



General Assembly

*February Session, 2026*

***Governor's Bill No. 87***

LCO No. 624



\* 0 0 6 2 4 \*

Referred to Committee on HUMAN SERVICES

Introduced by:

Request of the Governor Pursuant  
to Joint Rule 9

***AN ACT STRENGTHENING NONPROFITS.***

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

1       Section 1. (NEW) (*Effective from passage*) (a) There is established within  
2       the Office of Policy and Management a Nonprofit Provider Advisory  
3       Board for the purpose of advising the Governor and the Office of Policy  
4       and Management on the matters set forth in subsection (c) of this  
5       section.

6       (b) (1) The Nonprofit Provider Advisory Board shall consist of the  
7       following members:

8       (A) Ten members appointed by the Governor;

9       (B) The chief executive officer of a state-wide association of  
10      community nonprofits, or the chief executive officer's designee;

11       (C) The Secretary of the Office of Policy and Management, or the  
12      secretary's designee;

13       (D) The executive finance officer of the Office of Policy and  
14 Management, or the executive finance officer's designee;

15       (E) The Commissioner of Children and Families, or the  
16 commissioner's designee;

17       (F) The Commissioner of Correction, or the commissioner's designee;

18       (G) The Commissioner of Developmental Services, or the  
19 commissioner's designee;

20       (H) The Commissioner of Housing, or the commissioner's designee;

21       (I) The Commissioner of Mental Health and Addiction Services, or  
22 the commissioner's designee;

23       (J) The Commissioner of Public Health, or the commissioner's  
24 designee;

25       (K) The Commissioner of Aging and Disability Services, or the  
26 commissioner's designee;

27       (L) The Commissioner of Social Services, or the commissioner's  
28 designee;

29       (M) The Commissioner of Early Childhood, or the commissioner's  
30 designee; and

31       (N) The executive director of the Court Support Services Division of  
32 the Judicial Branch, or the executive director's designee.

33       (2) The term of each appointed member of the board shall be  
34 coterminous with that of the Governor.

35       (c) The Nonprofit Provider Advisory Board shall:

36       (1) Advise on areas to improve access and the delivery of services by  
37 nonprofit providers;

38        (2) Identify opportunities for collaboration across state agencies that  
39        promote effectiveness and efficiency of nonprofit providers and  
40        streamline state processes;

41        (3) Recommend short and long-term strategies for enhancing the  
42        financial viability of nonprofit organizations, including through  
43        payment reform models, based on identified best practices;

44        (4) Recommend a standardized workforce data collection system for  
45        nonprofit organizations to measure and compare impact across private  
46        provider services; and

47        (5) Identify short and long-range opportunities, issues and gaps  
48        pertaining to nonprofit providers that may result from changes in  
49        federal funding or federal policies.

50        Sec. 2. (NEW) (*Effective January 1, 2027*) No insurer shall refuse to  
51        renew any automobile liability insurance policy, as defined in  
52        section 38a-341 of the general statutes, or assign any surcharge on any  
53        automobile liability insurance premium or otherwise increase the rate  
54        for a motor vehicle policy solely on the basis that the named insured or  
55        any operator who customarily operates an automobile insured under  
56        the policy is a volunteer driver who provides services, including, but  
57        not limited to, transporting individuals or goods without compensation  
58        above expenses to (1) a corporation, as defined in section 33-1002 of the  
59        general statutes, that is nonprofit, or (2) a charitable organization, as  
60        defined in section 21a-190 of the general statutes.

61        Sec. 3. (NEW) (*Effective January 1, 2027*) No insurer, health care center,  
62        fraternal benefit society, hospital service corporation or medical service  
63        corporation or other entity delivering, issuing for delivery, renewing,  
64        amending or continuing an individual or group health insurance policy  
65        in this state on or after January 1, 2027, providing coverage of the type  
66        specified in subdivisions (1), (2), (4), (11) and (12) of section 38a-469 of  
67        the general statutes, shall retroactively deny or recoup payment of any  
68        health insurance claim paid to any health care provider for an

69 authorized covered service after twelve months from the date of the  
70 receipt of a clean claim for such service. For the purposes of this section,  
71 "health care provider" has the same meaning as provided in section 38a-  
72 477aa of the general statutes.

73 Sec. 4. Subsection (c) of section 38a-479b of the general statutes is  
74 repealed and the following is substituted in lieu thereof (*Effective January*  
75 *1, 2027*):

76 (c) (1) No contracting health organization shall cancel, deny or  
77 demand the return of full or partial payment for an authorized covered  
78 service due to administrative or eligibility error, more than [eighteen]  
79 twelve months after the date of the receipt of a clean claim, except if:

80 (A) Such organization has a documented basis to believe that such  
81 claim was submitted fraudulently by such provider;

82 (B) The provider did not bill appropriately for such claim based on  
83 the documentation or evidence of what medical service was actually  
84 provided;

85 (C) Such organization has paid the provider for such claim more than  
86 once;

87 (D) Such organization paid a claim that should have been or was paid  
88 by a federal or state program; or

89 (E) The provider received payment for such claim from a different  
90 insurer, payor or administrator through coordination of benefits or  
91 subrogation, or due to coverage under an automobile insurance or  
92 workers' compensation policy. Such provider shall have one year after  
93 the date of the cancellation, denial or return of full or partial payment to  
94 resubmit an adjusted secondary payor claim with such organization on  
95 a secondary payor basis, regardless of such organization's timely filing  
96 requirements.

97 (2) (A) Such organization shall give at least thirty days' advance

---

98 notice to a provider by mail, electronic mail or facsimile of the  
99 organization's cancellation, denial or demand for the return of full or  
100 partial payment pursuant to subdivision (1) of this subsection.

101 (B) If such organization demands the return of full or partial payment  
102 from a provider, the notice required under subparagraph (A) of this  
103 subdivision shall disclose to the provider (i) the amount that is  
104 demanded to be returned, (ii) the claim that is the subject of such  
105 demand, and (iii) the basis on which such return is being demanded.

106 (C) Not later than thirty days after the receipt of the notice required  
107 under subparagraph (A) of this subdivision, a provider may appeal such  
108 cancellation, denial or demand in accordance with the procedures  
109 provided by such organization. Any demand for the return of full or  
110 partial payment shall be stayed during the pendency of such appeal.

111 (D) If there is no appeal or an appeal is denied, such provider may  
112 resubmit an adjusted claim, if applicable, to such organization, not later  
113 than thirty days after the receipt of the notice required under  
114 subparagraph (A) of this subdivision or the denial of the appeal,  
115 whichever is applicable, except that if a return of payment was  
116 demanded pursuant to subparagraph (C) of subdivision (1) of this  
117 subsection, such claim shall not be resubmitted.

118 (E) A provider shall have one year after the date of the written notice  
119 set forth in subparagraph (A) of this subdivision to identify any other  
120 appropriate insurance coverage applicable on the date of service and to  
121 file a claim with such insurer, health care center or other issuing entity,  
122 regardless of such insurer's, health care center's or other issuing entity's  
123 timely filing requirements.

|   |                        |             |
|---|------------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: |                        |             |
| Section 1   | <i>from passage</i>    | New section |
| Sec. 2  | <i>January 1, 2027</i> | New section |

|        |                        |             |
|--------|------------------------|-------------|
| Sec. 3 | <i>January 1, 2027</i> | New section |
| Sec. 4 | <i>January 1, 2027</i> | 38a-479b(c) |

***Statement of Purpose:***

To implement the Governor's budget recommendations.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*