



## **2024 Acts Affecting Insurance**

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## Notice to Readers

This report provides summaries of new laws (public acts and special acts) significantly affecting commercial insurance enacted during the 2024 regular legislative session and June Special Session (JSS). OLR's other Acts Affecting reports, including Acts Affecting Housing & Real Estate, are, or will soon be, available on [OLR's website](#).

Each summary indicates the public act (PA) or special act (SA) number. Not all provisions of the acts are included. The report does not include vetoed acts unless the veto was overridden. Complete summaries of public acts are, or will soon be, available on [OLR's website](#).

Readers are encouraged to obtain the full text of acts that interest them from the Connecticut State Library, House Clerk's Office, or [General Assembly's website](#).

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## **Captive Insurers**

### ***Sponsored Captive Insurer Conversion of Protected Cells and Incorporated Protected Cells***

A new law allows sponsored captive insurers to convert their “protected cells” and “incorporated protected cells” (i.e., generally, legal vehicles for holding their participants’ assets) into certain other types of accounts and insurance company structures without any impact on the cell’s assets, rights, benefits, obligations, and liabilities. Under the act, a sponsored captive insurer must apply to the insurance commissioner and receive his prior written approval for the conversion ([PA 24-138](#), §§ 14 & 15, effective October 1, 2024).

## **Health Insurance**

### ***Ambulance Services’ Prior Authorization Prohibited***

New legislation prohibits certain health insurance policies from having an enrollee get approval from the health carrier before being transported to a hospital by ambulance when medically necessary. The act also prohibits a health carrier from denying payment to an ambulance provider responding to a 9-1-1 call because the enrollee did not get a prior authorization for the call or the ambulance transport to a hospital ([PA 24-19](#), §§ 34-35, effective January 1, 2025).

### ***Clinical Peers and Adverse Determination Reviews***

This session, the legislature passed a law redefining the term “clinical peers” under the insurance laws, effectively requiring them, for doing adverse determination reviews, to have a nonrestricted license in the same specialty as the treating physician or other health care professional who is managing the condition, procedure, or treatment under review. The act also requires health carriers to authorize clinical peers to reverse initial adverse determinations that were based on medical necessity. This applies when the carrier, as required by law, offers a covered person’s health care professional the opportunity to confer with a clinical peer of the carrier following the adverse determination ([PA 24-19](#), §§ 32 & 33, effective January 1, 2025, except January 1, 2026, for the clinical peer definition change).

### ***Connecticut Clearinghouse Repealed***

A new law repeals a requirement that the Health Reinsurance Association develop the Connecticut Clearinghouse as a resource for information on health insurance policies available in the state ([PA 24-138](#), §§ 17 & 18, effective upon passage).

## ***Copayment-Only Health Plans***

New legislation exempts copayment-only health plans from existing copayment limitations for in-network (1) MRIs and CAT or PET scans and (2) physical and occupational therapy services. Under the act, a “copayment-only health plan” is a health plan that (1) imposes a specific dollar amount that the insured pays for a covered health care service or prescription drug and (2) does not include deductibles or coinsurance ([PA 24-81](#), §§ 101-104, effective January 1, 2025).

## ***Coronary Calcium Scans***

This session, the legislature passed a law requiring certain fully insured individual and group health insurance policies to cover coronary calcium scans. Under the act, these are CT scans of the heart looking for calcium deposits in arteries ([PA 24-19](#), §§ 18 & 19, effective January 1, 2025).

## ***Covered Connecticut Program***

By law, the Covered Connecticut program provides eligible individuals with health insurance, including dental benefits and non-emergency medical transport, at no out-of-pocket cost to them. Under new legislation, the program will only (1) include in-network providers and services unless the insurance commissioner determines the health carrier’s network is inadequate and (2) provide benefits and cost-sharing subsidies to eligible individuals who use in-network providers or facilities ([PA 24-138](#), § 16, effective October 1, 2024).

## ***Data on Prior Authorizations and Precertifications***

Starting January 1, 2025, a new law authorizes hospitals, outpatient surgical facilities, and physician group practices (i.e., two or more physicians) to record and keep data on the amount of time their employees spend when requesting prior authorizations or precertifications from health carriers (i.e., insurers and HMOs) for patient admissions, services, medication, procedures, or extended stays. Under the act, these entities may make the data available to the Public Health Committee, upon the request of the committee’s chairpersons or ranking members ([PA 24-19](#), § 40, effective upon passage).

## ***Independent Review Organization Accreditation***

New legislation extends, from two to three years, the accreditation approval and reapproval periods for independent review organizations that are accredited to conduct regular or expedited external reviews of health insurance grievances. As under existing law, if the insurance commissioner determines that an organization no longer meets the minimum requirements for accreditation, he must end its approval before the end of the period ([PA 24-138](#), § 13, effective October 1, 2024).

### ***Nonalcoholic Fatty Liver Disease Working Group***

A new law requires the Public Health Committee chairpersons to create a working group to study various issues related to nonalcoholic fatty liver disease (including nonalcoholic fatty liver and nonalcoholic steatohepatitis), including insurance coverage and affordability issues affecting treatment access. The group must report to the Public Health Committee by January 1, 2025 ([PA 24-19](#), § 8, effective upon passage).

### ***Opioid Deactivation and Disposal System Payment Options Study***

New legislation requires the Department of Mental Health and Addiction Services (DMHAS) commissioner, in collaboration with the insurance, consumer protection, and public health commissioners and the Governor's Prevention Partnership, to study long-term payment options for dispensing personal opioid deactivation and disposal systems to patients, including when they are dispensed an opioid. The DMHAS commissioner must report on the study to the General Law and Public Health committees by January 1, 2025 ([PA 24-19](#), § 16, effective upon passage).

### ***Paraeducator Health Insurance Programs***

This session, the legislature extended by one year, to FY 25, a health savings account subsidy program for paraeducators and expanded it to cover high deductible health plans for Medicare-eligible paraeducators. The legislation also requires (1) the comptroller to establish a one-year premium subsidy program for school boards that provide paraeducators with certain health plans and (2) the comptroller and education commissioner to enter into an MOU related to these programs. Additionally, it repeals a program that provided stipends to paraeducators to purchase a qualified health plan through Access Health CT ([PA 24-81](#), §§ 124 & 126, effective July 1, 2024, except the repeal is effective upon passage).

### ***Pharmacy Benefit Manager Reports***

By law, each pharmacy benefit manager (PBM) must file a report annually with the insurance commissioner concerning prescription drug rebates and the commissioner must submit an aggregated annual report to the Insurance and Real Estate Committee. Under prior law, the PBMs' reports were due by March 1 and the commissioner had to give the PBMs an advance copy of his report by February 1. A new law moves up the PBMs' due date to February 1, beginning in 2025, and requires the commissioner to give PBMs a copy of his report at least 10 days before he submits it to the committee ([PA 24-138](#), § 10, effective January 1, 2025).

## ***Small Employer Definition***

Beginning January 1, 2025, new legislation conforms the statutory definition of “small employer” in the health insurance laws to what has been existing insurance department practice since at least 2015. Specifically, the act defines it as an employer with an average of at least one and no more than 50 employees on business days in the prior calendar year and at least one employee on the first day of the group health insurance plan year ([PA 24-138](#), § 11, effective October 1, 2024).

## ***Telehealth***

A new law makes permanent certain temporary expanded requirements for telehealth service delivery and insurance coverage that were scheduled to sunset under prior law on June 30, 2024. For example, the act (1) allows authorized telehealth providers to give services using audio-only telephones and, subject to applicable state and federal requirements, from any location to patients at any location and (2) prohibits health carriers from reducing their reimbursement amounts for covered services appropriately provided through telehealth.

Among other changes, the act expands the list of authorized telehealth providers to include all Connecticut licensed health care providers and pharmacists. But it also specifies that existing laws on health insurance coverage of telehealth services remain applicable only to certain licensed health care providers. The act also repeals a provision in prior law that permanently allowed out-of-state mental or behavioral health services providers to practice telehealth in Connecticut under certain conditions. It instead temporarily allows them to do so, until June 30, 2025, if they meet certain requirements, such as registering with the Department of Public Health and obtaining a Connecticut license within a specified timeframe ([PA 24-110](#), most provisions effective upon passage).

## ***Wheelchair Repair***

This session, the legislature passed a law addressing wheelchairs, including specialized wheelchairs that are individually configured for each user. It (1) sets timeliness and reporting requirements related to wheelchair repair, (2) restricts prior authorization and new prescription requirements for certain wheelchair repairs under Medicaid and private health insurance, and (3) establishes a Complex Rehabilitation Technology and Wheelchair Repair Advisory Council to monitor wheelchair repairs and make recommendations on improving repair times ([PA 24-58](#), effective July 1, 2024).

## **Insurance Industry**

### ***Deadline for Giving Documents to the Insurance Department***

Under a new law, anyone who receives a request from the Insurance Department to produce books, records, papers, or documents as part of an investigation must comply with the order within 30 days after the date of the order ([PA 24-138](#), § 3, effective October 1, 2024).

### ***Electronic Filings***

New legislation removes requirements that insurers file paper copies of annual financial statements and audited financial reports with the insurance commissioner and instead allows electronic filings to the National Association of Insurance Commissioners to suffice ([PA 24-138](#), §§ 7, 8 & 12, effective October 1, 2024).

### ***General Insurance Assessment Process***

By law, domestic insurers and HMOs pay an annual assessment to the Insurance Department to cover the expenses of the Insurance Department, Office of the Healthcare Advocate (OHA), and Office of Health Strategy (OHS), among other things. Under prior law, the insurance commissioner and OHA assessed the entities following a process set in state law. A new law removes OHA from this process, leaving the insurance commissioner to solely manage it ([PA 24-138](#), § 6, effective October 1, 2024).

Another new law changes the basis for calculating the annual assessment. It bases the assessment on the total amount of Connecticut insurance premiums taxes the insurers and HMOs reported to the Department of Revenue Services (DRS) two years prior before applying any allowable or available tax credits. This is instead of prior law that generally calculated the assessment based on the premiums taxes paid in the prior calendar year ([SB 501, JSS](#), § 31, effective October 1, 2025).

### ***Initial Five-Year Insurance Premiums Tax Returns for Nonresident and Foreign Companies***

New legislation extends the due date for newly licensed nonresident- and foreign-licensed insurance companies to remit their initial five-year tax return to DRS. Specifically, it extends it from 45 days after being initially licensed to do business in Connecticut to 90 days after this date. By law, these companies must pay a state insurance premiums tax on the net direct premiums they received in the five preceding calendar years from policies written on property or risks located in the state (except ocean marine insurance) ([PA 24-151](#), § 68, effective upon passage).



## ***Insurance Commissioner Enforcement Authority***

A new law allows the insurance commissioner to order restitution of any amount obtained in violation of the state's insurance laws, regulations, or commissioner orders, plus interest. It also allows the commissioner to ask the attorney general to apply to Superior Court for an order (1) restraining and enjoining a person from violating the insurance laws; (2) enforcing any commissioner-imposed order, penalty, or remedy; or (3) for restitution, with interest, for the amount the person obtained in violation of the insurance laws ([PA 24-138](#), §§ 1 & 2, effective October 1, 2024).

## ***Insurance Fund Study***

Under a new law, the Appropriations Committee chairpersons must convene a working group to study insurance companies' payments to the Insurance Fund. The group must report its findings to the committee by January 1, 2025 ([SA 24-15](#), effective upon passage).

## ***Insurance Premiums Tax Reaudits and Reassessments***

New legislation authorizes the DRS commissioner to reaudit insurance premiums tax returns and impose more than one deficiency assessment, subject to the same requirements that apply to audits and assessments under existing law ([PA 24-151](#), § 67, effective upon passage).

## ***Invest CT Fund Program***

A new law allows the Department of Economic and Community Development (DECD) commissioner, from October 1, 2024, to September 30, 2026, to make certain additional businesses eligible for investments under the Invest CT Fund Program. Specifically, it allows program applicants, during that two-year timeframe, to request that the DECD commissioner consider a business without principal business operations in Connecticut as an eligible business. The DECD commissioner may approve the request if he determines that it would significantly advance the program's objectives. By law, program participants qualify for tax credits, which apply to their insurance premiums and surplus lines broker taxes, by investing in eligible businesses through state-certified Invest CT funds ([PA 24-33](#), effective October 1, 2024).

## ***Non-English Insurance Documents***

New legislation requires insurers who file policies with the Insurance Department in a non-English language to certify that they comply with readable language requirements and bear the risks associated with any translations. It also allows the insurance commissioner to (1) hire translation services at the insurer's cost and (2) adopt related regulations ([PA 24-138](#), § 9, effective October 1, 2024).

## **Miscellaneous**

### ***Fallen Officer Fund***

A new law codifies a policy of the state comptroller by establishing the “Fallen Officer Fund” to give, within available appropriations, a lump sum death benefit totaling \$100,000 to a surviving family member or beneficiary of a police officer who was killed in the line of duty or sustained injuries that were the direct and proximate cause of the officer’s death. (The FY 24-25 Budget appropriated \$500,000 in each year to the comptroller’s operating expenses account to provide money for the Fallen Officer Fund.)

The act also allows survivors who were covered by the police officer’s health insurance at the time of the officer’s death, to apply for or keep the coverage for one year after the death and to renew it annually for up to five years ([PA 24-27](#), various effective dates).

### ***Limitation on Specialty Certification for Insurer Reimbursement, Provider Networks, and Liability Insurance***

New legislation generally prohibits certain health carriers from denying reimbursement to a health care provider, or excluding a provider from a network, only because the provider is not maintaining a specialty certification, including through a maintenance of certification (MOC) program. It also generally prohibits professional liability insurers from (1) denying coverage to a health care provider only because the provider is not maintaining a specialty certification, including through an MOC program, or (2) requiring a provider to maintain a specialty certification as a condition of getting professional liability insurance or other malpractice coverage. For either type of insurer, these provisions apply as long as the provider does not hold himself or herself out as a specialist under a specialty certification ([PA 24-19](#), §§ 12 & 13, effective January 1, 2025).

### ***Statewide Health Information Exchange***

Under existing law, by May 3, 2023, each licensed health care provider with an electronic health record system capable of connecting to and participating in the state’s Health Information Exchange (“Connie”) had to apply to begin the process to do so; providers without such a system had to be capable of sending and receiving secure messages in line with specified standards. (Hospitals and clinical laboratories had an earlier deadline to begin the process to connect to the exchange.)

A new law generally requires health care providers, no later than 18 months after OHS implements policies and procedures related to exchange participation, to be connected to and actively participating in the exchange. But it exempts providers from the requirement to connect with the

exchange if they (1) have no patient medical records or (2) are individuals and exclusively practice as employees of a covered entity under HIPAA, and the covered entity is legally responsible for decisions on the safeguarding, release, or exchange of health information and medical records.

The act also (1) specifies when providers are or are not liable for certain actions related to data security and circumstances under which providers are not required to share information with the exchange (e.g., if doing so would violate another law); (2) specifies that the exchange's goals must be in line with federal regulations on information blocking; and (3) requires OHS to establish a working group to make recommendations on the office's regulations, policies, and procedures related to participation in the exchange ([PA 24-19](#), §§ 21-23, as amended by [PA 24-68](#), § 63, effective July 1, 2024, except the working group provisions are effective upon passage).

## **Property and Casualty Insurance**

### ***Liability Insurance Coverage Document for Child Care Centers***

New legislation requires the Office of Early Childhood (OEC) commissioner to consult with a nonprofit organization to develop, by December 1, 2024, a document that explains the benefits of child care centers and homes maintaining liability insurance coverage and potential consequences of not having coverage. The OEC commissioner must electronically distribute the document to licensed child care centers, group child care homes, and family child care homes each year, starting by January 1, 2025 ([PA 24-91](#), § 6, effective upon passage).

### ***License Expiration Date for Motor Vehicle Damage Appraisers and Casualty Claims Adjusters***

A new law revises the expiration date for initial licenses issued to motor vehicle damage appraisers and casualty claims adjusters from June 30 in an odd-numbered year to two years after the licensee's birthday that came before the license was issued ([PA 24-138](#), §§ 4 & 5, effective October 1, 2024).

## **Workers' Compensation**

### ***Workers' Compensation Task Force***

New legislation creates a task force to study workers' compensation coverage for certain regional agricultural science and technology education center students (e.g., those enrolled in a public work-study or internship program). The task force must report its findings to the Labor and Public Employees Committee by January 1, 2025 ([SA 24-16](#), effective upon passage).

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