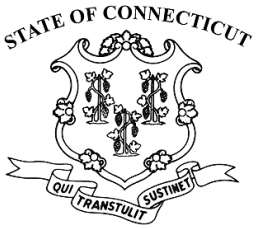

Senate Bill No. 375

Public Act No. 18-68

AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR TECHNICAL AND OTHER CHANGES TO THE INSURANCE STATUTES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subdivision (4) of subsection (b) of section 38a-78 of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(4) The commissioner may adopt regulations, in accordance with the provisions of chapter 54, to provide for a transition period for a life insurance company to establish any higher reserves that the qualified **[**acteem**]** actuary may deem necessary in order to render the opinion required under this subsection.

Sec. 2. Subdivision (6) of subsection (e) of section 38a-91rr of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(6) Unless the sponsor consents and the commissioner has granted prior written approval, the assets of a sponsored captive insurance company's general account shall not be used to pay any expense or claim attributable solely to one or more protected cells of the sponsored captive insurance company. If the assets of a sponsored

captive insurance company's general account are used to pay expenses or claims attributable solely to one or more of the company's protected cells, the sponsor shall not be required to contribute additional capital and surplus to the company's general account. Notwithstanding any provision of this subdivision, the sponsor **[**must**]** shall satisfy the minimum capital and surplus requirements applicable to such sponsor in order to maintain its license; and

Sec. 3. Subsection (b) of section 38a-182 of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(b) Each such agreement shall contain the following provisions: (1) Name and address of the health care center; (2) eligibility requirements; (3) a statement of copayments, deductibles or other out-of-pocket expenses payment payable by the subscriber; (4) a statement of the nature of the health care services or benefits to be furnished and the period during which they will be furnished, and, if there are any services or benefits to be excepted, a detailed statement of such exceptions, provided **[**that**]** such services or benefits to be furnished conform at a minimum to the requirements of the Federal Health Maintenance Organization Act; (5) a statement of terms and conditions upon which the agreement may be cancelled or otherwise terminated at the option of either party; (6) claims procedures; (7) enrollee grievance procedures; (8) continuation of coverage; (9) conversion; (10) extension of benefits, if any; (11) subrogation, if any; (12) description of the service area, out-of-area benefits and services, if any; (13) a statement of the amount payable to the health care center by the subscriber and by others on **[**his**]** the subscriber's behalf and the manner in which such amount is payable; (14) a statement that the agreement includes the endorsement thereon and attached papers, if any, and contains the entire agreement; (15) a statement that no statement by the subscriber in **[**his**]** the subscriber's application for an

agreement shall void the agreement or be used in any legal proceeding thereunder, unless such application or an exact copy thereof is included in or attached to such agreement; and (16) a statement of the period of grace which will be allowed the subscriber for making any payment due under the agreement, which period shall not be less than ten days.

Sec. 4. Subsection (b) of section 38a-188 of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(b) The commissioner may adopt regulations, in accordance with chapter 54, stating the circumstances under which the resources of a person that controls a health care center, or operates a health care center as a line of business, will be considered in evaluating the financial condition of a health care center. Such regulations, if adopted, shall require as a condition to the consideration of the resources of such person that controls a health care center, or operates a health care center as a line of business, to provide satisfactory assurances to the commissioner that such person will assume the financial obligations of the health care center. During the period prior to the effective date of regulations issued under this section, the commissioner shall, upon request, consider the resources of a person that controls a health care center, or operates a health care center as a line of business, if the commissioner receives satisfactory assurances from such person that it will assume the financial obligations of the health care center and determines that such person meets such other requirements as the commissioner determines are necessary.

Sec. 5. Subdivision (2) of subsection (c) of section 38a-395 of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(2) Details about the injury or loss, including: (A) The date of the

injury or loss that was the basis of the claim; (B) the date the injury or loss was reported to the insurer; (C) the name of the institution or location at which the injury or loss occurred; (D) the type of injury or loss, including a severity of injury rating that corresponds with the severity of injury scale that the Insurance Commissioner shall establish based on the severity of injury scale developed by the National Association of Insurance Commissioners; and (E) the name, age and gender of any injured person covered by the claim. Any individually identifiable health information, as defined in 45 CFR 160.103, as amended from time to time, **[**amended,**]** submitted pursuant to this subdivision shall be confidential. The reporting of the information is required by law. If necessary to comply with federal privacy laws, including the Health Insurance Portability and Accountability Act of 1996, **[**(P.L. 104-191) (HIPAA), as from time to time amended,**]** P.L. 104-191, as amended from time to time, the insured shall arrange with the insurer to release the required information.

Sec. 6. Subdivision (4) of subsection (d) of section 38a-395 of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(4) Not later than June 30, 2018, and annually thereafter, the commissioner shall submit the annual report to the joint standing committee of the General Assembly having cognizance of matters relating to insurance in accordance with section 11-4a. The commissioner shall also (A) make the report available to the public, (B) post the report on its Internet web site, and (C) provide public access to the contents of the electronic database after the commissioner establishes that the names and other individually identifiable information about the claimant and practitioner have been removed.

Sec. 7. Subparagraph (A) of subdivision (1) of subsection (b) of section 38a-398 of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective*

October 1, 2018):

(b) (1) (A) Any individual or business entity that wishes to act as a limited lines travel insurance producer in this state may apply to the Insurance Commissioner for authorization to act as a limited lines travel insurance producer and to sell, solicit or negotiate travel insurance through an insurance company licensed or authorized to do business in this state. Such application shall be submitted on such form and in such manner as prescribed by the commissioner and shall be accompanied by the fee required under section 38a-11. The commissioner shall not approve such application unless (i) the applicant has paid all applicable filing and licensing fees required under **[**this section and**]** this title, and (ii) for an applicant that is a business entity, the employee designated pursuant to subparagraph (A) of subdivision (3) of this subsection and the president, secretary, treasurer and any other officer or individual who directs or controls the insurance operations of the applicant has complied with any fingerprinting requirements applicable to insurance producers in the resident state of the applicant.

Sec. 8. Subsection (b) of section 38a-457 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(b) On and after October 1, 1990, any life insurance company or fraternal **[**benefits**]** <u>benefit</u> society doing business in this state may issue accelerated benefits life insurance policies, as described in this section, and certificates, riders or endorsements to existing life insurance policies that provide accelerated benefits, as described in this section.

Sec. 9. Subdivisions (3) and (4) of section 38a-479aaa of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(3) "Drug" **[**means drug, as defined**]** has the same meaning as provided in section 21a-92;

(4) "Person" **[**means person, as defined**]** has the same meaning as provided in section 38a-1;

Sec. 10. Subdivision (7) of subsection (e) of section 38a-488a of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(7) An advanced practice registered nurse licensed under the provisions of chapter 378.

Sec. 11. Subsection (b) of section 38a-490a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(b) No such policy shall impose a coinsurance, copayment, deductible or other out-of-pocket expense for such services, except that a high deductible **[**health**]** plan, as that term is used in subsection (f) of section 38a-493, shall not be subject to the deductible limits set forth in this section.

Sec. 12. Subdivision (2) of subsection (b) of section 38a-492k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(2) A coinsurance, copayment, deductible or other out-of-pocket expense for any additional colonoscopy ordered in a policy year by a physician for an insured. The provisions of this subdivision shall not apply to a high deductible **[**health**]** plan as that term is used in subsection (f) of section 38a-493.

Sec. 13. Subsection (b) of section 38a-492o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective*

October 1, 2018):

(b) No such policy shall impose a coinsurance, copayment, deductible or other out-of-pocket expense for such testing in excess of twenty per cent of the cost for such testing per year. The provisions of this subsection shall not apply to a high deductible **[**health**]** plan as that term is used in subsection (f) of section 38a-493.

Sec. 14. Subsection (c) of section 38a-511 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(c) The provisions of subsections (a) and (b) of this section shall not apply to a high deductible **[**health**]** plan as that term is used in subsection (f) of section 38a-493.

Sec. 15. Subdivision (7) of subsection (e) of section 38a-514 of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(7) An advanced practice registered nurse licensed under the provisions of chapter 378.

Sec. 16. Subsection (b) of section 38a-516a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(b) No such policy shall impose a coinsurance, copayment, deductible or other out-of-pocket expense for such services, except that a high deductible **[**health**]** plan, as that term is used in subsection (f) of section 38a-520, shall not be subject to the deductible limits set forth in this section.

Sec. 17. Subdivision (2) of subsection (b) of section 38a-518k of the general statutes is repealed and the following is substituted in lieu

thereof (*Effective October 1, 2018*):

(2) A coinsurance, copayment, deductible or other out-of-pocket expense for any additional colonoscopy ordered in a policy year by a physician for an insured. The provisions of this subdivision shall not apply to a high deductible **[**health**]** plan as that term is used in subsection (f) of section 38a-520.

Sec. 18. Subsection (b) of section 38a-518o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(b) No such policy shall impose a coinsurance, copayment, deductible or other out-of-pocket expense for such testing in excess of twenty per cent of the cost for such testing per year. The provisions of this subsection shall not apply to a high deductible **[**health**]** plan as that term is used in subsection (f) of section 38a-520.

Sec. 19. Subsection (c) of section 38a-550 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(c) The provisions of subsections (a) and (b) of this section shall not apply to a high deductible **[**health**]** plan as that term is used in subsection (f) of section 38a-520.

Sec. 20. Subdivision (2) of subsection (c) of section 38a-591f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(2) If the health carrier is unable to comply with the time period specified in subdivision (1) of this subsection due to circumstances beyond the health carrier's control, the time period may be extended by the health carrier for up to ten business days, provided **[**that**]** on or before the twentieth business day after the health carrier received the

grievance, the health carrier provides written notice to the covered person and, if applicable, the covered person's authorized representative of the extension and the reasons for the delay.

Sec. 21. Subsection (f) of section 38a-720j of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(f) Any license issued to a third-party administrator shall be in force until September thirtieth of each year, unless sooner revoked or suspended as provided in this section. The license may be renewed, at the discretion of the commissioner, upon payment of the fee specified in section 38a-11 **[**,**]** and submission of the renewal filing under section 38a-720*l*.

Sec. 22. Subsection (j) of section 38a-930 of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(j) If an insurer, **[**shall,**]** directly or indirectly, within four months before the filing of a successful petition for liquidation under sections 38a-903 to 38a-961, inclusive, or at any time in contemplation of a proceeding to liquidate it, **[**pay**]** pays money or **[**transfer**]** transfers property to an attorney-at-law for services rendered or to be rendered, the transaction may be examined by the court on its own motion or shall be examined by the court on petition of the liquidator and shall be held valid only to the extent of a reasonable amount to be determined by the court, and the excess may be recovered by the liquidator for the benefit of the estate, provided **[**that where**]** if the attorney is in a position of influence in the insurer or an affiliate thereof payment of any money or the transfer of any property to the attorney-at-law for services rendered or to be rendered shall be governed by the provisions of subdivision (2) of subsection (a) of this section.

Sec. 23. Subdivision (17) of subsection (c) of section 38a-1083 of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(17) Evaluate jointly with the **[**SustiNet**]** Health Care Cabinet established pursuant to section 19a-725 the feasibility of implementing a basic health program option as set forth in Section 1331 of the Affordable Care Act;

Approved June 1, 2018