



House of Representatives

File No. 736

General Assembly

February Session, 2026

(Reprint of File Nos. 243 and 683)

Substitute House Bill No. 5375
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
April 28, 2026

**AN ACT CONCERNING THE RECOMMENDATIONS OF THE
INSURANCE AND REAL ESTATE COMMITTEE WORKING GROUPS.**

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

1 Section 1. (*Effective from passage*) (a) The Insurance Commissioner
2 shall, within available appropriations:

3 (1) Study the feasibility of (A) allowing more than one nonprofit
4 entity to pool such nonprofit entities' liability insurance policies, (B)
5 establishing a captive insurance company, risk management agency or
6 a program to insure the risk of such pool, and (C) establishing any other
7 insurance program that may address the needs of nonprofit entities that
8 contract with the state.

9 (2) Develop a proposed plan to establish a captive insurance
10 company, risk management agency or a program to insure the risk of
11 nonprofit entities who pool such liability insurance policies. Such
12 proposed plan shall assess the appropriate structure of such company,

13 agency or program to ensure its financial and operational viability,
14 including, but not limited to, (A) a process for collecting relevant data
15 from nonprofit entities participating in such pool, (B) an actuarial
16 analysis of any risks to be underwritten by such company, agency or
17 program, (C) a plan design, and (D) any other factors as deemed
18 appropriate by the commissioner.

19 (3) Develop a financial analysis of such company, agency or program
20 described in subdivision (2) of this subsection, that includes, but is not
21 limited to, (A) an estimate of the initial investment required to ensure
22 such company, agency or program (i) meets any applicable statutory
23 operating ratios set forth in title 38a of the general statutes, and (ii) is
24 fully operational as a licensed insurer or reinsurer in this state, and (B)
25 estimates of future premium costs for nonprofit entities participating in
26 such pool.

27 (b) Not later than November 1, 2026, the Insurance Commissioner
28 shall submit a report, in accordance with the provisions of section 11-4a
29 of the general statutes, to the joint standing committees of the General
30 Assembly having cognizance of matters relating to insurance, finance,
31 revenue and bonding, appropriations and the budgets of state agencies
32 and human services on the findings of such study, proposed plan and
33 financial analysis, including any recommendations for legislative action
34 required for the establishment of such company, agency or program,
35 and an assessment of any such funding needed for implementation of,
36 and future investment in, any such company, agency or program.

37 Sec. 2. (NEW) (*Effective January 1, 2028*) (a) As used in this section:

38 (1) "Health benefit plan" has the same meaning as provided in section
39 38a-1080 of the general statutes.

40 (2) "Health carrier" has the same meaning as provided in section 38a-
41 1080 of the general statutes.

42 (3) "Pharmacist" has the same meaning as provided in section 38a-
43 479aaa of the general statutes.

44 (4) "Pharmacy benefits manager" has the same meaning as provided
45 in section 38a-479aaa of the general statutes.

46 (5) "Covered clinical service" means any service or procedure that (A)
47 is within the scope of the pharmacist's license under chapter 400j of the
48 general statutes, and (B) is a covered service under the terms of the
49 health benefit plan when performed by any other licensed health care
50 provider.

51 (b) Each health carrier, or third-party administrator or pharmacy
52 benefits manager, as applicable, that provides, administers or manages
53 benefits under a health benefit plan in this state shall ensure that
54 reimbursement processes and provider networks are inclusive of
55 pharmacists for the purpose of reimbursing covered clinical services.

56 (c) No health carrier, third-party administrator or pharmacy benefits
57 manager shall deny reimbursement for a clinical service solely on the
58 basis that such clinical service:

59 (1) Is provided by a pharmacist in accordance with such pharmacist's
60 scope of practice and license pursuant to chapter 400j of the general
61 statutes; and

62 (2) Would otherwise be eligible for reimbursement if provided by a
63 physician, physician assistant or advanced practice registered nurse.

64 (d) Nothing in this section shall be construed to:

65 (1) Require coverage of any service not otherwise covered under the
66 health benefit plan; or

67 (2) Prevent a health carrier, third-party administrator or pharmacy
68 benefits manager from establishing reasonable participation,
69 credentialing or contracting standards.

70 (e) The Insurance Commissioner may adopt regulations, in
71 accordance with chapter 54 of the general statutes, to implement the
72 provisions of this section.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>from passage</i>	New section
Sec. 2	<i>January 1, 2028</i>	New section

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Insurance Dept.	IF - Cost	400,000	None

Note: IF=Insurance Fund

Municipal Impact: None

Explanation

The bill results in a one-time cost of approximately \$400,000 to the Insurance Fund in FY 27 associated with the Department of Insurance hiring a contractor to study nonprofit liability insurance and develop a plan to establish an insurance program for this purpose. The cost reflects the accelerated timeline for completion, as the bill requires a report be issued by November 1, 2026.

The bill also requires pharmacists to be included in clinical service reimbursement resulting in no fiscal impact to the state.

House "A" eliminates the original bill and its associated fiscal impact, and results in the impact described above.

OLR Bill Analysis**sHB 5375 (as amended by House "A")*****AN ACT CONCERNING THE RECOMMENDATIONS OF THE INSURANCE AND REAL ESTATE COMMITTEE WORKING GROUPS.****SUMMARY**

This bill generally requires health carriers, third-party administrators, and pharmacy benefits managers (PBMs) covering benefits under a health benefit plan in Connecticut to (1) reimburse pharmacists for covered clinical services and (2) include them in reimbursement processes and provider networks. It authorizes the insurance commissioner to adopt regulations to implement its provisions on pharmacists' compensation.

The bill also requires the commissioner, within available appropriations, to:

1. study the feasibility of (a) allowing nonprofits to pool their liability insurance policies; (b) establishing a captive insurance company, risk management agency, or a program to insure the pool's risk; and (c) establishing any other insurance program to address state-contracted nonprofits' needs;
2. develop a proposed plan to establish the company, agency, or program described above and a related financial analysis; and
3. report on the study, proposed plan, and financial analysis to the legislature, by November 1, 2026.

*House Amendment "A" (1) adds the requirement that the commissioner's nonprofit liability insurance study be prepared within available appropriations and include a proposed plan, financial

analysis, related legislative recommendations, and a funding needs assessment; (2) advances the study's due date from February 1, 2027, to November 1, 2026; (3) expands the committees that must receive the study; and (4) makes minor changes to the study and pharmacist compensation provisions.

EFFECTIVE DATE: January 1, 2028, except the provision on the insurance commissioner's study is effective upon passage.

PHARMACISTS' COMPENSATION

By law, licensed pharmacists are recognized as health care providers. The bill provides for their compensation when they deliver covered clinical services under certain health plans.

Clinical Services Reimbursement

Specifically, the bill (1) requires health carriers, third-party administrators, and PBMs covering benefits under a health benefit plan (see below) in Connecticut to include pharmacists in reimbursement processes and provider networks to reimburse them for covered clinical services and (2) prohibits these entities from denying pharmacists reimbursement for clinical services under specified circumstances. The bill specifies that it does not require coverage of any service not otherwise covered under the plan.

Applicability. The bill applies to any insurance company, fraternal benefit society, hospital service corporation, medical service corporation, health care center, or other entity subject to Connecticut insurance laws and regulations ("health carrier"). It also applies to (1) third-party administrators and (2) PBMs that administer the prescription drug, prescription device, or pharmacist services portion of a health benefit plan on behalf of plan sponsors, such as self-insured employers, insurance companies, labor unions, and health care centers.

Health Benefit Plan. Under the bill, a "health benefit plan" is an insurance policy or contract offered, delivered, issued for delivery, renewed, amended, or continued in Connecticut by a health carrier to

provide, deliver, pay for, or reimburse health care service costs. Coverage for certain types of benefits is expressly excluded, such as disability, specified accident or accident only, long term care, Medicare or TriCare supplement, travel health, any single service ancillary health (for example, vision, dental, or prescription drug coverage), or certain other limited scope, supplemental, or fixed indemnity benefits.

Covered Clinical Service

Under the bill, a “covered clinical service” is any service or procedure (1) within the scope of the pharmacist’s license and (2) covered under the health benefit plan’s terms when done by any other licensed health care provider.

The bill prohibits a health carrier, third-party administrator, or PBM from denying reimbursement for any clinical service solely because the service (1) is provided by a pharmacist according to their scope of practice and license and (2) would otherwise be eligible for reimbursement if provided by a physician, physician assistant, or advanced practice registered nurse.

Credentialing and Contracting Standards

The bill specifies that it does not prevent health carriers, third-party administrators, and PBMs from setting reasonable participation, credentialing, and contracting standards for pharmacists.

NONPROFITS’ LIABILITY INSURANCE

Proposed Plan

The bill requires the commissioner to develop a proposed plan to establish a captive insurance company, risk management agency, or a program to insure nonprofits who pool their liability insurance policies. The proposed plan must assess the appropriate structure of the company, agency, or program to ensure its financial and operational viability, including:

1. a process for collecting relevant data from participating nonprofits;

2. an actuarial analysis of any risks to be underwritten by the company, agency, or program;
3. a plan design; and
4. any other factors the commissioner deems appropriate.

Financial Analysis

Under the bill, the commissioner's financial analysis of the company, agency, or program, must include:

1. an estimate of the initial investment required to ensure that they (a) meet any applicable statutory operating ratios in the state's insurance laws and (b) are fully operational as Connecticut-licensed insurers or reinsurers and
2. estimates of future premium costs for participating nonprofits.

Report to the Legislature

By November 1, 2026, the bill requires the commissioner to report to the Appropriations; Finance, Revenue and Bonding; Human Services; and Insurance and Real Estate committees on the feasibility study, proposed plan, and financial analysis. The commissioner's report must include (1) any recommendations for legislative action required to establish the company, agency, or program and (2) an assessment of funding needed for implementation and any future investment in them.

BACKGROUND

Legislative History

The House referred the bill (File 243) to the Judiciary Committee, which reported a substitute that eliminates provisions that (1) give immunity from civil liability, under certain circumstances, to nonprofit human services providers that contract with the state through a purchase of service contract and (2) require the insurance commissioner to examine the impact of insurance claim litigation and report his findings to the legislature by February 1, 2027.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 13 Nay 0 (03/12/2026)

Judiciary Committee

Joint Favorable Substitute

Yea 40 Nay 0 (04/10/2026)