

INSURANCE & REAL ESTATE COMMITTEE

LEGISLATIVE REPORT



2010 SESSION

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LETTER FROM THE CHAIRMEN

Dear Friends,

We are extremely proud of the Insurance and Real Estate Committee's accomplishments during the 2010 General Assembly session. We believe that the committee's work touches the lives of everyone in our state, and that our public hearing and committee process, which we endeavored to conduct in as fair, open, thorough, and collaborative a manner as possible, confirmed how crucial our work is and can be to improving the quality of life in Connecticut.

This report outlines the many successes and actions of the committee this year, particularly in the area of health insurance, which we would not have achieved without the significant team effort behind them. As Committee Chairmen, we wish to thank our tremendously dedicated and capable staff, our ranking members and other colleagues on the committee, our Legislative Leaders, the rest of the General Assembly, and members of the Executive Branch (including the Insurance Commissioner and his staff) for their cooperation and support for the committee's work.

While we did not succeed in enacting all of our legislative objectives for the session, we take pride in our efforts to work with the regulated community, the Insurance Department, and various advocates to reach a bipartisan, pragmatic consensus on many important issues. Our goal remains to work with all relevant stakeholders to produce legislation that enhances the quality of life for the people of Connecticut. We believe that we did just that this past session, and we look forward to building upon these accomplishments and working with all of you next session.

Best regards,



JOE
Sen. Joseph J. Crisco, Jr.
Co-Chair



STEVE
Rep. Steve Fontana
Co-Chair

Members of the Insurance & Real Estate Committee

Sen. Joseph J. Crisco, Jr
Chairman

Sen. Joan Hartley
Vice Chairman

Sen. Sam S.F. Caligiuri
Ranking Member

Rep. Catherine Abercrombie
Member

Rep. Mike Alberts
Member

Rep. David Aldarondo
Member

Rep. Emil Altobello
Member

Rep. Penny Bacchiochi
Member

Rep. Steve Dargan
Member

Rep. John C. Geragosian
Member

Rep Steve Fontana
Chairman

Rep. Robert W. Megna
Vice Chairman

Rep. Tony D'Amelio
Ranking Member

Rep. Vickie Nardello
Member

Rep. Brian O'Connor
Member

Rep. Kelvin Roldan
Member

Rep. Linda Schofield
Member

Rep. Sean Williams
Member

Rep. Chris Wright
Member

Staff

Diane Kubeck
Clerk

Kumi Sato
LCO Attorney

Janet Kaminski Leduc
OLR Researcher

Summary of Accomplishments



PA 10-77 (SB-13) AAC REAL ESTATE APPRAISAL MANAGEMENT COMPANIES. Requires the registration and regulation of real estate appraisal management companies in Connecticut.

PA 10-59 (SB-17) AAC HEALTH CARE PROVIDER RENTAL NETWORK CONTRACT ARRANGEMENTS. Requires entities that contract with health care providers (i.e., “contracting entities”) to update their listings of covered entities on a routine basis not less than every ninety days, imposes similar listing and updating requirements on covered entities that subsequently sell, lease, rent, assign or grant access to such provider’s services, discounted rates or fees, specifies that violations are deemed unfair or deceptive insurance practices.

PA 10-63 (SB-50) AAC ORAL CHEMOTHERAPY TREATMENTS. Requires health insurance policies that cover intravenously and orally administered anticancer medications prescribed by a licensed practitioner with prescribing authority to cover the oral medication on at least as favorable a basis as the intravenous medication. It prohibits insurers from reclassifying anticancer medications or increasing a patient’s out-of-pocket costs for the medications as a way to comply.

PA 10-65 (SB-141) AA REQUIRING DISCLOSURE OF OFFSETS IN GROUP LONG-TERM DISABILITY INSURANCE POLICIES. Requires each insurer that issues group long-term disability (LTD) policies in CT that contain an offset to disclose specified information to the policyholder, including an example of how that offset works. An offset is a policy provision that reduces the amount of benefits available under the policy if benefits are also available from other sources (e.g., Social Security).

PA 10-53 (SB-190) AAC A FOUR-HOUR ACCIDENT PREVENTION COURSE FOR OLDER DRIVERS. Reduces accident prevention course for drivers age 60 and older to four hours.

PA 10-4 (HB-5002) AAC PREMIUM QUOTES AND INFORMATION FOR SMALL EMPLOYER HEALTH INSURANCE COVERAGE. Allows a small employer to receive from insurers, upon request, health insurance premium quotes that include coverage for employees working at least twenty hours per week and establishes a CT Clearinghouse to provide health insurance information to individuals and small employees.

PA 10-163 (HB-5004) AAC TRANSPARENCY IN HEALTH INSURANCE CLAIMS DATA. Requires an insurer to disclose to an employer certain information about its group insurance policy. It defines “employer” as a town; city; borough; or school, taxing, or fire district that has more than 50 employees. The act requires an employer to use information it receives only for the purposes of obtaining competitive quotes for group insurance or to promote wellness initiatives for employees.

PA 10-5 (HB-5006) AAC THE LEGISLATIVE COMMISSIONERS’ RECOMMENDATION FOR TECHNICAL REVISIONS AND MINOR CHANGES THE INSURANCE AND RELATED STATUES. Makes changes to the insurance related statues as follows: (1) broadens the applicability of several health insurance benefits; (2) makes the Insurance Commissioner the agent to receive legal service of process for captive insurance companies domiciled in CT if a registered agent cannot be found with reasonable diligence at the registered office; (3) requires all CT domiciled captive insurers to file a certificate of general good and articles of incorporations, if applicable, with the Secretary of the State; and (4) makes other minor, technical, and conforming changes.

PA 10-7 (HB-5014) AAC AUTOMOBILE AND PERSONAL RISK INSURANCE. Permits an insurer to use a “financial history measurement program” only when underwriting or developing rates for new policies. It prohibits an insurer from using credit history when renewing a policy, unless (1) the policyholder asks or (2) using the program reduces the insured’s premium under the insurer’s filed rates and rules.

PA 10-79 (HB-5141) AAC THE HANDLING OF PROPERTY CLAIMS BY PUBLIC ADJUSTERS. Refines a “public adjuster” to specify the range of services one is allowed to perform. Prohibits a public adjuster from soliciting an insured person between 8:00 p.m. and 8:00 a.m. .

PA 10-13 (HB-5219) AA EXTENDING STATE CONTINUATION OF HEALTH INSURANCE COVERAGE. Extends the period for which certain people may continue group health insurance under the state’s “mini-COBRA” law from 18 to 30 months.

PA 10-24 (HB-5235) AA REQUIRING THE PROVIDING OF CERTAIN INFORMATION UPON CERTAIN DENIALS OF HEALTH INSURANCE COVERAGE. Requires health insurers who deny coverage of a requested service because it is not medically necessary or a covered benefit to notify the insured that they may contact the Office of the Healthcare Advocate if they believe the information is incorrect. Insurers must provide the insured with contact information for the Healthcare Advocate's office.

PA 10-131 (HB-5295) AAC THE PURCHASING OF PRESCRIPTION DRUGS BY NONSTATE PUBLIC EMPLOYERS. Requires the comptroller to offer nonstate public employers the option to purchase prescription drugs through the state's bulk purchasing authority for their employers' employees, employees' dependents, or retirees. Nonstate public employers are defined as (1) a municipality or other political subdivision of the state, including a board of education, quasi-public agency or public library or (2) the Teachers' Retirement Board.

PA 10-19 (HB-5303) AA REQUIRING REPORTING OF CERTAIN HEALTH INSURANCE CLAIMS DENIAL DATA. Requires managed care organizations to report claims denial data and requires the Insurance Department to include such data in the consumer report card and to post such data on its internet web site.





Insurance Act Vetoed By the Governor

PA 09-6 (HB-5011) AA EXTENDING THE EFFECTIVE DATE FOR CERTAIN INTERLOCAL RISK MANAGEMENT POOLS. This act postpones, by six years, the dates by which certain interlocal risk management pools must comply with contingency reserve requirements specified by law. The law permits two or more municipalities to form an interlocal risk management agency (known as a “MIRMA”) to pool risks and jointly purchase insurance for (1) public liability, automobile, and property; (2) workers’ compensation; and (3) excess risk. Requires an interlocal risk management agency, beginning October 1, 2013, to report annually to the Insurance Commissioner any interlocal risk management pool’s surplus or deficit for the preceding fiscal year. If there is a deficit of \$8 million or more, the agency must assess pool members to eliminate it within three years from the preceding June 30. The agency determines how to implement the assessment.



Other Raised Bills

[S.B. No. 12](#) (RAISED) (File No. 1) AN ACT CLARIFYING POSTCLAIMS UNDERWRITING. (As amended by Senate Amendment Schedule "A"). (INS,JUD)

[Substitute for S.B. No. 14](#) (RAISED) (File No. 2) AN ACT PROHIBITING COPAYMENTS FOR PREVENTIVE CARE. (INS,APP)

[Substitute for S.B. No. 15](#) (RAISED) (File No. 3) AN ACT CONCERNING PRESCRIPTION DRUG COPAYMENTS. (INS,APP)

[Substitute for S.B. No. 16](#) (RAISED) (File No. 4) AN ACT PHASING OUT THE INSURANCE PREMIUM TAX FOR MUNICIPALITIES. (INS,FIN)

[S.B. No. 18](#) (RAISED) AN ACT CONCERNING REAL ESTATE BROKERS AND SALESPERSONS.

[S.B. No. 19](#) (RAISED) AN ACT EXEMPTING THE INSURANCE FUND FROM THE SPENDING CAP. (INS,APP)

[Substitute for S.B. No. 51](#) (RAISED) (File No. 22) AN ACT CONCERNING ELECTRONIC DATA STANDARDS FOR MACHINE-READABLE MEDICAL BENEFITS IDENTIFICATION CARDS AND SCANNING DEVICES. (INS,PH,APP)

[Substitute for S.B. No. 52](#) (RAISED) (File No. 5) AN ACT CONCERNING A TASK FORCE TO STUDY HEALTH CARE FOR UNINSURED CHILDREN. (INS,PH)

[S.B. No. 92](#) (RAISED) (File No. 24) AN ACT CONCERNING PRESCRIPTION EYE DROPS. (INS,APP)

[Substitute for S.B. No. 93](#) (RAISED) (File Nos. 288 and 652) AN ACT CONCERNING REVISIONS TO THE INSURANCE STATUTES. (As amended by Senate Amendment Schedule "A"). (INS,JUD)

[S.B. No. 191](#) (RAISED) (File No. 47) AN ACT CONCERNING MOTOR CARRIER INDEMNITY AGREEMENTS. (INS,TRA,JUD)

[Substitute for S.B. No. 192](#) (RAISED) (File No. 291) AN ACT CONCERNING THE LISTING OF ADVANCED PRACTICE REGISTERED NURSES IN MANAGED CARE ORGANIZATION PROVIDER LISTINGS, AND PRIMARY CARE PROVIDER DESIGNATIONS. (As amended by Senate Amendment Schedule "A"). (INS,PH)

[S.B. No. 193](#) (RAISED) AN ACT CONCERNING LIABILITY INSURANCE FOR BOATS.

[Substitute for S.B. No. 194](#) (RAISED) (File No. 242) AN ACT CONCERNING RATE APPROVALS FOR CERTAIN HEALTH INSURANCE POLICIES. (INS,JUD)

[S.B. No. 252](#) (RAISED) AN ACT CONCERNING MEDICAL MALPRACTICE DATA REPORTING.

[Substitute for S.B. No. 253](#) (RAISED) (File No. 198) AN ACT CONCERNING NOTICE OF TERMINATION OF INDIVIDUAL TERM LIFE INSURANCE POLICIES FOR NONPAYMENT OF PREMIUM.

[Substitute for S.B. No. 254](#) (RAISED) (File Nos. 293 and 646) AN ACT CONCERNING DISCLOSURE OF MAXIMUM ALLOWABLE COSTS FOR PHARMACY REIMBURSEMENTS. (As amended by Senate Amendment Schedule "A"). (INS,JUD)

[S.B. No. 255](#) (RAISED) (File No. 88) AN ACT PROHIBITING DIFFERENTIAL PAYMENT RATES TO HEALTH CARE PROVIDERS FOR COLONOSCOPY OR ENDOSCOPIC SERVICES BASED ON SITE OF SERVICE.

[Substitute for S.B. No. 256](#) (RAISED) (File No. 294) AN ACT CONCERNING ASSESSMENTS FOR HEALTH BENEFIT REVIEWS PERFORMED BY THE INSURANCE DEPARTMENT. (As amended by Senate Amendment Schedule "A").

[S.B. No. 257](#) (RAISED) AN ACT CONCERNING MEDICAL PAYMENTS COVERAGE FOR AUTOMOBILE INSURANCE POLICIES.

[Substitute for S.B. No. 258](#) (RAISED) (File No. 232) AN ACT CONCERNING DISCLOSURE OF DOCUMENTS AND INFORMATION CONSIDERED BY A UTILIZATION REVIEW COMPANY IN A FINAL DETERMINATION.

[Substitute for S.B. No. 259](#) (RAISED) (File No. 89) AN ACT CONCERNING INSURANCE COVERAGE FOR MAMMOGRAMS. (INS,APP)

[Substitute for S.B. No. 260](#) (RAISED) (File No. 247) AN ACT CONCERNING HEALTH INSURANCE COVERAGE FOR ROUTINE PATIENT CARE COSTS FOR CERTAIN CLINICAL TRIAL PATIENTS. (As amended by Senate Amendment Schedule "A"). (INS,APP)

[Substitute for S.B. No. 392](#) (RAISED) (File No. 206) AN ACT ADJUSTING THE MINIMUM PROFESSIONAL LIABILITY INSURANCE CARRIED BY HEALTH CARE PROVIDERS. (INS,PH)

[Substitute for S.B. No. 393](#) (RAISED) (File No. 207) AN ACT CONCERNING STANDARDS IN HEALTH CARE PROVIDER CONTRACTS. (As amended by Senate Amendment Schedule "A").

[H.B. No. 5009](#) (RAISED) (File No. 7) AN ACT CONCERNING WELLNESS PROGRAMS AND EXPANSION OF HEALTH INSURANCE COVERAGE. (INS,APP)

[Substitute for H.B. No. 5013](#) (RAISED) (File No. 8) AN ACT ESTABLISHING A CATASTROPHIC MEDICAL EXPENSES POOL. (INS,FIN)

[H.B. No. 5029](#) (RAISED) AN ACT CONCERNING THE LICENSING AND REGULATION OF THIRD-PARTY ADMINISTRATORS.

[H.B. No. 5090](#) (RAISED) (File Nos. 309 and 666) AN ACT REGULATING THIRD-PARTY ADMINISTRATORS AND RATE APPROVALS FOR CERTAIN HEALTH INSURANCE POLICIES. (As amended by House Amendment Schedules "A" and "B"). (INS,JUD)

[Substitute for H.B. No. 5147](#) (RAISED) (File Nos. 133 and 635) AN ACT CONCERNING SURETY BAIL BOND AGENTS AND PROFESSIONAL BONDSMEN. (INS,JUD,PS,FIN)

[Substitute for H.B. No. 5212](#) (RAISED) (File No. 215) AN ACT CONCERNING INSURANCE COVERAGE FOR THE TREATMENT OF BLEEDING DISEASES. (INS,APP)

[H.B. No. 5233](#) (RAISED) AN ACT CONCERNING INSURANCE COVERAGE AND CERTAIN LIQUOR LICENSES.

[Substitute for H.B. No. 5238](#) (RAISED) (File No. 59) AN ACT REQUIRING VERIFICATION OF AUTOMOBILE INSURANCE COVERAGE OF PERSONS ENGAGED IN THE DELIVERY OF NEWSPAPERS.

[H.B. No. 5298](#) (RAISED) AN ACT PROHIBITING INCENTIVES FROM AUTOMOBILE GLASS REPAIR SHOPS.

[H.B. No. 5300](#) (RAISED) (File No. 218) AN ACT CONCERNING HOSPITAL CHARGES FOR UNINSURED PATIENTS. (INS,PH)

[Substitute for H.B. No. 5305](#) (RAISED) (File No. 70) AN ACT EXEMPTING FROM REGULATION CERTAIN NONPROFIT AMBULANCE SERVICES OR COMPANIES. (INS,PS)

[Substitute for H.B. No. 5308](#) (RAISED) (File No. 275) AN ACT ESTABLISHING A NONPROFIT WORKERS' COMPENSATION INSURANCE COMPANY. (INS,FIN)

[Substitute for H.B. No. 5433](#) (RAISED) (File No. 156) AN ACT ADJUSTING INSURANCE GUARANTY FUND CREDITS. (INS,FIN)