

We think it's time and not just our rates, we raised our voice

We see a growing set of circumstances that is having a powerful effect on the insurance industry but on every person in American society. Liability losses in both personal and business areas have risen steadily and rapidly upward until rates have gone beyond the reach of many people. And the cost of paying ever larger and more numerous losses results in higher prices for many of the goods and services that you buy.

Here are some examples of situations that you pay for:

In many parts of the country the cost of a hospital room (not including doctors, special nurses and medicine) is approaching \$200 per day.

A \$4,438 automobile costs \$19,979 when brought part by part as your repair shop must do, according to the Journal of American Insurance.

In some parts of the country the burning of automobiles has reached near-epidemic proportions.

In the area of medical mal-

practice suits, in one state alone more than a million dollars in awards have been made since 1970, and in all the years before. You may want to go over that one again. The growing volume of such suits is adding more than \$1 billion to the nation's annual cost of health care, according to HEW.

During a recent five-year period the average claim settlement in product liability cases increased by 30%. The result: automotive liability protection costs have put some manufacturing companies out of business and threaten still others.

Despite higher premiums, the insurance industry, last year alone, had an underwriting loss of over \$4 billion in casualty programs.

These are only the direct costs and their effects. The indirect effects hit every one of us, in the form of higher product prices, higher costs for health care, the unavailability of needed goods and services, in hundreds of ways, in every sector of our lives.

The next manufactured

product you buy may cost many dollars more because the manufacturer's liability protection costs went up. Further, these are dollars that might have gone for engineering improvements that could have lengthened its life.

Or your doctor bills. In many cases they've gone up because of rising malpractice premiums. And there are indications they'll go even higher as doctors are forced to turn more and more to the practice of "defensive" medicine. That is, taking X rays, ordering diagnostic tests, etc., when they may be little recognized medical need for them.

Who's at fault? We're all at fault. How else could it happen? But that isn't the point. The point is, none of us can go on pretending it isn't happening.

Is it hopeless? We don't think so. In fact, all indications are that this country is stirring itself awake. And we intend to continue to raise our voice on these matters. Because the more you know about the problems, the

more likely we can all work together toward effective solutions.

We're working with government agencies, industry associations, and private companies to do what we can to solve these problems. But we need your help. We'd like to know what you think and how you feel about insurance-related problems. And we'll share your ideas on these issues with you. Just drop a letter to our Office of Consumer Information, One Tower Square, Hartford, Conn. 06115.

Then maybe you won't just blame your insurance company and your agent. You'll raise your voice, too, by talking to your neighbors and friends, writing your representatives in government and contacting your insurance commissioner.



THE TRAVELERS

The Travelers Insurance Company, The Travelers Indemnity Company, and Affiliated Companies, Hartford, Conn. 06115.

This ad put to rest the theory that people don't want to get involved.

Six months ago, we decided to take our case to the people. We felt the more we all know about what it is that's driving insurance costs up, the better equipped we'd be in turning things around.

What we said apparently hit home.

To date, several hundred people have taken the time to write to us and share their concern about things like price inflation, auto repair costs, and the growing number of medical malpractice suits and product liability claims.

If you'd like to get involved yourself, we can provide you with a booklet that examines, in language all of us can understand, the causes of rising insurance costs, as well as some of the possible remedies available to us.

For a free copy, while they last, just write our Office of Consumer Information, One Tower Square, Hartford, Conn. 06115. Or dial, toll-free, 800-243-8191. In Connecticut, call collect, 277-6565.

Then, maybe instead of just blaming your insurance company, or your agent, you'll join us in working toward some realistic solutions.

Because, as an insurance company, we don't like the high cost of insurance any more than you do.

But we're not going to be able to change things without your help.



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