

# **Aging Committee JOINT FAVORABLE REPORT**

**Bill No.:** SB-1278

**Title:** AN ACT CONCERNING LONG-TERM CARE INSURANCE PREMIUM RATES.

**Vote Date:** 3/4/2025

**Vote Action:** Joint Favorable Change of Reference to Insurance and Real Estate

**PH Date:** 2/20/2025

**File No.:**

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## **SPONSORS OF BILL:**

Aging Committee.

## **REASONS FOR BILL:**

This bill would allow an income tax deduction for payment of long-term care insurance premiums, require the Insurance Department to hold a public hearing for long-term care premium rate increases that exceed 10%, and require a notice to policy holders of that hearing at least 14 days prior to the date of the hearing. It becomes unworkable for holders of these long-term care insurance policies to pay the increasing premiums, often right before they would need to utilize the benefits. The legislature has heard reports of rate increase over 30% in some cases, which can cause policyholders to have to abandon policies that they have paid into for decades. This bill seeks to help protect the financial interests of the holders of these policies and increase transparency.

## **RESPONSE FROM ADMINISTRATION/AGENCY:**

None Submitted.

## **NATURE AND SOURCES OF SUPPORT:**

[Home Matters Caregiving, Ms. Asha Samal, Owner](#): Her testimony was in **support** of this bill and any proposal that improves the lives of seniors.

## **NATURE AND SOURCES OF OPPOSITION:**

[Insurance Association of Connecticut, Mr. Eric George, President](#): His testimony was in **opposition** to this proposal. Connecticut law prohibits an insurer from changing a premium rate for a long-term care policy unless the rate has been filed with and approved by the

insurance commissioner. To obtain approval for a rate increase, an insurer must prove to the commissioner that the increase is actuarially justified and that any increase in a premium rate for a long-term care policy that is 20% or more must be spread over a period of not less than three years. He believes that striking a fair balance between consumer protection and insurer flexibility is crucial to sustaining a robust and responsive long-term care insurance industry. He points out that the Long-Term Care Actuarial Working Group which is co-chaired by the Connecticut Insurance Dept is in the process of analyzing and discussing a single long-term care insurance multistate rate review process.

American Council of Life Insurers, Ms. Jill Rickard, Regional Vice President and AHIP, Ms. Amanda Herrington, Executive Director: Their testimony was in **opposition** to the bill and mirrored that of the IAC.

**Reported by: Richard Ferrari, Assistant Clerk  
Alexander Mercier, Clerk**

**Date: 3/6/2025**