



General Assembly

January Session, 2007

**Raised Bill No. 7058**

LCO No. 3752

\*03752\_\_\_\_\_INS\*

Referred to Committee on Insurance and Real Estate

Introduced by:  
(INS)

**AN ACT AMENDING DEFINITIONS APPLICABLE TO SPECIAL HEALTH CARE PLANS AND SMALL EMPLOYER HEALTH CARE PLANS.**

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

1 Section 1. Subdivisions (19) to (24), inclusive, of section 38a-564 of  
2 the general statutes are repealed and the following is substituted in  
3 lieu thereof (*Effective October 1, 2007*):

4 (19) "Low-income eligible employee" means an eligible employee of  
5 a small employer whose annualized wages from such small employer  
6 determined as of the effective date of the special health care plan or as  
7 of any anniversary of such effective date as certified to the insurer or  
8 insurance arrangement or the Health Reinsurance Association, as the  
9 case may be, by such small employer is less than [two] three hundred  
10 per cent of the federal poverty level applicable to such person.

11 (20) "Medicare" means the Health Insurance for the Aged Act, Title  
12 XVIII of the Social Security Amendments of 1965, as amended.

13 (21) "Health Reinsurance Association" means the entity established  
14 and maintained in accordance with the provisions of sections 38a-505,

15 38a-546 and 38a-551 to 38a-559, inclusive.

16 (22) "Reimbursement rate" means, as to individuals covered under  
17 special health care plans or an individual special health care plan,  
18 [seventy-five per cent of] the Medicare reimbursement rate for benefits  
19 normally reimbursable under Medicare. For services or supplies not  
20 reimbursed by Medicare, such reimbursement shall be [seventy-five  
21 per cent of] the amount which would be payable under Medicare, if  
22 Medicare was responsible for benefit payments under such plans for  
23 such services and supplies, as determined by the board and approved  
24 by the commissioner.

25 (23) "Individual special health care plan" means a health insurance  
26 plan for individuals, issued by the Health Reinsurance Association in  
27 accordance with section 38a-571 or issued by an insurer in accordance  
28 with section 38a-565.

29 (24) "Low-income individual" means an individual whose adjusted  
30 gross income (AGI) for the individual and spouse, from the most  
31 recent federal tax return filed prior to the date of application for the  
32 individual special health care plan or prior to any anniversary of the  
33 effective date of the plan, as certified by such individual, is less than  
34 [two] three hundred per cent of the applicable federal poverty level.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007</i>	38a-564(19) to (24)

**Statement of Purpose:**

To amend the definitions of "low-income eligible employee", "reimbursement rate" and "low-income individual" for purposes of the special health care plans and the small employer health care plans.

*[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.]*