



General Assembly

February Session, 2024

Raised Bill No. 5377

LCO No. 1883



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT CONCERNING THE CONNECTICUT HEALTH INSURANCE EXCHANGE.

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

1 Section 1. Section 38a-1083 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2024*):

3 (a) For purposes of sections 38a-1080 to 38a-1093, inclusive, as
4 amended by this act, "purposes of the exchange" means the purposes of
5 and the pursuit of the goals of the exchange expressed in and pursuant
6 to this section and the performance of the duties and responsibilities of
7 the exchange set forth in sections 38a-1084 to 38a-1087, inclusive, which
8 are hereby determined to be public purposes for which public funds
9 may be expended. The powers enumerated in this section shall be
10 interpreted broadly to effectuate the purposes of the exchange and shall
11 not be construed as a limitation of powers.

12 (b) The goals of the exchange shall be to reduce the number of
13 individuals without health insurance in this state and assist individuals
14 and small employers in the procurement of health insurance by, among
15 other services, offering easily comparable and understandable

16 information about health insurance options.

17 (c) The exchange is authorized and empowered to:

18 (1) Have perpetual succession as a body politic and corporate and to
19 adopt bylaws for the regulation of its affairs and the conduct of its
20 business;

21 (2) Adopt an official seal and alter the same at pleasure;

22 (3) Maintain an office in the state at such place or places as it may
23 designate;

24 (4) Employ such assistants, agents, managers and other employees as
25 may be necessary or desirable;

26 (5) Acquire, lease, purchase, own, manage, hold and dispose of real
27 and personal property, and lease, convey or deal in or enter into
28 agreements with respect to such property on any terms necessary or
29 incidental to the carrying out of these purposes, provided all such
30 acquisitions of real property for the exchange's own use with amounts
31 appropriated by this state to the exchange or with the proceeds of bonds
32 supported by the full faith and credit of this state shall be subject to the
33 approval of the Secretary of the Office of Policy and Management and
34 the provisions of section 4b-23;

35 (6) Receive and accept, from any source, aid or contributions,
36 including money, property, labor and other things of value;

37 (7) Charge assessments or user fees to health carriers that are capable
38 of offering a qualified health plan through the exchange, [or] implement
39 and change methods of calculating such assessments and fees and
40 otherwise generate funding necessary to support the operations of the
41 exchange and the all-payer claims database program established under
42 section 19a-755a, [and impose] provided each such proposed
43 assessment or fee to be charged, any proposed increase in the amount
44 of any such assessment or fee to be imposed and any proposed method,
45 or change to any method, used to calculate any such assessment or fee

46 to be implemented on or after October 1, 2024, shall be:

47 (A) The subject of a public meeting of the board of directors held for
48 the purpose of receiving public comment concerning such proposed
49 assessment, fee, increase, method or change in method before such
50 assessment or fee is charged, increase is imposed or method, or change
51 in method, is implemented; and

52 (B) Subject to prior legislative approval in accordance with subsection
53 (d) of this section;

54 (8) Impose interest and penalties on [such] health carriers for
55 delinquent payments of [such] assessments or fees;

56 ~~[(8)]~~ (9) Procure insurance against loss in connection with its property
57 and other assets in such amounts and from such insurers as it deems
58 desirable;

59 ~~[(9)]~~ (10) Invest any funds not needed for immediate use or
60 disbursement in obligations issued or guaranteed by the United States
61 of America or the state and in obligations that are legal investments for
62 savings banks in the state;

63 ~~[(10)]~~ (11) Issue bonds, bond anticipation notes and other obligations
64 of the exchange for any of its corporate purposes, and to fund or refund
65 the same and provide for the rights of the holders thereof, and to secure
66 the same by pledge of revenues, notes and mortgages of others;

67 ~~[(11)]~~ (12) Borrow money for the purpose of obtaining working
68 capital;

69 ~~[(12)]~~ (13) Account for and audit funds of the exchange and any
70 recipients of funds from the exchange;

71 ~~[(13)]~~ (14) Make and enter into any contract or agreement necessary
72 or incidental to the performance of its duties and execution of its
73 powers, including, but not limited to, an agreement with the Office of
74 Health Strategy to use funds collected under this section for the

75 operation of the all-payer claims database established under section 19a-
76 755a and to receive data from such database, [. The] provided any
77 proposed severance or nondisclosure agreement to be entered into on
78 or after October 1, 2024, shall be subject to prior legislative approval in
79 accordance with subsection (d) of this section. Except as provided in this
80 subdivision, the contracts entered into by the exchange shall not be
81 subject to the approval of any other state department, office or agency,
82 provided copies of all contracts of the exchange shall be maintained by
83 the exchange as public records, subject to the proprietary rights of any
84 party to the contract, except any agreement with the Office of Health
85 Strategy shall be subject to approval by said office and the Office of
86 Policy and Management and no portion of such agreement shall be
87 considered proprietary;

88 [(14)] (15) To the extent permitted under its contract with other
89 persons, consent to any termination, modification, forgiveness or other
90 change of any term of any contractual right, payment, royalty, contract
91 or agreement of any kind to which the exchange is a party;

92 [(15)] (16) Award grants to trained and certified individuals and
93 institutions that will assist individuals, families and small employers
94 and their employees in enrolling in appropriate coverage through the
95 exchange. Applications for grants from the exchange shall be made on
96 a form prescribed by the board;

97 [(16)] (17) Limit the number of plans offered, and use selective criteria
98 in determining which plans to offer, through the exchange, provided
99 individuals and employers have an adequate number and selection of
100 choices;

101 [(17)] (18) Evaluate jointly with the Health Care Cabinet established
102 pursuant to section 19a-725 the feasibility of implementing a basic
103 health program option as set forth in Section 1331 of the Affordable Care
104 Act;

105 [(18)] (19) Establish one or more subsidiaries, in accordance with
106 section 38a-1093, as amended by this act, to further the purposes of the

107 exchange;

108 [(19)] (20) Make loans to each subsidiary established pursuant to
109 section 38a-1093, as amended by this act, from the assets of the exchange
110 and the proceeds of bonds, bond anticipation notes and other
111 obligations issued by the exchange or assign or transfer to such
112 subsidiary any of the rights, moneys or other assets of the exchange,
113 provided such assignment or transfer is not in violation of state or
114 federal law;

115 [(20)] (21) Sue and be sued, plead and be impleaded;

116 [(21)] (22) Adopt regular procedures that are not in conflict with other
117 provisions of the general statutes, for exercising the power of the
118 exchange; and

119 [(22)] (23) Do all acts and things necessary and convenient to carry
120 out the purposes of the exchange, provided such acts or things shall not
121 conflict with the provisions of the Affordable Care Act, regulations
122 adopted thereunder or federal guidance issued pursuant to the
123 Affordable Care Act.

124 (d) The exchange shall submit any proposed assessment or fee to be
125 charged to health carriers that are capable of offering a qualified health
126 plan through the exchange, any proposed increase in the amount of any
127 such assessment or fee to be imposed, any proposed method, or change
128 to any method, used to calculate any such assessment or fee to be
129 implemented and any proposed severance or nondisclosure agreement
130 to be entered into on or after October 1, 2024, to the joint standing
131 committee of the General Assembly having cognizance of matters
132 relating to insurance for the committee's review and approval. If the
133 committee does not approve a submittal not later than sixty days after
134 receiving the submittal, the proposed assessment, fee, increase, method,
135 change in method or agreement, as the case may be, shall be deemed to
136 have been rejected by the committee.

137 [(d)] (e) (1) The chief executive officer of the exchange shall provide

138 to the commissioner the name of any health carrier that fails to pay any
139 assessment or user fee under subdivision (7) of subsection (c) of this
140 section to the exchange. The commissioner shall see that all laws
141 respecting the authority of the exchange pursuant to [said subdivision
142 (7)] subdivisions (7) and (8) of subsection (c) of this section are faithfully
143 executed. The commissioner has all the powers specifically granted
144 under this title and all further powers that are reasonable and necessary
145 to enable the commissioner to enforce the provisions of [said
146 subdivision (7)] subdivisions (7) and (8) of subsection (c) of this section.

147 (2) Any health carrier aggrieved by an administrative action taken by
148 the commissioner under subdivision (1) of this subsection may appeal
149 therefrom in accordance with the provisions of section 4-183, except
150 venue for such appeal shall be in the judicial district of New Britain.

151 Sec. 2. Subsection (b) of section 38a-1093 of the general statutes is
152 repealed and the following is substituted in lieu thereof (*Effective October*
153 *1, 2024*):

154 (b) Each subsidiary shall have and may exercise the powers of the
155 exchange and such additional powers as are set forth in such resolution,
156 except the powers of the exchange set forth in subdivisions (7), [(12),
157 (15), (16), (17) and (21)] (8), (13), (16), (17), (18) and (22) of subsection (c)
158 of section 38a-1083, as amended by this act, shall be reserved to the
159 exchange and shall not be exercisable by any subsidiary of the exchange.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2024</i>	38a-1083
Sec. 2	<i>October 1, 2024</i>	38a-1093(b)

Statement of Purpose:

To require the Connecticut Health Insurance Exchange to hold public meetings and receive legislative approval prior to (1) entering into nondisclosure or settlement agreements, or (2) charging assessments or user fees or changing the amount of, or process used to calculate, assessments or user fees.

[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.]