

Appropriations Committee JOINT FAVORABLE REPORT

Bill No.: SB-372

AN ACT CONCERNING PAYMENTS BY INSURANCE COMPANIES FOR

Title: DEPOSIT INTO THE INSURANCE FUND.

Vote Date: 4/4/2024

Vote Action: Joint Favorable

PH Date: 3/15/2024

File No.:

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SPONSORS OF BILL:

The Appropriations Committee

REASONS FOR BILL:

The bill would realign the structure of payments by insurance companies into the Insurance Fund to more appropriately reflect the work of the agencies funded by the Insurance Fund and the insurers related to that work.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Sean King, Acting Healthcare Advocate, Office of the Healthcare Advocate:](#) Mr. King opposes this bill, he stated that it would "absolve non-health insurers of their existing obligations" to contribute a pro rata share of support for the financial operations of state agencies such as OHA and the Office of Health Strategy. He stated that this bill would put those expenses on health care consumers. He added that "this bill offers no relief for health care consumers and their insurers" Mr. King concluded by stating that if this bill is passed, it will likely not reduce assessments for non-health insurers, but rather they will be redirected to the Connecticut Life and Health Insurance Guarantee Association.

NATURE AND SOURCES OF SUPPORT:

[Eric George, President, Insurance Association of Connecticut:](#) Mr. George supports this bill because it would realign insurance company assessments. Mr. George in his testimony would go on to state that "SB 372 is revenue neutral and will not result in any budgetary impact to any state agency."

NATURE AND SOURCES OF OPPOSITION:

[Susan Halpin, Executive Director, CT Association of Health Plans](#): Ms. Halpin opposes the current language of this bill, she stated that "CTAHP recommends that the issue be addressed in one of two ways... through a general fund appropriation or... via a working group study, analysis, and series of recommendations." She added that the "complexity of the invoicing mechanism has resulted in inaccuracies in the assessments, both up and down, that have challenged agencies and carriers alike." She stated that both "carriers and the associated agencies need a better foundation of understanding and clarity on expectations."

Reported by: Chris Peritore

Date: 4/9/24