Section 10140(d), and the Unfair Business Practices Act, the Insurance Commissioner should issue a new regulation specifically declaring rate discrimination on the basis of marital status to be an unfair business practice and prohibiting companies from refusing to issue joint policies to unmarried couples. The regulation should apply to all lines of insurance. (See page 18)

8. Auto Insurance Regulation. When the Insurance Commissioner issues permanent regulations on Private Passenger Automobile Rating Factors, the use of marital status should be prohibited. This would make auto insurance regulations consistent with other basic legal protections, such as the constitutional right of privacy and the Unfair Business Practices Act. It would also bring auto insurance rating practices into conformity with the intent of Proposition 103 which was to base rating on factors related to individual responsibility and not class stereotypes. (See page 18)

9. Domestic Partner Coverage. The refusal of health insurance companies and Health maintenance Organizations to provide health coverage for the domestic partners of employees is a form of marital status discrimination. The Insurance Commissioner and the state Corporations Commissioner should take appropriate legal action to bring this discrimination to a halt. (See page 11)

10. New Legislation. In the next legislative session, the Insurance Commissioner should sponsor a bill prohibiting discrimination on the basis of race, religion, color, national origin, sexual orientation and marital status in all lines of insurance. (See page 18)

11. Joint Renters Insurance. The Insurance Commissioner should issue guidelines to assist companies that issue renters insurance to issue joint policies to unmarried couples without violating statutes requiring consumers to have an insurable interest in the

property to be insured. (See page 20)

12. Actuarial Data. Some insurance companies have insisted that unmarried consumers constitute a higher risk than married consumers. However, they have not supplied statistics to the Insurance Task Force to support this claim. Any actuarial data that is eventually provided by companies to the Insurance Commissioner on this subject should be rejected unless the data is current, detailed, accurate, statistically representative and scientifically valid. (See page 16)

13. "Save at the Pump." Save-at-the-Pump is a new, more efficient auto insurance system in which every driver is automatically covered with a basic insurance policy that is paid for through surcharges on gasoline purchases, auto registrations, drivers licenses, and tickets for moving violations. Under the plan, everyone who drives must pay. Bad drivers pay more because they are surcharged when they renew their license and when they pay a traffic tickets. The plan also includes a "no fault" system which reduces lawyer's fees, agent's commissions, and unnecessary red tape. Senator Art Torres has introduced a Save-at-the-Pump bill in the Legislature. It is expected to fail due to strong opposition from trial lawyers and insurance agents. Therefore, an initiative drive is being launched. The Insurance Commissioner should support a ballot measure to codify a Save-at-the-Pump Auto Insurance Plan into law. (See page 19)

14. Universal Health Care Coverage. Our current health care system excludes too many people and is too costly to those who are covered. Many people are also excluded due to discrimination. Insurance Commissioner Garamendi has developed a proposal for universal health care coverage for California. Some states, such as Hawaii and Oregon are already implementing health care form plans. President Clinton is about to unveil a proposal for a national health care plan. It is time for society to recognize health care as a right for all rather than a privilege for those who can afford it. A plan for universal health care coverage should be enacted without further delay. (See page 19)

PURPOSE AND METHODOLOGY OF TASK FORCE

Although insurance is a necessity for everyone, it is often priced as if it were a luxury. Obtaining and maintaining insurance -- health, life, automobile, homeowners, renters, and more -- is essential to protect our assets, to protect family members, and in some instances is required by law.

For many years, millions of California consumers have been frustrated because insurance has not been available to them, either due to excessively high prices or due to outright discrimination.

When John Garamendi became California's first elected Insurance Commissioner, he pledged to use the resources of his office to fight all forms of discrimination in the insurance marketplace. He recognized that many Californians experience discrimination when trying to purchase the insurance they need for both their personal and commercial security.

Commissioner Garamendi has expressed his commitment to the creation of a statewide marketplace in which people will not find insurance coverage either unavailable or unaffordable based on factors such as race, ethnicity, gender, marital status, sexual orientation, family structure, age, or disability.

To focus attention on this important public policy issue and to develop strategies to combat discrimination, Commissioner Garamendi convened an Anti-Discrimination Task Force (hereinafter referred to as "Insurance Task Force") in July 1992. He appointed a diverse group of consumers, business leaders, and civil rights leaders to serve on the Insurance Task Force.

Its 62 members have contributed a variety of perspectives to this study. In addition to consumer activists, members include insurance industry representatives from the Association of California Insurance Companies, the Professional Insurance Agents Association, and nearly a dozen insurance companies.

Civil rights advocates serving on the Task Force include advocates for the rights of women, people with disabilities, seniors, racial and ethnic minorities, children, inner-city residents, unmarried adults, and lesbians and gay men.

At the first meeting of the Task Force, members realized that the mandate was too broad for all issues to be studied by a committee of the whole. As a result, various subcommittees were formed to study subsidiary issues and to make recommendations in those areas.¹

A subcommittee on Underwriting Practices and Barriers to Coverage was convened to study various forms of discrimination against insurance consumers.

A workgroup of that subcommittee reviewed previous government studies on marital status and sexual orientation discrimination.² It analyzed existing legal protections, conducted a survey of insurance companies and brokers, consulted with an association of professional insurance agents, and reviewed critical feedback from members of the Task Force.³

This report contains the findings and recommendations of the Insurance Task Force concerning marital status and sexual orientation discrimination. (See page 80 for details on the process used in adopting this report.)

UNMARRIED CONSUMERS ARE A LARGE AND DIVERSE MINORITY

California is home to nearly 10 million unmarried adults.⁴ In most major metropolitan areas of the state, a majority of the adult population is not married.⁵ Projections from census figures indicate that by the year 2000 a majority of all households in California will not contain a married couple.

Although most adults do ultimately marry, about 10 percent remain single throughout their entire lives. This is double the historical rate of five percent, according to a recent report issued by the Census Bureau.⁶

Many other adults are single because they delay marriage until they complete their education or until their careers are in place. Although the trend toward deferring marriage actually began in the 1970s, it has become far more pronounced in recent years. For example, in 1990 nearly 38 percent of women 20 to 24 years old were married for the first time, down from 63 percent in 1975.⁷

Many adults are unmarried because they have divorced. The median length of marriages in this country is only 7 years.⁸ Current projections indicate that 54% of the first marriages of women ages 25 to 29 will end in divorce.⁹ A 1985 survey found that nearly one-third of women ages 35 to 39 had ended a first-marriage in divorce, and researchers have projected that as many as 56% of this group will eventually divorce.¹⁰

The number of people living alone has increased dramatically over the years, although it has started to level off in California. About 25% of the state's households consist of one person living

alone.¹¹ The occupants of one-person households have very diverse characteristics. More than 60% are women. Similarly, more than 60% are over 45 years-old and are divorced or widowed.¹² Fewer than 10% are less than 25 years of age.¹³ The diversity of unmarried adults is apparent from their organizations, activities, and support groups.¹⁴

However, not all single adults live alone. According to the 1990 Census, 10% of California's households consist of a single parent raising a minor child.¹⁵ More than 6% of the state's households are comprised of related adults living together but without a married couple present in the home.¹⁶

Millions of unrelated adults in the United States live together out of wedlock. Nearly 8% of California households fall into this category and in urban areas such as San Francisco, Berkeley and San Diego the percentage rises to double digits.¹⁷ Although many unmarried adults live together merely as roommates, a large number are domestic partners, that is, people living together on a long-term basis who consider themselves to be a family unit and who have strong emotional and economic ties to each other.

One recent study described a number of reasons why couples decide to live together as domestic partners.¹⁸ According to the report of the Los Angeles City Task Force on Family Diversity (hereinafter referred to as Family Diversity Task Force), gay and lesbian couples have no choice but to remain "single" because same-sex marriage is not available in California or in any state for that matter.

The Family Diversity Task Force described some reasons why straight couples live together out of wedlock.

"For young opposite-sex couples, 'trial marriages' may be prompted by fear of making a wrong decision, a fear perhaps justified by high divorce rates. Long periods, sometimes years, of cohabitation may provide an answer for divorcees trying to avoid renewing old mistakes. For elderly widows or widowers, unmarried cohabitation may be a matter of economic survival, since remarriage can trigger the loss of marital survivor benefits. Economic disincentives or so-called 'marriage penalties' prevent many disabled couples from marrying."

Although unmarried adults are a very diverse group of men and women from all races, national origins, religions, socio-economic levels, educational backgrounds, and occupations, many insurance companies often lump them all together for underwriting and rating purposes. All too often, unmarried adults are unfairly stereotyped as "irresponsible swinging singles."

Despite his or her individual merits or accomplishments, an unmarried insurance consumer may be required to pay a surcharge by an insurance company because unmarried consumers are considered a higher risk. Many insurance consumers resent this stereotyping, no less than they would object to paying higher rates on account of their race, national origin, or religion.

This resentment is particularly strong in the gay and lesbian community because its members are locked out of the marital status that receives preferential treatment. To these consumers, a surcharge based on marital status is a form of sexual orientation discrimination.

DISCRIMINATION AGAINST UNMARRIED INSURANCE CONSUMERS IS PERVASIVE

Previous Studies

The widespread extent of discrimination against unmarried insurance consumers has been documented by recent studies.

In 1988 the Los Angeles City Task Force on Family Diversity reported widespread complaints of discrimination against unmarried insurance consumers. These complaints were confirmed by consumer advocates, civil rights activists, insurance agents, and the Department of Insurance.¹⁹

The final report of the Family Diversity Task Force identified specific complaints and patterns of marital status discrimination:

- * A complaint was filed against Connecticut Mutual when it refused to issue a joint homeowners policy in the name of two same-sex householders, as their interests may appear on the deed, although a joint policy would have been routinely issued to a married couple.

- * Most companies would not offer a family discount to an unmarried couple who jointly owned their cars, even though such discounts are offered to blood relatives and spouses.

- * SAFECO wrote to an insurance agency in West Hollywood to complain that the agency was writing too many policies for unmarried persons.

- * Some life insurance companies refused to issue a policy if the applicant tried to name a beneficiary who was not related

to the applicant by blood or marriage.

- * Blue Shield charged two unmarried 35 year-olds a total of \$213 per month for basic health coverage, while an married couple could purchase the same coverage for \$197 per month.

- * Many companies would not provide a joint policy for renters insurance to an unmarried couple; two policies, with two premiums were required. A married couple, however, could save money by purchasing a joint policy.

The Family Diversity Task Force found that, as of 1988, when consumers complained of marital status discrimination to the Department of Insurance, they were informed that nothing could be done about it.

As a follow up to the Family Diversity Task Force, the Los Angeles City Attorney convened a Consumer Task Force on Marital Status Discrimination. This group made recommendations on how to end marital status discrimination in the marketplace. Insurance practices were included in this study.

The Consumer Task Force issued a report in 1990 that documented other instances and trends involving marital status discrimination.²⁰

- * Truck Insurance Exchange was sued when it refused to issue a joint umbrella liability policy to two gay men who jointly owned their house.

- * Great Republic was sued for screening out single males who applied for health insurance.

* An agent for SAFECO refused to issue either renters insurance or automobile insurance to any person under the age of 29 who was not married.

* Another agent for SAFECO would not issue a joint policy for automobile or renters insurance unless both applicants were related by blood or marriage. An unmarried couple would have to purchase two separate policies -- at twice the cost.

* Although Blue Cross and Blue Shield advertised a "family" plan for "couples" with children, further research revealed that if the couple was not married, each parent had to purchase a separate policy, thereby increasing the premium considerably.

The report of the Consumer Task Force noted that the reaction of the Insurance Commissioner to marital status discrimination had begun to change with the passage of Proposition 103. For example, then-Commissioner Roxanie Gilesie issued temporary regulations prohibiting the use of marital status, and other factors not related to individual responsibility, as criteria in setting rate for auto insurance. However, implementation of the regulation was blocked when State Farm, Allstate and Farmers filed lawsuits to overturn the new regulations.

The lawsuits were consolidated for a hearing before Los Angeles Superior Court Judge Miriam Vogel.²¹ On May 18, 1990, Judge Vogel issued a preliminary injunction temporarily blocking implementation of regulations that prohibited insurance companies from considering rating factors, such as age, gender, and marital status, that she said "may have a substantial relationship to the risk of loss."

The Commissioner responded to Judge Vogel's order in two ways. She

issued a new set of temporary regulations that complied with the order. She also filed an appeal. The appeal was never decided on the merits because the Court of Appeal dismissed it as being moot because the new regulations complied with the preliminary injunction.

After he was elected to office, Commissioner Garamendi has periodically reissued these temporary regulations pending his completion of a final set of Prop. 103 rules. The Insurance Task Force recommends that when permanent regulations are finally adopted, that automobile insurance companies should be prohibited by the Insurance Commissioner from using "marital status" as a rating factor.²²

Survey of Insurance Companies

To verify whether or not marital status discrimination remains a current problem, the Insurance Task Force conducted a survey of the practices of insurance companies with respect to automobile, homeowners, renters, umbrella liability, and life insurance. More than a dozen companies responded.²³

Only the Interinsurance Exchange, often referred to as the Automobile Club of Southern California, reported that it did not discriminate on the basis of marital status. Each of the other companies that responded admitted to some form of discrimination against unmarried insurance consumers.

Auto Insurance. With respect to automobile insurance, Allstate and Crusader reported that they charged higher rates to unmarried drivers of all ages. Several of the companies, including Cal-American, California Casualty, Continental, Crusader, National Automobile, and

Western United, said they would charge a higher rate to an unmarried driver under 25 years-old than they would to a married driver of the same age.

A representative of Allstate admitted that agents are instructed not to write more than a certain percentage of their business to unmarried drivers.

Farmers and 20th Century said they would not issue a joint auto policy to an unmarried couple who lived together and jointly owned their cars, although a joint policy would be issued to a married couple.

Homeowners Insurance. According to the survey, unmarried couples who jointly owned their home did not pay a higher rate for homeowners insurance. All respondents said they would issue a joint policy to an unmarried couple and would charge them the same rate as a married couple.

Renters Insurance. With respect to renters insurance, all respondents said they would issue a joint policy to an unmarried couple. However, Allstate reported that it would charge an unmarried couple a higher premium than it would to a married couple.

Umbrella Insurance. Allstate, Continental, Crusader, Farmers, Fireman's Fund, and Western Mutual reported they would not issue a joint umbrella liability policy to an unmarried couple who jointly owned their home. The Auto Club and 20th Century broke with the pack, stating that it would issue such a policy and that it would charge an unmarried couple the same rate as a married couple.

Life Insurance. Allstate reported it would not allow a life insurance applicant to name a beneficiary who was not related

to the applicant unless the applicant could prove that the beneficiary had an insurable interest in the applicant's life. This practice is contrary to the express terms of Insurance Code Section 10110.1(b) which states that a life insurance applicant may purchase a policy on his or her own life and "have the policy made payable to whomever he or she pleases."

Information from Agents Association

Insurance agents and brokers have a different perspective on the problem of discrimination since they are often caught in the middle of disputes between insurance companies and consumers. To obtain their views, the Insurance Task Force submitted a list of problem areas to the Professional Insurance Agents Association asking for an official comment. The Task Force has considered a formal response of the association submitted through its designated representative.²⁴

Auto Insurance. The association had several comments about discrimination in automobile insurance coverage.

Problem: Refusal to provide coverage to unmarried persons under a certain age.

Response: Many companies are still reluctant to take drivers between the ages of 19 and 21 without supporting business from their parents. A nonstandard market, however, will still take these drivers and also given them a good drivers discount.

Problem. Charging higher rates to unmarried persons than to married persons with a similar driving record.

Response. Statistics show that unmarried persons under the age of 30 utilize their vehicles more frequently for recreational purposes which may or may not involve the consumption of alco-

hol. Whereas married persons in the same age group tend to stay home due to family constraints, thereby lessening exposure. Due to this perception by the insurance company, amiss as it may be, there are two distinct groups within this age category and a rating discount is offered to the latter group, i.e. married people.

Problem. Instructions to agents not to write coverage to more than a certain % of unmarried clients.

Response. Certain companies desire a properly balanced book of business. This minimizes their exposure to any one specific group.

Problem. Refusal to issue a joint policy with a multiple car discount to an unmarried couple who jointly own their cars.

Response. Most companies offer a multi-car discount if all autos in the household are registered to both parties.

Problem. Adding a marital status surcharge for motor homes if owned and operated by an unmarried person.

Response. No experience with this type of discrimination.

Homeowners and Renters Insurance.

The association responded to problems with respect to discrimination in homeowners and renters insurance.

Problem: Refusal to issue a joint policy to unmarried couples who live together and who jointly own a house or rent an apartment.

Response. There is no difficulty as a general rule with issuing a joint homeowners policy as long as the deed contains the names of both parties. However, until "insurable interest" can be better defined, renters policies are still issued on an individual basis by several companies. Handling the

claim at the time of loss is impacted by the difficulty of accurately determining the values of each person's loss.

Joint Umbrella Policy. The association responded to problems many unmarried consumers have experienced with respect to discrimination in umbrella liability insurance.

Problem: Refusal of companies to issue a joint umbrella liability policy to an unmarried couple who live together and jointly own property, e.g., cars, house, etc.

Response. There is usually no problem in issuing a joint umbrella policy for unmarried couples. The restrictive factor in the policy is that all covered properties must be held in both names, otherwise it may not be eligible for coverage.

The responses of the agents association helped the Insurance Task Force formulate strategies to combat marital status discrimination, particularly in the areas of automobile insurance, renters insurance, and joint umbrella policies.

Health Insurance Discrimination.

Complaints were received from employers, workers, and unions, regarding the refusal of health insurance companies and health maintenance organizations (HMO's) to cover domestic partners.

The problem is so pervasive that a special forum was held at the annual conference of the California League of Cities to discuss the issue.²⁵ According to the City of West Hollywood, a pioneer in extending benefits to employees with domestic partners, insurance companies are a major obstacle to employers who want to health care coverage. The city summed up the problem this way:²⁶

"We know of at least 15 other cities and counties across the country which also have some kind of domestic partner recognition, and another fifteen are considering such recognition. Although these policies are welcome and certainly long overdue, we recognize that there are still many obstacles which must be overcome before domestic partners will be offered the same benefits now offered to spouses.

"Among these obstacles, the most common is insurer refusal to provide group health plan enrollment to domestic partners."

West Hollywood's Human Resources Officer was even more specific in explaining the city's own inability to find a company to provide domestic partner coverage.²⁷ Its request for such coverage was rejected by about 20 insurance providers.

The city reported specific problems with Kaiser Permanente's Southern California Region (hereinafter referred to as Kaiser of Southern California). Although Kaiser's Northern California Region provides domestic partner coverage to the cities of Berkeley and San Francisco, Kaiser of Southern California steadfastly refuses to offer such coverage despite requests from several employers.

In July 1991, a Coalition for Domestic Partner Benefits met with representatives of Kaiser of Southern California. The County Coalition represented nearly 50,000 county employees. Following the meeting, the Coalition sent Kaiser a letter that responded to each of Kaiser's concerns.²⁸ A month later, Kaiser indicated that it would not provide coverage for domestic partners. Kaiser of Southern California responded as follows:²⁹

"Last year, Kaiser Permanente in

Southern California formed a Domestic Partners Task Force to study the possibility of revising our definition of eligible dependents to include domestic partners. After careful consideration, the Task Force reached the conclusion that our region should not expand or customize the definition of eligible dependents at this time."

When the County Coalition made the same request of CIGNA Health Plan, the following reply was received:³⁰

"[W]hile CIGNA understands your interest in expanding the contractual definition of Dependent to include a domestic partner, we regret to inform you that we are unable to accommodate this particular request. In general, we would not expand the definition of dependent unless required by law. As this is not required for the jurisdiction in question, we are unable to accommodate this request."

Not all companies had such a negative reaction, however. For example, Safeguard Health Plans informed the County Coalition that it would provide dental coverage to domestic partners of county employees if the unions and the county included "domestic partner" in the contractual definition of dependent.³¹

The refusal of insurance companies and HMOs to provide domestic partner coverage is a form of marital status discrimination. The Insurance Task Force recommends that the Insurance Commissioner and the state Corporations Commissioner take appropriate legal action to bring this discrimination to a halt.

EXISTING LAWS CAN PROTECT UNMARRIED CONSUMERS FROM INSURANCE DISCRIMINATION

California consumers are protected from insurance discrimination through existing constitutional provisions, statutes, and administrative regulations. Although some of these laws have not been tested in court in the context of marital status discrimination, there appears to be a strong theoretical basis under current law for prohibiting many, if not all, forms of insurance discrimination against unmarried insurance consumers. Some of these protections are summarized below.

All Lines of Insurance

Insurance Regulations. The Insurance Commissioner has issued regulations prohibiting any person or entity engaged in the business of insurance in California from refusing to issue any contract of insurance, or cancelling or declining to renew such contract, because of the sex, marital status, or sexual orientation of the insured or prospective insured.³² This regulation was issued in 1975 pursuant to the authority vested in the Insurance Commissioner under Insurance Code Section 790.10. It is designed to implement the Unfair Business Practices Act.³³ Recently, the Legislature specifically affirmed the Commissioner's authority to issue regulations prohibiting discrimination on the basis of sex, marital status, or sexual orientation.³⁴

Business and Professions Code. The Unfair Business Practices Act prohibits "unfair" practices against consumers.³⁵ An "unfair" business practice occurs "when it offends an established public policy or when the practice is immoral, unethical, oppressive, unscrupulous, or substantially injurious to consumers."³⁶ Proposition 103 declared that the business of insur-

ance is subject to the laws of California applicable to any business, including the Unfair Business Practices Act.³⁷

Civil Code. The Unruh Civil Rights Act prohibits discrimination by businesses against consumers on the basis of sex, race, color, religion, ancestry, national origin, blindness or other physical disability.³⁸ Persons and entities engaged in the business of insurance are subject to the provisions of the Unruh Act.³⁹ The Act has been interpreted by the courts to prohibit other forms of arbitrary discrimination on the basis of personal characteristics such as sexual orientation.⁴⁰ However, one appellate court has refused to extend the provisions of the Unruh Act to prohibit "marital status" discrimination by insurance companies.⁴¹

California Constitution. The state Constitution confers on every person a right of privacy.⁴² Sexual orientation discrimination violates the right of privacy.⁴³ Personal choices involving marriage, family, and sexuality, are also protected by the constitutional right of privacy.⁴⁴ Freedom of choice to marry or not resides with the individual and is encompassed within this constitutional protection.⁴⁵ Thus, discrimination against unmarried couples may constitute an illegal privacy invasion.⁴⁶ Under the California Constitution, private businesses and government entities alike are prohibited from infringing on the right of privacy.⁴⁷

Property and Casualty Coverage

Insurance Code Section 679.71. This section states that "No admitted insurer, licensed to issue any policy of insurance covered by this chapter, shall fail or refuse

to accept an application for, or to issue a policy to an applicant for, such insurance (unless such insurance is to be issued to the applicant by another insurer under the same management and control), or cancel such insurance, under conditions less favorable to the insured than in other comparable cases, except for reasons applicable alike to persons of every marital status, sex, race, color, religion, national origin, or ancestry; nor shall sex, race, color, religion, national origin, or ancestry of itself constitute a condition or risk for which a higher rate, premium, or charge may be required of the insured for such insurance." (Emphasis added)

Insurance Code Section 679.70. This section applies the nondiscrimination provisions of Section 679.71 to all insurance covering any of the following risks, except automobile or worker's compensation insurance: "(a) Loss of or damage to real property which is used primarily for residential purposes; (b) Loss of or damage to personal property in which natural persons resident in specifically described real property of the kind described in subdivision (a) have an insurable interest; [and] (c) Legal liability of a natural person or persons for loss of, damage to, or injury to persons or property."

Life and Disability Plans

Insurance Code Section 10140(a). This section states that "No admitted insurer, licensed to issue life or disability insurance, shall fail or refuse to accept an application for that insurance, to issue that insurance to an applicant therefor, or issue or cancel that insurance, under conditions less favorable to the insured than in other comparable cases, except for reasons applicable alike to persons of every race, color, religion, national origin, ancestry, or sexual orientation. Race, color, religion, national origin, ancestry, or

sexual orientation shall not, of itself, constitute a condition or risk for which a higher rate, premium, or charge may be required of the insured for that insurance."

Health Care Service Plans

Health and Safety Code Section 1365.5. Subdivision (a) of this statute states that "No health care service plan or specialized health care service plan shall refuse to enter into any contract or shall cancel or decline to renew or reinstate any contract because of the race, color, national origin, ancestry, religion, sex, marital status, sexual orientation or age of any contracting party, prospective contracting party, or person reasonably expected to benefit from that contract as a subscriber, enrollee, member, or otherwise." (Emphasis added)

Subdivision (b) declares that "The terms of any contract shall not be modified, and the benefits and coverage of any contract shall not be subject to any limitations, exceptions, exclusions, reductions, copayments, coinsurance, deductibles, reservations, or premium, price, or charge differentials or other modifications because of race, color, national origin, ancestry, religion, sex, marital status, sexual orientation or age of any contracting party, potential contracting party, or person reasonably expected to benefit from that contract as a subscriber, enrollee, member, or otherwise; except that premium, price, or charge differentials because of the sex or age of any individual when based on objective, valid, and up-to-date statistical and actuarial data are not prohibited. Nothing in this section shall be construed to permit a health care service plan to charge different premium rates to individual enrollees within the same group solely on the basis of the enrollee's sex." (Emphasis added)

Subdivision (d) declares that "This section shall not be construed to limit the authority of the commissioner to adopt or enforce regulations prohibiting discrimination because of sex, marital status, or sexual orientation." (Emphasis added)

Nonprofit Hospital Service Plans

Insurance Code Section 11512.193.

Subdivision (a) states that "No nonprofit hospital service plan issuing, providing, or administering an individual or group nonprofit hospital service plan contract shall refuse to cover, or refuse to continue to cover, or limit the amount, extent, or kind of coverage available to an individual, or charge a different rate because of race, color, religion, national origin, ancestry or sexual orientation."

Subdivision (d) declares that "This section does not limit the authority of the commissioner to adopt regulations prohibiting discrimination because of sex, marital status, or sexual orientation, or to enforce those regulations, whether adopted before, on, or after January 1, 1991." (Emphasis added)

THE INSURANCE COMMISSIONER CAN IMPROVE ENFORCEMENT OF CURRENT LEGAL PROTECTIONS

Despite a sound theoretical basis for existing protections against discrimination on the basis of marital status and sexual orientation, more needs to be done to make consumer protection against such discrimination a reality.

Additional Resources

No current resources of the Department of Insurance are specifically focused on the problem of marital status discrimination despite the fact that such discrimination is unfair and pervasive. In order for the Department of Insurance to tackle the problem of discrimination against unmarried individuals and couples, the Insurance Commissioner should assign staff and direct resources to combat the problem. Also, mechanisms should be developed to collect and retrieve information about marital status discrimination in a more effective manner.

Information Retrieval

The Department of Insurance does not tabulate the number of complaints it receives each year about marital status or sexual orientation discrimination or categorize the types of insurance discrimination about which unmarried consumers are complaining. The Insurance Commissioner should direct his staff to study the data collection and retrieval systems of the Department of Fair Employment and Housing (DFEH) which has years of experience investigating complaints of discrimination. DFEH classifies each complaint according to context (housing, employment, public accommodations), the type of discriminatory action (refusal to rent, eviction, firing, verbal insult) and the basis of the claim

(sex, race, marital status, age, disability). The Department of Insurance should do the same.

Auditing

In addition to responding to complaints, the Commissioner should take a more aggressive stance toward solving the problem of marital status discrimination. The Department of Insurance should periodically audit the practices of a representative sample of insurance companies and agents to see if they are engaging in marital status discrimination.

Auditing could be made cost-efficient by having a staff member supervise several student interns who would pose as prospective customers. Law students, for example, could work for the department for academic credit rather than pay. They could learn investigative skills in the process of helping the department conduct marital status audits of the insurance industry. The results could be forwarded to the Commissioner who could authorize appropriate remedial action.

Education

Consumers, brokers, and agents are often unaware that marital status discrimination may violate constitutional protections, statutes and existing regulations. Education is often the key to reform. The Insurance Commissioner should initiate a campaign to educate consumers, agents, and insurance company executives about current legal protections against marital status and sexual orientation discrimination. The Department of Insurance should prepare a brochure advising consumers of laws and regula-

tions against such discrimination and complaint procedures. The brochure should be distributed to civil rights groups, singles organizations, and outlets in the lesbian and gay community.

Cease and Desist Orders

Many types of marital status and sexual orientation discrimination by insurance companies are either illegal or highly suspect under existing law. While some vague excuses have surfaced during this study to justify discrimination against unmarried consumers, no hard data has been presented to the Insurance Task Force.⁴⁸

The freedom of choice to marry or not to marry is a fundamental right protected by the right of privacy in the California Constitution. Unlike the federal Constitution which only regulates government action, the California Constitution prohibits invasions of privacy by business enterprises as well.

The Insurance Commissioner should acknowledge the fundamental right of adult consumers to be married or single. To protect that right from unwarranted interference, the Commissioner should begin to issue cease and desist orders against companies that discriminate against unmarried individuals or couples. Such action would also be consistent with the Commissioner's authority to enforce the Unfair Business Practices Act, relevant sections of the Insurance Code, and departmental regulations.

At any hearings conducted after an order to show cause issues from the Commissioner, companies that claim to have data to support marital status surcharges on consumers should be required to provide that data to the Department of Insurance for its analysis. The Commission-

er should reject data that is not current, detailed, accurate, statistically representative, and scientifically valid.

The failure of the insurance industry to provide current and reliable data on marital status rating would obviate a need for the Insurance Commissioner to probe into deeper public policy issues. However, even if companies were to provide statistical justifications to support marital status surcharges or other discriminatory actions, it is questionable as to whether marital status discrimination should be allowed as a matter of fundamental public policy.

For example, insurance discrimination on the basis of race, religion, or national origin is prohibited even though insurance companies probably could provide statistics to justify the imposition of higher rates to members of some races, religions, or national origins. Such discrimination is not legally tolerated because it would unfairly stigmatize individuals based on group stereotypes and improperly infringe on fundamental constitutional rights. The same rationale should apply to marital status discrimination regardless of statistical justifications that may be provided. The decision to marry or not is a fundamental right protected by the Constitution. Persons who exercise their right to be single or divorced or who decide to live with an unmarried partner should not be punished with economic surcharges simply on the basis of their unmarried status.

Also, there is another dimension of marital status discrimination which should not be ignored. Gays and lesbians cannot avoid being victims of discrimination because they are perpetually locked into an unmarried status. Since same-sex marriage is not allowed, even the most responsible member of the gay and lesbian community has no of escaping a financial

penalty because of his or her unmarried status. This is fundamentally unfair.

In addition to those who are legally locked out of marriage, such as gays and lesbians, other consumers have valid personal reasons for being unmarried. The California Constitution declares that the "pursuit of happiness" is an inalienable right. Many adults exercise that right by delaying marriage or getting divorced or by deciding to remain single. Still others have an unmarried status forced on them when their spouse dies, often after years of marriage. The Insurance Commissioner should take aggressive action to protect the constitutional rights of privacy and pursuit of happiness of consumers.

Litigation

Some existing statutes and regulations are vague and need judicial clarification. Others have loopholes that must be filled. The Insurance Commissioner can provide the necessary leadership to further strengthen protections against marital status and sexual orientation discrimination by participating in test cases when they come to the Commissioner's attention.

Sometimes victims of discrimination bypass potential administrative remedies by filing a direct lawsuit against an offending insurance company. For example, a gay couple recently sued Truck Insurance Company for refusing to issue a joint umbrella liability policy to the couple even though they jointly owned their homes and cars and had been domestic partners for more than 10 years.

A panel of the Court of Appeal in Sacramento rejected the couple's lawsuit, holding that the Unruh Civil Rights Act did not prohibit marital status discrimination.⁴⁹ The case was decided without any

input from the Insurance Commissioner or from public agencies with jurisdiction to enforce the Unruh Act. The Department of Insurance and these agencies petitioned the Supreme Court to review the case but to no avail. Even though the Supreme Court declined to hear the case, the Insurance Commissioner should be commended for intervening in the case on behalf of the rights of unmarried consumers.⁵⁰

To prevent future insurance discrimination cases from being decided by appellate courts without participation from the Department of Insurance, the Commissioner should request the California Supreme Court and all divisions of the Court of Appeal to notify the Commissioner when cases involving discrimination are pending before those courts. Even though appellate judges would not be required to honor such a request, it is appropriate that they know the Insurance Commissioner wants to be heard before precedents are created that may adversely affect insurance consumers.

NEW PROTECTIONS AGAINST MARITAL STATUS DISCRIMINATION SHOULD BE ENACTED

Vigorous enforcement of existing legal protections may not be sufficient to stop discrimination against unmarried consumers. Some insurance companies are so attached to the use of marital status surcharges that they look to vagueness and apparent inconsistencies in current laws to avoid making necessary reforms. Therefore, the Insurance Commissioner may need to promulgate new regulations or seek new legislation to clarify and strengthen current law.

Omnibus Regulation

In 1975, the Insurance Commissioner issued regulations prohibiting companies from refusing to issue any contract of insurance, or cancelling or declining to renew such a contract because of the sex, marital status, or sexual orientation of the insured or prospective insured. Two years ago, the Legislature ratified this regulation and authorized the Commissioner to issue additional regulations of this type.⁵¹

Existing regulations have not stopped discrimination against unmarried individuals and couples. Based on the right of privacy, Insurance Code Section 10140(d), and the Unfair Business Practices Act, the Insurance Commissioner should issue a new regulation specifically declaring rate discrimination on the basis of marital status to be an unfair business practice and prohibiting companies from refusing to issue joint policies to unmarried couples. The regulation should apply to all lines of insurance.

Automobile Insurance Regulation

Although some automobile insurance carriers do not discriminate against

unmarried drivers, others cite the Commissioner's interim Prop. 103 regulations to support their use of marital status as a rating factor.⁵² However, those regulations do not reflect the factual findings and legal conclusions of the current Insurance Commissioner. They were adopted by a former Commissioner under compulsion of a court order. Inherited by the current Commissioner, they have been reissued periodically pending formulation of permanent regulations.

When the Insurance Commissioner issues permanent regulations on Private Passenger Automobile Rating Factors, the use of marital status should be prohibited. This would make auto insurance regulations consistent with other basic legal protections, such as the constitutional right of privacy and the Unfair Business Practices Act. It would also bring auto insurance rating practices into conformity with the intent of Proposition 103, which was to base rating individual responsibility and not class stereotypes.

New Legislation

The State Bar of California sponsored a bill in 1992 to prohibit insurance discrimination on the basis of race, religion, color, national origin, sexual orientation and marital status.⁵³ Even though the Commissioner supported the bill, it was defeated due to opposition from State Farm, Personal Insurance Federation, and the Association of California Life Insurance Companies. In the next legislative session, the Insurance Commissioner should sponsor a bill prohibiting discrimination on the basis of race, religion, color, national origin, sexual orientation and marital status in all lines of insurance.

GENERIC REFORMS ARE NEEDED TO DEAL WITH AUTOMOBILE AND HEALTH INSURANCE

This proposals in this report are specifically designed to stop discrimination against unmarried individuals and couples. However, in health and automobile insurance, some generic reforms would help everyone while eliminating marital status discrimination at the same time.

"Save at the Pump" Insurance Plan

Consumers have been frustrated for years about California's unfair, inefficient, and wasteful auto insurance system. Although auto insurance is supposedly mandatory, the law is not enforced. Millions of people drive without insurance, often because the cost of auto insurance is so prohibitive. Those who buy insurance are frustrated with the high cost and angry that they are subsidizing uninsured drivers. Consumers also want to see an end to the continuing cycle of fraudulent claims.

So far, the Legislature has not solved the problem. With gridlock in Sacramento, voters have tried to find a solution through the initiative process. The passage of Proposition 103 was a good try but obviously was not good enough. It seems that another initiative is necessary to bring balance and fairness to the state's auto insurance system.

The Insurance Commissioner has expressed his support for a "Pay at the Pump" auto insurance plan. Some call it "Save at the Pump" because it could save California consumers billions of dollars.

Save-at-the Pump is a new, more efficient auto insurance system in which every driver is automatically covered with a basic insurance policy that is paid for through surcharges on gasoline purchases,

auto registrations, drivers licenses, and tickets for moving violations.⁵⁴ Under the plan, everyone who drives must pay. Bad drivers pay more because they are surcharged when they renew their license and when they pay a traffic tickets. The plan also includes a "no fault" system which reduces lawyer's fees, agent's commissions, and unnecessary red tape.

Senator Art Torres has introduced a Save-at-the-Pump bill in the Legislature. It is expected to fail due to strong opposition from trial lawyers and insurance agents. Therefore, an initiative drive is being launched. The Insurance Commissioner should support a ballot measure to codify a Save-at-the-Pump Auto Insurance Plan into law.

Universal Health Care Coverage

Some type of universal health care coverage is likely to become a reality in the next few years. Our current system excludes too many people and is too costly to those who are covered. Many people are also excluded due to discrimination.

The Insurance Commissioner has developed a proposal for universal health care coverage for California.⁵⁵ Some states, such as Hawaii and Oregon are already implementing health care reform plans. President Clinton is about to unveil a proposal for a national health care plan.

It is time for society to recognize health care as a right for all rather than a privilege for those who can afford it. A plan for universal health care coverage should be enacted without further delay.

RESPONSES TO SOME ISSUES RAISED BY INSURANCE INDUSTRY REPRESENTATIVES

Insurable Interest of Unmarried Couples

Some companies have justified discrimination against unmarried consumers by invoking the doctrine of "insurable interest." Under Insurance Code Section 280, no person can recover on an insurance policy unless he or she has an insurable interest in the property insured. An insurable interest exists when the insured has a direct pecuniary interest in the preservation of the property and will suffer a pecuniary loss as an immediate and proximate result of its destruction.⁵⁶

As to life insurance, the doctrine of "insurable interest" does not apply because Insurance Code Section 10110.1(b) specifies that a person may name anyone of his or her choice as beneficiary.

Regarding homeowners and automobile insurance, companies should issue a joint policy so long as both names appear on title to the property to be insured. In that event, each consumer has an insurable interest in the home or in the vehicle.

Renters insurance poses a slightly different problem because the names of both renters will not always be on the lease and because there usually are no ownership papers for items of personal property. In this case, a joint policy could be issued in the names of both renters, "as their interests may appear."⁵⁷

The Insurance Commissioner should issue guidelines to clarify how companies may sell joint renters insurance to unmarried couples without violating laws requiring consumers to have an insurable interest in the insured property.

Claims Under Joint Renters Policies

Many companies issue joint renters policies to unmarried couples without

discrimination on the basis of their marital status.⁵⁸ Other companies, however, stated that they would not issue joint policies because they would not know which partner to pay if there were a loss. There is a simple solution to this problem. A claim should be signed by both renters and a check paying the claim should be made payable to both partners jointly and sent certified mail to both partners. Under this procedure, the insurance company will not be legally involved in any dispute the partners may have between themselves as to the proper division of the check.

Keeping a Balanced Book of Business

Some companies have instructed agents not to write more than a certain percentage of policies to unmarried consumers. The companies say that unmarried consumers pose a higher risk and that the companies need a balanced book of business to keep profits up. There are several flaws with this argument. First, insurance companies have yet to produce current, accurate, and reliable data to support the claim that unmarried consumers are a higher risk. Also, in many communities unmarried consumers constitute a majority of the adult population. In addition, discrimination on the basis of marital status is no more justifiable than discrimination on the basis of race, religion, or national origin.

Health Coverage for Domestic Partners

Some insurance companies and HMOs refuse to provide health coverage to domestic partners even though other companies have done so without adverse consequences.⁵⁹ Prejudice and unfounded fears lie at the heart of this problem.

NOTES

1. The subcommittees are: Underwriting Practices / Barriers to Coverage (29 members); Minority Business Development (21 members); Insurance Industry Employment Practices (17 members); Public Education/Public Policy (7 members); Redlining Regulations (12 members)
2. See: Final Report of the Los Angeles City Task Force on Family Diversity (1988), Report of the California Legislature's Joint Select Task Force on the Changing Family (1989), and Report of the Los Angeles City Attorney's Consumer Task Force on Marital Status Discrimination (1990). Relevant portions of these studies are found in the Supplement to this Report, at pp. 111-186.
3. Summaries of this new research are found in the Appendices to this report, *infra*, at pages 40-79.
4. Census of Population and Housing, 1990: Summary Tape File 1, State of California, Department of Finance, Census Data Center.
5. See "Results of the 1990 Census: Marital Status and Living Arrangements in California" in Appendix A, *infra*, at pp. 27-32.
6. Matt Marshall, "Report Shows Women Wait Longer to Wed," *Los Angeles Times*, December 9, 1992, p. A21.
7. *Ibid.*
8. "How to Stay Married," *Newsweek*, August 24, 1987.
9. Elizabeth Mehren, "American Family Steadily Eroding, Researchers Find," *Los Angeles Times*, July 20, 1988.
10. Randolph E. Schmidt, "Divorce Rate Leveling Off, Census Says," *West [Sacramento] County Times*, April 8, 1987.
11. "Results of the 1990 Census." *op. cit.*
12. Rummell Bautista, "One-Person Households," Los Angeles City Task Force on Family Diversity (1988), Supplement One to Final Report, p. S-621.
13. *Ibid.*
14. "Singles Scene," *Los Angeles Times*, January 29, 1990. Also see Supplement to the Report of the Los Angeles City Attorney's Consumer Task Force on marital Status Discrimination (1990), p. 141. Among these groups are Parents Without Partners, Support Group for the Separated, Divorced and Widowed Men, Father's Rights of America, Single Working-Women's Support Group, Women in Transition,

Women Meeting Women, Singles Chapter of the ACLU, Young Executives Singles Network, Jewish Association of Singles Professionals, Young Singles with College Degrees, and the Sierra Club 20s and 30s Singles, to name a few.

15. "Results of the 1990 Census," *op. cit.*

16. *Ibid.*

17. *Ibid.*

18. See "Domestic Partnership Families," *Final Report*, Los Angeles City Task Force on Family Diversity (1988).

19. See excerpts from the Final Report of the Family Diversity Task Force in the Supplement to this Report, at pp. 111-125.

20. See excerpts from the Report of the Consumer Task Force in the Supplement to this Report, at pp. 144-186.

21. Farmers' case (LA C739931), Allstate's case (LA C748209) and State Farm's case (SF 914381) were consolidated into one case (Judicial Council Coordination Proceeding No. 2419) entitled "Proposition 103 cases." Before a decision was rendered, other companies joined the lawsuit, including Hartford, Mercury Casualty, Liberty Mutual, and CNA Companies.

22. According to a recent decision of the Court of Appeal, quasi-legislative rate-making, such as these regulations, are always open to rescission, correction, or modification. (*State Farm v. Garamendi* (1992) 12 Cal.App.4th 206.)

23. See "Responses by Insurance Companies to Survey Conducted by the Workgroup on Marital Status and Sexual Orientation Discrimination" in Appendix C, *infra*, at pp. 40-47.

24. See "Response by Professional Insurance Agents Association to Survey Conducted by the Workgroup on Marital Status and Sexual Orientation Discrimination" in Appendix D, *infra*, at pp. 48-52.

25. See letter from the City of West Hollywood in Appendix E, *infra*, at p. 57.

26. *Ibid.*

27. See Letter of Kevin M. Fridlington in Appendix E, *infra*, at p. 57.

28. See letter from Phil Ansell to Michael Leggett, dated July 11, 1991, in Appendix E, at p. 58.

29. See letter of Darleen Cho in Appendix E, *infra*, at p. 61.

30. See letter of Kenneth Goulet in Appendix E, *infra*, at p. 63.
31. See letter of Ronald Brendzel in Appendix E, *infra*, at p. 65.
32. Title 10, Cal. Code Regs. § 2560.3.
33. Business and Professions Code Section 17200 et seq.
34. See Insurance Code Section 10140(d) enacted by Stats. 1990, Ch. 1402.
35. Business and Professions Code Section 17200 et seq.
36. *People v. Casa Blanca Convalescent Homes* (1984) 159 Cal.App.3d 509, 530.
37. Insurance Code Section 1861.03 (enacted as Proposition 103).
38. Civil Code Section 51.
39. *Kirsch v. State Farm* (1991) 233 Cal.App.3d 84, 89-90.
40. *Curran v. Mt. Diablo Council of Boy Scouts of America* (1983) 147 Cal.App.3d 712.
41. *Beaty v. Truck Insurance Exchange* (1992) 6 Cal.App.4th 1455.
42. Calif. Const., Art. I, Section 1.
43. See Executive Orders B-54-79 and B-74-80 signed by Governor Brown and the Veto Message issued by Governor Wilson when he vetoed AB 101.
44. *Vinson v. Superior Court* (1987) 43 Cal.3d 833, 841; *Committee to Defend Reproductive Rights v. Myers* (1981) 29 Cal.3d 252, 263, 271, 275; *In re Valerie N.* (1985) 40 Cal.3d 143, 161-162.
45. *Perez v. Lippold* (1948) 32 Cal.2d 711; *People v. Belous* (1969) 71 Cal.2d 954, 963; *Loving v. Virginia* (1967) 386 U.S. 374, 384-385; *Jara v. Municipal Court* (1978) 21 Cal.3d 181, 190-191 (right to dissolve marriage). A constitutional right to choose one course of action involves a concomitant right to choose not to follow that course of action. (*In re McGinnis* (1992) 7 Cal.App.4th 473, 480-481.)
46. *Atkisson v. Kern County Housing Authority* (1976) 59 Cal.App.3d 89, 98.
47. *Wilkinson v. Times Mirror* (1989) 215 Cal.App.3d 1034.
48. Some companies have claimed that unmarried persons are a higher risk than married persons and have argued that it is justifiable to charge higher rates to unmarried consumers. However, despite repeated requests for current and reliable actuarial data to support this claim, none has been provided to the Insurance Task

Force. Furthermore, the need to surcharge based on marital status is undercut by the fact that some insurance carriers, such as the Auto Club of Southern California, are able to prosper without using marital status as an underwriting factor.

49. *Beaty v. Truck Insurance Exchange* (1992) 6 Cal.App.4th 1455.

50. See letters from the Department of Insurance and other agencies to the Supreme Court in the Supplement to this Report, at pp. 70-100.

51. Stats. 1990, ch. 1402.

52. Letter from Allstate Insurance to Insurance Task Force, dated January 25, 1993, in Appendix H, at p. 77.

53. See SB 1923 and related documents in the Supplement to this Report at pp. 103-110.

54. See "What's Wrong with Auto Insurance in California and How to Fix it," in Appendix G, at p. 75.

55. See "California Health Care in the 21st Century," in Appendix F, at p. 66.

56. *International Service Ins. Co. v. Gonzales* (1987) 194 Cal.App.3d 110, 118-119.

57. This has been a standard practice by companies that have been issuing joint renters policies to unmarried couples for many years. A separate issue of payment of claims on these policies is addressed in a separate section.

58. See Appendix C, at page 42.

59. For answers to some of these concerns, see the letter to Kaiser Permanente by the Coalition for Domestic Partner Benefits in Appendix E, at p. 58. Information about any other concerns can be obtained from many major employers who currently offer health benefits to the domestic partners of their employees. Such employers include Levi Strauss and the cities of San Francisco, Berkeley, and Seattle, to name a few.

GLOSSARY OF TERMS

As used in this report, the terms listed below have the following meanings:

Insurance Consumer means any natural person or any couple who is insured under a contract of insurance or who has secured medical, dental, or eye care coverage under a health care service plan, or who apply for such insurance or health care coverage, or who are reasonably expected to benefit from such coverage as a subscriber, member, enrollee or otherwise.

Marital Status means an individual's or a couple's state of marriage, non-marriage, divorce or dissolution, separation, widowhood, annulment, or other marital state.

Sexual Orientation means the direction of sexual, emotional and/or physical attraction and preference, which may be primarily toward persons of the opposite biological sex (heterosexuality), the same biological sex (homosexuality), or toward each in some proportion (bisexuality). Sexual orientation discrimination is discrimination based on a person's actual or perceived sexual orientation.

Discrimination means the refusal to provide coverage under an insurance policy or a contract for a health care service plan, the cancellation of such coverage, or providing such coverage on inferior terms, conditions, or privileges.

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**RESULTS OF THE 1990 CENSUS:
MARITAL STATUS AND LIVING ARRANGEMENTS
IN CALIFORNIA**

FAMILY AND HOUSEHOLD DEMOGRAPHICS FOR CALIFORNIA

HOUSEHOLD TYPE:	1980 (%)	1990 (%)	2000 (est %)
ONE-PERSON (one adult living alone)	24.8 %	23.5 %	22.1 %
UNRELATED ADULTS (unmarried couples, same-sex couples, and roommates)	6.6 %	7.9 %	9.3 %
SINGLE-PARENT (with minor child living at home)	8.6 %	10.2 %	11.7 %
EXTENDED FAMILY (two or more blood relatives without a married couple present)	4.9 %	6.2 %	7.6 %
MARRIED COUPLE (several variations)	55.1 %	52.2 %	49.3 %
First-Marriage (no minor children living at home)	20.9 %	19.4 %	18.0 %
First-Marriage (with minor children living at home)	22.6 %	20.2 %	18.0 %
Second/+ Marriages (with & without minors at home)	11.6 %	12.6 %	13.3 %

REASONS FOR TRENDS: (1) delayed marriage; (2) increasing divorce rate; (3) 70% remarriage rate for divorcees; (4) fewer adults can afford to live alone; (5) unmarried cohabitation is becoming the norm before and after marriage; (6) same-sex couples are being counted as unmarried cohabitants; (7) more children are being born to single mothers; (8) increase in percent minority parents who generally have higher fertility rates; and (9) more extended families due to cultural influences and economic necessities.

NOTE: 1980 and 1990 figures have been rounded off and are accurate within .2% of official Census Data. Figures for 2000 are based on an assumption that recent trends will continue at the same rate.

**MULTI-PERSON HOUSEHOLDS WITH ONE OR MORE OCCUPANTS
NOT RELATED BY BLOOD, MARRIAGE, OR ADOPTION**

	1. TOTAL HOUSEHOLDS	2. ONE-PERSON HOUSEHOLDS	3. MULTI-PERSON HOUSEHOLDS (100%)	4. NUMBER OF #3 WITH ONE OR MORE NONRELATIVES	5. PERCENTAGE OF #3 WITH A NONRELATIVE
STATE OF CALIFORNIA	10,381,206	2,429,867	7,951,339	1,444,864	18.2%
SAN FRANCISCO CITY & COUNTY	305,584	120,111	185,473	57,567	31.0%
LOS ANGELES COUNTY	2,989,552	745,936	2,243,616	452,160	20.2%
SACRAMENTO COUNTY	394,530	99,940	294,590	50,278	17.1%
SAN DIEGO COUNTY	887,403	203,311	684,092	134,942	19.7%
ORANGE COUNTY	827,066	171,119	655,947	128,423	19.6%
FRESNO COUNTY	220,933	46,286	174,647	25,766	14.7%

1990 Census: USA, California & Northern California Areas

Table 1: Family & Household Type

Category	United States	California	San Francisco	Santa Clara County	San Jose	Sacramento County	Sacramento City	Alameda County	Berkeley	Oakland	Fresno County	Fresno City
One-Person	24.6%	23.4%	39.3%	21.7%	18.4%	25.3%	30.9%	26.8%	39.8%	33.2%	21.0%	24.1%
Married-Couple:	55.1%	52.7%	32.9%	54.1%	56.0%	49.7%	41.9%	47.1%	29.4%	34.5%	54.4%	47.9%
With Children:	26.7%	26.9%	13.9%	27.2%	31.1%	24.1%	19.9%	23.3%	12.3%	16.9%	29.4%	26.1%
Without Children:	28.4%	25.8%	19.0%	26.9%	24.9%	25.6%	22.0%	23.9%	17.2%	17.7%	25.0%	21.8%
Single-Parent:	9.3%	10.0%	6.6%	8.4%	10.3%	11.5%	12.4%	10.6%	7.7%	15.5%	13.1%	14.9%
Male Parent:	1.7%	2.4%	1.4%	2.2%	2.7%	2.3%	2.3%	2.1%	1.3%	2.4%	2.9%	2.8%
Female Parent:	7.6%	7.6%	5.2%	6.2%	7.6%	9.2%	10.1%	8.5%	6.4%	13.0%	10.2%	12.1%
Extended Family:	5.7%	6.1%	7.0%	6.6%	7.2%	5.5%	6.1%	6.7%	6.1%	8.0%	5.7%	5.9%
Unrelated Adults:	5.3%	7.8%	14.2%	9.1%	8.1%	8.0%	8.7%	8.8%	16.9%	8.8%	5.8%	7.1%

Table 2: Marital Status of Adults

Category	United States	California	San Francisco	Santa Clara County	San Jose	Sacramento County	Sacramento City	Alameda County	Berkeley	Oakland	Fresno County	Fresno City
<i>Adults = persons 18 and over</i>												
Married Adults:	57.7%	54.6%	39.2%	54.3%	54.6%	54.1%	47.8%	50.5%	31.8%	40.4%	57.3%	52.0%
Unmarried Adults:	42.3%	45.4%	60.8%	45.7%	45.4%	45.9%	52.2%	49.5%	68.1%	59.6%	42.7%	48.0%

Table 3: Population: Racial/Ethnic Data

Category	United States	California	San Francisco	Santa Clara County	San Jose	Sacramento County	Sacramento City	Alameda County	Berkeley	Oakland	Fresno County	Fresno City
<i>* = Non Hispanic</i>												
White:*	75.6%	57.2%	46.6%	58.1%	49.6%	69.3%	53.4%	53.2%	58.3%	28.3%	50.7%	49.4%
Black:*	11.8%	7.0%	10.5%	3.5%	4.4%	9.0%	14.8%	17.4%	18.2%	42.8%	4.7%	7.8%
Asian/Pacific:*	2.8%	9.0%	28.4%	16.8%	18.7%	8.8%	14.4%	14.5%	14.4%	14.2%	8.1%	11.9%
Hispanic (all races):	9.0%	25.8%	13.9%	21.0%	26.6%	11.7%	16.2%	14.2%	8.4%	13.9%	35.4%	29.9%
Native American:*	.1%	.6%	.4%	.4%	.5%	1.0%	.9%	.5%	.5%	.5%	.8%	.7%
Other:*	.1%	.2%	.2%	.2%	.2%	.2%	.2%	.2%	.3%	.3%	.3%	.3%

1990 Census: USA, California & Southern California Areas

Table 1: Family & Household Type

Category	United States	California	Orange County	Santa Ana	Los Angeles County	Los Angeles City	San Diego County	San Diego City	Riverside County	Riverside City	Ventura County	Oxnard
One-Person	24.6%	23.4%	20.7%	16.6%	25.0%	28.5%	22.9%	26.3%	20.6%	20.6%	17.5%	15.4%
Married-Couple:	55.1%	52.7%	56.2%	56.3%	48.6%	42.6%	52.8%	46.3%	59.7%	54.3%	61.8%	59.8%
With Children:	27.6%	26.9%	28.1%	37.4%	26.2%	22.4%	25.7%	22.4%	30.2%	30.7%	32.9%	36.0%
Without Children:	28.4%	25.8%	28.1%	18.9%	22.4%	20.2%	27.1%	23.9%	29.5%	23.6%	29.0%	23.8%
Single-Parent:	9.3%	10.0%	8.0%	11.9%	11.2%	11.7%	9.3%	9.3%	9.2%	11.3%	8.6%	12.3%
Male Parent:	1.7%	2.4%	2.2%	4.2%	2.9%	3.1%	2.1%	1.9%	2.5%	2.7%	2.3%	3.3%
Female Parent:	7.6%	7.6%	5.8%	7.7%	8.3%	8.6%	7.2%	7.4%	6.7%	8.6%	6.3%	9.0%
Extended Family:	5.7%	6.1%	6.3%	7.7%	7.6%	8.1%	5.5%	5.9%	4.7%	6.0%	5.4%	6.3%
Unrelated Adults:	5.3%	7.8%	8.8%	7.5%	7.7%	9.1%	9.5%	12.3%	5.7%	7.8%	6.7%	6.2%

Table 2: Marital Status of Adults

Category	United States	California	Orange County	Santa Ana	Los Angeles County	Los Angeles City	San Diego County	San Diego City	Riverside County	Riverside City	Ventura County	Oxnard
Adults = persons over 18												
Married Adults:	54.6%	54.6%	56.3%	52.8%	50.4%	45.9%	54.2%	48.5%	61.9%	54.9%	60.7%	57.7%
Unmarried Adults:	45.4%	45.4%	43.7%	47.2%	49.6%	54.1%	45.8%	51.5%	38.1%	45.1%	39.3%	42.2%

Table 3: Population: Racial/Ethnic Data

Category	United States	California	Orange County	Santa Ana	Los Angeles County	Los Angeles City	San Diego County	San Diego City	Riverside County	Riverside City	Ventura County	Oxnard
* = Non Hispanic												
White:*	75.6%	57.2%	64.5%	23.1%	40.8%	37.3%	65.4%	58.7%	64.4%	61.3%	65.8%	32.3%
Black:*	11.8%	7.0%	1.6%	2.2%	10.6%	13.0%	6.0%	8.9%	5.1%	7.0%	2.2%	4.8%
Asian/Pacific:*	2.8%	9.0%	10.0%	9.1%	10.2%	9.2%	7.4%	11.1%	3.3%	4.9%	4.9%	7.9%
Hispanic (all races):	9.0%	25.8%	23.4%	65.2%	37.8%	39.9%	20.4%	20.7%	26.3%	26.0%	26.4%	54.4%
Native American:*	.1%	.6%	.4%	.2%	.3%	.3%	.6%	.4%	.7%	.6%	.5%	.4%
Other:*	.1%	.2%	.1%	.1%	.2%	.3%	.2%	.2%	.2%	.2%	.1%	.2%

1990 Census: Los Angeles County Comparisons

Table 1: Family & Household Type

Category	Los Angeles County	Los Angeles City	El Monte	Pico Rivera	Monterey Park	Pasadena	Glendale	West Hollywood	Inglewood	Manhattan Beach	Long Beach	Santa Monica
One-Person	25.0%	28.5%	13.7%	13.8%	17.3%	32.0%	27.8%	59.3%	26.9%	27.2%	30.8%	49.6%
Married-Couple:	48.6%	42.6%	56.1%	61.0%	57.8%	42.8%	50.1%	18.8%	39.5%	47.7%	41.2%	29.5%
With Children:	26.2%	22.4%	39.0%	36.7%	27.6%	19.6%	24.8%	5.1%	25.4%	18.9%	20.9%	10.9%
Without Children:	22.4%	20.2%	17.1%	24.3%	30.2%	23.1%	25.3%	13.7%	14.1%	28.8%	20.3%	18.6%
Single-Parent:	11.2%	11.7%	17.3%	13.3%	9.4%	9.2%	7.3%	2.4%	18.9%	3.7%	11.6%	4.8%
Male Parent:	2.9%	3.1%	5.6%	3.5%	2.3%	1.8%	1.8%	.5%	4.1%	.9%	2.5%	1.0%
Female Parent:	8.3%	8.6%	11.7%	9.8%	7.1%	7.4%	5.5%	1.9%	14.9%	2.8%	9.1%	3.8%
Extended Family:	7.6%	8.1%	8.5%	8.3%	10.8%	7.3%	8.0%	4.5%	9.4%	5.5%	6.3%	6.0%
Unrelated Adults:	7.7%	9.1%	4.4%	3.7%	4.8%	8.7%	6.9%	15.0%	5.3%	15.9%	10.1%	10.1%

Table 2: Marital Status of Adults

Category	Los Angeles County	Los Angeles City	El Monte	Pico Rivera	Monterey Park	Pasadena	Glendale	West Hollywood	Inglewood	Manhattan Beach	Long Beach	Santa Monica
Married Adults:	50.4%	45.9%	51.8%	54.4%	55.5%	46.8%	53.7%	27.7%	43.5%	51.5%	45.8%	38.3%
Unmarried Adults:	49.6%	54.1%	48.2%	45.6%	44.5%	53.2%	46.3%	72.3%	56.5%	48.5%	54.2%	61.7%

Table 3: Population: Racial/Ethnic Data

Category	Los Angeles County	Los Angeles City	El Monte	Pico Rivera	Monterey Park	Pasadena	Glendale	West Hollywood	Inglewood	Manhattan Beach	Long Beach	Santa Monica
* = Non Hispanic												
White:*	40.8%	37.3%	15.2%	13.1%	11.7%	46.6%	63.7%	84.7%	8.5%	89.6%	49.5%	75.0%
Black:*	10.6%	13.0%	.8%	.5%	.5%	17.8%	1.1%	3.2%	50.1%	.6%	13.2%	4.3%
Asian/Pacific:*	10.2%	9.2%	11.1%	2.7%	56.0%	7.7%	13.7%	3.0%	2.2%	4.3%	12.9%	6.2%
Hispanic (all races):	37.8%	39.9%	72.5%	83.2%	31.3%	27.3%	21.0%	8.7%	38.6%	5.1%	23.6%	14.1%
Native American:*	.3%	.3%	.2%	.2%	.2%	.3%	.3%	.3%	.2%	.2%	.5%	.3%
Other:*	.2%	.3%	.2%	.3%	.2%	.3%	.2%	.1%	.4%	.1%	--	.1%

**QUESTIONNAIRE SENT TO
INSURANCE COMPANIES AND AGENTS
BY THE WORKGROUP ON MARITAL STATUS AND
SEXUAL ORIENTATION DISCRIMINATION**

ANTI-DISCRIMINATION TASK FORCE

Survey by Workgroup on Marital Status and Sexual Orientation

Company _____ Date _____
Respondent's Name _____
Respondent's Position _____
Address _____ Phone _____
City _____ State _____ Zip _____

Please answer the following questions. You may wish to enclose with your reply any written information or comments you would like us to consider.

AUTO INSURANCE:

- Our company offers AUTO insurance: ___ yes ___ no
If yes, please answer the following:
1. We offer coverage to *unmarried* persons: ___ yes ___ no
 2. We offer coverage to *unmarried males*
under the age of 25 years: ___ yes ___ no
 3. All other criteria being equal, the
premium for an *unmarried male* under 25
would be the same as that for a
married male under age 25: ___ yes ___ no
 4. All other criteria being equal, we
charge a higher premium to an *unmarried*
driver than we do to a *married* driver,
regardless of age: ___ yes ___ no
 5. Our agents are instructed not to write
more than a certain % of their total
sales to *unmarried* clients: ___ yes ___ no
 6. We offer a joint policy with a multiple
car discount to a *married* couple: ___ yes ___ no
 7. We offer a joint policy with a multiple
car discount to an *unmarried* couple who live
together and jointly own two cars when the
cars are garaged at the same residence: ___ yes ___ no
 8. All other criteria being equal, the premium
for the *married* couple in question #6 and
the *unmarried* couple in question #7 would
be the same: ___ yes ___ no

HOMEOWNERS / RENTERS INSURANCE:

Our company offers **HOMEOWNERS** insurance: yes no
If yes, please answer the following:

1. We offer a joint policy to a *married* couple who jointly own their home: yes no
2. We offer a joint policy to an *unmarried* couple who jointly own the home in which they live: yes no
3. All other criteria being equal, we charge the same premium to the *married* couple in question #1 and we do to the *unmarried* couple in question #2: yes no

Our company offers **RENTERS** insurance: yes no
If yes, please answer the following:

1. We offer a joint policy to a *married* couple who live together in a rental unit: yes no
2. We offer a joint policy to an *unmarried* couple who live together in a rental unit if they jointly own their possessions: yes no
3. All other criteria being equal, we charge the same premium to the *married* couple in question #1 and we do to the *unmarried* couple in question #2: yes no

UMBRELLA LIABILITY INSURANCE:

Our company offers **UMBRELLA** insurance: yes no
If yes, please answer the following:

1. We offer a joint umbrella policy to a *married* couple who jointly own their home: yes no
2. We offer a joint umbrella policy to an *unmarried* couple who jointly own the home in which they live: yes no
3. All other criteria being equal, we charge the same premium to the *married* couple in question #1 and we do to the *unmarried* couple in question #2: yes no

HEALTH AND DENTAL INSURANCE:

Our company offers **HEALTH** insurance: ___ yes ___ no

Our company offers **DENTAL** insurance: ___ yes ___ no

If yes to health or dental, please answer the following:

PLANS FOR INDIVIDUALS:

If you offer plans for individuals, please answer the following:

1. In addition to an individual health or dental policy for one person, do you also offer an individual family plan for an adult and his or her eligible family dependents: ___ yes ___ no

a. Persons in the following categories would qualify as an eligible family dependent for purposes of a family health or dental plan:

* spouse ___ yes ___ no

* biological child under 18 years old ___ yes ___ no

* biological child under 25 but not in school ___ yes ___ no

* foster child under 18 years old ___ yes ___ no

* stepchild under 18 years old ___ yes ___ no

* domestic partner¹ ___ yes ___ no

* biological child of one's domestic partner although child is not biologically related to health plan applicant ___ yes ___ no

¹Domestic partners are generally defined as two adults who live together, who are emotionally and financially interdependent, who consider themselves to be each other's immediate family, who are not married to anyone, who have no other domestic partner, and who have registered their domestic partnership with their employer or with a municipal government that has a registration system.

HEALTH AND DENTAL (continued)

PLANS FOR GROUPS:

If you offer plans for groups, such as employers, please answer the following:

1. Do you also offer family group coverage for an adult and his or her eligible family dependents: yes no
 - a. Persons in the following categories would qualify as an eligible family dependent for purposes of group health or dental plan that includes family coverage:
 - * spouse yes no
 - * biological child under 18 years old yes no
 - * biological child under 25 but not in school yes no
 - * foster child under 18 years old yes no
 - * stepchild under 18 years old yes no
 - * domestic partner² yes no
 - * biological child of one's domestic partner although child is not biologically related to health plan applicant yes no
2. If a public or private sector employer requested you to provide health or dental coverage to domestic partners of employees, would you provide such coverage: yes no
(If answer is "no" please provide an explanation)

²Domestic partners are generally defined as two adults who live together, who are emotionally and financially interdependent, who consider themselves to be each other's immediate family, who are not married to anyone, who have no other domestic partner, and who have registered their domestic partnership with their employer or with a municipal government that has a registration system.

LIFE INSURANCE:

Our company offers LIFE insurance: yes no
If yes, please answer the following:

1. All other criteria being equal, we charge the same premium to an unmarried person as we do to a married person: yes no
2. An applicant who is buying a life policy for himself may name anyone as beneficiary, even if that person is not related to the applicant by blood, marriage, or adoption: yes no
3. An applicant who is buying a life policy for himself may only name someone as a beneficiary who has an insurable interest in the life of the applicant: yes no

OTHER USE OF MARITAL STATUS:

1. Does your company use marital status for any purposes other than those described in the previous questions: yes no
(If "yes," please provide an explanation.)

ZIP CODES:

1. Do you currently write all lines of coverage sold by your company to consumers residing in the following ZIP CODES:

90028	<input type="checkbox"/> yes	<input type="checkbox"/> no
90048	<input type="checkbox"/> yes	<input type="checkbox"/> no
90069	<input type="checkbox"/> yes	<input type="checkbox"/> no
90036	<input type="checkbox"/> yes	<input type="checkbox"/> no
90210	<input type="checkbox"/> yes	<input type="checkbox"/> no

**RESPONSES BY
INSURANCE COMPANIES
TO SURVEY CONDUCTED BY THE
WORKGROUP ON MARITAL STATUS AND
SEXUAL ORIENTATION DISCRIMINATION**

RESPONSES TO SURVEY QUESTIONS ON *AUTO* INSURANCE

COMPANY	<i>Allstate</i>	<i>Auto Club</i>	<i>Cal-American</i>	<i>California Casualty</i>	<i>Continental</i>	<i>Crusader</i>	<i>Farmers</i>	<i>Fireman's Fund</i>	<i>National Auto</i>	<i>20th Century</i>	<i>Western United</i>
QUESTION											
Our company offers AUTO insurance	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
1. We offer coverage to <i>unmarried</i> persons	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
2. We offer coverage to <i>unmarried</i> males under 25 years old	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
3. All other criter being equal, the premium for an <i>unmarried</i> male under 25 would be the same as for a <i>married</i> male under the age of 25	no	yes	no	no	no	no	no	yes	no	yes	no
4. All other criteria being equal, we charge a higher premium to an <i>unmarried</i> driver than we do a <i>married</i> driver, regardless of his or her age	yes	no	no	no	no	yes	no	no	no	no	no
5. Our agents are told not to write more than a certain percentage of their total sales to <i>unmarried</i> clients	yes	no	no	no	no	no	no	no	no	no	no
6. We offer a joint policy with a multiple car discount to a <i>married</i> couple	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
7. We offer a joint policy with a multiple car discount to an <i>unmarried</i> couple who live together and jointly own two cars when the cars are garaged at the same residence	yes	yes	yes	yes	yes	no	no	yes	yes	no	yes
8. All other criteria being equal, the premium for the <i>married</i> couple in question #6 and the <i>unmarried</i> couple in question #7 would be the same	no	yes	yes	yes	yes			yes	yes		yes

RESPONSES TO SURVEY QUESTIONS ON *HOMEOWNERS and RENTERS* INSURANCE

COMPANY	<i>Allstate</i>	<i>Auto Club</i>	<i>California Casualty</i>	<i>Continental</i>	<i>Crusader</i>	<i>Farmers</i>	<i>Fireman's Fund</i>	<i>National Auto</i>	<i>20th Century</i>	<i>Western Mutual</i>	<i>Others Responding to Survey</i>
QUESTION											
Our company offers HOMEOWNERS insurance	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no
1. We offer a joint policy to a <i>married</i> couple who jointly own their home	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
2. We offer a joint policy to an <i>unmarried</i> couple who jointly own the home in which they live	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
3. All other criter being equal, we charge the same premium to the <i>married</i> couple in question #1 as we do to the <i>unmarried</i> couple in question #2	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
Our company offers RENTERS insurance	yes	yes	yes	yes	no	yes	yes	yes	no	yes	no
1. We offer a joint policy to a <i>married</i> couple who live together in a rental unit	yes	yes	yes	yes		yes	yes	no		yes	
2. We offer a joint policy to an <i>unmarried</i> couple who live together in a rental unit	yes	yes	yes	yes		yes	yes			yes	
3. All other criter being equal, we charge the same premium to the <i>married</i> couple in question #1 as we do to the <i>unmarried</i> couple in question #2	no	yes	yes	yes		yes	yes			yes	

RESPONSES TO SURVEY QUESTIONS ON UMBRELLA LIABILITY INSURANCE

COMPANY	<i>Allstate</i>	<i>Auto Club</i>	<i>Continental</i>	<i>Crusader</i>	<i>Farmers</i>	<i>Fireman's Fund</i>	<i>20th Century</i>	<i>Western Mutual</i>	<i>Others Responding to Survey</i>
QUESTION									
Our company offers UMBRELLA LIABILITY insurance	yes	yes	yes	yes	yes	yes	yes	yes	no
1. We offer a joint umbrella policy to a married couple who jointly own their home	yes	yes	yes	yes	yes	yes	yes	yes	
2. We offer a joint umbrella policy to an unmarried couple who jointly own the home in which they live	no	yes	no	no	no	no	yes	no	
3. All other criter being equal, we charge the same premium to the married couple in question #1 as we do to the unmarried couple in question #2.	no	yes					yes		

RESPONSES TO SURVEY QUESTIONS ON *LIFE* INSURANCE

COMPANY	<i>Allstate</i>	<i>Farmers</i>	<i>Paula</i>	<i>Others Responding to Survey</i>
QUESTION				
Our company offers LIFE insurance	yes	yes	yes	no
1. All other criteria being equal, we charge the same premium to an unmarried person as we do to a married person	no	yes	yes	
2. An applicant who is buying a life policy for himself or herself may name anyone as beneficiary, even if the beneficiary is not related to the applicant by blood, marriage or adoption	no	yes	yes	
3. An applicant who is buying a life insurance policy for himself or herself may only name someone as beneficiary who has an insurable interest in the life of the applicant	yes	yes	yes	