

OFFICE OF FISCAL ANALYSIS

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SB-1046

AN ACT CONCERNING LONG-TERM CARE INSURANCE. AMENDMENT

LCO No.: 9950

File Copy No.: 371

House Calendar No.: 544

Senate Calendar No.: 238

OFA Fiscal Note

Significant Cost

The amendment requires the Insurance Department (DOI) to review the books and records of each LTC carrier operating in Connecticut at least annually to ensure their solvency. Currently, DOI's Financial Analysis Unit (FAU) analyzes all domestic insurers quarterly, including a more thorough examination involving actuaries annually. To expand that level of analysis to all LTC carriers operating in Connecticut, rather than domestic ones, would require a significant increase in staff (e.g. 25 new financial examiners and actuaries) that is anticipated to cost DOI more than \$4.5 million annually.

The other provisions of the amendment are not anticipated to change the fiscal impact of the underlying bill as amended.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

Sources: Connecticut Insurance Department

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Contributing Analyst(s):

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(SC)