



General Assembly

February Session, 2006

Raised Bill No. 5697

LCO No. 2649

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Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

***AN ACT REQUIRING PRORATED DEDUCTIBLES FOR CERTAIN
GROUP HEALTH INSURANCE POLICIES.***

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

1 Section 1. (NEW) (*Effective October 1, 2006*) Each group health
2 insurance policy providing coverage of the type specified in
3 subdivisions (1), (2), (4), (6), (11) and (12) of section 38a-469 of the
4 general statutes delivered, issued for delivery or renewed in this state
5 on or after October 1, 2006, that is subject to an annual deductible shall
6 prorate the amount of such deductible over the remaining policy term
7 for any member whose coverage commences at any time other than the
8 first month of the plan year. A "high deductible health plan", as
9 defined in Section 220(c)(2) or Section 223(c)(2) of the Internal Revenue
10 Code of 1986, or any subsequent corresponding internal revenue code
11 of the United States, as from time to time amended, used to establish a
12 "medical savings account" or "Archer MSA" pursuant to Section 220 of
13 said Internal Revenue Code or a "health savings account" pursuant to
14 Section 223 of said Internal Revenue Code shall not be subject to the
15 provisions of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2006	New section

Statement of Purpose:

To require that annual deductibles be prorated under group health insurance policies for members whose coverage commences later than the first month of the plan year.

[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.]