



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

### Testimony

#### Insurance and Real Estate Committee

February 26, 2013

**Raised Bill No. 6476 AN ACT CONCERNING CERTIFICATES OF INSURANCE FOR PROPERTY AND CASUALTY INSURANCE COVERAGE.**

Senator Crisco, Representative Megna, and members of the Insurance and Real Estate Committee, the Insurance Department appreciates the opportunity to provide written testimony regarding H.B. 6476: AAC Certificates of Insurance For Property And Casualty Coverage. Generally, H.B. 6476 requires that all certificates of insurance, for both personal and commercial risk insurance be filed with the Insurance Commissioner.

The Connecticut Insurance Department does not support a requirement that all certificates of insurance be filed. Certificates of insurance cannot alter the terms of a policy and policy forms are already filed with the Insurance Department. Filing of certificates of insurance serves no regulatory purpose since the Insurance Department already reviews the underlying policy forms and disapproves forms containing provisions that are unfair, misleading or deceptive or that are contrary to the insurance laws of this state or any rule or regulation promulgated thereunder. The Insurance Department issued Bulletin S-14, USE OF CERTIFICATES OF INSURANCE, on November 9, 2010, clearly stating that "certificates of insurance cannot be used to amend, expand or alter the terms of the underlying insurance policy."

In addition, the filing of these certificates would result in additional costs which would negatively impact consumers in this state. Each insurer and producer may have hundreds or thousands of variations on these certificates since the exact format is often the product of discussions with the individual or entity requesting a copy of the certificate. Filing and reviewing thousands of forms which cannot include any substantive content is not an efficient use of resources and will result in additional expenses.

The Insurance Department would be in favor of a law prohibiting issuance of a certificate of insurance that does not accurately reflect the provisions of the referenced insurance policy or which contains false or misleading information regarding the coverage provided by the referenced policy.