



General Assembly

Amendment

January Session, 2011

LCO No. 8457

HB0630808457SR0

Offered by:
SEN. KELLY, 21st Dist.

To: Subst. House Bill No. 6308 File No. 868 Cal. No. 592

"AN ACT CONCERNING HEALTHCARE REFORM."

1 After line 115, insert the following:

2 "(i) (1) Beginning on February 1, 2012, and annually thereafter, the
3 Comptroller shall issue a statement of financial condition, audited by
4 an independent certified accountant, that shall include, but not be
5 limited to, actuarially appropriate reserves for (A) known claims and
6 any associated expenses, (B) claims incurred but not reported and any
7 associated expenses, (C) unearned premiums, and (D) bad debts,
8 which shall be shown as liabilities.

9 (2) (A) Such audited statement of financial condition shall also
10 include an actuarial opinion regarding reserves for (i) known claims
11 and any associated expenses, and (ii) claims incurred but not reported
12 and any associated expenses.

13 (B) Such actuarial opinion shall be prepared by an independent
14 person with a designation of Fellow of the Casualty Actuarial Society
15 or a member of the American Academy of Actuaries with experience

16 in preparing such opinions, and shall include (i) a statement whether,
17 in the opinion of such preparer, a partnership plan is sufficiently
18 funded according to actuarial standards, and (ii) a recommendation
19 whether any increase in premiums is necessary to maintain or to reach
20 sufficient funding according to actuarial standards, and the percentage
21 amount of any increase recommended.

22 (3) If such preparer recommends that a premium increase of five per
23 cent or more is necessary to maintain or to reach sufficient funding
24 according to actuarial standards, the Comptroller shall stop accepting
25 applications for coverage under any partnership plans and shall not
26 renew coverage under such plans. The Comptroller shall provide
27 written notification to each employer of the Comptroller's decision to
28 nonrenew coverage under a partnership plan.

29 (4) The Comptroller shall submit the audited financial report and
30 actuarial opinion to the General Assembly not later than February 10,
31 2012, and annually thereafter."