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## **Allstate stops blacklisting visitors to Israel; will other firms follow suit**

NEW YORK, July 2 (JTA) — Two years ago, Allen Estrin was in the process of applying for life insurance when he took a trip to Israel.

Upon his return, Estrin discovered that the Banner Life Insurance Company of Rockville, Md., had denied him coverage based on a single factor: his visit to Israel.

“To deny coverage to someone going to a democracy, an ally of the United States, makes no sense to me,” Estrin, a TV writer, screen-writing teacher and radio talk-show host from Hollywood, told JTA.

Estrin was among those nationwide hit by a kind of insurance redlining in which the nation’s top underwriters refused to sell insurance policies to those who have traveled to, or plan to visit, Israel and other nations subject to U.S. State Department travel advisories.

In April, Estrin sued Banner and 13 other top underwriters for unfair business practices in California Superior Court in Los Angeles.

This week, one of the targeted insurers, Allstate of Northbrook, Illinois, announced it would reverse its policy.

“Allstate is committed to protecting customers who choose or need to travel to Israel, the West Bank or Gaza for work or to be with family,” said Casey Sylla, Allstate’s chairman and president. “Upon further review, we decided the benefits to our customers outweigh the risks.”

Allstate’s move comes as political pressure is building on the insurance industry to halt the practice. Rep. Rahm Emanuel, (D-Ill.), a member of the U.S. House of Representatives’ Financial Services Committee, which oversees insurance practices, drafted a bill this spring to stop the Israel travel ban. New York’s legislature is considering a similar bill from Assembly Speaker Sheldon Silver.

Critics of these policies say they not only unfairly lump Israel with world danger spots — despite statistics showing that Israelis have a longer life expectancy than Americans — but could slow tourism to Israel at a time the Jewish state can least afford it.

“From a pure, unadulterated risk standpoint, the risk of traveling to Israel is no greater than visiting any major city in the world,” said Steve Katz, an insurance wholesaler from Philadelphia.

Katz, president of Premier Brokerage Services, a company that specializes in finding high-risk policies for insurance agents and their clients, maintains that the Israel redlining is affecting many of the estimated 200,000 people who visit Israel each year.

At least once a week an insurance agent will contact him seeking a life insurance policy for someone denied coverage because they had visited Israel or plan on going there, Katz said. Katz said insurance companies base their risk analysis on sometimes sensational media coverage around the Israeli-Palestinian conflict, which may skew the reality on the ground.

“More people die here in Philadelphia in a weekend by gunshots than die in Israel in an entire month” by violence, he said.

Emanuel, a former Clinton administration adviser who served in the Israeli army and was said by an aide to be “alarmed” at the Israel travel ban, welcomed Allstate’s move.

“I encourage other insurance companies to follow Allstate’s lead and stop denying coverage based on travel destinations,” Emanuel said in a prepared statement. “Allstate’s decision is a good first step, but we need to make sure that all insurance companies stop discriminating based on either past or future travel.”

Emanuel’s legislation remains before the Financial Services and Energy and Commerce committees during the congressional summer recess. An aide said the bill has won 22 co-sponsors so far.

Under the bill, insurance companies would not be allowed to deny life insurance, or change the rates on existing policies, to people who visited Israel. It does not cover those planning to go because that would be “too hard to legislate,” the aide said.

Policies on Israel travel vary among top insurance companies, with some considering past travel enough of an indicator that future travel might occur, while others considering only future plans.

William Shernoff, the Los Angeles attorney who helped bring Estrin’s suit and has handled Holocaust-era insurance policy lawsuits as well, said “several other” insurers have contacted him about negotiating similar arrangements.

“Sooner or later, most if not all of the insurance companies will come around and realize that this practice of theirs did not make sense and was not backed up by any actuarial data,” he said.

Meanwhile, some companies appear to be adjusting their approach to Israel travel, Katz said. Mass Mutual Financial Group recently announced it was offering up to \$1.5 million of life insurance coverage to Israel travelers at no premium, though Katz said others are tacking on extra charges.

To those like Estrin affected by such policies, the Israel redlining seems to make little sense.

“Israel is being unfairly singled out,” he said