

Insurance and Real Estate Committee JOINT FAVORABLE REPORT

Bill No.: SB-841

AN ACT CONCERNING THE INSURANCE DEPARTMENT'S RECOMMENDED

Title: CHANGES TO THE INSURANCE STATUTES.

Vote Date: 3/22/2021

Vote Action: Joint Favorable

PH Date: 2/11/2021

File No.:

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SPONSORS OF BILL:

Insurance and Real Estate Committee

REASONS FOR BILL:

The bill will prevent insurers from using the results of genetic testing in connection with annuities and certain insurance policies. Violations of this will be considered violations of the Connecticut Unfair Insurance Practices Act. The bill will also require insurers to specify the reason for which consumer policies have been cancelled. The bill also establishes a minimum loss ratio requirement. The course hour requirements for an applicant for an insurance producer license will also be reduced. The bill establishes protections for consumers against insurers and aligns Connecticut with national standards of loss ratio and licensing standards.

RESPONSE FROM ADMINISTRATION/AGENCY:

Andrew Mais, Commissioner, Connecticut Insurance Department: Mr. Mais testified that Connecticut currently has the one of the lowest loss ratios in the country and Section 4 of SB 841 will set a loss ratio requirement of no less than fifty percent, which is the average loss ratio across the country. This will positively impact consumers because it will force insurers to lower premiums. Mr. Mais also testifies that Section 5 of SB 841, which lowers the required course hours for producer license applicants, will bring Connecticut in line with the National Association of Insurance Commissioner's uniform licensing standards

NATURE AND SOURCES OF SUPPORT:

Eric George, President, Insurance Association of Connecticut: Mr. George testified that insurance companies keep all private information confidential and that direct-to-consumer genetic testing companies should not share personal information without prior consent of the consumer.

Camille Simpson, Regional Vice President, American Council of Life Insurers: Ms. Simpson testified that advances in genetic science are allowing consumers to better control

their health. Life insurers urge lawmakers to allow consumers to use genetic testing to their advantage and allow consumers to obtain the financial protection they deserve.

NATURE AND SOURCES OF OPPOSITION:

None Expressed

Reported by: Mallory Ferrick

Date: March 25, 2021