

General Assembly

January Session, 2025

## Raised Bill No. 7117

LCO No. **5512** 

Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by: (INS)

## AN ACT CONCERNING THE RECOMMENDATIONS OF THE INSURANCE FUND WORKING GROUP.

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

Section 1. Subsection (b) of section 19a-7p of the general statutes is
 repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) (1) As used in this section: (A) "Health insurance" means health
insurance of the types specified in subdivisions (1), (2), (4), (11) and (12)
of section 38a-469; and (B) "health care center" has the same meaning as
provided in section 38a-175.

8 (2) [Each] (A) Except as provided in subparagraph (B) of this 9 <u>subdivision, each</u> domestic insurer or domestic health care center doing 10 health insurance business in this state shall annually pay to the 11 Insurance Commissioner, for deposit in the Insurance Fund established 12 under section 38a-52a, a public health fee assessed by the Insurance 13 Commissioner pursuant to this section.

14 (B) The Insurance Commissioner, commencing July 1, 2025, shall

15 reduce the amount of the public health fee deposited in the Insurance 16 Fund by one-fifth of the total amount paid each fiscal year with the 17 remainder of such fee to be deposited in the General Fund, with any required adjustments to such fee on domestic insurers or domestic 18 19 health care centers adjusted by the Insurance Commissioner 20 accordingly. For each subsequent fiscal year, through July 1, 2029, such 21 reduction shall be an additional one-fifth increment from the previous 22 fiscal year. On and after July 1, 2029, the entire amount of the public 23 health fee shall be deposited in the General Fund.

24 (3) (A) Not later than September first, annually, each such insurer or 25 health care center shall report to the Insurance Commissioner, in the 26 form and manner prescribed by the commissioner, the number of 27 insured or enrolled lives in this state as of May first immediately 28 preceding the date for which such insurer or health care center is 29 providing health insurance that provides coverage of the types specified 30 in subdivisions (1), (2), (4), (11) and (12) of section 38a-469. Such number 31 shall not include lives enrolled in Medicare, any medical assistance 32 program administered by the Department of Social Services, workers' 33 compensation insurance or Medicare Part C plans. The commissioner 34 may require each such insurer or health care center or any other person 35 to submit to the commissioner any records that are in such insurer's, 36 health care center's or other person's possession if such records were 37 used to prepare such insurer's or health care center's annual report 38 submitted pursuant to this subparagraph.

(B) Each such insurer or health care center that fails to timely submit
an annual report pursuant to subparagraph (A) of this subdivision shall
pay to the Insurance Commissioner, in the form and manner prescribed
by the commissioner, a late filing fee of one hundred dollars per day for
each day from the date that the annual report was due.

44 (C) If the Insurance Commissioner determines that there is a 45 discrepancy, other than a good faith discrepancy, between the number 46 of insured or enrolled lives that the insurer or health care center 47 reported to the commissioner pursuant to subparagraph (A) of this subdivision and the number of such lives that the insurer or health care
center should have reported to the commissioner pursuant to said
subparagraph (A), the insurer or health care center shall be liable for a
civil penalty of not more than fifteen thousand dollars.

52 Sec. 2. (NEW) (Effective July 1, 2025) Notwithstanding the provisions 53 of sections 38a-47 and 38a-48 of the general statutes, the Insurance 54 Commissioner, in consultation with the Office of Policy and 55 Management and the Commissioner of Revenue Services, shall transfer 56 payment for the Office of Health Strategy over a five-year period, 57 commencing July 1, 2025, from the Insurance Fund to the General Fund, 58 with any required adjustments to assessments on domestic insurance 59 companies or other domestic entities adjusted by the Insurance 60 Commissioner accordingly. Such transfer shall be in increasing one-fifth 61 increments over such five-year period.

This act shall take effect as follows and shall amend the following sections:		
Section 1	from passage	19a-7p(b)
Sec. 2	July 1, 2025	New section

INS Joint Favorable