



General Assembly

February Session, 2026

Raised Bill No. 5375

LCO No. 2128



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

***AN ACT CONCERNING THE RECOMMENDATIONS OF THE
INSURANCE AND REAL ESTATE COMMITTEE WORKING GROUPS.***

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

1 Section 1. (NEW) (*Effective July 1, 2026*) Notwithstanding the
2 provisions of section 19a-7p of the general statutes, as amended by this
3 act, the Insurance Commissioner, in consultation with the Secretary of
4 the Office of Policy and Management and the Commissioner of Public
5 Health, shall transfer payment for the programs funded by the public
6 health fee established pursuant to section 19a-7p of the general statutes,
7 as amended by this act, over a five-year period, commencing July 1,
8 2026, from the Insurance Fund to the General Fund, with any required
9 adjustments to assessments on domestic insurance companies or other
10 domestic entities adjusted by the Insurance Commissioner accordingly.
11 Such transfer shall be in increasing one-fifth increments over such five-
12 year period.

13 Sec. 2. Section 19a-7p of the general statutes is repealed and the
14 following is substituted in lieu thereof (*Effective July 1, 2026*):

15 (a) [Not] Except as provided in section 1 of this act, not later than

16 September first, annually, the Secretary of the Office of Policy and
17 Management, in consultation with the Commissioner of Public Health,
18 shall (1) determine the amounts appropriated for the syringe services
19 program, AIDS services, breast and cervical cancer detection and
20 treatment, x-ray screening and tuberculosis care, sexually transmitted
21 disease control and children's health initiatives; and (2) inform the
22 Insurance Commissioner of such amounts.

23 (b) (1) As used in this section: (A) "Health insurance" means health
24 insurance of the types specified in subdivisions (1), (2), (4), (11) and (12)
25 of section 38a-469; and (B) "health care center" has the same meaning as
26 provided in section 38a-175.

27 (2) [Each] Except as provided in section 1 of this act, and until July 1,
28 2030, each domestic insurer or domestic health care center doing health
29 insurance business in this state shall annually pay to the Insurance
30 Commissioner, for deposit in the Insurance Fund established under
31 section 38a-52a, a public health fee assessed by the Insurance
32 Commissioner pursuant to this section.

33 (3) (A) Not later than September first, annually, each such insurer or
34 health care center shall report to the Insurance Commissioner, in the
35 form and manner prescribed by the commissioner, the number of
36 insured or enrolled lives in this state as of May first immediately
37 preceding the date for which such insurer or health care center is
38 providing health insurance that provides coverage of the types specified
39 in subdivisions (1), (2), (4), (11) and (12) of section 38a-469. Such number
40 shall not include lives enrolled in Medicare, any medical assistance
41 program administered by the Department of Social Services, workers'
42 compensation insurance or Medicare Part C plans. The commissioner
43 may require each such insurer or health care center or any other person
44 to submit to the commissioner any records that are in such insurer's,
45 health care center's or other person's possession if such records were
46 used to prepare such insurer's or health care center's annual report
47 submitted pursuant to this subparagraph.

48 (B) Each such insurer or health care center that fails to timely submit
49 an annual report pursuant to subparagraph (A) of this subdivision shall
50 pay to the Insurance Commissioner, in the form and manner prescribed
51 by the commissioner, a late filing fee of one hundred dollars per day for
52 each day from the date that the annual report was due.

53 (C) If the Insurance Commissioner determines that there is a
54 discrepancy, other than a good faith discrepancy, between the number
55 of insured or enrolled lives that the insurer or health care center
56 reported to the commissioner pursuant to subparagraph (A) of this
57 subdivision and the number of such lives that the insurer or health care
58 center should have reported to the commissioner pursuant to said
59 subparagraph (A), the insurer or health care center shall be liable for a
60 civil penalty of not more than fifteen thousand dollars.

61 (c) [Not] Except as provided in section 1 of this act, not later than
62 November first, annually, the Insurance Commissioner shall determine
63 the fee to be assessed for the current fiscal year against each such insurer
64 and health care center. Such fee shall be calculated by multiplying the
65 number of lives reported to said commissioner pursuant to
66 subparagraph (A) of subdivision (3) of subsection (b) of this section by
67 a factor, determined annually by said commissioner as set forth in this
68 subsection, to fully fund the aggregate amount determined under
69 subsection (a) of this section. The Insurance Commissioner shall
70 determine the factor by dividing the aggregate amount by the total
71 number of lives reported to said commissioner pursuant to
72 subparagraph (A) of subdivision (3) of subsection (b) of this section.

73 (d) [Not] Except as provided in section 1 of this act, not later than
74 December first, annually, the Insurance Commissioner shall submit a
75 statement to each such insurer and health care center that includes the
76 proposed fee, identified on such statement as the "Public Health fee", for
77 the insurer or health care center, calculated in accordance with this
78 section. [Not] Except as provided in section 1 of this act, not later than
79 December twentieth, annually, any insurer or health care center may

80 submit an objection to the Insurance Commissioner concerning the
81 proposed public health fee. [The] Except as provided in section 1 of this
82 act, the Insurance Commissioner, after making any adjustment that said
83 commissioner deems necessary, shall, not later than January first,
84 annually, submit a final statement to each insurer and health care center
85 that includes the final fee for the insurer or health care center. [Each]
86 Except as provided in section 1 of this act, each such insurer and health
87 care center shall pay such fee to the Insurance Commissioner not later
88 than February first, annually.

89 (e) Any such insurer or health care center aggrieved by an assessment
90 levied under this section may appeal therefrom in the same manner as
91 provided for appeals under section 38a-52.

92 (f) (1) [The] Except as provided in section 1 of this act, the Insurance
93 Commissioner shall apply an overpayment of the public health fee by
94 an insurer or health care center for any fiscal year as a credit against the
95 public health fee due from such insurer or health care center for the
96 succeeding fiscal year, subject to an adjustment under subsection (c) of
97 this section, if: (A) The amount of the overpayment exceeds five
98 thousand dollars; and (B) on or before June first of the calendar year of
99 the overpayment, the insurer or health care center (i) notifies the
100 commissioner of the amount of the overpayment, and (ii) provides the
101 commissioner with evidence sufficient to prove the amount of the
102 overpayment.

103 (2) Not later than ninety days following receipt of notice and
104 supporting evidence under subdivision (1) of this subsection, the
105 commissioner shall (A) determine whether the insurer or health care
106 center made an overpayment, and (B) notify the insurer or health care
107 center of such determination.

108 (3) Failure of an insurer or health care center to notify the
109 commissioner of the amount of an overpayment within the time
110 prescribed in subdivision (1) of this subsection constitutes a waiver of

111 any demand of the insurer or health care center against the state on
112 account of such overpayment.

113 (4) Nothing in this subsection shall be construed to prohibit or limit
114 the right of an insurer or health care center to appeal pursuant to
115 subsection (e) of this section.

116 Sec. 3. (NEW) (*Effective July 1, 2026*) Notwithstanding the provisions
117 of sections 38a-47 and 38a-48 of the general statutes, the Insurance
118 Commissioner, in consultation with the Secretary of the Office of Policy
119 and Management and the Commissioner of Revenue Services, shall
120 transfer payment for the Office of Health Strategy over a five-year
121 period, commencing July 1, 2026, from the Insurance Fund to the
122 General Fund, with any required adjustments to assessments on
123 domestic insurance companies or other domestic entities adjusted by the
124 Insurance Commissioner accordingly. Such transfer shall be in
125 increasing one-fifth increments over such five-year period.

126 Sec. 4. (NEW) (*Effective October 1, 2026*) (a) As used in this section:

127 (1) "Nonprofit human services provider" means any nonprofit
128 provider that contracts with the state to provide health and human
129 services that may include, but need not be limited to: (A) Services for
130 persons with a physical disability; (B) services for persons with an
131 intellectual disability or developmental disabilities, including, but not
132 limited to, autism spectrum disorder; and (C) behavioral health services;
133 and

134 (2) "Purchase of service contract" and "state agency" have the same
135 meanings as provided in section 4-70b of the general statutes.

136 (b) No nonprofit human services provider that contracts with the
137 state through a purchase of service contract shall be liable for injury to
138 person or property caused by the negligent acts or omissions of any state
139 official, state employee or third party occurring during the performance
140 of such nonprofit human services provider's contractual obligations

141 pursuant to such purchase of service contract.

142 Sec. 5. (*Effective from passage*) The Insurance Commissioner shall study
143 the feasibility of (1) allowing one or more nonprofit entities to pool such
144 nonprofit entities' liability insurance policies, including general liability
145 insurance and automobile liability insurance, and (2) establishing a
146 captive insurance company or program to insure the risk of such pool.
147 Not later than February 1, 2027, the Insurance Commissioner shall
148 report, in accordance with the provisions of section 11-4a of the general
149 statutes, to the joint standing committee of the General Assembly
150 having cognizance of matters relating to insurance on the findings of
151 such study.

152 Sec. 6. (*Effective from passage*) The Insurance Commissioner shall
153 conduct a study to examine the degree to which (1) third-party litigation
154 funding in litigation involving an insurance claim, (2) settlement tactics
155 in litigation involving an insurance claim, and (3) factors increasing the
156 costs of litigation involving an insurance claim, affect the cost of
157 insurance premiums and on insurance claim severity. Not later than
158 February 1, 2027, the Insurance Commissioner shall report, in
159 accordance with the provisions of section 11-4a of the general statutes,
160 to the joint standing committees of the General Assembly having
161 cognizance of matters relating to insurance and the judiciary on the
162 findings of such study.

163 Sec. 7. (*Effective from passage*) The Insurance Commissioner shall
164 conduct a study concerning various revisions to the insurance statutes
165 regarding the compensation of pharmacists licensed under chapter 400j
166 of the general statutes, who provide certain health care services,
167 including, but not limited to, vaccine administration, HIV-related tests,
168 influenza-related tests and the prescribing of contraceptive devices or
169 products approved by the federal Food and Drug Administration. For
170 the purposes of this section, (1) "chain pharmacy" means any
171 community pharmacy that is publicly traded or has not less than six
172 stores located in this state, (2) "HIV-related test" and "influenza-related

173 test" have the same meanings as provided in section 20-633f of the
174 general statutes, (3) "independent pharmacy" means any privately
175 owned pharmacy that has not more than five stores located in this state,
176 (4) "pharmacist" has the same meaning as provided in section 20-571 of
177 the general statutes, and (5) "pharmacy benefits manager" has the same
178 meaning as provided in section 38a-479aaa of the general statutes. Not
179 later than February 1, 2027, the Insurance Commissioner shall report, in
180 accordance with the provisions of section 11-4a of the general statutes,
181 to the joint standing committee of the General Assembly having
182 cognizance of matters relating to insurance on the findings of such
183 study.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2026</i>	New section
Sec. 2	<i>July 1, 2026</i>	19a-7p
Sec. 3	<i>July 1, 2026</i>	New section
Sec. 4	<i>October 1, 2026</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	New section

Statement of Purpose:

To implement the recommendations of (1) the Insurance Fund working group, (2) the nonprofit liability, property and casualty insurance working group, and (3) the pharmacist compensation working group.

[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.]