

# An Interview with LICONY Board Member David G. Melman



The Life Insurance Council of New York asked David G. Melman, Senior Vice President of Government Affairs & Chief Legal Officer at ShelterPoint Life Insurance Company a few questions about his career as he begins his term on the LICONY Board of Directors.

**Can you tell us about your career and how it led you to your current role at ShelterPoint?**

I have traveled a rather long and winding road but it has been a great benefit to me at ShelterPoint Life. I received both my law degree and my Masters degree in Public Administration (Health Policy and Management) from New York University. I spent several years as a commercial real estate and corporate attorney at law firms after law school, and that experience has proven very valuable when handling transactional matters at ShelterPoint Life. After that time, I spent six years in insurance sales program management and legal compliance at a large regional insurance broker, which has since become part of A.J. Gallagher. This was a tremendous experience because I learned first-hand the perspective of the broker community in the insurance sales and servicing process, and the importance of brokers in our industry.

In 2008, I became Associate General Counsel at Standard Security Life Insurance Company of New York, and spent four years managing the contract and transactional work of a publicly-traded insurer in a complex holding company system. This led me to my present role as Senior Vice President of Government Affairs and Chief Legal Officer at ShelterPoint Life, where I am responsible for the entire spectrum of legal, compliance and government affairs issues. It is a very challenging and rewarding role, and I am grateful for it.

**ShelterPoint is known for its statutory benefit programs in New York. Can you tell us a little about your business?**

ShelterPoint Life is the largest provider, by policyholder count, of statutory disability ("DBL") coverage in New

York. Paid Family Leave became a required rider to the statutory DBL policy on January 1, 2018. ShelterPoint Life has a very prominent role in meeting the statutory disability and paid family leave needs of New York businesses and employees. We insure nearly two million New Yorkers and have developed a special expertise in addressing the statutory disability needs of smaller employers which often lack the resources and support to understand their coverage obligations. We work closely with brokers to meet this need.

We take our responsibility very seriously in providing this important mandated coverage, and we have been on the front lines from a coverage perspective in dealing with the pandemic and related quarantine claims. The importance of paid family leave having a related DBL benefit that provides real financial support during a critical time of need has never been clearer.

Of course, ShelterPoint Life also provides insurance products such as vision, life, and hospital cash indemnity coverage, as well as products offered through our wholly-owned subsidiary, ShelterPoint Insurance (a Florida domicile).

**Has the rollout and expansion of the Paid Family Leave in the state been a challenge? Where do you see the program headed in the next 5 years?**

Paid Family Leave in New York has been a great success. This is a credit both to insurers and to the regulators who worked hard to get this one right. I have often described the New York Paid Family Leave program as a true public-private partnership and it demonstrates how the expertise and experience of the private sector can be coordinated with the public policy objectives of government and regulators to produce a successful outcome for the citizens of the state. It is something we should all be proud of.

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The two biggest challenges over the next five years, assuming no further pandemic surprises, come first from possible legislation at the federal level, and second from the need to update the DBL benefit level. While it does not appear that a federal Paid Family and Medical Leave program will be ultimately included in the Build Back Better Act, it remains to be seen what proposals may come out of Washington, D.C. and the potential impact on the Paid Family Leave program in New York. The statutory DBL benefit level, currently only \$170 per week, has not been updated in thirty years and is particularly unfair and inadequate for women who depend on it. This needs to be addressed.

**You started your term on LICONY's Board of Directors this month. What does this position mean as someone who has been so active at the member level?**

I have always been extremely impressed by the work of LICONY and how effective LICONY is, given its size. It is a truly remarkable organization and staff. I often say, "LICONY plays big," and it is both an honor and great responsibility to serve on LICONY's Board of Directors to ensure that the great work and meaningful representation of our members continues.

**How does LICONY differ from other trade associations in states where ShelterPoint operates?**

LICONY operates with both special challenges and special resources. It is challenged by virtue of being in New York, which means the largest and most complex insurance market in the United States, with a particularly dynamic and robust regulatory oversight environment. It's the old expression, "If you can make it here..." The political winds may blow a little harder, the regulatory challenges a little more complex, the financial implications to the members a little more prominent, etc.

At the same time, LICONY is able to draw from an incredible lineup of talented and dedicated people who have developed relationships with the executive and legislative staff members, and the regulators with whom we communicate. All the state trade associations I work with are highly professional and play a critical role, but perhaps I can best summarize by saying that LICONY turns the dial up to eleven.



*David Melman with ShelterPoint CEO Richard White*

**You participated in two grassroots meetings with LICONY. How does relationship building on this level enhance advocacy in your opinion?**

The grassroots lobbying efforts that LICONY organizes are extremely valuable, for multiple reasons. First, many legislators and their staff members do not know all that insurers are doing for their constituents, and the many thousands of their constituents who work at LICONY member companies. Second, much of the work done by LICONY members, such as providing DBL and Paid Family Leave coverage, is a critical public policy objective of government and legislators need to hear about this important work in their own backyards. And, perhaps most importantly, engaging in grassroots lobbying means building relationships in times of relative calm rather than crisis. This is so important because those relationships are paramount when the inevitable crisis happens.

I experienced this with LICONY during the spring of 2020 when the Governor was contemplating emergency pandemic legislation. The relationship that LICONY had with staff members in the Governor's office and our ability to stress to legislators the importance of maintaining the integrity of the DBL and Paid Family Leave program during the pandemic crisis was critical and ultimately benefitted all New Yorkers. 