

---

---

## OLR Bill Analysis

sHB 5226

### ***AN ACT CONCERNING LIFE INSURANCE PREMIUM PAYMENT SCHEDULES FOR RETIREES.***

#### **SUMMARY:**

This bill allows a retiree insured under a life insurance policy the option of electing a premium payment schedule. The retiree may choose at least quarterly, biannual, or annual payments.

EFFECTIVE DATE: October 1, 2012

#### **PREMIUM PAYMENT SCHEDULES**

##### ***Individual Life Insurance***

The bill requires an insurer to allow a retiree who is insured under an individual life insurance policy or related rider, upon the retiree's request, to elect a premium payment schedule. The insurer must give the retiree the choice of at least a quarterly, biannual, or annual payment schedule.

##### ***Group Life Insurance***

The bill requires a group policyholder to allow a retiree who (1) is insured under a group life insurance policy or related rider and (2) pays a portion of the premium, upon the retiree's request, to elect a premium payment schedule. The policyholder must give the retiree the choice of at least a quarterly, biannual, or annual payment schedule.

#### **COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 16 Nay 2 (03/08/2012)