



General Assembly

February Session, 2026

**Raised Bill No. 5304**

LCO No. 1458



Referred to Committee on Aging

Introduced by:  
(AGE)

**AN ACT CONCERNING LONG-TERM CARE INSURANCE PREMIUM RATES.**

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

1 Section 1. Subparagraph (B) of subdivision (20) of subsection (a) of  
2 section 12-701 of the 2026 supplement to the general statutes is repealed  
3 and the following is substituted in lieu thereof (*Effective from passage and*  
4 *applicable to taxable years commencing on or after January 1, 2026*):

5 (B) There shall be subtracted therefrom:

6 (i) To the extent properly includable in gross income for federal  
7 income tax purposes, any income with respect to which taxation by any  
8 state is prohibited by federal law;

9 (ii) To the extent allowable under section 12-718, exempt dividends  
10 paid by a regulated investment company;

11 (iii) To the extent properly includable in gross income for federal  
12 income tax purposes, the amount of any refund or credit for  
13 overpayment of income taxes imposed by this state, or any other state

14 of the United States or a political subdivision thereof, or the District of  
15 Columbia;

16 (iv) To the extent properly includable in gross income for federal  
17 income tax purposes and not otherwise subtracted from federal  
18 adjusted gross income pursuant to clause (x) of this subparagraph in  
19 computing Connecticut adjusted gross income, any tier 1 railroad  
20 retirement benefits;

21 (v) To the extent any additional allowance for depreciation under  
22 Section 168(k) of the Internal Revenue Code for property placed in  
23 service after September 27, 2017, was added to federal adjusted gross  
24 income pursuant to subparagraph (A)(ix) of this subdivision in  
25 computing Connecticut adjusted gross income, twenty-five per cent of  
26 such additional allowance for depreciation in each of the four  
27 succeeding taxable years;

28 (vi) To the extent properly includable in gross income for federal  
29 income tax purposes, any interest income from obligations issued by or  
30 on behalf of the state of Connecticut, any political subdivision thereof,  
31 or public instrumentality, state or local authority, district or similar  
32 public entity created under the laws of the state of Connecticut;

33 (vii) To the extent properly includable in determining the net gain or  
34 loss from the sale or other disposition of capital assets for federal income  
35 tax purposes, any gain from the sale or exchange of obligations issued  
36 by or on behalf of the state of Connecticut, any political subdivision  
37 thereof, or public instrumentality, state or local authority, district or  
38 similar public entity created under the laws of the state of Connecticut,  
39 in the income year such gain was recognized;

40 (viii) Any interest on indebtedness incurred or continued to purchase  
41 or carry obligations or securities the interest on which is subject to tax  
42 under this chapter but exempt from federal income tax, to the extent that  
43 such interest on indebtedness is not deductible in determining federal  
44 adjusted gross income and is attributable to a trade or business carried

45 on by such individual;

46 (ix) Ordinary and necessary expenses paid or incurred during the  
47 taxable year for the production or collection of income which is subject  
48 to taxation under this chapter but exempt from federal income tax, or  
49 the management, conservation or maintenance of property held for the  
50 production of such income, and the amortizable bond premium for the  
51 taxable year on any bond the interest on which is subject to tax under  
52 this chapter but exempt from federal income tax, to the extent that such  
53 expenses and premiums are not deductible in determining federal  
54 adjusted gross income and are attributable to a trade or business carried  
55 on by such individual;

56 (x) (I) For taxable years commencing prior to January 1, 2019, for a  
57 person who files a return under the federal income tax as an unmarried  
58 individual whose federal adjusted gross income for such taxable year is  
59 less than fifty thousand dollars, or as a married individual filing  
60 separately whose federal adjusted gross income for such taxable year is  
61 less than fifty thousand dollars, or for a husband and wife who file a  
62 return under the federal income tax as married individuals filing jointly  
63 whose federal adjusted gross income for such taxable year is less than  
64 sixty thousand dollars or a person who files a return under the federal  
65 income tax as a head of household whose federal adjusted gross income  
66 for such taxable year is less than sixty thousand dollars, an amount  
67 equal to the Social Security benefits includable for federal income tax  
68 purposes;

69 (II) For taxable years commencing prior to January 1, 2019, for a  
70 person who files a return under the federal income tax as an unmarried  
71 individual whose federal adjusted gross income for such taxable year is  
72 fifty thousand dollars or more, or as a married individual filing  
73 separately whose federal adjusted gross income for such taxable year is  
74 fifty thousand dollars or more, or for a husband and wife who file a  
75 return under the federal income tax as married individuals filing jointly  
76 whose federal adjusted gross income from such taxable year is sixty

77 thousand dollars or more or for a person who files a return under the  
78 federal income tax as a head of household whose federal adjusted gross  
79 income for such taxable year is sixty thousand dollars or more, an  
80 amount equal to the difference between the amount of Social Security  
81 benefits includable for federal income tax purposes and the lesser of  
82 twenty-five per cent of the Social Security benefits received during the  
83 taxable year, or twenty-five per cent of the excess described in Section  
84 86(b)(1) of the Internal Revenue Code;

85 (III) For the taxable year commencing January 1, 2019, and each  
86 taxable year thereafter, for a person who files a return under the federal  
87 income tax as an unmarried individual whose federal adjusted gross  
88 income for such taxable year is less than seventy-five thousand dollars,  
89 or as a married individual filing separately whose federal adjusted gross  
90 income for such taxable year is less than seventy-five thousand dollars,  
91 or for a husband and wife who file a return under the federal income tax  
92 as married individuals filing jointly whose federal adjusted gross  
93 income for such taxable year is less than one hundred thousand dollars  
94 or a person who files a return under the federal income tax as a head of  
95 household whose federal adjusted gross income for such taxable year is  
96 less than one hundred thousand dollars, an amount equal to the Social  
97 Security benefits includable for federal income tax purposes; and

98 (IV) For the taxable year commencing January 1, 2019, and each  
99 taxable year thereafter, for a person who files a return under the federal  
100 income tax as an unmarried individual whose federal adjusted gross  
101 income for such taxable year is seventy-five thousand dollars or more,  
102 or as a married individual filing separately whose federal adjusted gross  
103 income for such taxable year is seventy-five thousand dollars or more,  
104 or for a husband and wife who file a return under the federal income tax  
105 as married individuals filing jointly whose federal adjusted gross  
106 income from such taxable year is one hundred thousand dollars or more  
107 or for a person who files a return under the federal income tax as a head  
108 of household whose federal adjusted gross income for such taxable year  
109 is one hundred thousand dollars or more, an amount equal to the

110 difference between the amount of Social Security benefits includable for  
111 federal income tax purposes and the lesser of twenty-five per cent of the  
112 Social Security benefits received during the taxable year, or twenty-five  
113 per cent of the excess described in Section 86(b)(1) of the Internal  
114 Revenue Code;

115 (xi) To the extent properly includable in gross income for federal  
116 income tax purposes, any amount rebated to a taxpayer pursuant to  
117 section 12-746;

118 (xii) To the extent properly includable in the gross income for federal  
119 income tax purposes of a designated beneficiary, any distribution to  
120 such beneficiary from any qualified state tuition program, as defined in  
121 Section 529(b) of the Internal Revenue Code, established and  
122 maintained by this state or any official, agency or instrumentality of the  
123 state;

124 (xiii) To the extent allowable under section 12-701a, contributions to  
125 accounts established pursuant to any qualified state tuition program, as  
126 defined in Section 529(b) of the Internal Revenue Code, established and  
127 maintained by this state or any official, agency or instrumentality of the  
128 state;

129 (xiv) To the extent properly includable in gross income for federal  
130 income tax purposes, the amount of any Holocaust victims' settlement  
131 payment received in the taxable year by a Holocaust victim;

132 (xv) To the extent properly includable in the gross income for federal  
133 income tax purposes of a designated beneficiary, as defined in section  
134 3-123aa, interest, dividends or capital gains earned on contributions to  
135 accounts established for the designated beneficiary pursuant to the  
136 Connecticut Homecare Option Program for the Elderly established by  
137 sections 3-123aa to 3-123ff, inclusive;

138 (xvi) To the extent properly includable in gross income for federal  
139 income tax purposes, any income received from the United States

140 government as retirement pay for a retired member of (I) the Armed  
141 Forces of the United States, as defined in Section 101 of Title 10 of the  
142 United States Code, or (II) the National Guard, as defined in Section 101  
143 of Title 10 of the United States Code;

144 (xvii) To the extent properly includable in gross income for federal  
145 income tax purposes for the taxable year, any income from the discharge  
146 of indebtedness in connection with any reacquisition, after December  
147 31, 2008, and before January 1, 2011, of an applicable debt instrument or  
148 instruments, as those terms are defined in Section 108 of the Internal  
149 Revenue Code, as amended by Section 1231 of the American Recovery  
150 and Reinvestment Act of 2009, to the extent any such income was added  
151 to federal adjusted gross income pursuant to subparagraph (A)(xi) of  
152 this subdivision in computing Connecticut adjusted gross income for a  
153 preceding taxable year;

154 (xviii) To the extent not deductible in determining federal adjusted  
155 gross income, the amount of any contribution to a manufacturing  
156 reinvestment account established pursuant to section 32-9zz in the  
157 taxable year that such contribution is made;

158 (xix) To the extent properly includable in gross income for federal  
159 income tax purposes, (I) for the taxable year commencing January 1,  
160 2015, ten per cent of the income received from the state teachers'  
161 retirement system, (II) for the taxable years commencing January 1,  
162 2016, to January 1, 2020, inclusive, twenty-five per cent of the income  
163 received from the state teachers' retirement system, and (III) for the  
164 taxable year commencing January 1, 2021, and each taxable year  
165 thereafter, fifty per cent of the income received from the state teachers'  
166 retirement system or, for a taxpayer whose federal adjusted gross  
167 income does not exceed the applicable threshold under clause (xx) of  
168 this subparagraph, the percentage pursuant to said clause of the income  
169 received from the state teachers' retirement system, whichever  
170 deduction is greater;

171 (xx) To the extent properly includable in gross income for federal  
172 income tax purposes, except for retirement benefits under clause (iv) of  
173 this subparagraph and retirement pay under clause (xvi) of this  
174 subparagraph, for a person who files a return under the federal income  
175 tax as an unmarried individual whose federal adjusted gross income for  
176 such taxable year is less than seventy-five thousand dollars, or as a  
177 married individual filing separately whose federal adjusted gross  
178 income for such taxable year is less than seventy-five thousand dollars,  
179 or as a head of household whose federal adjusted gross income for such  
180 taxable year is less than seventy-five thousand dollars, or for a husband  
181 and wife who file a return under the federal income tax as married  
182 individuals filing jointly whose federal adjusted gross income for such  
183 taxable year is less than one hundred thousand dollars, (I) for the taxable  
184 year commencing January 1, 2019, fourteen per cent of any pension or  
185 annuity income, (II) for the taxable year commencing January 1, 2020,  
186 twenty-eight per cent of any pension or annuity income, (III) for the  
187 taxable year commencing January 1, 2021, forty-two per cent of any  
188 pension or annuity income, and (IV) for the taxable years commencing  
189 January 1, 2022, and January 1, 2023, one hundred per cent of any  
190 pension or annuity income;

191 (xxi) To the extent properly includable in gross income for federal  
192 income tax purposes, except for retirement benefits under clause (iv) of  
193 this subparagraph and retirement pay under clause (xvi) of this  
194 subparagraph, any pension or annuity income for the taxable year  
195 commencing on or after January 1, 2024, and each taxable year  
196 thereafter, in accordance with the following schedule, for a person who  
197 files a return under the federal income tax as an unmarried individual  
198 whose federal adjusted gross income for such taxable year is less than  
199 one hundred thousand dollars, or as a married individual filing  
200 separately whose federal adjusted gross income for such taxable year is  
201 less than one hundred thousand dollars, or as a head of household  
202 whose federal adjusted gross income for such taxable year is less than  
203 one hundred thousand dollars:

T1	Federal Adjusted Gross Income	Deduction
T2	Less than \$75,000	100.0%
T3	\$75,000 but not over \$77,499	85.0%
T4	\$77,500 but not over \$79,999	70.0%
T5	\$80,000 but not over \$82,499	55.0%
T6	\$82,500 but not over \$84,999	40.0%
T7	\$85,000 but not over \$87,499	25.0%
T8	\$87,500 but not over \$89,999	10.0%
T9	\$90,000 but not over \$94,999	5.0%
T10	\$95,000 but not over \$99,999	2.5%
T11	\$100,000 and over	0.0%

204 (xxii) To the extent properly includable in gross income for federal  
205 income tax purposes, except for retirement benefits under clause (iv) of  
206 this subparagraph and retirement pay under clause (xvi) of this  
207 subparagraph, any pension or annuity income for the taxable year  
208 commencing on or after January 1, 2024, and each taxable year  
209 thereafter, in accordance with the following schedule for married  
210 individuals who file a return under the federal income tax as married  
211 individuals filing jointly whose federal adjusted gross income for such  
212 taxable year is less than one hundred fifty thousand dollars:

T12	Federal Adjusted Gross Income	Deduction
T13	Less than \$100,000	100.0%
T14	\$100,000 but not over \$104,999	85.0%
T15	\$105,000 but not over \$109,999	70.0%
T16	\$110,000 but not over \$114,999	55.0%
T17	\$115,000 but not over \$119,999	40.0%
T18	\$120,000 but not over \$124,999	25.0%
T19	\$125,000 but not over \$129,999	10.0%
T20	\$130,000 but not over \$139,999	5.0%
T21	\$140,000 but not over \$149,999	2.5%
T22	\$150,000 and over	0.0%

213 (xxiii) The amount of lost wages and medical, travel and housing  
214 expenses, not to exceed ten thousand dollars in the aggregate, incurred  
215 by a taxpayer during the taxable year in connection with the donation  
216 to another person of an organ for organ transplantation occurring on or  
217 after January 1, 2017;

218 (xxiv) To the extent properly includable in gross income for federal  
219 income tax purposes, the amount of any financial assistance received  
220 from the Crumbling Foundations Assistance Fund or paid to or on  
221 behalf of the owner of a residential building pursuant to sections 8-442  
222 and 8-443;

223 (xxv) To the extent properly includable in gross income for federal  
224 income tax purposes, the amount calculated pursuant to subsection (b)  
225 of section 12-704g for income received by a general partner of a venture  
226 capital fund, as defined in 17 CFR 275.203(l)-1, as amended from time to  
227 time;

228 (xxvi) To the extent any portion of a deduction under Section 179 of  
229 the Internal Revenue Code was added to federal adjusted gross income  
230 pursuant to subparagraph (A)(xiv) of this subdivision in computing  
231 Connecticut adjusted gross income, twenty-five per cent of such  
232 disallowed portion of the deduction in each of the four succeeding  
233 taxable years;

234 (xxvii) To the extent properly includable in gross income for federal  
235 income tax purposes, for a person who files a return under the federal  
236 income tax as an unmarried individual whose federal adjusted gross  
237 income for such taxable year is less than seventy-five thousand dollars,  
238 or as a married individual filing separately whose federal adjusted gross  
239 income for such taxable year is less than seventy-five thousand dollars,  
240 or as a head of household whose federal adjusted gross income for such  
241 taxable year is less than seventy-five thousand dollars, or for a husband  
242 and wife who file a return under the federal income tax as married  
243 individuals filing jointly whose federal adjusted gross income for such

244 taxable year is less than one hundred thousand dollars, for the taxable  
245 year commencing January 1, 2023, twenty-five per cent of any  
246 distribution from an individual retirement account other than a Roth  
247 individual retirement account;

248 (xxviii) To the extent properly includable in gross income for federal  
249 income tax purposes, for a person who files a return under the federal  
250 income tax as an unmarried individual whose federal adjusted gross  
251 income for such taxable year is less than one hundred thousand dollars,  
252 or as a married individual filing separately whose federal adjusted gross  
253 income for such taxable year is less than one hundred thousand dollars,  
254 or as a head of household whose federal adjusted gross income for such  
255 taxable year is less than one hundred thousand dollars, (I) for the taxable  
256 year commencing January 1, 2024, fifty per cent of any distribution from  
257 an individual retirement account other than a Roth individual  
258 retirement account, (II) for the taxable year commencing January 1, 2025,  
259 seventy-five per cent of any distribution from an individual retirement  
260 account other than a Roth individual retirement account, and (III) for  
261 the taxable year commencing January 1, 2026, and each taxable year  
262 thereafter, any distribution from an individual retirement account other  
263 than a Roth individual retirement account. The subtraction under this  
264 clause shall be made in accordance with the following schedule:

T23	Federal Adjusted Gross Income	Deduction
T24	Less than \$75,000	100.0%
T25	\$75,000 but not over \$77,499	85.0%
T26	\$77,500 but not over \$79,999	70.0%
T27	\$80,000 but not over \$82,499	55.0%
T28	\$82,500 but not over \$84,999	40.0%
T29	\$85,000 but not over \$87,499	25.0%
T30	\$87,500 but not over \$89,999	10.0%
T31	\$90,000 but not over \$94,999	5.0%
T32	\$95,000 but not over \$99,999	2.5%
T33	\$100,000 and over	0.0%

265 (xxix) To the extent properly includable in gross income for federal  
266 income tax purposes, for married individuals who file a return under  
267 the federal income tax as married individuals filing jointly whose  
268 federal adjusted gross income for such taxable year is less than one  
269 hundred fifty thousand dollars, (I) for the taxable year commencing  
270 January 1, 2024, fifty per cent of any distribution from an individual  
271 retirement account other than a Roth individual retirement account, (II)  
272 for the taxable year commencing January 1, 2025, seventy-five per cent  
273 of any distribution from an individual retirement account other than a  
274 Roth individual retirement account, and (III) for the taxable year  
275 commencing January 1, 2026, and each taxable year thereafter, any  
276 distribution from an individual retirement account other than a Roth  
277 individual retirement account. The subtraction under this clause shall  
278 be made in accordance with the following schedule:

T34	Federal Adjusted Gross Income	Deduction
T35	Less than \$100,000	100.0%
T36	\$100,000 but not over \$104,999	85.0%
T37	\$105,000 but not over \$109,999	70.0%
T38	\$110,000 but not over \$114,999	55.0%
T39	\$115,000 but not over \$119,999	40.0%
T40	\$120,000 but not over \$124,999	25.0%
T41	\$125,000 but not over \$129,999	10.0%
T42	\$130,000 but not over \$139,999	5.0%
T43	\$140,000 but not over \$149,999	2.5%
T44	\$150,000 and over	0.0%

279 (xxx) To the extent properly includable in gross income for federal  
280 income tax purposes, for the taxable year commencing January 1, 2022,  
281 the amount or amounts paid or otherwise credited to any eligible  
282 resident of this state under (I) the 2020 Earned Income Tax Credit  
283 enhancement program from funding allocated to the state through the  
284 Coronavirus Relief Fund established under the Coronavirus Aid, Relief,

285 and Economic Security Act, P.L. 116-136, and (II) the 2021 Earned  
286 Income Tax Credit enhancement program from funding allocated to the  
287 state pursuant to Section 9901 of Subtitle M of Title IX of the American  
288 Rescue Plan Act of 2021, P.L. 117-2;

289 (xxxix) For the taxable year commencing January 1, 2023, and each  
290 taxable year thereafter, for a taxpayer licensed under the provisions of  
291 chapter 420f or 420h, the amount of ordinary and necessary expenses  
292 that would be eligible to be claimed as a deduction for federal income  
293 tax purposes under Section 162(a) of the Internal Revenue Code but that  
294 are disallowed under Section 280E of the Internal Revenue Code  
295 because marijuana is a controlled substance under the federal  
296 Controlled Substance Act;

297 (xxxix) To the extent properly includable in gross income for federal  
298 income tax purposes, for the taxable year commencing on or after  
299 January 1, 2025, and each taxable year thereafter, any common stock  
300 received by the taxpayer during the taxable year under a share plan, as  
301 defined in section 12-217ss;

302 (xxxix) To the extent properly includable in gross income for federal  
303 income tax purposes, the amount of any student loan reimbursement  
304 payment received by a taxpayer pursuant to section 10a-19m;

305 (xxxix) Contributions to an ABLE account established pursuant to  
306 sections 3-39k to 3-39q, inclusive, not to exceed five thousand dollars for  
307 each individual taxpayer or ten thousand dollars for taxpayers filing a  
308 joint return;

309 (xxxix) To the extent properly includable in gross income for federal  
310 income tax purposes, the amount of any payment received pursuant to  
311 subsection (c) of section 3-122a;

312 (xxxix) For an account holder, as defined in section 12-724b, who files  
313 a return under the federal income tax as an unmarried individual, a  
314 married individual filing separately or a head of household, whose

315 federal adjusted gross income for the taxable year is less than one  
316 hundred twenty-five thousand dollars or who files a return under the  
317 federal income tax as married individuals filing jointly whose federal  
318 adjusted gross income for the taxable year is less than two hundred fifty  
319 thousand dollars:

320 (I) To the extent not deductible in determining federal adjusted gross  
321 income, for the taxable year commencing January 1, 2027, an amount  
322 equal to the contributions deposited during the taxable years  
323 commencing January 1, 2026, and January 1, 2027, in a first-time  
324 homebuyer savings account established pursuant to subsection (c) of  
325 section 12-724b, less any amounts withdrawn during said taxable years  
326 by the account holder from such account under subparagraph (D) of  
327 subdivision (2) of subsection (f) of section 12-724b. The amount claimed  
328 under this subclause shall not exceed two thousand five hundred  
329 dollars for each such taxable year for an unmarried individual, a  
330 married individual filing separately or a head of household and five  
331 thousand dollars for each such taxable year for married individuals  
332 filing jointly;

333 (II) To the extent not deductible in determining federal adjusted gross  
334 income, for the taxable year commencing January 1, 2028, and each  
335 taxable year thereafter, an amount equal to the contributions deposited  
336 during the taxable year in a first-time homebuyer savings account  
337 established pursuant to subsection (c) of section 12-724b, less any  
338 amounts withdrawn during the taxable year by the account holder from  
339 such account pursuant to subparagraph (D) of subdivision (2) of  
340 subsection (f) of section 12-724b. The amount allowed to be claimed  
341 under this subclause for the taxable year shall not exceed two thousand  
342 five hundred dollars for an unmarried individual, a married individual  
343 filing separately or a head of household and five thousand dollars for  
344 married individuals filing jointly; and

345 (III) To the extent properly includable in gross income for federal  
346 income tax purposes, for the taxable year commencing January 1, 2027,

347 and each taxable year thereafter, an amount equal to the sum of all  
348 interest accrued on a first-time homebuyer savings account, established  
349 pursuant to subsection (c) of section 12-724b, during the taxable year;  
350 [and]

351 (xxxvii) To the extent properly includable in gross income for federal  
352 income tax purposes, for the taxable year commencing January 1, 2027,  
353 and each taxable year thereafter, for an account holder who is a qualified  
354 beneficiary of a first-time homebuyer savings account, as those terms  
355 are defined in section 12-724b, and who files a return under the federal  
356 income tax as an unmarried individual, a married individual filing  
357 separately or a head of household, whose federal adjusted gross income  
358 for the taxable year is less than one hundred twenty-five thousand  
359 dollars or who files a return under the federal income tax as married  
360 individuals filing jointly whose federal adjusted gross income for the  
361 taxable year is less than two hundred fifty thousand dollars, an amount  
362 equal to any withdrawal from such account that is used to pay or  
363 reimburse such qualified beneficiary for eligible costs, as defined in  
364 section 12-724b, incurred by the qualified beneficiary; and

365 (xxxviii) For the taxable year commencing January 1, 2026, and each  
366 taxable year thereafter, the amount of any premiums paid in the taxable  
367 year for a long-term care insurance policy issued pursuant to section  
368 38a-475, 38a-501, as amended by this act, or 38a-528, as amended by this  
369 act.

370 Sec. 2. Subdivision (2) of subsection (b) of section 38a-501 of the  
371 general statutes is repealed and the following is substituted in lieu  
372 thereof (*Effective July 1, 2026*):

373 (2) (A) Any insurance company, fraternal benefit society, hospital  
374 service corporation, medical service corporation or health care center  
375 that files a rate filing for an increase in premium rates for a long-term  
376 care policy that is for twenty per cent or more shall spread the increase  
377 over a period of not less than three years and not file a rate filing for an

378 increase in premium rates for the long-term care policy during the  
379 period chosen. Such company, society, corporation or center shall use a  
380 periodic rate increase that is actuarially equivalent to a single rate  
381 increase and a current interest rate for the period chosen.

382 (B) Prior to implementing a premium rate increase, each such  
383 company, society, corporation or center shall:

384 (i) Notify its policyholders of such premium rate increase and make  
385 available to such policyholders the additional choice of reducing the  
386 policy benefits to reduce the premium rate or electing coverage that  
387 reflects the minimum set of affordable benefit options developed by the  
388 commissioner pursuant to section 38a-475a. Such notice shall include a  
389 description of such policy benefit reductions and minimum set of  
390 affordable benefit options. The premium rates for any benefit reductions  
391 shall be based on the new premium rate schedule;

392 (ii) Provide policyholders not less than thirty calendar days to elect a  
393 reduction in policy benefits or coverage that reflects the minimum set of  
394 affordable benefit options developed by the commissioner pursuant to  
395 section 38a-475a; and

396 (iii) Include a statement in such notice that if a policyholder fails to  
397 elect a reduction in policy benefits or coverage that reflects the  
398 minimum set of affordable benefit options developed by the  
399 commissioner pursuant to section 38a-475a by the end of the notice  
400 period and has not cancelled the policy, the policyholder will be deemed  
401 to have elected to retain the existing policy benefits.

402 (C) Prior to implementing a premium rate increase exceeding ten per  
403 cent, each such company, society, corporation or center shall hold a  
404 public hearing on such rate increase. Policyholders shall be provided  
405 notice of the date and time of such hearing not less than fourteen days  
406 in advance of such date.

407 Sec. 3. Subdivision (2) of subsection (b) of section 38a-528 of the

408 general statutes is repealed and the following is substituted in lieu  
409 thereof (*Effective July 1, 2026*):

410 (2) (A) Any insurance company, fraternal benefit society, hospital  
411 service corporation, medical service corporation or health care center  
412 that files a rate filing for an increase in premium rates for a long-term  
413 care policy that is for twenty per cent or more shall spread the increase  
414 over a period of not less than three years and not file a rate filing for an  
415 increase in premium rates for the long-term care policy during the  
416 period chosen. Such company, society, corporation or center shall use a  
417 periodic rate increase that is actuarially equivalent to a single rate  
418 increase and a current interest rate for the period chosen.

419 (B) Prior to implementing a premium rate increase, each such  
420 company, society, corporation or center shall:

421 (i) Notify its certificate holders of such premium rate increase and  
422 make available to such certificate holders the additional choice of  
423 reducing the policy benefits to reduce the premium rate or electing  
424 coverage that reflects the minimum set of affordable benefit options  
425 developed by the commissioner pursuant to section 38a-475a. Such  
426 notice shall include a description of such policy benefit reductions and  
427 minimum set of affordable benefit options. The premium rates for any  
428 benefit reductions shall be based on the new premium rate schedule;

429 (ii) Provide certificate holders not less than thirty calendar days to  
430 elect a reduction in policy benefits or coverage that reflects the  
431 minimum set of affordable benefit options developed by the  
432 commissioner pursuant to section 38a-475a; and

433 (iii) Include a statement in such notice that if a certificate holder fails  
434 to elect a reduction in policy benefits or coverage that reflects the  
435 minimum set of affordable benefit options developed by the  
436 commissioner pursuant to section 38a-475a by the end of the notice  
437 period and has not cancelled the policy, the certificate holder will be  
438 deemed to have elected to retain the existing policy benefits.

439        (C) Prior to implementing a premium rate increase exceeding ten per  
440 cent, each such company, society, corporation or center shall hold a  
441 public hearing on such rate increase. Policyholders shall be provided  
442 notice of the date and time of such hearing not less than fourteen days  
443 in advance of such date.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage and applicable to taxable years commencing on or after January 1, 2026</i>	12-701(a)(20)(B)
Sec. 2	<i>July 1, 2026</i>	38a-501(b)(2)
Sec. 3	<i>July 1, 2026</i>	38a-528(b)(2)

**Statement of Purpose:**

To (1) allow an income tax deduction for long-term care insurance premiums, (2) require the Insurance Department to hold a public hearing for long-term care premium rate increase requests that exceed ten per cent, and (3) require that policyholders are provided advance notice of such hearing.

*[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.]*