



General Assembly

Substitute Bill No. 716

January Session, 2009

* SB00716LAB 031209 *

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 Section 38a-519 of the general statutes is repealed and the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 health insurance policy which provides disability
4 income protection coverage, delivered, or issued for delivery,
5 amended or renewed, in this state, on or after January 1, 1976, and no
6 application, rider or endorsement used in connection therewith shall
7 contain an offset proviso. No such policy in effect on January 1, 1976,
8 and no application, rider or endorsement used in connection therewith
9 shall after January 1, 1981, contain an offset proviso. For the purposes
10 of this section, an "offset proviso" means any provision of an insurance
11 policy which allows the insurer to reduce his liability for loss or
12 expense from sickness or from bodily injury of the insured by reason
13 of any increase in the disability benefits on or after the date a claim
14 commences under any such policy.

15 (b) No group or individual long-term disability insurance policy or
16 certificate form and no application, rider or endorsement used in
17 connection therewith delivered, issued for delivery, amended,
18 renewed or continued, in this state, on or after July 1, 2009, under

19 which the insured pays the full premium or has paid the full premium
20 prior to qualifying for and collecting disability benefits thereunder
21 shall contain any provision that allows the insurer to reduce any such
22 disability benefits payable or coverage limits due to any amounts
23 payable to or received by the insured for Social Security disability
24 benefits 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

LAB *Joint Favorable Subst.*