

Beyond Readability

How to Write and Design Understandable Life Insurance Policies

by Dr. Janice C. Redish
Director of the Document Design Center,
American Institutes for Research,
Washington, DC

prepared for the
Committee on Consumer Affairs,
American Council of Life Insurance

1984

The Committee invited Dr. Redish to consider the progress that life insurance companies have made in writing readable policies and to explore how life insurance companies might improve their policies even further. In preparing her report, Dr. Redish reviewed more than 50 of the new readable policies from ACLI member companies. Most of the examples in this pamphlet come from those policies.

Dr. Redish is a specialist in readability research and in writing legal documents in clear English.

Contents

Introduction	1
Three Keys to an Understandable Policy	4
Making the Information Easy to Find	5
Set a context for the reader.	6
Put a heading on almost every paragraph and list those headings in the table of contents.	7
Make sure that the heading matches the content and wording of the paragraph.	8
Use questions or verb phrases instead of one or two nouns as headings.	9
Writing with Clear, Concise Words and Sentences	10
Write in the active voice.	11
Write with verbs, not nouns made out of verbs.	12
Use personal pronouns or name the actors.	13
Make parallel thoughts into parallel sentences.	14
Drop or change difficult words that are not legally necessary.	15
Define technical terms as you use them.	16
Be consistent in style and in choice of words.	17
Do not use <i>shall</i>	18
Using Graphic Design to Make the Information Visually Attractive and Functional	19
Keep lines of type to 50-70 characters and leave lots of white space on the page.	20
Consider setting text type with a ragged right margin.	21
Use upper and lower case letters.	22
Make the headings stand out.	23
Consider color for headings, but use black ink for text.	24
Consider bold or italic for special words, rather than initial capitals.	25
A Checklist for Your Policy	26
Conclusion	27

Introduction

Many life insurance policies are much easier to read than they were five years ago.

Twenty-seven states now have laws or regulations requiring readable life insurance policies—at least, for individual, whole-life coverage. ACLI recently surveyed its member companies—in states with and without readability requirements—about their experiences in writing more readable policies. Ninety percent of the 306 companies that responded to the ACLI survey had rewritten at least their whole life policies for individuals.

The life insurance industry has made great strides towards more readable policies. A quick glance at some old and new policies shows the changes. A paragraph with one 108-word sentence now has three sentences with 30, 16, and 21 words. The paragraph is one-third shorter; the thoughts are separated so they can be understood more easily. The provisions haven't changed, but consumers (and agents and lawyers) will probably understand better what the provisions mean.

The life insurance industry uses the Flesch Test to measure readability of insurance policies.

Most laws and regulations governing readability of insurance policies rely on the Flesch Reading Ease Test to measure the clarity of the wording in a policy. The Flesch Test (Rudolf Flesch, *The Art of Readable Writing*, Harper & Row, 1948, reprinted 1974) is a readability formula that gives a document a score between 0 and 100. The higher the score, the easier the material should be to read.

To be accepted in states with readability requirements, a policy must meet a specific Flesch score (40, 45, or 50, depending on the state). A score of 40 to 50 is equivalent to "difficult for the average reader," but a score in that range for a life insurance policy usually means that the writing in the policy has been simplified considerably. Traditional insurance policies often score well below 40.

Most states with a Flesch Test requirement base their version of the Flesch Test on the NAIC Model Bill for Life and Health Policy Language Simplification. The model bill requires that for policies with 10,000 words or less, the entire policy must be analyzed with the Flesch Test. For longer policies, the analysis may be done on two 200 word samples per page; the samples must be separated by at least 20 printed lines.

To compute the Flesch score for a policy, you count the number of words, the number of sentences, and the number of syllables. Then you apply the formula:

$$206.835 - (1.015 \times \text{ASL}) - (.846 \times \text{S/W}) = \text{RE}$$

where:

ASL (average sentence length) is the number of words divided by the number of sentences;

S/W (syllables per word) is the number of syllables divided by the number of words;

RE (reading ease) is the score.

Syllables are counted as the word would be spoken, not written; and there are rules for contractions, hyphenated words, abbreviations, and punctuation.

Insurance companies and state laws recognize that the Flesch Test isn't enough to guarantee a readable policy.

The Flesch Reading Ease Test only considers the length of the sentences and the words in a policy. Simplifying the sentences certainly helps to make a policy readable. But other factors must also be considered and most of the readability requirements recognize this fact. They specify, for example, that policies must have:

- a minimum of 10 point type with one point leading (space between lines);
- no undue prominence to any portion of the text;
- a table of contents if the policy is longer than three pages or 3,000 words.

The actual requirements vary from state to state. Some only require 8 point type; some have more detailed requirements about typography and layout; others have general requirements like "simple, everyday language."

In fact, in most new readable policies, the writers have gone beyond the Flesch Test requirements. They have done more than simply shorten sentences and shorten words. Sometimes, they have reorganized the sections, simplified the grammar, put in personal pronouns, rethought the provisions, shortened the lines of type, and put headings in the margins.

The policies that meet readability requirements differ quite a bit on how well they use the features of clear writing and good design. This is not surprising. A readability formula cannot tell you how to write a readable policy. A low score on a Flesch Test lets you know that readers will probably have problems when they try to read the policy. It does not tell you what the problems in the policy are or how to fix them.

Good organization, clear writing, and functional design can save time and money for insurance companies.

Writing a well-organized, clear, and attractive insurance policy can help to:

- decrease the amount of litigation due to misinterpretations or attempts to reinterpret provisions of the policy;
- save time that agents need to understand the policy themselves or to explain provisions and answer questions for clients;
- save time and costs for the company's lawyers and customers' lawyers to find and understand provisions;
- increase sales because customers understand what the policy is offering them.

Research on the understandability of insurance and other legal documents shows that other features besides readability are critical to achieving these goals. Important features include:

- making it easy to find information (by organizing provisions logically, writing informative headings and putting the headings where they can be easily seen);
- writing short sentences with identified actors, action verbs, and parallel constructions;
- explaining insurance terms that cannot be changed, giving examples for provisions that are difficult to understand;
- making the document look easy to read (by having an attractive layout, short lines of print, large type, etc.)—so that readers will be motivated to use it.

The rest of this pamphlet includes specific guidelines, with examples, to help you go beyond readability to produce insurance policies that are legally accurate and sufficient, that satisfy readability requirements, and that are useful to the company and understandable to its customers.

Three Keys to an Understandable Policy

There are three keys to writing a policy that customers can easily understand and use. You can help customers by:

- making the information easy to find;
- writing with clear, concise words and sentences;
- using graphic design to make the information visually attractive and functional.

Making the Information Easy to Find

Accessibility is the first key to a useful insurance policy. Customers may read the policy when they first get it, but after that they are likely to use it only when they need information. They (or their agents or their lawyers) will want to spend as little time as possible getting the information that they need. They want to find the correct section, be certain that all the information they need is in that section, understand the answer to the question(s) that they have, and put the policy down—all as quickly as possible.

The keys to making a policy accessible are good organization and useful headings. As insurance specialists, you may know what to expect in a typical policy and where it is most likely to be. You may be able to locate information on the basis of a single word in the index or table of contents. Most customers, however, are not familiar with *non-forfeiture benefits* or *policy values* or *grace period*. They do not know the industry traditions for the order and organization of information. Therefore, the headings and indexes even in many readable insurance policies keep people from trying to read them.

You can use the following guidelines to help make information in a policy easy to find:

- Set a context at the beginning of the document—tell the readers what the policy is and what they will find in it.
- Put a heading on almost every paragraph instead of just a few headings for general sections—and include all of these headings in the table of contents.
- Make sure that the headings match the content and wording of the paragraph.
- Use questions or statements instead of one or two nouns as headings.

Set a context for the reader.

Even a few words of explanation can help customers who are not insurance specialists. Here is a good example of a context-setting introduction to a life insurance policy:

Example 1: Setting a context

This policy is a legal contract. You rely on us to provide its benefits; we rely on you to pay its premiums.

Some policies have a brief summary at the beginning—another useful way to set a context for the reader.

Example 2: Summarizing the policy

This is an adjustable policy. You can ask us to:

- increase or decrease the insurance coverage;
- increase or decrease the amount of regular premiums. . . .

Put a heading on almost every paragraph and list those headings in the table of contents.

A table of contents that includes only a few general headings is not very useful.

Example 3: Table of contents that is too broad

General Provisions
Non-Forfeiture Benefits
Loan Provisions
Payment Methods
Waiver of Premium Benefit

Where would I, as an average policyholder, look in this policy to find information on changing the beneficiary? Where would I go to find out what to do if the insured dies? Where would I turn if I am late with a payment and want to know what is going to happen?

Example 4: Part of a table of contents that makes information accessible

Who benefits from this policy?
What happens when the insured person dies?
How and when do I pay premiums?
What if this policy lapses?
What is the cash value of this policy?
How can I get a loan on this policy?
How does XYZ pay benefits?
Other important information

Make sure that the heading matches the content and wording of the paragraph.

A useful heading is one that leads the reader to the information that he or she needs. For example, what content would you expect under the heading *DESIGNATION*? Would you have looked under *DESIGNATION* if you wanted to know "to whom do we pay the death proceeds?"

Example 5: A heading that does not match the content

DESIGNATION

When we receive proof satisfactory to us of the insured's death, we will pay the death proceeds to the beneficiary named in the application for this policy, unless the owner subsequently changes the beneficiary. In that event, we will pay the death proceeds to the beneficiary named in the last change of beneficiary request as provided for in this policy.

Readers may have trouble connecting the heading *DESIGNATION* to the content of the paragraph because it is about receiving death proceeds and not about how to name or change the name of the beneficiary. They may also have trouble with the heading *DESIGNATION* because the word is never used in the text. The heading from the old policy has been kept even though the text has been rewritten. When writing readable policies, be sure to use the same easy words in the headings that you use in the text.

Use questions or verb phrases instead of one or two nouns as headings.

Single nouns or strings of nouns are not very informative as headings. It is often difficult to make them reflect the major points of the text that they cover. Moreover, they can be ambiguous. Does the heading *Payment Methods* in Example 3 cover *How I Pay the Premiums* or *How the Company Pays the Benefits*?

Most readers prefer questions as headings because they have questions in mind when they come to the policy. By putting questions (or at least verb phrases) in the headings and in the table of contents, you are matching the reader's approach to the document.

Example 6: Informative headings

What must I do to change the beneficiary?

or

What you must do to change the beneficiary.

or

How to change the beneficiary.

Some policies now have questions as subheadings in the text, but they do not appear in the table of contents. To be really useful, the table of contents should match the headings and subheadings in the text, or the subheadings should stand out clearly as the reader scans the policy.

Using questions as headings is a new concept to many lawyers. Some are concerned that readers will not treat a document that has question-like headings as an important legal document. Examples of questions, question-like statements, and verb phrases as headings now exist in insurance benefits books, policies for other types of insurance, regulations, leases, and other legal documents. They have not caused litigation problems. They have been accepted in court. And readers have found them to be much more readable and useful.

Writing with Clear, Concise Words and Sentences

Neither the Flesch Test nor any other readability formula can tell you how to rewrite a policy. The Flesch Test rewards writers who use short sentences and short words. These two features help readers, but they are not enough.

Research shows that readers will understand a document more easily if they can:

- connect what they are reading to information they already know;
- picture themselves in actions that the document describes;
- understand the sentences the first time that they read them;
- understand the words being used.

You can use the following guidelines to help customers understand their policies:

- Write in the active voice.
- Write with verbs, not nouns made out of verbs.
- Use personal pronouns or names for each party.
- Make parallel thoughts into parallel sentences.
- Drop or change difficult words that are not legally necessary.
- Define your technical terms as you use them.
- Be consistent in style and in choice of words.
- Do not use *shall*.

Write in the active voice.

In order to make sense out of technical and legal documents, many readers try to mentally translate the sentences into scenarios in which people or institutions are acting in definable ways. If you leave the translation to the reader, however, you run the risk that the reader will imagine an incorrect scenario or will give up and not read the provision. To write scenarios, use active, action verbs and pronouns or names for the actors.

A sentence in the active voice begins with the person who is responsible for the action.

Active:

The company will determine the cash value. . .

or

We will determine the cash value. . .

Sentences in the passive voice often leave out the information about who is responsible for acting.

Passive:

The cash value *will be determined*. . .

Active sentences are, in general, easier for people to understand. Moreover, with an active sentence, you can give the company credit for the benefits and privileges it is offering.

A few simple passive sentences will not trouble most readers, but overusing the passive often leads to difficulties. This sentence has four passive verbs.

Example 7: Difficult sentence

A policy that has lapsed *can be reinstated* within five years after lapse if 1) the policy *has not been surrendered* for its net cash value, 2) evidence of insurability *is provided*, 3) all overdue premiums *are paid* with interest at _____ %.

Example 8: Possible rewrite with personal pronouns

You may reinstate this policy within five years *after it lapses* if you meet these three conditions:

- *you have not given up* the policy for its net cash value;
- *you give us* evidence of insurability; and
- *you pay* all overdue premiums and interest at _____ %.

Write with verbs, not nouns made out of verbs.

Nouns made out of verbs (for example, receipt, payment, reliance) make sentences difficult to understand because they are abstract and because they obscure information about who is responsible for the actions. Who will deliver the receipt to whom in this sentence?

Example 9: Difficult sentence

All premiums are payable at the home office or to our agent *upon delivery* of a signed receipt.

The same thought is expressed more clearly in this version.

Example 10: Clearer sentence

Premiums may be paid at our home office or to one of our agents. *We will give you* a receipt signed by our President or Secretary if you ask for one.

Passive verbs often accompany nouns made out of verbs, further obscuring the actors and actions.

Passive and nominal:

Payment will be made on receipt of due proof of the insured's death.

Active:

We will pay the proceeds *when we receive* due proof of the insured's death.

Sometimes you have to rewrite these nouns as phrases with subjects and verbs:

upon <i>receipt</i> of	When we <i>receive</i>
upon <i>delivery</i> of	When you <i>give</i>
in <i>reliance</i> upon	The company <i>relied</i> on
for <i>nonpayment</i>	If you <i>do not pay</i>

Nouns that modify other nouns in headings are often also hidden verbs. Changing them back into verbs helps the reader to understand the implied action.

Premium <i>reduction</i>	<i>reducing</i> the premium
--------------------------	-----------------------------

Use personal pronouns or name the actors.

Many companies now use pronouns in their policies. They refer to themselves as "we" and address the owner (sometimes the insured) as "you."

There are many advantages to using pronouns. Pronouns are common, easy words; they help readers understand. People identify with the pronouns more easily than they do with names like "owner" and "insured." Pronouns are short words; they help improve readability scores. Pronouns are informal; they convey a friendly tone and a message that the company wants the customer to be able to read and understand the policy.

If you use pronouns, you are more likely to write in the active voice. If you address the owner as "you," you will not have to worry about using "he/she" or "his/her" in reference to the owner; you will be using "you" and "your" which work for both male and female policyholders.

If you use pronouns, you can define them at the beginning of the policy as in this example:

Example 11: Defining pronouns in a policy

"We," "our," and "us" mean XYZ Life Insurance Company.

"You" and "your" mean the owner of the policy at the time an owner's right is exercised.

Some companies choose to use only one pronoun. They address the customer as "you" and refer to the company by name; or they refer to the people involved as "owner," "insured" and use "we" for the company. Even if you do not use pronouns for one or the other party in a policy, you can still write clear, active sentences.

Example 12: Active sentences with names for the actors

The owner may borrow money from us. . .

XYZ Company will waive a premium for you. . .

Make parallel thoughts into parallel sentences.

When breaking up the long sentences in a traditional insurance policy, try to put each major point into a separate sentence. Words like *provided* and *except* are clues that a new sentence is needed. When different outcomes or decisions are possible under different circumstances, write each as a separate sentence. Use the same sentence structure for each sentence to emphasize the parallelism of the points you are making.

Compare, for example, these two versions of the same provision. Version 2 has a better Flesch score and is also easier to understand.

Example 13: Two versions of the same provision

Version 1.

Option Two—Premium Reduction

Dividends will be used to pay or reduce any premium then due provided any amount of that premium remaining is paid by the end of the grace period. If the dividend is larger than the premium due, any excess will be paid in cash to the owner.

Version 2.

Option Two—Reduce Premiums

If you choose this option, we will use the dividend to pay all or part of the premium that is due. If the premium is more than the dividend, you must pay the difference before the end of the grace period. If the dividend is more than the premium, we will pay the excess to you.

The provision has three points:

- that dividends can be used to pay premiums;
- what happens if the dividend is less than the premium that is due;
- what happens if the dividend is more than the premium that is due.

Version 2 is easier to understand for two reasons. Each of the three points is a separate sentence. The sentences describing the two possible outcomes are written in the same sentence structure: "If A is true, then B happens."

Drop or change difficult words that are not legally necessary.

Life insurance policies include many words that the average customer does not know. Sometimes the word or phrase can simply be dropped or replaced by a more common English word. For example, use:

<i>begin</i>	for	<i>initiate</i>
<i>end</i>	for	<i>terminate</i>
<i>name</i>	for	<i>designate</i>
<i>choose</i>	for	<i>elect</i>
<i>give up</i>	for	<i>surrender</i>

Define technical terms as you use them.

Sometimes you have to use a particular word because it has a precise legal meaning for which there is no simple English replacement. Examples of these words are:

assignment	insured
cash value	irrevocable beneficiary
default	lapse
face amount	owner
grace period	premium
in force	reinstatement

Insurance terms like these can be defined right in the text, as in the following examples:

Example 14: Defining terms as they appear

1. If you do not pay a premium by its due date, you have 31 days from that due date in which to pay it. We call this the *grace period*.
2. You may also choose to name a beneficiary whom you cannot change without his or her consent. This is an *irrevocable beneficiary*.
3. A *premium* is the amount we charge for insurance.
4. A premium is in *default* if it is not paid when it is due.
5. *Reinstatement* means putting a policy back in force.

Definitions given in context are much more useful than a separate definitions section. Most readers will bypass a definitions section. They will read the definition if it appears in the relevant section, however; and the definition may help them understand the concept of *grace period*, or *default*, or *reinstating a policy*.

Be consistent in style and in choice of words.

Elegant variation has no place in legal documents. Readers may become confused if you change the word you use for a person, object, or action in the middle of the policy. For example, these three sentences all come from the same policy:

Example 15: Inconsistent style

You may elect or change any payment option while the insured is living.

The owner may surrender this policy for its surrender value.

The policy may be continued in force as paid up insurance which is not eligible for dividends.

In the first sentence, the actor is "you." In the second, it is "the owner." In the third, no actor is named, but the implied actor must be "you, the owner." The same person is really doing all three actions; but readers may think the writer meant different people in all three cases.

In a consistent style, all three sentences would begin with "you":

You may choose. . .

You may surrender. . .

You may continue. . .

Do not use *shall*.

Shall is a confusing word. Most policies have dropped the word entirely because few speakers of American English understand the rules for using *shall* correctly. The writer of the policy in Example 16 used *shall*, *must*, and *will* in the same paragraph. What is the difference between *shall* in the first sentence and *will* in the third and fourth sentences?

Example 16: Inconsistent use of *shall*/*will*

Loans *shall* bear interest at the rate shown on the face page. You *must* pay the interest in advance each year, except at the time the loan is made. At that time, the interest to the next policy anniversary *will* be deducted from the loan amount you receive. Interest not paid when due *will* be added to the loan and *will* bear interest.

Shall has been litigated so often because it has been interpreted as both obligatory and optional. *Must* and *will* do not create problems.

Using Graphic Design to Make the Information Visually Attractive and Functional

Readability formulas do not measure any features of design and layout, but the visual appearance of a policy can have a major impact on readers. It can affect what they think about the company and whether or not they will even try to read the policy. Good design and layout are needed to support logical organization and clear writing. Good design and layout can help readers find information easily and understand the information when they find it.

Most of the new readable policies have legible type (usually 10 point) and do not have any sections in smaller type. Here are some guidelines on features other than choice of type and type size that can help you make a policy visually attractive and functional:

- Keep lines of type to 50-70 characters and leave lots of white space on the page.
- Consider setting text type with a ragged right margin.
- Use upper and lower case letters.
- Make the headings stand out.
- Consider color for headings, but use black ink for the text.
- Consider bold or italic for special words, rather than initial capitals.

Keep lines of type to 50-70 characters and leave lots of white space on the page.

Long lines of type are difficult to read. They look uninviting. They also require more head and eye movements and, therefore, are more tiring to read than are shorter lines. In a policy with long lines of type, you may find yourself rereading a line or skipping a line because your eyes did not return to the correct place at the left margin.

Example 17: Long lines of type—104 characters (sample is reduced in size)

The Loan Value while the policy is in full force will be the amount of the Policy Cash Value as provided in the Table of Values plus the cash value of any insurance under dividend option d. Values will be determined as of the next (i) policy anniversary date or (ii) premium due date, whichever is the earlier date. The Loan Value while the policy is in force as Paid-Up Insurance will be the value determined according to the "Basis of Computations" provision plus the cash value of any insurance under dividend option d. Values will be determined as of the next policy anniversary. The amount of loan available will be the Loan Value less any existing indebtedness, loan interest and unpaid premiums to the date values are determined.

An optimal column width is 50 to 70 characters. On 8½ by 11 inch paper, that usually means using two columns. You can have two even columns of text as in example 18; or you can use two uneven columns—putting the headings in the left margin and having one column of text as in example 19. Research shows that readers find headings easier to find and follow if you use the format in example 19.

Example 18: Two columns of text (sample is reduced in size)

What happens if the beneficiary dies at the same time as the insured?

If any beneficiary dies at the same time as the insured, or within 15 days after the insured but before proof of the insured's death is received by us, the life insurance proceeds will be paid as though that beneficiary died before the insured.

Can you change the beneficiary?

The beneficiaries may be changed by the owner at any time during the insured's life unless an irrevocable beneficiary has been named. To change a beneficiary, a written request must be made to our home office. We may require the policy to record the change. The request will take effect when signed, subject to any action we take before recording it.

Example 19: Headings in the margin and one column of text (sample is reduced in size)

What happens if the beneficiary dies at the same time as the insured?

If any beneficiary dies at the same time as the insured, or within 15 days after the insured but before proof of the insured's death is received by us, the life insurance proceeds will be paid as though that beneficiary died before the insured.

Can you change the beneficiary?

The beneficiaries may be changed by the owner at any time during the insured's life unless an irrevocable beneficiary has been named. To change a beneficiary, a written request must be made to our home office. We may require the policy to record the change. The request will take effect when signed, subject to any action we take before recording it.

Consider setting text type with a ragged right margin.

The left margin in text is always justified. All lines begin at the same place, except for the first line of a paragraph, which may be indented. In traditional legal documents, the right margin was also always justified. All lines ended at the same place.

In many modern documents, the right margin remains unjustified. Each line ends where the last word ends. We call this a ragged right margin.

With narrow columns of type, the difference between justified and unjustified type is largely stylistic. Ragged right margins are less formal; they make the document look friendlier. The page looks more "open" with ragged right margins because there is more white space around each paragraph. It is also easier, and less expensive, to correct unjustified text.

In a policy with long lines of type, however, ragged right margins become particularly important. Justified type can be difficult to read, especially when lines of type are justified by inserting extra space between some, but not all words in a line. Notice the gaps between the words in the way this policy has been typeset:

Example 20: Justified text with long lines of type (sample is reduced in size)

SURRENDER VALUE OPTIONS. Any one of the following Surrender Value Options may be elected by submitting a written request in a form acceptable to the Company. The request must be received at our Home Office within 60 days after the due date of the premium in default and prior to the death of the Insured. Benefits provided by riders, if any, will lapse when a Surrender Value Option becomes effective.

Use upper and lower case letters.

Many traditional legal documents have long passages in all capital letters. Some Federally mandated notices include requirements to print the notices in all capital letters. Research shows that text printed in all capital letters takes up more space on the page and takes longer to read than the same text printed in mixed case (upper and lower case).

Example 21: Text in all capital letters

A POLICY PRINTED IN ALL CAPITAL LETTERS
TAKES UP MORE SPACE ON THE PAGE AND TAKES
LONGER TO READ THAN THE SAME POLICY
PRINTED IN UPPER AND LOWER CASE LETTERS.

Example 22: Text in mixed case

A policy printed in all capital letters
takes up more space on the page and takes
longer to read than the same policy
printed in upper and lower case letters.

Lower case letters in the English alphabet have characteristic shapes. A "p" hangs below the line; an "o" only uses the middle space; an "l" extends above many of the other letters. Our eyes bounce up and down the characteristic shapes of the lower case letters to "decode" the words.

POLICY
policy

PRINTED
printed

Capital letters do not have the distinctive features of the lower case letters. Therefore, we have fewer clues for recognizing words in all capital letters, and it takes us longer to decode them. The extra effort is tiring and many readers will not finish a passage in all capital letters.

If a heading is only one or two words, it will be readable in all capitals, but capital letters are not necessary even for headings. Bold face or color or larger size is more effective than all capitals for headings.

In most policies, the computer-printed data sheets at the front are not as readable as the rest of the policy. In large measure, that is because they are printed in all capitals. They also often have long lines of print and the headings are in exactly the same type as the text. The problem is largely one of technology. The policy data sheets must be individually generated for each policyholder, and so must come from a computer printer rather than from a typesetter. As computer technology improves, high speed printers with the needed features will surely become available at cost-effective prices. The primary needed features are upper and lower case and different fonts (size, weight) for headings and for text.

Make the headings stand out.

Headings should serve a purpose. They should make it easy for readers to find a specific section of the text. To be useful, therefore, the headings in a policy must stand out; they must be easily seen when scanning the policy.

You can use any of several techniques to make headings stand out. Consider these:

- Surround the heading with white space.
- Make the heading larger than the text.
- Use boldface, color, capitals or italics.

You can use white space to set off headings either in the margin or above the text.

Example 23: Headings in the margin

Understanding This Policy

Therefore, the provisions of the policy must be read as a whole. For example, our payment of the insurance proceeds (see page 5) depends upon the payment of premiums (see page 6). Otherwise, the provisions for non-payment of premiums will apply (see page 7).

Example 24: Headings above the text

Understanding This Policy

Therefore, the provisions of the policy must be read as a whole. For example, our payment of the insurance proceeds (see page 5) depends upon the payment of premiums (see page 6). Otherwise, the provisions for non-payment of premiums will apply (see page 7).

Within a policy, you will probably need two or three levels of headings. The reader should be able to tell immediately how the headings relate to each other. The clearest scheme is to:

- Stay within the same family of type for all levels of headings.
- Distinguish levels by size or weight or placement, or a combination of these.
- Make every heading at a given level typographically identical.

Headings at a higher level should be larger or bolder or in some other way clearly more significant than headings at a lower level. Italics do not work well to show levels of headings because we have no clear conventions as to whether italics are subordinate or superior to other features. Boldface or color works better than all capital letters to catch the reader's attention.

Consider color for headings, but use black ink for text.

Color, used functionally, can make a policy very attractive. However, colored ink should be used primarily for titles and headings. Colored ink can also be used effectively for examples. The contrast between the headings (and examples) in color and the main text in black makes the color meaningful.

If all the type on a page is in color, however, the color loses its special meaning. Colored ink, other than black, can be difficult to read for sustained periods of time.

Good contrast between ink and paper is also necessary for the text to be clearly legible. For example, some blue inks do not reproduce for photocopying. Yellow paper may turn gray when photocopied. Black or dark brown ink on white or off-white paper is usually the best choice, although you should be careful to avoid glossy white paper that may produce a glare.

Consider bold or italic for special words rather than initial capitals.

Some policies use a capital letter to mark specially defined words, like "Owner." This can be very confusing to the reader because it is contrary to the practice of ordinary English. When we see a word beginning with a capital, we assume it is the pronoun "I", a proper name, or the first word in a sentence. When the policy contains many specially defined words as in Example 25, the capitals can be really jarring.

Example 25: Policy with many capitalized words

You may appoint a new Owner of the policy while the Insured is alive. Notify Us. Do it In Writing.

Most policies do not mark any words in the text in a special way. Others use italics, bold, or small capitals, any of which can serve the purpose well.

A Checklist for Your Policy

Use this checklist to see if an old policy needs revision or to see if a new policy meets the guidelines in this booklet.

Flesch Reading Ease score _____

Making information easy to find

	YES	NO
1. Is there an explanation (summary) in plain English at the beginning of the policy?	<input type="checkbox"/>	<input type="checkbox"/>
2. Is the information organized logically from the lay reader's point of view?	<input type="checkbox"/>	<input type="checkbox"/>
3. Are there headings on almost every paragraph?	<input type="checkbox"/>	<input type="checkbox"/>
4. Does each heading explain the content of the paragraph(s) it covers?	<input type="checkbox"/>	<input type="checkbox"/>
5. Are the headings questions or verb phrases?	<input type="checkbox"/>	<input type="checkbox"/>
6. Is there a table of contents that includes all the headings?	<input type="checkbox"/>	<input type="checkbox"/>

Writing with clear, concise words and sentences

7. Are most of the sentences in the active voice?	<input type="checkbox"/>	<input type="checkbox"/>
8. Do the sentences have action verbs instead of nouns made out of verbs (for example, <i>pay</i> instead of <i>make payment</i>)?	<input type="checkbox"/>	<input type="checkbox"/>
9. Does the policy address the reader as <i>you</i> ?	<input type="checkbox"/>	<input type="checkbox"/>
10. Does the writer use the same sentence structure for parallel sentences?	<input type="checkbox"/>	<input type="checkbox"/>
11. Does the writer use simple English words throughout?	<input type="checkbox"/>	<input type="checkbox"/>
12. Does the writer define technical terms in the text?	<input type="checkbox"/>	<input type="checkbox"/>
13. Does the writer stick to one name for each person and concept?	<input type="checkbox"/>	<input type="checkbox"/>
14. Does the writer use <i>must</i> , <i>will</i> , and <i>may</i> instead of <i>shall</i> ?	<input type="checkbox"/>	<input type="checkbox"/>

Using graphic design to make the information visually attractive and functional

15. Is the entire policy in at least 10 point type with one point of leading (space between lines)?	<input type="checkbox"/>	<input type="checkbox"/>
16. Are all parts treated the same way (no undue prominence to any part)?	<input type="checkbox"/>	<input type="checkbox"/>
17. Are the lines of type 50 to 70 characters long?	<input type="checkbox"/>	<input type="checkbox"/>
18. Does the page have enough white space to look easy to read?	<input type="checkbox"/>	<input type="checkbox"/>
19. Are the right margins unjustified (ragged)?	<input type="checkbox"/>	<input type="checkbox"/>
20. Is everything in upper and lower case?	<input type="checkbox"/>	<input type="checkbox"/>
21. Do the headings stand out from the text?	<input type="checkbox"/>	<input type="checkbox"/>
22. Is the text in black or brown ink? (Headings may be in a different color.)	<input type="checkbox"/>	<input type="checkbox"/>
23. Are specially defined words in bold or italic or small caps rather than in initial caps?	<input type="checkbox"/>	<input type="checkbox"/>

Conclusion

Insurance companies have come a long way towards making it easier for policyholders to read and understand their policies. With the guidelines in this booklet, the insurance industry can move "beyond readability" to preparing life insurance policies that are consistently well-organized, understandable, and visually attractive. They can help policyholders and agents by providing policies in which accurate information is easy to find, easy to read, and easy to understand.