

Insurance and Real Estate Committee

JOINT FAVORABLE REPORT

Bill No: HB-5377 / [Bill Status](#) / [Public Hearing Testimony](#)

AN ACT CONCERNING RETURN OF HEALTH CARE PROVIDER PAYMENTS
Title: AND SITE OF SERVICE BILLING REQUIREMENTS.

Vote Date: 3/12/2026

Vote Action: Joint Favorable Substitute

PH Date: 3/3/2026

File No.:

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SPONSORS OF BILL:

Insurance and Real Estate Committee

REASONS FOR BILL:

To decrease the amount of time health carrier companies can cancel, deny, or claw back payments, while also creating requiring the creation of an online resource to appeal said cancelation, denial, or return of said payments. The Bill also requires hospital-based facilities, like ASCs (ambulatory surgery centers) to submit their national provider identifier and tax identification number with each claim.

SUBSTITUTE LANGUAGE (IF APPLICABLE):

The substitute language in HB 5377 was used to clarify and expand the methods by which health carriers can provide required notice to providers. Specifically, it adds secure electronic provider portals and clearinghouses as acceptable forms of communication, ensuring the bill aligns with modern healthcare billing and claims systems. This change improves efficiency and makes the notice requirements more practical while maintaining the bill's overall intent. The Bill also requires hospital-based facilities, like ASCs to submit their national provider identifier and tax identification number with each claim, which would increase oversight.

NATURE AND SOURCES OF SUPPORT:

CT Psychiatric Society, Jessica Abellard, President: supports HB 5377 on the grounds it implements meaningful reform to Connecticut's insurance clawback laws, which currently harm access to patients due to how it affects psychiatrists, while also not matching protections in peer states and failing to hold insurers accountable. Out of the three bills that amend clawback statutes they argue HB 5377 is most effective.

Connecticut Association of Addiction Professionals, Susan C. Campion, President: Supports HB 5377 as a necessary measure to improve accountability and enforcement of insurance carrier practices, citing widespread provider dissatisfaction and limited participation in insurance networks. The testimony argues that inadequate coverage, reimbursement issues, and restrictive utilization practices are limiting access to affordable behavioral health care for Connecticut families and contributing to providers opting out of insurance altogether.

Connecticut Parity Coalition, Christian Damiana: Supports HB 5377 as a reform to Connecticut's clawback statute, arguing it would reduce retroactive recoupments, strengthen notice and appeal protections, and address insurer-driven administrative errors that burden providers. The testimony highlights widespread clawback issues among psychologists and supports provisions such as a shorter recoupment period, required electronic appeals, response deadlines, and payment protections during appeals, while recommending alignment with SB 341 and SB 87.

Connecticut Psychological Association, Dr. Jennifer Doran, Legislative Co-chair: Supports HB 5377's intent to address harmful clawback practices but recommends strengthening the bill by adopting a 12-month repayment limit (as in SB 341) and improving enforcement and clarity. The testimony highlights that ongoing clawback issues—driven by broad exceptions, inconsistent enforcement, and outdated laws—create financial instability, reduce provider participation in insurance networks, and limit patient access to care.

CT Association of Health Plans, Susan Haplin, Executive Director: support for HB 5377, emphasizing that current clawback rules help control costs, prevent fraud, and maintain accurate payments, but raising concern that shortening the recoupment window to 15 months may be too restrictive for insurers. The testimony supports improved transparency measures like requiring NPI information and recommends consolidating HB 5377 with SB 87 and SB 341.

Connecticut Behavioral Health, Dr. Ryan Loss, Executive Director: Supports HB 5377 and urges strengthening it with an enforceable 12-month clawback limit, arguing that long recoupment periods create financial instability, administrative burden, and reduce patient care. The testimony emphasizes that clearer notice and appeal processes are needed and that limiting clawbacks would help retain providers in insurance networks and improve patient access to care.

Strat Ops, Bristol Hospital INC Ysmael Albert Peguero, Executive Director: Supports HB 5377 overall and strongly backs Section 1 for reducing financial uncertainty and administrative burden from delayed clawbacks, though preferring a 12-month limit. Opposes Section 2, arguing it would increase administrative costs and threaten already fragile hospital finances, potentially impacting essential services.

Community Health Center Association of Connecticut, Deb Polum, Chief Strategy Officer: supports HB 5377, due to the thin margins health centers operate on leading to a lack of funds for payments back to insurers that were received over a year before. Reducing the return window to 15 months would be a boon to the finances and administration of health centers.

Pyramid Healthcare Collin Rosier, VP of Government Relations: supports HB 5377 as it would reduce administrative burden while making it easier for patients to access care. The current clawback window is one of the largest in the nation, and often are unclear and create financial instability and lead to clinicians leaving insurance networks. Reform would allow for a shorter clawback window, strengthened notice and appeal protections, and ensure good faith providers are not punished for insurer errors. They also recommend combining the best aspects from HB 5377, SB 341, and SB 87.

Connecticut Psychological Association, Mark Spellmann, Psychologist: Supports HB 5377, citing widespread and unpredictable clawback demands that create financial risk, drive providers off insurance panels, and reduce access to care. The testimony highlights survey data and personal experience and recommends strengthening the bill by adopting a 12-month clawback limit to better align with other states and reduce provider burden.

Connecticut Association for Marriage and Family Therapy, Jordan Bryant, Diversity, Equity, and Inclusion Chair: Supports HB 5377 as a meaningful reform to Connecticut's clawback laws, arguing that current practices create operational challenges and discourage providers from participating in insurance networks. The testimony highlights that shortening the clawback window and strengthening protections would prevent providers from being penalized for insurer errors, noting HB 5377 offers the strongest procedural safeguards among related bills.

The Connecticut State Medical Society: Supports HB 5377 for limiting insurers' ability to retroactively recoup payments, emphasizing that administrative and eligibility determinations are within insurers' control. The testimony argues current recoupment practices create financial instability for providers and prefers a 12-month limit to reduce uncertainty, though noting even that timeframe can still be disruptive.

Connecticut Association for Behavior Analysis, Arlene Dworkin Kaye, Public Policy and Legislative Chair: supports HB 5377 due to the reduction in time insurers can implement clawbacks. Said clawbacks can cause significant financial instability and make it difficult to retain staff, plan budgets, and maintain services and overall can cause devastating financial losses, and even threaten the existence of organizations. HB 5377 would reduce financial uncertainty for providers and strengthen nonprofits. HB 5377, SB 341, and SB 87 are all supported, although they urge the committee to combine the strongest parts of the bill to achieve the most effective reform.

Optometric Physician, Connecticut Association of Optometrists, Christopher L. Argo: Supports HB 5377 for reducing the timeframe insurers can recoup payments, arguing current rules are unfair compared to the short window providers have to submit claims. The testimony highlights that clawbacks create financial and administrative challenges for providers and patients, especially when insurers correct their own errors long after payment.

Shatterproof, Kristen Pendergrass, Vice President, State Policy: supports HB 5377 as under current laws clawbacks create financial uncertainty, decrease clinicians in insurance networks, and ultimately hinders patient care. Current clawback laws are out of step with those in peer states, and reform is needed to shorten the clawback window, strengthen notice and appeal protections, and ensure providers acting in good faith are not penalized for insurer errors. HB 5377, SB 341, and SB 87 are all supported with HB 5377 offers the

strongest procedural protections and encourages the best elements of these bills be combined into a single reform.

Connecticut Psychological Association, Maria Victoria Ramos, Director of Professional Affairs: Supports HB 5377 as a balanced reform to clawback practices, highlighting that shortened recoupment periods and required electronic appeals would reduce financial strain on providers. The testimony cites widespread clawbacks and growing administrative burdens that are driving psychologists out of insurance networks, ultimately limiting patient access to care.

Connecticut Association for Marriage and Family, Jamie Rodriguez, Advocacy Chair: Supports HB 5377 as necessary reform to address clawbacks that contribute to providers leaving insurance networks due to financial instability, administrative burdens, and unclear recoupment practices. The testimony emphasizes the need to shorten the clawback window, improve notice and appeal protections, and align Connecticut law with other states while ensuring providers are not penalized for insurer errors.

Connecticut Psychological Association's Legislative Committee, Dr. Marcy Russo, Co-chair: supports HB 5377. Meaningful reform for Connecticut's insurance laws are needed as repayment can be demanded for previous services long after said services are rendered, often in an unclear manner, creating financial instability, forcing clinicians out of insurance networks, and leading to worsened patient care. 68% of clinicians have experienced clawbacks. HB 5377 would offer strong protections, and overall reform is needed to shorten the clawback window, strengthen notice, appeal protections, and ensure providers who deliver authorized care in good faith are not penalized for errors they did not cause.

Middlesex Health, Vincent Capece, President, CEO: Supports Section 1 of HB 5377 for improving clawback practices, though preferring a 12-month limit, but opposes Section 2 due to added administrative burden and potential reductions in hospital reimbursement. The testimony emphasizes that Connecticut hospitals are already under significant financial strain and that further reimbursement pressures could undermine the sustainability of care.

The Connecticut Hospital Association Supports Section 1 of HB 5377 for shortening the clawback period and maintaining safeguards, though recommending a 12-month limit instead of 15. Opposes Section 2, arguing it would increase administrative burden and costs, reduce hospital reimbursement, and further strain already financially challenged hospitals, potentially impacting access to care.

Trinity Health of New England, Dan Keenan, Vice President of Government Relations : Supports Section 1 of HB 5377 for limiting clawbacks, establishing an electronic appeals process, and reducing financial uncertainty for providers while maintaining safeguards against fraud, though it recommends a 12-month limit instead of 15 months. Opposes Section 2, arguing it would increase administrative burden, risk reduced hospital reimbursement, and further strain already unstable hospital finances.

Yale New Haven Health, Paul Mounds Jr., Vice President, Community, Corporate and Government Relations : Supports Section 1 of HB 5377 for reducing financial volatility and administrative burden while maintaining accountability but recommends clarifying “clean claim” and adopting a 12-month limit. Raises significant concerns with Section 2, warning it

could increase claim denials, financial risk, administrative costs, and patient confusion, potentially undermining trust and care.

Stephanie Carter: comments that although she supports HB 5377, she argues the bill fails to protect small businesses who can't afford losses from unfair use of clawbacks.

Hartford Health Care, Melissa Riley: Supports Section 1 of HB 5377 for reducing financial volatility and administrative burden on hospitals while maintaining accountability but recommends clarifying "clean claim" and shortening the timeframe to 12 months. Opposes Section 2, arguing it may reduce payments based on technicalities, increase administrative strain, and further challenge hospital financial stability without improving transparency for patients.

Stamford Health, Kathleen Silard, President, CEO: comments about HB 5377 in support of section 1 and opposition of section 2. Section 1 is supported as it would reduce volatility, administrative burden, and financial instability; Section 2 is opposed because of how off campus facilities absorb costs. Nonhospital facilities such as ASCs rely on different methods that create a great difference in patient safety while also not facing costs absorbed by hospitals and support a more diverse patient population and serve all patients regardless of ability to pay.

Alisa Bray, Michaela Childs, Bob Deutsch, William Warner, Elizabeth Clarkin, Satina Conforti, Erin Sheridan, Katherine St. Onge, Jessica Tyrol, Melissa C. Anonymous 60, Anonymous 80: supports HB 5377

NATURE AND SOURCES OF OPPOSITION:

Amanda Nowak Opposes HB 5377

Reported by: Giovanni DeSantis

Date: March 23, 2026