

Human Services Committee JOINT FAVORABLE REPORT

Bill No: SB-87 / [Bill Status](#) / [Public Hearing Testimony](#)

AN ACT ESTABLISHING A NONPROFIT PROVIDER ADVISORY BOARD, PROHIBITING AUTO INSURANCE PENALTIES ON VOLUNTEER DRIVERS PROVIDING TRANSPORTATION TO NONPROFIT ORGANIZATIONS AND REDUCING THE TIME PERIOD IN WHICH INSURERS MAY RECOUP

Title: PAYMENTS FROM PROVIDERS.

Vote Date: 3/19/2026

Vote Action: Joint Favorable Substitute

PH Date: 3/3/2026

File No.: 450

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SPONSORS OF BILL:

Human Services Committee

REASONS FOR BILL:

This bill seeks to implement the Governor's budget recommendations pursuant to Joint Rule 9, which include establishing a nonprofit provider advisory board, prohibiting auto insurance penalties on volunteer drivers providing transportation to nonprofit organizations and reducing the time period in which insurers may recoup payments from providers. The advisory board would work to advise the Governor and the Office of Policy and Management (OPM) on matters pertaining to nonprofits, such as improvements to the delivery of their services and the enhancement of their financial sustainability, to better inform public policy. Through the insurance provisions, the Governor hopes to bolster consumer protections regarding insurance coverage for nonprofits, thereby granting them greater financial stability and predictability.

SUBSTITUTE LANGUAGE (IF APPLICABLE):

LCO 3462: There were specific language changes in section 1(b)(2) "that of the Governor or the legislator who appoints the" was changed to "the term of the appointing authority for each" for conformity with standard drafting conventions, and in Sections 1(c)(3) and 1(c)(4), "nonprofit provider organizations" and "nonprofit organizations" were changed to "nonprofit providers" for consistency.

RESPONSE FROM ADMINISTRATION/AGENCY:

Office of the Governor, Ned Lamont, Governor: The Governor supports this bill, stating that it is his strategy for providing more stability and support for nonprofits. He argues that the advisory board will assist in the collaboration between nonprofits and government agencies and identify ways to promote administrative efficiencies. Furthermore, he states that the funding in his budget for a dedicated nonprofit policy coordinator at OPM will support the success of the advisory board. Additionally, the protections he includes for volunteer drivers with nonprofits serve to facilitate the work they do for older adults and people with disabilities. The addition of a provision that shortens the timeframe during which insurers can recover payments works to protect nonprofits from arbitrary and untimely insurance payment clawbacks.

NATURE AND SOURCES OF SUPPORT:

Several members of medical and nonprofit organizations voice their support for this bill and highlight the issues that this bill would help to address. A few testify regarding the financial difficulties that insurance claw backs cause, specifically to hospitals and mental health and addiction treatment providers, which is exacerbated by the state's long window for insurance companies to demand repayment. Some express concern that 68% of psychologists in the state have received repayment requests from insurers. This in turn creates a financial and administrative burden for clinicians and their offices that impede on patients' access to care. They describe the challenges facing nonprofits, such as rising operational costs, recruitment and retention difficulties, and chronic underfunding. Moreover, they note that contracting with the state can be unnecessarily complex and resource-intensive. Through this bill, they are optimistic about the opportunity to work collaboratively with the state to remedy barriers to their services and improve their administrative structures, which promotes financial sustainability and support for existing nonprofits and those in development. They also emphasize the need for representation from a wide variety of nonprofit human service providers in the state to ensure that they can have a meaningful input on public policy.

CT Psychiatric Society, Jessica Abellard, President:

AgingCT, Marie Allen, CEO Southwestern Connecticut Agency on Aging:

CT Association for Marriage and Family Therapy (CTAMFT), Jordan Bryant, LMFT, Chair for Diversity, Equity, and Inclusion:

CT Association for Marriage and Family Therapy, Jamie Rodriguez, LMFT and Advocacy Chair:

CT Alliance of YMCAs, John Cattelan, VP of Government Relations:

Community Mental Health Affiliates, Grace Cavallo, President and CEO:

The Connecticut Hospital Association

BHCare, Roberta Cook, President and CEO:

BHCare, Emily Granelli, Chief Business Development Officer:

Advanced Behavioral Health, Inc., Christine Cowan, CFO:

Catalyst CT, Marc Donald, President and CEO:

CT Association for Behavior Analysis, Arlene Dworkin Kaye, Public Policy and Legislative Chair:

Reliance Health, Carrie Dyer, CEO:

Reliance Health, Heather-Renae Paul, Service Director:

Reliance Health, Inc., Nicole Reynolds:

Reliance Health, Mike Van Vlaenderen, Employee:

Adelbrook Behavioral and Developmental Health Services, Alyssa Goduti, President and CEO:

Community Mental Health Affiliates, Inc., Meagan Gorman, Government Relations Coordinator:

Advocacy Unlimited, Carl Mancini, Business Manager:

Advocacy Unlimited, Chris McNaboe, CEO and Founder:

LeadingAge CT-RI, Mag Morelli, President:

Shatterproof: Stronger Than Addiction, Kristen Pendergrass, Vice President, State Policy:

Community Health Center Association of CT, Deb Polun, Chief Strategy Officer:
CT Psychological Association, Marcy Russo, PhD, Co-Chair, Legislative Committee:
CT Psychological Association, Mark Spellmann, PhD, Psychologist:
Recovery Innovations for Pursuing Peer Leadership & Empowerment (RIPPLE), Jeffrey Santo,
Executive Director and Recovery Support Specialist:
American Association of Retired Persons -CT (AARP CT), Natalie Shurtleff, Associate State
Director of Advocacy and Community Outreach:
Oak Hill, Barry Simon, President and CEO:
The ARC of Eastern Connecticut, Kathleen Stauffer, CEO:
Bruce Stovall, VP for Public Policy for Oak Hill
Dr. Kevin Walsh
Jodi Williams
Brian P. Mulroy
Margarita Garza Salinas
Lauren Witowski, Licensed Social Worker
Anonymous testifiers (2)

The Voice of Community Non-Profits (The Alliance), Gian-Carl Casa, President and CEO: supports this bill and makes several recommendations for amendments. They ask that the board include membership-specific slots for major sectors such as behavioral health or homelessness services. Additionally, they request several topics for consideration by the board, including the examination of state contracts to determine if nonprofit providers are being adequately compensated.

CT Parity Coalition, Christian Damiana: supports the bill and provide suggestions for changes and additional language. He highlights the importance of Section 3, but expresses worry that it, "...weakens the notice requirement by dropping certified mail in favor of plain mail, sets no deadline for insurers to respond to appeals, and includes no default-in-favor-of-provider provision." To achieve the strongest reforms possible to protect providers and hold insurers accountable, he recommends that a bill should incorporate elements of SB341, HB5377, and SB87, and he provides amendment language in his testimony.

Advocacy Unlimited, Michaela Fissel, Executive Director: leads a nonprofit that provides peer support recovery services and supports this bill and offers suggestions. They stress the importance of giving nonprofits a voice that allows for better coordination between them and larger state systems. In addition, she asks the Committee to address inequities within the design, evaluation, and implementation of mental health and addiction services. Moreover, she states that peer support services lack policy prioritization from state agencies and thus face funding shortfalls. Therefore, she emphasizes the need for underrepresented nonprofit organizations such as peer support networks to be included in this bill.

NATURE AND SOURCES OF OPPOSITION:

Several members of associations representing insurance companies oppose section 2 of the bill. They testify that it would interfere with actuarially sound underwriting, reduce coverage availability, and increase cross-subsidization among policyholders for the automobile insurance industry. While they acknowledge the Committee's inclusion of "solely" for underwriting decisions, they highlight that constraining insurers in their ability to adjust premiums to reflect increased exposure would cause costs to be redistributed across policyholders. Due to inflation, increased repair costs, and other factors impacting insurance premiums, they argue that any statutory changes to underwriting should be carefully considered. Furthermore, they state that because the nonprofit insurance market is not as competitive as other insurance markets, the prohibitions included in this bill could cause the market to contract by discouraging participation and reducing competition. They note that IAC President Eric

George participated in the Insurance and Real Estate Committee's Nonprofit Liability Insurance Working Group, and nothing similar to section 2 was recommended in those meetings. In closing, they offer further stakeholder review to replace this policy proposal.

**American Property Casualty Insurance Association, Kristina Baldwin, Vice President:
Insurance Association of CT, Eric George, President:**

National Association of Mutual Insurance Companies, Sean McLaughlin, Regional Vice President:

Reported by: Mia Giglietti

Date: April 7, 2026