



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Testimony of the Connecticut Insurance Department

Before
The Insurance and Real Estate Committee

Tuesday, March 3, 2009

Raised Bill 6583--An Act Concerning Lump Sum Payments for Specified Disease Policies

The Insurance Department would like to provide the following comments on Raised Bill 6583--An Act Concerning Lump Sum Payments for Specified Disease Policies. The Department believes this bill is unnecessary.

The Department has prepared draft regulations for group specified disease policies which do include a lump sum payout, subject to certain minimum standards. These draft regulations are currently being reviewed for legal sufficiency at the Attorney General's Office and as soon as approval is obtained, will be sent to the Regulations Review Committee for its consideration. A copy of the regulations is attached.

In addition the Department has drafted amendments to the current Regulations on minimum standards for individual specified disease policies, which amendments will permit a lump sum payout under an individual specified disease policy as well. These draft regulations were published in the Connecticut Law Journal, and the Department is in the process of responding to comments received.

The Department worked with the health insurance industry during the last legislative session, as well as subsequently, on appropriate minimum standards for specified disease coverage. We believe the draft regulations favor the consumer, yet are reasonable for the industry at the same time.

However, should the Committee determine this bill should move forward, the Department will take appropriate steps to amend the current draft regulations as necessary to comply with the final enacted language of RB 6583.

The Department appreciates the opportunity to offer these comments.



STATE OF CONNECTICUT
INSURANCE DEPARTMENT

DRAFT Attached
in File

NOTICE OF INTENT TO ADOPT REGULATION

In accordance with section 4-168(a) of the Connecticut General Statutes, notice is hereby given that the Insurance Commissioner, pursuant to the authority of section 38a-513(d) of the Connecticut General Statutes, proposes to adopt a regulation concerning minimum standards for Group Specified Disease Health Insurance Policies.

Statement of purpose: Section 38a-513(d) provides that the Insurance Commissioner shall adopt regulations to establish the minimum standards for benefits in group specified disease policies, certificates, riders, and endorsements. The purpose of this Regulation is to specify the minimum standards for group specified disease policies and related forms.

All interested persons are invited to submit written data, views or arguments in connection with the proposed action within thirty days following publication of this notice in the Connecticut Law Journal to the State of Connecticut, Insurance Department, Attention: Timothy Lyons, P.O. Box 816, Hartford, CT 06142-0816.

Copies of the proposed regulation may be obtained by writing to the Insurance Department at the above address or sending an e-mail to Timothy.Lyons@ct.gov the proposed regulation may also be viewed by visiting the Insurance Department's Internet Web site at www.ct.gov/cid and clicking on "Proposed Regulations".

A handwritten signature in cursive script, reading "Thomas R. Sullivan".

Thomas R. Sullivan
Insurance Commissioner



STATE OF CONNECTICUT
INSURANCE DEPARTMENT

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in file*

NOTICE OF INTENT TO AMEND REGULATION

In accordance with section 4-168(a) of the Connecticut General Statutes, notice is hereby given that the Insurance Commissioner, pursuant to the authority of section 38a-505 of the Connecticut General Statutes, proposes to amend the regulation concerning Minimum Standards for Individual Health Insurance Policies.

Statement of purpose: Section 38a-505 provides that the Insurance Commissioner shall issue regulations to establish specific standards for policy provisions used in individual health insurance policies. The purpose of this amendment to the Regulation is to clarify and expand the minimum standards for individual specified disease policies.

All interested persons are invited to submit written data, views or arguments in connection with the proposed action within thirty days following publication of this notice in the Connecticut Law Journal to the State of Connecticut, Insurance Department, Attention: Timothy Lyons, P.O. Box 816, Hartford, CT 06142-0816.

Copies of the proposed amendment to the regulation may be obtained by writing to the Insurance Department at the above address or sending an e-mail to Timothy.Lyons@ct.gov. The proposed amendment to the regulation may also be viewed by visiting the Insurance Department's Internet Web site at www.ct.gov/cid and clicking on "Proposed Regulations".

A handwritten signature in black ink, appearing to read "Thomas R. Sullivan".

Thomas R. Sullivan
Insurance Commissioner