



PA 26-93—sSB 478
Human Services Committee

AN ACT CONCERNING CONSUMER SAFEGUARDS FOR LONG-TERM CARE POLICIES

SUMMARY: This act makes various changes affecting long-term care (LTC) insurers, including (1) establishing new annual reporting requirements for insurers and the Connecticut Insurance Department (CID) on LTC policy losses, (2) allowing the insurance commissioner to report on the feasibility and effect of certain insurer requirements on LTC insurance access, and (3) authorizing the insurance commissioner to investigate and take disciplinary action against an LTC insurer who violates state LTC insurance laws.

EFFECTIVE DATE: July 1, 2026

INSURER AND AGENCY REPORTING REQUIREMENTS

The act requires LTC insurers to annually report to the insurance commissioner, by May 1, on each individual and group policy's losses (both incurred and actually paid). The commissioner must then annually report to the Aging, Human Services, and Insurance and Real Estate committees aggregated and de-identified data on these losses over the past three calendar years, noting which policies were pre-certified under the Connecticut Partnership for LTC.

The commissioner must do this starting by October 1, 2027, and in consultation with the Office of Policy and Management (OPM) secretary. OPM and CID must post the reports on their respective websites.

Additionally, the act allows the insurance commissioner, in consultation with the OPM secretary and within available appropriations, to report to the Aging, Human Services, and Insurance and Real Estate committees by July 1, 2027, on the feasibility and effect on access to LTC insurance of the following:

1. requiring LTC insurers to allow policyholders to cancel their insurance and get a refund for all premiums they paid since the start of the policy whenever the insurer files for a rate increase that exceeds the inflation rate;
2. the level of rate increases the commissioner may approve; and
3. information on Connecticut's reinsurance market, including any recent impacts the market has had on the availability and cost of long-term care insurance policies and the economic impact to the state.

Under the act, the report's data must be aggregated and deidentified.

INSURANCE COMMISSIONER INVESTIGATION POWERS

The act allows the insurance commissioner to investigate LTC insurers that he reasonably believes are violating the state's LTC insurance laws. After

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investigating, if he finds a violation occurred, after holding a hearing, he may take disciplinary action against the insurer. Disciplinary action includes ordering a corrective action plan, imposing administrative remedies, or issuing a penalty of up to \$15,000.

Under the act, the commissioner may allow the insurer to submit a corrective action plan for approval at any time before the hearing ends.

The act also authorizes the commissioner to refer any suspected violations to the attorney general to consider any further available remedies.