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## OLR Bill Analysis

### HB 7260

***AN ACT EXCLUDING BEER MANUFACTURERS, THEIR EMPLOYEES AND THE DEPENDENTS OF THEIR EMPLOYEES FROM VARIOUS PROVISIONS OF THE INSURANCE STATUTES CONCERNING SMALL EMPLOYER HEALTH INSURANCE COVERAGE.***

#### **SUMMARY**

This bill exempts from certain small employer health insurance plan requirements a Connecticut employer that (1) holds a manufacturer permit for beer from the Department of Consumer Protection and (2) obtains health insurance for its employees and their dependents through the Connecticut Brewers Guild. It does this by redefining the terms “small employer” and “employee” in the health insurance statutes. Thus, it treats the employers collectively as a large group.

In doing so, the bill exempts these beer manufacturers from the state’s adjusted community rating law (CGS § 38a-567). That law requires insurers to charge small employers premiums established on the basis of a single pool, adjusted to reflect certain characteristics (e.g., age and geographic area). The bill also exempts them from the requirement that small employer plans cover the essential health benefits (CGS § 38a-518q). Further, as a large employer, the plan offered to them would no longer have to be offered on a guaranteed issue basis, as required for small employer plans (CGS § 38a-567).

Additionally, by changing the definitions, employers purchasing health insurance for their employees through the Connecticut Brewers Guild would no longer qualify as small employers for purposes of procuring coverage on the Connecticut health insurance exchange (i.e., Access Health CT) or from the comptroller under the state employee plan (CGS §§ 38a-1080 & 5-259(i)). They also would not be eligible to participate in the Connecticut Small Employer Health Reinsurance Pool (CGS §§ 38a-569 & 38a-574).

EFFECTIVE DATE: January 1, 2020

**COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable

Yea 16 Nay 3 (03/14/2019)