



General Assembly

January Session, 2021

Raised Bill No. 843

LCO No. 2689



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT CONCERNING THE REGULATION OF INSURANCE IN THIS STATE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-495c of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2021*):

3 (a) Each insurance company, fraternal benefit society, hospital service
4 corporation, medical service corporation, health care center or other
5 entity in this state that delivers, issues for delivery, continues or renews
6 any Medicare supplement insurance policies or certificates shall base
7 the premium rates charged on a community rate. Such rate shall not be
8 based on age, gender, previous claims history or the medical condition
9 of the person covered by such policy or certificate. Except as provided
10 in subsection (c) of this section, coverage shall not be denied on the basis
11 of age, gender, previous claim history or the medical condition of the
12 person covered by such policy or certificate.

13 (b) Nothing in this section shall prohibit an insurance company,
14 fraternal benefit society, hospital service corporation, medical service
15 corporation, health care center or other entity in this state issuing

16 Medicare supplement insurance policies or certificates from using its
17 usual and customary underwriting procedures, provided no such
18 company, society, corporation, center or other entity shall issue a
19 Medicare supplement policy or certificate based on the age, gender,
20 previous claims history or the medical condition of the applicant.

21 (c) Nothing in this section shall prohibit an insurance company,
22 fraternal benefit society, hospital service corporation, medical service
23 corporation, health care center or other entity in this state when granting
24 coverage under a Medicare supplement policy or certificate from
25 excluding benefits for losses incurred within six months from the
26 effective date of coverage based on a preexisting condition, in
27 accordance with section 38a-495a and the regulations adopted pursuant
28 to section 38a-495a.

29 (d) Each insurance company, fraternal benefit society, hospital
30 service corporation, medical service corporation, health care center or
31 other entity in the state issuing Medicare supplement policies or
32 certificates for plan "A", "B", [or] "C" or "D", or any combination thereof,
33 to persons eligible for Medicare by reason of age, shall offer for sale the
34 same such policies or certificates to persons eligible for Medicare by
35 reason of disability, except no such company, society, corporation,
36 center or other entity issuing any Medicare supplement policy or
37 certificate for plan "C" shall be required to offer for sale such policy or
38 certificate to any person who is a newly eligible Medicare beneficiary,
39 as defined in 42 USC 1395ss(z)(2).

40 (e) To the extent permissible by federal law, each insurance company,
41 fraternal benefit society, hospital service corporation, medical service
42 corporation, health care center or other entity in the state issuing
43 Medicare supplement policies or certificates for plan "A", "B", [or] "C" or
44 "D", or any combination thereof, may deliver or issue for delivery such
45 policy to a qualified Medicare beneficiary, as defined in 42 USC
46 1396d(p).

47 (f) Each insurance company, fraternal benefit society, hospital service

48 corporation, medical service corporation, health care center or other
49 entity in the state issuing Medicare supplement policies or certificates
50 shall make all necessary arrangements with the Medicare Part B carrier
51 and all Medicare Part A intermediaries to allow for the forwarding, to
52 the issuing entity, of all Medicare claims containing the name of the
53 entity issuing a Medicare supplement policy or certificate and the
54 identification number of an insured. The entity issuing the Medicare
55 supplement policy or certificate shall process all benefits available to an
56 insured from a Medicare claim so forwarded, without requiring any
57 additional action on the part of the insured.

58 (g) The Insurance Commissioner may adopt regulations, in
59 accordance with chapter 54, to implement this section.

60 Sec. 2. Subsection (a) of section 38a-688a of the general statutes is
61 repealed and the following is substituted in lieu thereof (*Effective June*
62 *30, 2021*):

63 (a) Notwithstanding the requirements of sections 38a-389 and 38a-688
64 with respect to personal risk insurance with the exception of residual
65 market rates, and on and after July 1, 2006, and until July 1, [2021] 2025,
66 an insurer may file a rate with the Insurance Commissioner pursuant to
67 this section and such rate shall take effect the date it is filed provided
68 the rate provides for an overall state-wide rate increase or decrease of
69 not more than six per cent in the aggregate [and not more than a fifteen
70 per cent increase in any individual territory] for all coverages that are
71 subject to the filing. Such percentage [limits] limit shall not apply on an
72 individual insured basis. Not more than one filing may be made by an
73 insurer pursuant to this section within any twelve-month period unless
74 the filing, when combined with one or more filings made by the insurer
75 within the preceding twelve months, does not result in an overall state-
76 wide increase or decrease of more than six per cent in the aggregate [and
77 not more than a fifteen per cent increase in any individual territory] for
78 all coverages that are subject to the filing.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021</i>	38a-495c
Sec. 2	<i>June 30, 2021</i>	38a-688a(a)

Statement of Purpose:

To: (1) Provide that certain health carriers (A) shall offer Medicare supplement insurance policies and certificates for plan "D" to persons eligible for Medicare by reason of disability, and (B) may deliver Medicare supplement insurance policies and certificates for plan "D" to qualified Medicare beneficiaries; (2) amend certain provisions of the general statutes to more closely conform to the Medicare Access and CHIP Reauthorization Act of 2015, P.L. 114-10; (3) extend the sunset date for personal risk insurance rate filings; and (4) eliminate the territorial cap on increases for personal risk insurance rate filings.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]