



General Assembly

February Session, 2026

Raised Bill No. 5262

LCO No. 1565



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT CONCERNING CERTAIN ELECTRONIC NOTICE REQUIREMENTS FOR PROPERTY AND CASUALTY INSURERS, THE STATE INSURANCE AND RISK MANAGEMENT BOARD'S RESERVE FUNDING, REVIEW OF THE MOTOR VEHICLE GLASS REPAIR NATIONAL MODEL, AND THE OFFICE OF HEALTH STRATEGY'S REPORTING REQUIREMENTS RELATED TO PRESCRIPTION DRUG FORMULARIES.

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

1 Section 1. Section 38a-292 of the 2026 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective October 1, 2026*):

4 (a) Notwithstanding any provision of this title, except as provided in
5 subsections (b) and (c) of this section and section 38a-477d, an insurer
6 may post on such insurer's Internet web site any policy, as defined in
7 section 38a-296, and any endorsement thereto in lieu of mailing or
8 delivering such policy or endorsement to an insured, provided such
9 policy or endorsement does not contain any personally identifiable
10 information.

11 (b) If such insurer elects to post such policy or endorsement on such

12 insurer's Internet web site in lieu of mailing or delivering such policy or
13 endorsement to an insured pursuant to subsection (a) of this section,
14 such insurer shall:

15 [(1) Obtain the insured's agreement to receive such policy or
16 endorsement on such insurer's Internet web site;]

17 [(2)] (1) Post and have accessible on such insurer's Internet web site
18 such policy and any endorsement for as long as such policy is in force
19 and in such manner that enables the insured to save and print such
20 policy and any endorsement using programs or applications that are
21 readily available on the Internet and for which there is not a fee;

22 [(3)] (2) Retain, upon the expiration of a policy, records of such
23 expired policy and any endorsement thereto for a period of five years
24 after the date of such expiration and make such records available upon
25 request;

26 [(4)] (3) Provide to the insured in, or simultaneous with, each
27 declarations page provided to the insured at the time of issuance of the
28 initial policy and any renewals of such policy (A) a description of the
29 specific policy and any endorsement thereto purchased by the insured,
30 (B) a method by which the insured may obtain, free of charge upon
31 request, a paper copy of the policy and any endorsement thereto, and
32 (C) the Internet web site address where such insured's policy and any
33 endorsement are posted;

34 [(5)] (4) Provide notice to the insured, at the time of any changes to
35 the policy or endorsement, of a method by which the insured may
36 obtain, free of charge upon request, a paper copy of the policy and any
37 endorsement thereto and any changes to such policy or endorsement;
38 and

39 [(6)] (5) Provide notice to the insured that such insured may, at any
40 time, submit a request to the insurer to opt out of electronic delivery of
41 such insured's policy and any endorsement thereto.

42 (c) If an insured [does not agree to electronic delivery or] submits a
43 request to the insurer to opt out of electronic delivery of such insured's
44 policy and any endorsement thereto, such insurer shall mail or deliver
45 a paper copy of such policy and any endorsement and any changes to
46 such policy or endorsement to such insured in lieu of posting on such
47 insurer's Internet web site any such policy or endorsement as set forth
48 in subsections (a) and (b) of this section.

49 (d) The Insurance Commissioner may adopt regulations, in
50 accordance with the provisions of chapter 54, to implement the
51 provisions of this section.

52 Sec. 2. Section 38a-344 of the 2026 supplement to the general statutes
53 is repealed and the following is substituted in lieu thereof (*Effective July*
54 *1, 2026*):

55 Proof of mailing by certified mail, return receipt requested, mail
56 using the United States Postal Service intelligent mail barcode tracking
57 method, as provided in Chapter 204 of the Domestic Mail Manual or any
58 subsequent corresponding document of the United States Postal Service,
59 or any similar tracking method developed by the United States Postal
60 Service, or [, if agreed between an insurer and a named insured,]
61 delivery by electronic means with proof of a delivery receipt, notice of
62 cancellation, an intention not to renew or of reasons for cancellation, to
63 the named insured and any third party designated pursuant to section
64 38a-323a, as amended by this act, at the address shown in the policy, or
65 by electronic means if agreed between an insurer and a named insured,
66 shall be sufficient proof of notice.

67 Sec. 3. Subdivision (3) of subsection (a) of section 38a-316g of the 2026
68 supplement to the general statutes is repealed and the following is
69 substituted in lieu thereof (*Effective July 1, 2026*):

70 (3) No notice of cancellation required under subdivision (1) of this
71 subsection shall be effective unless such notice is sent to the named
72 insured by registered mail, certified mail or mail evidenced by a

73 certificate of mailing, mail using the United States Postal Service
74 intelligent mail barcode tracking method, as provided in Chapter 204 of
75 the Domestic Mail Manual or any subsequent corresponding document
76 of the United States Postal Service, or any similar tracking method
77 developed by the United States Postal Service, or [, if agreed by the
78 insurer and the named insured,] by electronic means evidenced by a
79 delivery receipt.

80 Sec. 4. Subsection (a) of section 38a-323 of the 2026 supplement to the
81 general statutes is repealed and the following is substituted in lieu
82 thereof (*Effective July 1, 2026*):

83 (a) (1) No insurer shall refuse to renew any policy that is subject to
84 the requirements of sections 38a-663 to 38a-696, inclusive, unless such
85 insurer or its agent sends, by registered or certified mail or by mail
86 evidenced by a certificate of mailing, or delivers to the named insured,
87 at the address shown in the policy, mail using the United States Postal
88 Service intelligent mail barcode tracking method, as provided in
89 Chapter 204 of the Domestic Mail Manual or any subsequent
90 corresponding document of the United States Postal Service, or any
91 similar tracking method developed by the United States Postal Service,
92 or [, if agreed between the insurer and the named insured,] by electronic
93 means, at least sixty days' advance notice of its intention not to renew.
94 The notice of intent not to renew shall state or be accompanied by a
95 statement specifying the reason for such nonrenewal. This section shall
96 not apply: (A) In case of nonpayment of premium; (B) if the insured fails
97 to pay any advance premium required by the insurer for renewal,
98 provided, notwithstanding the failure of an insurer to comply with this
99 subsection, with respect to automobile liability insurance policies the
100 policy shall terminate on the effective date of any other insurance policy
101 with respect to any automobile designated in both policies; or (C) if the
102 policy is transferred from the insurer to an affiliate of such insurer for
103 another policy with no interruption of coverage and contains the same
104 terms, conditions and provisions, including policy limits, as the
105 transferred policy, except that the insurer to which the policy is

106 transferred shall not be prohibited from applying its rates and rating
107 plans at the time of renewal. With respect to an automobile or
108 homeowners policy, each insurer that sends or delivers a notice of
109 nonrenewal pursuant to this subsection shall use the same method to
110 send or deliver such notice to any third party designated pursuant to
111 section 38a-323a, as amended by this act.

112 (2) If an insurer intends to renew any policy that is subject to the
113 requirements of sections 38a-663 to 38a-696, inclusive, under terms or
114 conditions less favorable to the insured than provided under the
115 existing policy, the insurer shall send a conditional renewal notice in the
116 manner required for a notice of nonrenewal under subdivision (1) of this
117 subsection. The conditional renewal notice shall clearly state or be
118 accompanied by a statement clearly identifying any reduction in
119 coverage limits, coverage provisions added or revised that reduce
120 coverage or increases in deductibles, under the renewal policy.

121 Sec. 5. Subsection (b) of section 38a-323a of the 2026 supplement to
122 the general statutes is repealed and the following is substituted in lieu
123 thereof (*Effective July 1, 2026*):

124 (b) No designation form shall be effective unless it contains a written
125 acceptance by the third party designee to receive copies of notices of
126 cancellation or nonrenewal from the insurer on behalf of the individual.
127 The third party designation shall be effective not later than ten business
128 days after the date the insurer receives the designation form and the
129 acceptance of the third party. The third party may terminate the status
130 as a third party designee by providing written notice to both the insurer
131 and the insured individual. The individual may terminate the third
132 party designation by providing written notice to the insurer and the
133 third party designee. The insurer may require the individual and the
134 third party to send the notices to the insurer by certified mail, return
135 receipt requested, mail using the United States Postal Service intelligent
136 mail barcode tracking method, as provided in Chapter 204 of the
137 Domestic Mail Manual or any subsequent corresponding document of

138 the United States Postal Service, or any similar tracking method
139 developed by the United States Postal Service, or [, if agreed between
140 the insurer and the individual or the insurer and the third party,] by
141 electronic means.

142 Sec. 6. Subsection (a) of section 38a-324 of the 2026 supplement to the
143 general statutes is repealed and the following is substituted in lieu
144 thereof (*Effective July 1, 2026*):

145 (a) After a policy of commercial risk insurance, other than workers'
146 compensation insurance and automobile insurance issued under a
147 residual market mechanism as described in section 38a-329, has been in
148 effect for more than sixty days, or after the effective date of a renewal
149 policy, no insurer may cancel any policy unless the cancellation is based
150 on the occurrence, after the effective date of the policy or renewal, of one
151 or more of the following conditions: (1) Nonpayment of premium; (2)
152 conviction of a crime arising out of acts increasing the hazard insured
153 against; (3) discovery of fraud or material misrepresentation by the
154 insured in obtaining the policy or in perfecting any claim thereunder;
155 (4) discovery of any wilful or reckless act or omission by the insured
156 increasing the hazard insured against; (5) physical changes in the
157 property which increase the hazard insured against; (6) a determination
158 by the commissioner that continuation of the policy would violate or
159 place the insurer in violation of the law; (7) a material increase in the
160 hazard insured against; or (8) a substantial loss of reinsurance by the
161 insurer affecting this particular line of insurance. If the basis for
162 cancellation is nonpayment of premium, at least ten days' advance
163 notice shall be given and the insured may continue the coverage and
164 avoid the effect of the cancellation by payment in full at any time prior
165 to the effective date of cancellation. If the basis for cancellation is
166 conviction of a crime arising out of acts increasing the hazard insured
167 against, discovery of fraud or material misrepresentation by the insured
168 in obtaining the policy or in perfecting any claim thereunder, discovery
169 of any wilful or reckless act or omission by the insured increasing the
170 hazard insured against or a determination by the commissioner that

171 continuation of the policy would violate or place the insurer in violation
172 of the law, at least ten days' advance notice shall be given. In all other
173 cases, at least sixty days' advance notice shall be given. Notwithstanding
174 the provisions of this section, the advance notice period for cancellation
175 of any professional liability policy, as defined in section 38a-393, shall
176 be at least ninety days. No notice of cancellation shall be required if such
177 policy is transferred from an insurer to an affiliate of such insurer for
178 another policy with no interruption of coverage and contains the same
179 terms, conditions and provisions, including policy limits, as the
180 transferred policy, except that the insurer to which the policy is
181 transferred shall not be prohibited from applying its rates and rating
182 plans at the time of renewal. No notice of cancellation shall be effective
183 unless it is sent, by registered or certified mail, mail evidenced by a
184 United States Post Office certificate of mailing, mail using the United
185 States Postal Service intelligent mail barcode tracking method, as
186 provided in Chapter 204 of the Domestic Mail Manual or any
187 subsequent corresponding document of the United States Postal Service,
188 or any similar tracking method developed by the United States Postal
189 Service, or [, if agreed between the insurer and the named insured,] by
190 electronic means evidenced by a delivery receipt, or delivered by the
191 insurer to the named insured by the required date.

192 Sec. 7. Subsection (a) of section 38a-343 of the 2026 supplement to the
193 general statutes is repealed and the following is substituted in lieu
194 thereof (*Effective July 1, 2026*):

195 (a) No notice of cancellation of a policy to which section 38a-342
196 applies shall be effective unless the notice is delivered or sent by the
197 insurer to the named insured, and any third party designated pursuant
198 to section 38a-323a, as amended by this act, by registered mail, certified
199 mail, mail evidenced by a certificate of mailing, mail using the United
200 States Postal Service intelligent mail barcode tracking method, as
201 provided in Chapter 204 of the Domestic Mail Manual or any
202 subsequent corresponding document of the United States Postal Service,
203 or any similar tracking method developed by the United States Postal

204 Service, or [, if agreed between the insurer and the named insured,] by
205 electronic means, at least forty-five days before the effective date of
206 cancellation, except that (1) where cancellation is for nonpayment of the
207 first premium on a new policy, at least fifteen days' notice of cancellation
208 accompanied by the reason for cancellation shall be given, and (2) where
209 cancellation is for nonpayment of any other premium, at least ten days'
210 notice of cancellation accompanied by the reason for cancellation shall
211 be given. No notice of cancellation of a policy that has been in effect for
212 less than sixty days shall be effective unless mailed or delivered by the
213 insurer to the insured and any third party designee at least forty-five
214 days before the effective date of cancellation, except that (A) at least
215 fifteen days' notice shall be given where cancellation is for nonpayment
216 of the first premium on a new policy, and (B) at least ten days' notice
217 shall be given where cancellation is for nonpayment of any other
218 premium or material misrepresentation. The notice of cancellation shall
219 state or be accompanied by a statement specifying the reason for such
220 cancellation. Any notice of cancellation for nonpayment of the first
221 premium on a new policy may be retroactive to the effective date of such
222 policy, provided at least fifteen days' notice has been given to the
223 insured and any third party designee and payment of such premium
224 has not been received during such notice period.

225 Sec. 8. Section 4a-20 of the general statutes is repealed and the
226 following is substituted in lieu thereof (*Effective July 1, 2026*):

227 The State Insurance and Risk Management Board shall determine the
228 method by which the state shall insure itself against losses by the
229 purchase of insurance governed by the provisions of title 38a to obtain
230 the broadest coverage at the most reasonable cost. [It] Said board shall
231 direct the negotiations for purchase of such insurance and determine
232 whether deductible or other risk retention provisions should be
233 included in the insurance contract. Wherever appropriate, [it] said
234 board shall determine that the state shall act as a self-insurer and may
235 [request funds from the contingency fund to] establish reserves using
236 surplus funds of said board, any funds appropriated to the Department

237 of Administrative Services for the purpose of said board and any funds
238 made available by the Secretary of the Office of Policy and Management
239 to said board for such purpose, and carry out such practices as are
240 necessary to safeguard the self-insurance activity. Said board may
241 develop and implement risk management and loss prevention
242 programs related to insurance plans established pursuant to the
243 provisions of sections 4a-19 to 4a-21, inclusive, and may recommend to
244 the Governor and the General Assembly the enactment of policies
245 designed to reduce risks and hazards that may result in state liability for
246 tortious conduct. [It] Said board shall designate the agent or agents of
247 record and shall select the companies from whom insurance coverage
248 and surety bonds shall be purchased. Notwithstanding any other
249 provision of the general statutes, including without limitation sections
250 38a-707 and 38a-825, [it] said board shall have full authority to negotiate
251 either a commission or fee structure to compensate the agent or agents
252 of record for services performed. [It] Said board shall also have full
253 authority to retain consulting firms and to negotiate their fee
254 compensation for services performed. Any refund, dividend or other
255 payment from any insurance company in connection with insurance for
256 the state shall be returned to the Department of Administrative Services
257 for deposit in the General Fund. The board shall establish specifications
258 for each contract of insurance and shall request bids for each such
259 contract through the agent of record. Each such contract shall be for a
260 specified period of time.

261 Sec. 9. (*Effective from passage*) The Insurance Commissioner shall
262 review the Motor Vehicle Glass Model Act prepared by the National
263 Council of Insurance Legislators. Not later than January 1, 2027, the
264 commissioner shall submit a report, in accordance with the provisions
265 of section 11-4a of the general statutes, on the results of the review,
266 including if the commissioner recommends adoption of the model act,
267 to the joint standing committee of the General Assembly having
268 cognizance of matters relating to insurance.

269 Sec. 10. Section 38a-477jj of the general statutes is repealed and the

270 following is substituted in lieu thereof (*Effective from passage*):

271 (a) For the purposes of this section:

272 (1) "Affordable Care Act" has the same meaning as provided in
273 section 38a-1080;

274 (2) "Exchange" has the same meaning as provided in section 38a-1080;

275 (3) "Health benefit plan" has the same meaning as provided in section
276 38a-1080, except that such term shall not include a grandfathered health
277 plan as such term is used in the Affordable Care Act;

278 (4) "Health carrier" has the same meaning as provided in section 38a-
279 1080;

280 (5) "Office of Health Strategy" means the Office of Health Strategy
281 established under section 19a-754a; and

282 (6) "Qualified health plan" has the same meaning as provided in
283 section 38a-1080.

284 (b) Notwithstanding any provision of the general statutes and except
285 as provided in subsection (c) of this section, no health carrier offering a
286 health benefit plan in this state on or after January 1, 2022, that includes
287 a pharmacy benefit and uses a drug formulary or list of covered drugs
288 may:

289 (1) Remove a prescription drug from the drug formulary or list of
290 covered drugs during a plan year; or

291 (2) Move a prescription drug from a cost-sharing tier that imposes a
292 lesser coinsurance, copayment or deductible for the prescription drug to
293 a cost-sharing tier that imposes a greater coinsurance, copayment or
294 deductible for the prescription drug during a plan year, unless the
295 prescription drug is subject to an in-network coinsurance, copayment or
296 deductible that is not greater than forty dollars per prescription per

297 month in any tier.

298 (c) A health carrier offering a health benefit plan in this state on or
299 after January 1, 2022, that includes a pharmacy benefit and uses a drug
300 formulary or list of covered drugs may:

301 (1) Remove a prescription drug from the drug formulary or list of
302 covered drugs, upon at least ninety days' advance notice to a covered
303 person and the covered person's treating physician, if:

304 (A) The federal Food and Drug Administration issues an
305 announcement, guidance, notice, warning or statement concerning the
306 prescription drug that calls into question the clinical safety of the
307 prescription drug, unless the covered person's treating physician states,
308 in writing, that the prescription drug remains medically necessary
309 despite such announcement, guidance, notice, warning or statement; or

310 (B) The prescription drug is approved by the federal Food and Drug
311 Administration for use without a prescription; and

312 (2) Move a brand-name prescription drug from a cost-sharing tier
313 that imposes a lesser coinsurance, copayment or deductible for the
314 brand-name prescription drug to a cost-sharing tier that imposes a
315 greater coinsurance, copayment or deductible for the brand-name
316 prescription drug if the health carrier adds to the drug formulary or list
317 of covered drugs a generic prescription drug that is:

318 (A) Approved by the federal Food and Drug Administration for use
319 as an alternative to such brand-name prescription drug; and

320 (B) In a cost-sharing tier that imposes a coinsurance, copayment or
321 deductible for the generic prescription drug that is lesser than the
322 coinsurance, copayment or deductible that is imposed for such brand-
323 name prescription drug.

324 (d) Nothing in this section shall prevent or prohibit a health carrier
325 from adding a prescription drug to a formulary or list of covered drugs

326 at any time.

327 [(e) (1) The Office of Health Strategy shall, at least annually, conduct
 328 a study to determine the impact that the requirements established in
 329 subsections (a) to (d), inclusive, of this section have on the cost of health
 330 benefit plans offered, delivered, issued for delivery, renewed, amended
 331 or continued in this state and qualified health plans offered and sold
 332 through the exchange.

333 (2) Not later than January 31, 2023, and annually thereafter, the Office
 334 of Health Strategy shall submit a report, in accordance with the
 335 provisions of section 11-4a, to the commissioner and the joint standing
 336 committee of the General Assembly having cognizance of matters
 337 relating to insurance. Such report shall disclose the results of the study
 338 conducted pursuant to subdivision (1) of this subsection for the
 339 preceding year.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2026</i>	38a-292
Sec. 2	<i>July 1, 2026</i>	38a-344
Sec. 3	<i>July 1, 2026</i>	38a-316g(a)(3)
Sec. 4	<i>July 1, 2026</i>	38a-323(a)
Sec. 5	<i>July 1, 2026</i>	38a-323a(b)
Sec. 6	<i>July 1, 2026</i>	38a-324(a)
Sec. 7	<i>July 1, 2026</i>	38a-343(a)
Sec. 8	<i>July 1, 2026</i>	4a-20
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>from passage</i>	38a-477jj

Statement of Purpose:

To: (1) Revise certain electronic notice requirements for property and casualty insurers; (2) allow the State Insurance and Risk Management Board to fund reserves using certain funds; (3) require the Insurance Commissioner to conduct a review of the motor vehicle glass repair national model; and (4) remove the Office of Health Strategy's study and reporting requirement related to prescription drug formularies.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]