



General Assembly

**Amendment**

January Session, 2021

LCO No. 8535



Offered by:

SEN. HWANG, 28<sup>th</sup> Dist.  
SEN. FORMICA, 20<sup>th</sup> Dist.  
SEN. BERTHEL, 32<sup>nd</sup> Dist.  
SEN. KISSEL, 7<sup>th</sup> Dist.  
SEN. MINER, 30<sup>th</sup> Dist.

To: Senate Bill No. 1048

File No. 373

Cal. No. 240

**"AN ACT CONCERNING REIMBURSEMENTS FOR CERTAIN COVERED HEALTH BENEFITS."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. Section 38a-1 of the general statutes is repealed and the  
4 following is substituted in lieu thereof (*Effective January 1, 2022*):

5 Terms used in this title and section 2 of this act, unless it appears from  
6 the context to the contrary, shall have a scope and meaning as set forth  
7 in this section.

8 (1) "Affiliate" or "affiliated" means a person that directly, or indirectly  
9 through one or more intermediaries, controls, is controlled by or is  
10 under common control with another person.

11 (2) "Alien insurer" means any insurer that has been chartered by or  
12 organized or constituted within or under the laws of any jurisdiction or  
13 country without the United States.

14 (3) "Annuities" means all agreements to make periodical payments  
15 where the making or continuance of all or some of the series of the  
16 payments, or the amount of the payment, is dependent upon the  
17 continuance of human life or is for a specified term of years. This  
18 definition does not apply to payments made under a policy of life  
19 insurance.

20 (4) "Commissioner" means the Insurance Commissioner.

21 (5) "Control", "controlled by" or "under common control with" means  
22 the possession, direct or indirect, of the power to direct or cause the  
23 direction of the management and policies of a person, whether through  
24 the ownership of voting securities, by contract other than a commercial  
25 contract for goods or nonmanagement services, or otherwise, unless the  
26 power is the result of an official position with the person.

27 (6) "Domestic insurer" means any insurer that has been chartered by,  
28 incorporated, organized or constituted within or under the laws of this  
29 state.

30 (7) "Domestic surplus lines insurer" means any domestic insurer that  
31 has been authorized by the commissioner to write surplus lines  
32 insurance.

33 (8) "Foreign country" means any jurisdiction not in any state, district  
34 or territory of the United States.

35 (9) "Foreign insurer" means any insurer that has been chartered by or  
36 organized or constituted within or under the laws of another state or a  
37 territory of the United States.

38 (10) "Insolvency" or "insolvent" means, for any insurer, that it is  
39 unable to pay its obligations when they are due, or when its admitted  
40 assets do not exceed its liabilities plus the greater of: (A) Capital and

41 surplus required by law for its organization and continued operation;  
42 or (B) the total par or stated value of its authorized and issued capital  
43 stock. For purposes of this subdivision "liabilities" shall include but not  
44 be limited to reserves required by statute or by regulations adopted by  
45 the commissioner in accordance with the provisions of chapter 54 or  
46 specific requirements imposed by the commissioner upon a subject  
47 company at the time of admission or subsequent thereto.

48 (11) "Insurance" means any agreement to pay a sum of money,  
49 provide services or any other thing of value on the happening of a  
50 particular event or contingency or to provide indemnity for loss in  
51 respect to a specified subject by specified perils in return for a  
52 consideration. In any contract of insurance, an insured shall have an  
53 interest which is subject to a risk of loss through destruction or  
54 impairment of that interest, which risk is assumed by the insurer and  
55 such assumption shall be part of a general scheme to distribute losses  
56 among a large group of persons bearing similar risks in return for a  
57 ratable contribution or other consideration.

58 (12) "Insurer" or "insurance company" includes any person or  
59 combination of persons doing any kind or form of insurance business  
60 other than a fraternal benefit society, and shall include a receiver of any  
61 insurer when the context reasonably permits.

62 (13) "Insured" means a person to whom or for whose benefit an  
63 insurer makes a promise in an insurance policy. The term includes  
64 policyholders, subscribers, members and beneficiaries. This definition  
65 applies only to the provisions of this title and does not define the  
66 meaning of this word as used in insurance policies or certificates.

67 (14) "Life insurance" means insurance on human lives and insurances  
68 pertaining to or connected with human life. The business of life  
69 insurance includes granting endowment benefits, granting additional  
70 benefits in the event of death by accident or accidental means, granting  
71 additional benefits in the event of the total and permanent disability of  
72 the insured, and providing optional methods of settlement of proceeds.

73 Life insurance includes burial contracts to the extent provided by  
74 section 38a-464.

75 (15) "Mutual insurer" means any insurer without capital stock, the  
76 managing directors or officers of which are elected by its members.

77 (16) "Person" means an individual, a corporation, a partnership, a  
78 limited liability company, an association, a joint stock company, a  
79 business trust, an unincorporated organization or other legal entity.

80 (17) "Policy" means any document, including attached endorsements  
81 and riders, purporting to be an enforceable contract, which  
82 memorializes in writing some or all of the terms of an insurance  
83 contract.

84 (18) "State" means any state, district, or territory of the United States.

85 (19) "Subsidiary" of a specified person means an affiliate controlled  
86 by the person directly, or indirectly through one or more intermediaries.

87 (20) "Unauthorized insurer" or "nonadmitted insurer" means an  
88 insurer that has not been granted a certificate of authority by the  
89 commissioner to transact the business of insurance in this state or an  
90 insurer transacting business not authorized by a valid certificate.

91 (21) "United States" means the United States of America, its territories  
92 and possessions, the Commonwealth of Puerto Rico and the District of  
93 Columbia.

94 Sec. 2. (NEW) (*Effective January 1, 2022*) (a) For the purposes of this  
95 section:

96 (1) "Health care provider" has the same meaning as provided in  
97 section 38a-477aa of the general statutes; and

98 (2) "Hospital" has the same meaning as provided in section 19a-490  
99 of the general statutes.

100 (b) Notwithstanding any provision of the general statutes, each

101 insurer, health care center, hospital service corporation, medical service  
 102 corporation, fraternal benefit society or other entity that delivers, issues  
 103 for delivery, renews, amends or continues an individual or group health  
 104 insurance policy in this state on or after January 1, 2022, providing  
 105 coverage of the type specified in subdivisions (1), (2), (4), (11) and (12)  
 106 of section 38a-469 of the general statutes shall, upon request, disclose to  
 107 an insured under such policy the reimbursement rate agreed to by such  
 108 insurer, center, corporation, society or entity and any health care  
 109 provider or hospital for a covered benefit."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2022</i>	38a-1
Sec. 2	<i>January 1, 2022</i>	New section