



General Assembly

January Session, 2025

**Substitute Bill No. 1253**



**AN ACT REDUCING INSURANCE RATE PREMIUM REQUESTS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 38a-481 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective January*  
3 *1, 2026*):

4 (b) No rate filed under the provisions of subsection (a) of this section  
5 shall be effective until it has been approved by the commissioner in  
6 accordance with regulations adopted pursuant to this subsection. The  
7 commissioner shall adopt regulations, in accordance with the  
8 provisions of chapter 54, to prescribe standards to ensure that such rates  
9 shall not be excessive, inadequate or unfairly discriminatory. The  
10 commissioner may disapprove such rate if it fails to comply with such  
11 standards, except that no rate filed under the provisions of subsection  
12 (a) of this section for any Medicare supplement policy shall be effective  
13 unless approved in accordance with section 38a-474. If the  
14 commissioner determines that a health carrier's average premium rate  
15 increase, as approved by the commissioner, for each of the two  
16 preceding plan years, is in excess of the health care cost growth  
17 benchmark established pursuant to section 19a-754g, the commissioner  
18 may reduce such health carrier's requested rate filed under the  
19 provisions of subsection (a) of this section by not more than two  
20 percentage points of such rate filed in addition to any other rate

21 reductions authorized under this title.

22 Sec. 2. Subsection (a) of section 38a-513 of the general statutes is  
23 repealed and the following is substituted in lieu thereof (*Effective January*  
24 *1, 2026*):

25 (a) (1) No group health insurance policy, as defined by the  
26 commissioner, or certificate shall be delivered or issued for delivery in  
27 this state unless a copy of the form for such policy or certificate has been  
28 submitted to and approved by the commissioner under the regulations  
29 adopted pursuant to this section. The commissioner shall adopt  
30 regulations, in accordance with the provisions of chapter 54, concerning  
31 the provisions, submission and approval of such policies and certificates  
32 and establishing a procedure for reviewing such policies and  
33 certificates. The commissioner shall disapprove the use of such form at  
34 any time if it does not comply with the requirements of law, or if it  
35 contains a provision or provisions that are unfair or deceptive or that  
36 encourage misrepresentation of the policy. The commissioner shall  
37 notify, in writing, the insurer that has filed any such form of the  
38 commissioner's disapproval, specifying the reasons for disapproval,  
39 and ordering that no such insurer shall deliver or issue for delivery to  
40 any person in this state a policy on or containing such form. The  
41 provisions of section 38a-19 shall apply to such order.

42 (2) No group health insurance policy or certificate for a small  
43 employer, as defined in section 38a-564, shall be delivered or issued for  
44 delivery in this state unless the premium rates have been submitted to  
45 and approved by the commissioner. If the commissioner determines  
46 that any small group health insurance carrier's average premium rate  
47 increase, as approved by the commissioner, or certificate for a small  
48 employer, exceeded the health care cost growth benchmark established  
49 pursuant to section 19a-754g for each of the two preceding plan years,  
50 the commissioner may reduce such policy's or certificate's requested  
51 premium rate filing under the provisions of subsection (a) of this section  
52 by not more than two percentage points of such premium rate filing in  
53 addition to any other premium rate reductions authorized under this

54 title. Premium rate filings shall include the information and data  
55 required under section 38a-479qqq if the policy is subject to said section,  
56 and an actuarial memorandum that includes, but is not limited to,  
57 pricing assumptions and claims experience, and premium rates and loss  
58 ratios from the inception of the policy. Each premium rate filed on or  
59 after January 1, 2021, shall, if the insurer intends to account for rebates,  
60 as defined in section 38a-479ooo in the manner specified in section 38a-  
61 479rrr, account for such rebates in such manner, if the policy is subject  
62 to section 38a-479rrr. As used in this subdivision, "loss ratio" means the  
63 ratio of incurred claims to earned premiums by the number of years of  
64 policy duration for all combined durations.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2026	38a-481(b)
Sec. 2	January 1, 2026	38a-513(a)

**Statement of Legislative Commissioners:**

Throughout the bill, "said commissioner" was changed to "the commissioner" for consistency with standard drafting conventions.

**INS**      *Joint Favorable Subst. -LCO*