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STATE OF CONNECTICUT

Senate Bill 1046: *An Act Concerning Long-Term Care Insurance*

Chairman Lesser, Ranking Member Hwang, Chairwoman Wood, Ranking Member Pavalock-D'Amato, and distinguished members of the Insurance and Real Estate Committee, thank you for the opportunity to submit testimony on SB 1046, *An Act Concerning Long-Term Care Insurance*.

Our Office's testimony today is limited to Section 5 of the bill, which would give the Attorney General the authority to investigate, in consultation with the Insurance Commissioner, long-term care policies subject to rate filings with the Connecticut Insurance Department. Additionally, Section 5 would allow the Attorney General to bring a civil action to recover damages on behalf of an insured.

While we are supportive of the effort to ensure transparency in rate filings, we would submit that Section 5 is unnecessary and urge the Committee to strike Section 5 from this bill.

Under current law, specifically the Uniform Administrative Procedures Act, the Insurance Commissioner already has full investigatory authority and broad discretion to impose significant orders, including civil penalties and license revocation for fraudulent acts by insurers. Our Office's role is to enforce the Commissioner's administrative orders through the courts and to defend the Commissioner's administrative orders in court, should they be appealed.

This bill seeks to directly involve our Office in both investigations and the pursuit of sanctions. While an investigation by our Office and a civil action may give the impression of heightened enforcement, it may actually serve to diminish the state's ability to hold insurers liable for their fraud. Creation of a redundant and parallel investigation and civil prosecution would be less streamlined and could possibly lead to differential treatment under the law, thus creating unnecessary exposure to the state.

Thank you again for the opportunity to offer testimony on this bill and please contact me with any questions or concerns.