



General Assembly

February Session, 2012

**Raised Bill No. 5226**

LCO No. 1199

\*01199\_\_\_\_\_INS\*

Referred to Committee on Insurance and Real Estate

Introduced by:  
(INS)

**AN ACT CONCERNING LIFE INSURANCE PREMIUM PAYMENT SCHEDULES.**

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

1 Section 1. Section 38a-430 of the 2012 supplement to the general  
2 statutes is repealed and the following is substituted in lieu thereof  
3 (*Effective October 1, 2012*):

4 (a) No life insurance or annuity policy or contract shall be delivered  
5 or issued for delivery to any person in this state, nor shall any  
6 application, rider or endorsement be used in connection therewith,  
7 until a copy of the form thereof shall have been filed with and  
8 approved by the commissioner. The commissioner shall adopt  
9 regulations, in accordance with the provisions of chapter 54,  
10 establishing a procedure for review of such policies. The commissioner  
11 shall issue an order disapproving the use of any such form at any time  
12 if it does not comply with the requirements of law, or if it contains a  
13 provision or provisions that are unfair or deceptive or that encourage  
14 misrepresentation of the policy. The commissioner shall specify the  
15 reason for the commissioner's disapproval. The provisions of section  
16 38a-19 shall apply to any such order issued by the commissioner.

17 (b) Each applicant for or an insured under a life insurance policy or  
18 a rider thereto that is delivered, issued for delivery, renewed, amended  
19 or continued in this state shall be permitted to elect such applicant's or  
20 insured's choice of, at a minimum, a quarterly, biannual or annual  
21 premium payment schedule, and an insured under such policy or rider  
22 shall be permitted to make such election at least annually.

23 [(b)] (c) Nothing in this chapter shall preclude the issuance of a life  
24 insurance [contract] policy including, but not limited to, a long-term  
25 care policy as provided in section 38a-458, that includes an optional  
26 health insurance rider, provided the optional health insurance rider is  
27 filed with and approved by the Insurance Commissioner pursuant to  
28 section 38a-481. Any company offering such policies for sale in this  
29 state shall be licensed to sell health insurance in this state pursuant to  
30 the provisions of section 38a-41.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2012	38a-430

**Statement of Purpose:**

To allow applicants for and insureds under life insurance policies to elect such applicants' or insureds' choice of a quarterly, semiannually or annual premium payment schedule.

*[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.]*