



VIOLENCE AGAINST WOMEN ACT 2005

TITLE VII – ECONOMIC SECURITY

ECONOMIC INSECURITY IS AMONG THE MOST FORMIDABLE OBSTACLES FOR SURVIVORS OF DOMESTIC VIOLENCE, SEXUAL VIOLENCE AND STALKING

- Each year, approximately 2 million women are physically or sexually assaulted or stalked by an intimate partner in the United States.ⁱ
- Abusers retain control over survivors through economic dependence, often sabotaging their victims' ability to work productively.ⁱⁱ
- Insurers deny insurance policies and claims based on domestic violence in all lines of insurance: health, life, disability, homeowners, and auto insurance.ⁱⁱⁱ

TOO MANY VICTIMS ARE LOSING THEIR JOBS BECAUSE OF THE IMPACT OF THE VIOLENCE

- Between one quarter and one half of domestic violence victims report that they had lost a job due, at least in part, to domestic violence.^{iv}
- Similarly, almost 50% of sexual assault survivors lose their jobs or are forced to quit in the aftermath of the crime.^v

INSURANCE DISCRIMINATION PUTS THE SAFETY OF SURVIVORS AT RISK BY DENYING BENEFITS AND DISCOURAGING ACCESS TO ASSISTANCE

- Insurers deprive survivors of the economic capacity to leave an abusive relationship by denying them the means to obtain health care for themselves and their children and to provide for their families in case of injury, death or property damage.
- Insurers threaten survivor access to assistance by relying on information about the abuse history of an applicant or the insured based on documentation of survivors' efforts to obtain help from abuse, including medical, police and court records.

THE REAUTHORIZATION OF VAWA 2005 SHOULD INCLUDE MEASURES THAT ENSURE VICTIMS HAVE THE ECONOMIC SECURITY THEY NEED TO ESCAPE VIOLENT RELATIONSHIPS

- Unpaid leave so that they can go to court, get medical treatment, or do safety planning without losing their jobs
- Eligibility for unemployment insurance
- Protection from insurance discrimination in all lines of insurance
- Confidentiality
- A clearinghouse to promote model workplace policies and insurance protocols

VAWA 2005 SHOULD HELP VICTIMS STAY IN THE WORKFORCE WHILE KEEPING BUSINESSES PRODUCTIVE

- Emergency unpaid leave would help victims escape from violence by giving them time to obtain orders of protection, seek medical or legal assistance, or find safe housing.
- These provisions would make it more likely that employees could stay at work while they deal with the violence or promptly return to work.

WHEN WORKPLACES THEMSELVES BECOME UNSAFE, OR WHEN VICTIMS NEED TO RELOCATE TO BE SAFE, VAWA 2005 SHOULD GIVE VICTIMS ACCESS TO UNEMPLOYMENT COMPENSATION

- Victims who leave their jobs as a result of violence often need unemployment insurance to establish economic independence from their abusers or to address the effects of a sexual assault.
- In many states, however, survivors are barred from receiving benefits by rules that limit eligibility for employees who leave work voluntarily without "good cause" or are discharged for misconduct.

- Currently, 26 states and the District of Columbia explicitly address domestic or sexual violence in their state unemployment insurance laws,^{vi} but some of these laws place undue burdens on victims.
- Federal legislation is needed to ensure consistent and complete protection across the country.

BUSINESSES WILL SAVE MONEY BY ESTABLISHING SAFE WORKPLACES AND PROVIDING COMPREHENSIVE INSURANCE COVERAGE

- Domestic violence costs U.S. employers an estimated \$3 to \$13 billion annually.^{vii}
- The National Clearinghouse on Domestic and Sexual Violence in the Workplace would help employers by providing information and assistance in developing and implementing policies, guidelines and plans.
- There is no evidence that either insurers or self-insured employers will experience negative financial repercussions by providing coverage to domestic violence survivors.

FEDERAL LEGISLATION TO STOP INSURANCE DISCRIMINATION IS ESSENTIAL TO COMPREHENSIVE COVERAGE

- The wide disparity of anti-discrimination laws adopted in 41 states has created a patchwork of inconsistent protection throughout the country, leaving many unprotected.
- 36% of all employees who receive health insurance coverage through employment-based plans are in self-funded plans^{viii} governed by the federal Employee Retirement Income Security Act, and therefore exempt from state law protections.^{ix}

Similar legislation was introduced in previous Congresses as the Security and Financial Empowerment Act (SAFE) and the Victims Economic Security and Safety Act (VESSA).

The programs described here are proposals under consideration for inclusion in the VAWA reauthorization bill that Members of Congress will introduce in early 2005. As the bill has not been finalized, we cannot be certain that the proposals will be included as described in this document.

ⁱ See Patricia Tjaden & Nancy Thoennes, Nat'l Inst. of Justice & Centers for Disease Control & Prevention, Extent, Nature, and Consequences of Intimate Partner Violence 9 (2000).

ⁱⁱ Jody Raphael & Richard M. Tolman, Trapped In Poverty, Trapped By Abuse: New Evidence Documenting the Relationship Between Domestic Violence and Welfare (1997).

ⁱⁱⁱ PA Insurance Department, Survey of Accident and Health and Life Insurers Relating to Insurance Coverage for Victims of Domestic Violence 1 (1995); Kan. Insurance Department, Survey of Life, Accident and Health Insurers: Insurance Companies Underwriting Practices As It Relates to Victims of Domestic Violence 1, 6 (1995); National Association of Insurance Commissioners, Discriminatory Practices Working Group of the Accident and Health Insurance Committee, Transcript of Public Hearing, (March 14, 1995); Women's Law Project and Pennsylvania Coalition Against Domestic Violence, Insurance Discrimination Against Victims of Domestic Violence 3-7 (1998 and 2002 Supplement)

^{iv} U.S. Gen. Acct. Office, Domestic Violence Prevalence and Implications For Employment Among Welfare Recipients 19 (Nov. 1998) (summarizing the results of 3 studies).

^v S. Rep. No. 138, 103rd Cong., 2d Sess. 54, n. 69 citing E. Ellis, B. Atkeson and K. Calhoun, *An Assessment of the Long Term Reaction to Rape*, 50 J. Abnormal Psychology No. 3, 264 (1981).

^{vi} States include Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Illinois, Indiana, Kansas, Maine, Massachusetts, Minnesota, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Oklahoma, Oregon, Rhode Island, South Dakota, Texas, Washington, Wisconsin, and Wyoming. Legal Momentum, Violence Against Women Fact Sheets on State Laws: Unemployment Insurance (June 2004), available at <http://www.legalmomentum.org/issues/vio/laws-ui.shtml>.

^{vii} Bureau of National Affairs Special Rep. No. 32, Violence and Stress: The Work/Family Connection 2 (1990) (\$3 to \$5 billion); Joan Zorza, *Women Battering: High Costs and the State of the Law*, Clearinghouse Rev., Vol. 28, No. 4, 383, 385; National Center for Injury Prevention and Control, *Costs of Intimate Partner Violence Against Women in the United States*, Atlanta: Centers for Disease Control and Prevention, 2003.

^{viii} Employee Benefit Research Inst., *Facts from EBRI: Employment-Based Health Care Benefits and Self-Funded Employment-Based Plans: An Overview* 6 (2000).

^{ix} 29 U.S.C. §§ 1001-1461.