



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

### **NOTICE OF DECISION TO TAKE ACTION ON PROPOSED REGULATIONS**

In accordance with section 4-168(a) of the Connecticut General Statutes, as amended, notice is hereby given that the Insurance Commissioner, pursuant to the authority of sections 38a-8 and 38a-138 of the Connecticut General Statutes, has decided to proceed with proposed amended regulations concerning Rate Review. Notice of Intent to amend these regulations was posted to the regulations webpage of the Secretary of the State on February 2, 2016. The Insurance Department received two written comments.

As required by the Freedom of Information Act and Conn. Gen. Stat. §4-168(d), the following items are available for copying at the address specified below, through the eRegulation system, and, if applicable, by the alternate methods detailed:

(A) The final wording of the proposed regulation

A copy of the proposed regulation is available for public inspection through the eRegulation system and during regular business hours at the Insurance Department at 153 Market Street, 7<sup>th</sup> floor, Hartford, CT 06103. An electronic copy of the entire regulation making file including the Notice of Intent to Amend the Regulation, the proposed regulation, fiscal note, small business impact statement, comments received, and this Notice of Decision to proceed are available for public inspection on the Insurance Department website at <http://www.ct.gov/cid>. Click on Laws and Regulations and then click on Proposed Regulations.

(B) A statement of the principal reasons in support of this intended action

The proposed amendment is to comply with the directive in CGS 38a-481 that the Commissioner shall promulgate regulations. The amendments reflect updates to existing regulations to conform to the current statutes and requirements. The changes to the regulations codify current practice and streamline the current filing process to provide greater consumer protection.

(C) A statement of the principal considerations in opposition to this intended action

The Insurance Department received two comments from the Industry. A copy of the comment letters is posted on the eRegulation system. The comments were in opposition to the proposed amendments in that the people providing comments requested the Department clarify definitions and types of products covered by the regulations; asked the Department to expand the written notice period from 30 days to 60 days; asked the Department to clarify that no rates determined by the Department to be excessive, inadequate or unfairly discriminatory shall be approved; and asked the Department to remove the reference to “nationwide” data because the regulation is only for the State of Connecticut.

(D) A statement of the agency’s reasons for accepting or rejecting such considerations.

The Department recognizes that there can be changes in federal guidance as well as in actuarial standards. The definitions in the proposed regulation provide the Department with the flexibility it needs to review rates without needing to immediately file for a

regulation change when this happens. Further, the Department recognizes that the authority given it to promulgate regulations under CGS 38a-481 only gives authority to review individual rates. These proposed regulations only apply to individual products. Also, in response to the comments, the Department declines to expand the written notice period from 30 days to 60 days. This allows for the Department to have flexibility to meet federal requirements as they change prior to the rate filing deadline. The department also declined to accept the suggestion that the Department not be allowed to request nationwide data. In the interest of improving the Department's ability to adequately review rates, the Department needs to collect this data. Also, this provision is a consumer protection because it allows for delivery of products with appropriate rates to consumers. The Department agreed with and accepted all other recommendations.

Address where copies of items (A) through (D) above can be made or obtained:

Via the eRegulation system online at:

<https://eregulations.ct.gov/eRegsPortal/Search/RMRView/PR2015-175>

Connecticut Insurance Department  
153 Market Street  
7<sup>th</sup> Floor  
Hartford, CT 06103

In addition, these items are available for viewing and printing on the following website:

<http://www.ct.gov/cid>. Click on Laws and Regulations and then click on Proposed Regulations.

Regulations may also be obtained by contacting Kristin Campanelli, Counsel at

[kristin.campanelli@ct.gov](mailto:kristin.campanelli@ct.gov).



Katharine L. Wade  
Insurance Commissioner