General Assembly **Substitute Bill No. 7183**

January Session, 2025

HB07183GOS 031925

AN ACT CONCERNING THE REGULATION OF LONG-TERM CARE INSURANCE, REPORTS CONCERNING SUCH INSURANCE AND A LIMITED PERFORMANCE AUDIT OF THE CONNECTICUT PARTNERSHIP FOR LONG-TERM CARE.

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

Section 1. (*Effective from passage*) Not later than February 1, 2026, the Insurance Department shall prepare and submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to insurance and government oversight. Such report shall include an evaluation of an alternative pool for long-term care policyholders in excess of twenty years.

Sec. 2. (NEW) (*Effective January 1, 2026*) The Insurance Department shall hold a public hearing for long-term care premium rate increase requests that exceed ten per cent. The Insurance Department shall provide notice of any such hearing electronically to the joint standing committees of the General Assembly having cognizance of matters relating to insurance and government oversight not less than fourteen days in advance of such hearing. Any insurance company, fraternal benefit society, hospital service corporation, medical service corporation or health care center that requests such premium rate increase shall provide each policyholder with advance written notice of the date and

time of such hearing not less than fourteen days in advance of such date.

Sec. 3. (NEW) (*Effective January 1, 2026*) No insurance company, fraternal benefit society, hospital service corporation, medical service corporation or health care center may deliver, issue for delivery, renew, continue or amend any long-term care policy in this state on or after January 1, 2026, unless such insurance company, fraternal benefit society, hospital service corporation, medical service corporation or health care center provides written notice to an individual prior to the purchase of any long-term care policy of the risk of future premium rate increases.

Sec. 4. (NEW) (*Effective January 1, 2026*) In addition to the requirements of sections 38a-501 and 38a-528 of the general statutes, no insurance company, fraternal benefit society, hospital service corporation, medical service corporation or health care center renewing any long-term care policy in this state on or after January 1, 2026, shall implement a premium rate increase that exceeds the most recent calendar year average in the consumer price index for urban consumers, as published by the United States Department of Labor, Bureau of Labor Statistics, provided: (1) Such long-term care policy was initially purchased by the policyholder on or before December 31, 1985; and (2) the policyholder of such long-term care policy has (A) attained the age of eighty, or (B) paid a maximum lifetime premium rate increase of not less than four hundred per cent. For the purposes of this section, "long-term care policy" has the same meaning as provided in section 38a-501 or 38a-528 of the general statutes, as applicable.

Sec. 5. (*Effective from passage*) The Secretary of the Office of Policy and Management, through the Connecticut Partnership for Long-Term Care, shall, in conjunction with the Insurance Commissioner and Commissioner of Health Strategy, conduct an evaluation of the provision of long-term care insurance in the state and identify best practices for the regulation of such insurance and areas for improvement in such regulation, including, but not limited to, potential modifications to the rate-filing process of individual and group long-

term care premiums established under sections 38a-501 and 38a-528 of the general statutes. Not later than February 1, 2026, the secretary, in conjunction with the Insurance Commissioner and Commissioner of Health Strategy, shall prepare and submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to insurance and government oversight with the findings of such evaluation and any recommendations for legislation.

Sec. 6. Section 17b-254 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) The Office of Policy and Management shall seek the foundation funds and federal approvals necessary to carry out the purposes of this section and sections 17a-861, 17b-252, 17b-253 and 38a-475.

(b) Each year, on January first, the Secretary of the Office of Policy and Management shall report to the General Assembly on the progress of the program. Such report shall include: (1) The success in implementing the public and private partnership; (2) the number of policies precertified; (3) the number, age and financial circumstances of individuals purchasing precertified policies; (4) the number of individuals seeking consumer information services; (5) the extent and type of benefits paid under precertified policies that could count toward Medicaid resource protection; (6) estimates of impact on present and future Medicaid expenditures; (7) the cost effectiveness of the program; and (8) a determination regarding the appropriateness of continuing the program.

(c) The Auditors of Public Accounts shall perform a limited performance audit of the Connecticut Partnership for Long-Term Care not less than biennially. As used in this subsection, a "limited performance audit" means (1) an audit pursuant to an engagement agreement between the joint standing committee of the General Assembly having cognizance of matters relating to human services and the auditors that includes specific procedures for reviewing

transactions, testing controls, analyzing data and any other tasks specified in the engagement agreement, and (2) the report of the auditors is limited to the results of the procedures performed and does not include a formal opinion as to whether the audited entity's financial statements have been prepared in accordance with accounting standards.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*from passage*	New section
Sec. 2	*January 1, 2026*	New section
Sec. 3	*January 1, 2026*	New section
Sec. 4	*January 1, 2026*	New section
Sec. 5	*from passage*	New section
Sec. 6	*July 1, 2025*	17b-254

Statement of Legislative Commissioners:
In Section 6(c), "Long-Term Care Partnership" was changed to "Partnership for Long-Term Care" for accuracy.

GOS *Joint Favorable Subst.*