



General Assembly

January Session, 2009

Raised Bill No. 716

LCO No. 2360

02360_____LAB

Referred to Committee on Labor and Public Employees

Introduced by:
(LAB)

**AN ACT ELIMINATING THE REDUCTION OF BENEFITS PAYABLE
UNDER A LONG-TERM DISABILITY POLICY BY AMOUNTS
RECEIVED BY THE INSURED IN SOCIAL SECURITY PAYMENTS.**

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

1 Section 1. Section 38a-519 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) No group or individual health insurance policy which provides
4 disability income protection coverage, delivered, or issued for
5 delivery, amended or renewed, in this state, on or after January 1, 1976,
6 and no application, rider or endorsement used in connection therewith
7 shall contain an offset proviso. No such policy in effect on January 1,
8 1976, and no application, rider or endorsement used in connection
9 therewith shall after January 1, 1981, contain an offset proviso. For the
10 purposes of this section, an "offset proviso" means any provision of an
11 insurance policy which allows the insurer to reduce his liability for loss
12 or expense from sickness or from bodily injury of the insured by
13 reason of any increase in the disability benefits on or after the date a
14 claim commences under any such policy.

15 (b) No group or individual long-term disability insurance policy
16 and no application, rider or endorsement used in connection therewith
17 delivered or issued for delivery, amended or renewed, in this state, on
18 or after January 1, 2010, shall contain any provision that allows any
19 reduction of coverage limits or benefits payable for amounts received
20 by the insured for Social Security disability benefits paid or payable
21 pursuant to the Social Security Act, 42 USC Section 301, et seq.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	38a-519

Statement of Purpose:

To eliminate the ability of an insurance company to reduce the amount payable under a long-term disability policy by the amount the insured receives in Social Security payments.

[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.]