



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

NOTICE OF DECISION TO TAKE ACTION ON PROPOSED REGULATIONS

In accordance with section 4-168(e) of the Connecticut General Statutes, as amended, notice is hereby given that the Insurance Commissioner, pursuant to the authority of sections 38a-8 and 38a-78 of the Connecticut General Statutes has decided to proceed with proposed amended regulations concerning Minimum Reserve Standards for Individual and Group Health Insurance Contracts. Notice of Intent to amend these regulations was posted to the regulations webpage of the Secretary of the State on March 1, 2018. The Insurance Department received one written comment.

The following items are available for copying at the address specified below, through the eRegulation system, and, if applicable, by the alternate methods detailed.

(A) The final wording of the proposed regulation.

A copy of the proposed regulation is available for public inspection through the eRegulation system and during regular business hours at the Insurance Department at 153 Market Street, 7th floor, Hartford, CT 06103. An electronic copy of the entire regulation making file including the Notice of Intent to Amend Regulation, the proposed regulation, fiscal note, small business impact statement, comments received, and this Notice of Decision to proceed are available for public inspection on the Insurance Department website at www.ct.gov/cid. (Laws and Regulations/List of Proposed Regulations/Notice of Intent to Amend Minimum Reserve Standards for Individual and Group Health Insurance Contracts).

(B) A statement of the principal reasons in support of this intended action.

This proposed amended regulation makes changes to Connecticut's reserve rules to adopt amendments to the National Association of Insurance Commissioners (NAIC) Health Insurance Reserves Model Regulation and also makes other technical changes. This regulation specifies the level of reserves that insurance companies are required to hold by the Insurance Department. The revisions update actuarial rules and tables used to calculate minimum reserves for certain health insurance policies. The proposed amendments will allow Connecticut's regulations to be more consistent with those of other states that have already adopted the most current version of the NAIC Model Regulation. This will put Connecticut insurers on a level playing field with regard to the national long term disability income insurance marketplace.

(C) A statement of the principal considerations in opposition to this intended action.

The Insurance Department received one comment from the American Council of Life Insurers (ACLI). A copy of the comment letter is posted on the eRegulations system. ACLI suggests changing the effective date for using the 2012 GLTD termination

table for group-long term disability income claims from January 1, 2020 to a retroactive date of January 1, 2017.

(D) A statement of the agency's reasons for accepting or rejecting such considerations.

The Insurance Department rejected the ACLI's suggested edits because they advocated for the use of a retroactive effective date (e.g., January 1, 2017) without citing the required authority to do so.

Address where copies of items (A) through (D) above can be made or obtained:

Via the eRegulations system online at:

<https://eregulations.ct.gov/eRegsPortal/Search/RMRView/PR2017-009>

Connecticut Insurance Department
153 Market Street
7th Floor
Hartford, CT 06103

In addition, these items are available for viewing and printing on the following website: www.ct.gov/cid. (Laws and Regulations/List of Proposed Regulations/Notice of Intent to Amend Minimum Reserve Standards for Individual and Group Health Insurance Contracts).

Regulations may also be obtained by contacting Jared Kosky, Counsel at: jared.kosky@ct.gov.



Katharine L. Wade
Insurance Commissioner