

**Sec. 38a-513-2. Group health prohibited policy provisions**

(a) Except as provided in section 38a-513-4(g)(4), no policy or certificate shall contain provisions establishing a probationary or waiting period during which no coverage is provided under the policy or certificate except the policy or certificate may specify a probationary or waiting period not to exceed six (6) months for specified diseases or conditions and losses resulting therefrom for hernia, disorder of reproductive organs, varicose veins, adenoids, appendix and tonsils. However, the permissible six (6) months exception shall not be applicable where such specified diseases or conditions are treated on an emergency basis. Accident policies shall not contain probationary or waiting periods.

(b) No policy or certificate shall exclude coverage for a loss due to a pre-existing condition for a period greater than twelve (12) months following policy issue where the application for such insurance does not seek disclosure of prior illness, disease or physical conditions or prior medical care and treatment.

(c) A disability income policy or certificate may contain a "return of premium" or "cash value benefit" so long as:

(1) The insurance policy is non-cancellable or, if the benefit is added by rider, it is attached to a non-cancellable policy.

(2) The forms provide for the payment of surrender value upon:

(A) The written request of the insured, and surrender of the policy or certificate,

(B) Lapse of the policy or certificate,

(C) Death of the insured, or

(D) On the termination date of the contract.

(3) The surrender value is based on policy duration, premiums paid by the insured and benefits paid by the company and a refund is available after a certificate has been in force for a minimum of three (3) years (two (2) years on certificates issued on insureds forty-six (46) to fifty (50) years old).

(4) The form is not issued beyond age fifty (50).

(5) The insurer includes a detailed statement of the method of computing the premium rates, the tables of cash value, and the estimated loss ratio.

(6) The insurer includes a demonstration of the fiscal integrity of the product and the company.

(7) The form is not on the basis of the ten (10) year roll-over concept.

(d) No other policy or certificate shall provide a return of premium or cash value benefit, except returned or unearned premium upon termination or suspension of coverage, retroactive waiver of premium paid during disability, payment of dividends on participating policies, or experience rating refunds.

(e) Policies or certificates providing hospital confinement indemnity coverage shall not contain provisions excluding coverage because of confinement in a hospital operated by the federal government.

(f) No policy or certificate shall limit or exclude coverage by type of illness, accident, treatment or medical condition, except as follows:

(1) Pre-existing conditions or diseases where permitted, except for congenital anomalies of a covered dependent child;

(2) Mental or emotional disorders, alcoholism and drug addiction, except as set forth in

section 38a-514 of the Connecticut General Statutes;

(3) Pregnancy, except for complications of pregnancy, other than for policies described in section 38a-513-4(c) of the Regulations of Connecticut State Agencies;

(4) Illness, treatment or medical condition arising out of:

(A) War or act of war (whether declared or undeclared); participation in a felony, riot or insurrections; service in the Armed Forces or units auxiliary thereto;

(B) Suicide (sane or insane), attempted suicide or intentionally self-inflicted injury;

(C) Aviation;

(D) With respect to short-term renewable policies, inter-scholastic sports;

(5) Cosmetic surgery, except that cosmetic surgery shall not include reconstructive surgery when such service is incidental to or follows surgery resulting from trauma, infection or other diseases of the involved part, and reconstructive surgery because of congenital disease or anomaly of a covered dependent child that has resulted in a functional defect;

(6) Treatment provided in a government hospital, benefits provided under Medicare or other governmental program (except Medicaid), any state or federal workers' compensation, employers' liability or occupational disease law, or the basic reparations benefits of any motor vehicle no-fault law, services rendered by employees of hospitals, laboratories or other institutions, services performed by a member of the insured person's immediate family and services for which no charge is normally made in the absence of insurance;

(7) Dental care or treatment except as set forth in sections 38a-517, 38a-517a, and 38a-517b of the Connecticut General Statutes;

(8) Eye glasses, hearing aids and examination for the prescription or fitting thereof, except as set forth in section 38a-516b of the Connecticut General Statutes;

(9) Rest cures, custodial care, transportation and routine physical examinations; and

(10) Territorial limitations.

(g) Policy provisions precluded in this section shall not be construed as a limitation on the authority of the Commissioner to disapprove other policy provisions in accordance with section 38a-513 of the Connecticut General Statutes that, in the opinion of the Commissioner, are unjust, unfair, or deceptive, or unfairly discriminatory to the policyholder, beneficiary, or any person insured under the policy or that encourage misrepresentation of the policy.

(Effective December 3, 2018)