

Joint Committee on Financial Services
The 194th General Court of the Commonwealth of Massachusetts
2025-2026
Bill Summary

Bill No: H1250

Title: An Act for greater fairness in insurance policies

Sponsor: Jay D. Livingstone

Hearing Date: May 13, 2025

Reporting Date: July 12, 2025

Similar Matters: N/A

Prior History:

H939 (2019-2020) Favorable, HCF

H1229 (2021-2022) Study

H1088 (2023-2024) Study

Current Law: This bill would add a new section in Chapter 175 that would address the insurance coverage containing any provision that reserves discretionary authority to the insurer

Summary:

If policy includes provision that gives insurance company discretionary authority on eligibility, power to interpret policy that could be inconsistent to the laws of MA, and misleading, then that policy is voided.

The bill renders void and unenforceable any insurance coverage that contains a provision that reserves discretionary authority to the insurer

- To determine eligibility for benefits or coverage;
- To interpret the terms of the policy, contract, certificate, or agreement; or
- To provide standards of interpretation or review that are inconsistent with the laws of this state.

The term "discretionary authority" means a policy provision that confers discretion on an insurer or other claim administrator to determine entitlement to benefits or interpret policy language that, in turn, could lead to a deferential standard of review by any reviewing court.

