



General Assembly

Amendment

February Session, 2024

LCO No. 4909



Offered by:

SEN. HARDING, 30th Dist.

SEN. SAMPSON, 16th Dist.

To: Senate Bill No. 372

File No. 570

Cal. No. 347

**"AN ACT CONCERNING PAYMENTS BY INSURANCE COMPANIES
FOR DEPOSIT INTO THE INSURANCE FUND."**

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Section 38a-1083 of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective October 1, 2024*):

5 (a) For purposes of sections 38a-1080 to 38a-1093, inclusive, as
6 amended by this act, "purposes of the exchange" means the purposes of
7 and the pursuit of the goals of the exchange expressed in and pursuant
8 to this section and the performance of the duties and responsibilities of
9 the exchange set forth in sections 38a-1084 to 38a-1087, inclusive, which
10 are hereby determined to be public purposes for which public funds
11 may be expended. The powers enumerated in this section shall be
12 interpreted broadly to effectuate the purposes of the exchange and shall
13 not be construed as a limitation of powers.

14 (b) The goals of the exchange shall be to reduce the number of
15 individuals without health insurance in this state and assist individuals
16 and small employers in the procurement of health insurance by, among
17 other services, offering easily comparable and understandable
18 information about health insurance options.

19 (c) The exchange is authorized and empowered to:

20 (1) Have perpetual succession as a body politic and corporate and to
21 adopt bylaws for the regulation of its affairs and the conduct of its
22 business;

23 (2) Adopt an official seal and alter the same at pleasure;

24 (3) Maintain an office in the state at such place or places as it may
25 designate;

26 (4) Employ such assistants, agents, managers and other employees as
27 may be necessary or desirable;

28 (5) Acquire, lease, purchase, own, manage, hold and dispose of real
29 and personal property, and lease, convey or deal in or enter into
30 agreements with respect to such property on any terms necessary or
31 incidental to the carrying out of these purposes, provided all such
32 acquisitions of real property for the exchange's own use with amounts
33 appropriated by this state to the exchange or with the proceeds of bonds
34 supported by the full faith and credit of this state shall be subject to the
35 approval of the Secretary of the Office of Policy and Management and
36 the provisions of section 4b-23;

37 (6) Receive and accept, from any source, aid or contributions,
38 including money, property, labor and other things of value;

39 (7) Charge assessments or user fees to health carriers that are capable
40 of offering a qualified health plan through the exchange, [or] implement
41 and change methods of calculating such assessments and fees and
42 otherwise generate funding necessary to support the operations of the
43 exchange and the all-payer claims database program established under

44 section 19a-755a, [and impose] provided each such proposed
45 assessment or fee to be charged, any proposed increase in the amount
46 of any such assessment or fee to be imposed and any proposed method,
47 or change to any method, used to calculate any such assessment or fee
48 to be implemented on or after October 1, 2024, shall be:

49 (A) The subject of a public meeting of the board of directors held for
50 the purpose of receiving public comment concerning such proposed
51 assessment, fee, increase, method or change in method before such
52 assessment or fee is charged, increase is imposed or method, or change
53 in method, is implemented; and

54 (B) Subject to prior legislative approval in accordance with subsection
55 (d) of this section;

56 (8) Impose interest and penalties on [such] health carriers for
57 delinquent payments of [such] assessments or fees;

58 ~~[(8)]~~ (9) Procure insurance against loss in connection with its property
59 and other assets in such amounts and from such insurers as it deems
60 desirable;

61 ~~[(9)]~~ (10) Invest any funds not needed for immediate use or
62 disbursement in obligations issued or guaranteed by the United States
63 of America or the state and in obligations that are legal investments for
64 savings banks in the state;

65 ~~[(10)]~~ (11) Issue bonds, bond anticipation notes and other obligations
66 of the exchange for any of its corporate purposes, and to fund or refund
67 the same and provide for the rights of the holders thereof, and to secure
68 the same by pledge of revenues, notes and mortgages of others;

69 ~~[(11)]~~ (12) Borrow money for the purpose of obtaining working
70 capital;

71 ~~[(12)]~~ (13) Account for and audit funds of the exchange and any
72 recipients of funds from the exchange;

73 [(13)] (14) Make and enter into any contract or agreement necessary
74 or incidental to the performance of its duties and execution of its
75 powers, including, but not limited to, an agreement with the Office of
76 Health Strategy to use funds collected under this section for the
77 operation of the all-payer claims database established under section 19a-
78 755a and to receive data from such database, [. The] provided any
79 proposed severance or nondisclosure agreement to be entered into on
80 or after October 1, 2024, shall be subject to prior legislative approval in
81 accordance with subsection (d) of this section. Except as provided in this
82 subdivision, the contracts entered into by the exchange shall not be
83 subject to the approval of any other state department, office or agency,
84 provided copies of all contracts of the exchange shall be maintained by
85 the exchange as public records, subject to the proprietary rights of any
86 party to the contract, except any agreement with the Office of Health
87 Strategy shall be subject to approval by said office and the Office of
88 Policy and Management and no portion of such agreement shall be
89 considered proprietary;

90 [(14)] (15) To the extent permitted under its contract with other
91 persons, consent to any termination, modification, forgiveness or other
92 change of any term of any contractual right, payment, royalty, contract
93 or agreement of any kind to which the exchange is a party;

94 [(15)] (16) Award grants to trained and certified individuals and
95 institutions that will assist individuals, families and small employers
96 and their employees in enrolling in appropriate coverage through the
97 exchange. Applications for grants from the exchange shall be made on
98 a form prescribed by the board;

99 [(16)] (17) Limit the number of plans offered, and use selective criteria
100 in determining which plans to offer, through the exchange, provided
101 individuals and employers have an adequate number and selection of
102 choices;

103 [(17)] (18) Evaluate jointly with the Health Care Cabinet established
104 pursuant to section 19a-725 the feasibility of implementing a basic

105 health program option as set forth in Section 1331 of the Affordable Care
106 Act;

107 [(18)] (19) Establish one or more subsidiaries, in accordance with
108 section 38a-1093, as amended by this act, to further the purposes of the
109 exchange;

110 [(19)] (20) Make loans to each subsidiary established pursuant to
111 section 38a-1093, as amended by this act, from the assets of the exchange
112 and the proceeds of bonds, bond anticipation notes and other
113 obligations issued by the exchange or assign or transfer to such
114 subsidiary any of the rights, moneys or other assets of the exchange,
115 provided such assignment or transfer is not in violation of state or
116 federal law;

117 [(20)] (21) Sue and be sued, plead and be impleaded;

118 [(21)] (22) Adopt regular procedures that are not in conflict with other
119 provisions of the general statutes, for exercising the power of the
120 exchange; and

121 [(22)] (23) Do all acts and things necessary and convenient to carry
122 out the purposes of the exchange, provided such acts or things shall not
123 conflict with the provisions of the Affordable Care Act, regulations
124 adopted thereunder or federal guidance issued pursuant to the
125 Affordable Care Act.

126 (d) The exchange shall submit any proposed assessment or fee to be
127 charged to health carriers that are capable of offering a qualified health
128 plan through the exchange, any proposed increase in the amount of any
129 such assessment or fee to be imposed, any proposed method, or change
130 to any method, used to calculate any such assessment or fee to be
131 implemented and any proposed severance or nondisclosure agreement
132 to be entered into on or after October 1, 2024, to the joint standing
133 committee of the General Assembly having cognizance of matters
134 relating to insurance for the committee's review and approval. If the
135 committee does not approve a submittal not later than sixty days after

136 receiving the submittal, the proposed assessment, fee, increase, method,
137 change in method or agreement, as the case may be, shall be deemed to
138 have been rejected by the committee.

139 [(d)] (e) (1) The chief executive officer of the exchange shall provide
140 to the commissioner the name of any health carrier that fails to pay any
141 assessment or user fee under subdivision (7) of subsection (c) of this
142 section to the exchange. The commissioner shall see that all laws
143 respecting the authority of the exchange pursuant to [said subdivision
144 (7)] subdivisions (7) and (8) of subsection (c) of this section are faithfully
145 executed. The commissioner has all the powers specifically granted
146 under this title and all further powers that are reasonable and necessary
147 to enable the commissioner to enforce the provisions of [said
148 subdivision (7)] subdivisions (7) and (8) of subsection (c) of this section.

149 (2) Any health carrier aggrieved by an administrative action taken by
150 the commissioner under subdivision (1) of this subsection may appeal
151 therefrom in accordance with the provisions of section 4-183, except
152 venue for such appeal shall be in the judicial district of New Britain.

153 Sec. 502. Subsection (b) of section 38a-1093 of the general statutes is
154 repealed and the following is substituted in lieu thereof (*Effective October*
155 *1, 2024*):

156 (b) Each subsidiary shall have and may exercise the powers of the
157 exchange and such additional powers as are set forth in such resolution,
158 except the powers of the exchange set forth in subdivisions (7), [(12),
159 (15), (16), (17) and (21)] (8), (13), (16), (17), (18) and (22) of subsection (c)
160 of section 38a-1083, as amended by this act, shall be reserved to the
161 exchange and shall not be exercisable by any subsidiary of the
162 exchange."

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	<i>October 1, 2024</i>	38a-1083
Sec. 502	<i>October 1, 2024</i>	38a-1093(b)