



General Assembly

February Session, 2008

Raised Bill No. 171

LCO No. 312

00312_____INS

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

AN ACT EXTENDING HEALTH INSURANCE INCONTESTABILITY TO GROUP HEALTH INSURANCE PLANS.

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

1 Section 1. Section 38a-513 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2008*):

3 (a) No group health insurance policy, as defined by the
4 commissioner, or certificate shall be issued or delivered in this state
5 unless a copy of the form for such policy or certificate has been
6 submitted to and approved by the commissioner under the regulations
7 adopted pursuant to this section. The commissioner shall adopt
8 regulations, in accordance with chapter 54, concerning the provisions,
9 submission and approval of such policies and certificates and
10 establishing a procedure for reviewing such policies and certificates. If
11 the commissioner issues an order disapproving the use of such form,
12 the provisions of section 38a-19 of the 2008 supplement to the general
13 statutes shall apply to such order.

14 (b) Each group health insurance policy or certificate issued or
15 delivered in this state shall contain a provision as follows: "TIME
16 LIMIT ON CERTAIN DEFENSES: This policy or certificate shall be

17 incontestable, except for nonpayment of premium, after it has been in
18 force for two years from its date of issue."

19 [(b)] (c) No insurance company, fraternal benefit society, hospital
20 service corporation, medical service corporation, health care center or
21 other entity which delivers or issues for delivery in this state any
22 Medicare supplement policies or certificates shall incorporate in its
23 rates or determinations to grant coverage for Medicare supplement
24 insurance policies or certificates any factors or values based on the age,
25 gender, previous claims history or the medical condition of any person
26 covered by such policy or certificate, except for plans "H" to "J",
27 inclusive, as provided in section 38a-495b. In plans "H" to "J", inclusive,
28 previous claims history and the medical condition of the applicant may
29 be used in determinations to grant coverage under Medicare
30 supplement policies and certificates issued prior to January 1, 2006.

31 [(c)] (d) Nothing in this chapter shall preclude the issuance of a
32 group health insurance policy which includes an optional life
33 insurance rider, provided the optional life insurance rider must be
34 filed with and approved by the Insurance Commissioner pursuant to
35 section 38a-430. Any company offering such policies for sale in this
36 state shall be licensed to sell life insurance in this state pursuant to the
37 provisions of section 38a-41.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2008	38a-513

Statement of Purpose:
To extend the two-year incontestability provision in individual health insurance contracts to group health insurance contracts.

[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.]