

Human Services Committee

JOINT FAVORABLE REPORT

Bill No.: SB-1420

AN ACT CONCERNING THE CONNECTICUT PARTNERSHIP FOR LONG-

Title: TERM CARE.

Vote Date: 3/14/2025

Vote Action: Joint Favorable

PH Date: 3/6/2025

File No.: 381

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SPONSORS OF BILL:

Human Services Committee

CO-SPONSORS OF BILL:

Rep. Gary A. Turco, 27th Dist.

REASONS FOR BILL:

The Connecticut Partnership for Long-Term Care established a public-private partnership between the state and private insurance industry to establish long-term care insurance policies. This bill will require the Office of Policy and Management to consult with the Insurance Commissioner and file a report with the Joint Committees on Aging, Human Services, and Insurance and Real Estate on the incurred loss and actual paid loss for long-term care policies pre-certified according to section 38a-475 in the past three calendar years. These reports must be filed no later than January 15, 2026, and continue annually. Additionally, the Secretary of the Office of Policy and Management must file a report with the Joint Committees on Aging, Human Services, and Insurance and Real Estate on the feasibility and effect on access to long-term care insurance by the requirement of policy providers to provide policyholders the ability to cancel insurance and receive full refunds of premiums when the rate increases exceed the inflation rate. This report must be filed no later than October 1, 2025. The bill also prohibits executive compensation from being associated with rate increases as a criterion for the pre-certification. Finally, the bill prohibits approving rate increases exceeding the limit at the time the policy was pre-certified.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Office of Policy and Management \(OPM\), Secretary, Jeffrey Beckham](#); opposes the bill due to OPM not having the regulatory authority to enact these changes. Additionally, the

revised statutes will not address rate increases in long-term care insurance or provide protections for consumers. OPM does not have the capacity to analyze and report the data required by the bill and think it is inappropriate to differentiate Partnership policies from the other LTC policies. Additionally, OPM does not have the expertise needed to complete the study required by the bill and no funding designated from the Governor's budget.

[State of Connecticut Insurance Department, Commissioner, Andrew Mais](#); opposes this bill due to the lack of regulatory authority or expertise by OPM to fulfill the requirements set by the bill. Additionally, the requirement of the full cash refund to consumers after policy cancellation is not applicable. For the executive compensation, there is a need for more specific language to be completed. Finally, for the rate increases, there was no allowable rate increase at the time of pre-certification for the policies, so it is unenforceable.

NATURE AND SOURCES OF SUPPORT:

[David Schwartz](#); supports increased transparency from Long-Term Care insurance policies due to being misled on future increases to the premiums on the insurance, which leads policyholders to have difficulties managing the financial burdens of paying the premiums and other daily expenses. Policy-buybacks are an important option policyholders must know and must be required of insurance companies to offer beneficiaries. He also worries how the requirement for the Connecticut Insurance Department (CID) to only pre-certify long-term care insurance policies that do not tie executive compensation to approval of higher rates will be enforced. Finally, he states that the insurance companies and CID must be transparent about the incurred and paid loss information.

NATURE AND SOURCES OF OPPOSITION:

[Insurance Association of Connecticut, General Counsel, Brooke Foley](#); opposes this bill as long-term insurance policies have had rate increases to adapt to the changing healthcare landscape, ensure the sustainability of the insurance company, and protect policyholders. These restrictions could lead to unintended consequences for insurance companies and policyholders and focus should be shifted to potential policyholders to help them make the best insurance decisions for themselves. Current Connecticut law already provides consumer protections from long-term care insurance rate increases, which the organizations feel are fair.

This submitted written testimony in opposition of this bill was jointly signed by.
[AHIP, Executive Director, Amanda Herrington](#)
[ACLI, Regional Vice President, Jill Rickard](#)

NATURE AND SOURCES OF GENERAL COMMENTS:

The following individuals have submitted written testimony commenting on this bill.
[Ken Kollmeyer](#)

Reported by: Nimisha Srikanth

Date: 4/3/2025