

Legislative History for Connecticut Act

HB 4305	PA 852	1967
House 3327-3328		(2)
Senate 2345-2346, 2403		(3)
Insurance 169-174		(6)
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CONNECTICUT
GENERAL ASSEMBLY

HOUSE

PROCEEDINGS

1967

VOL. 12

PART 8

3268 - 3812

Monday, May 29, 1967

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THE CLERK:

Calendar 872, House Bill No. 3433. An Act Incorporating Aetna Life and Casualty Company, file 1009.

AGNES C. SIMONS, 139th DISTRICT:

Mr. Speaker, this bill incorporates a new insurance company, Aetna Life and Casualty Company, with power to write all forms of insurance, an annuity contract and to hold securities of both insurance and noninsurance corporations. With an authorized capital of \$91 million the corporation will be managed by a board of Directors divided into three classes in exactly the same manner as the present board of directors of Aetna Life Insurance Company is constituted. Mr. Speaker, this is an excellent bill and I urge its passage.

MR. SPEAKER:

Question is on the acceptance of the committee's favorable report and passage of the bill, will you remark further? If not, all those in favor will signify by saying Aye, all those opposed. The bill is passed.

THE CLERK:

Page 6 of the calendar, calendar 873, Substitute for House Bill No. 4305. An Act concerning Unfair Insurance Practices. File 981.

PAUL A. LA ROSA, 4th DISTRICT:

Mr. Speaker, I move the acceptance of the joint committee's favorable report and passage of the bill.

MR. SPEAKER:

Question is on the acceptance of the committee's favorable

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report and passage of the bill, will you remark?

mbs

PAUL A LA ROSA, 4th DISTRICT:

Mr. Speaker, this act concerns unfair insurance practices. What this bill does it allows those with a license under Chapter 372 reimbursement under new issue of insurance policies, it does not take effect under a retroactive basis, Mr. Speaker, but it does effect allow these people covered under new insurance policies to be included in their benefits. I move its adoption.

WILLIAM S. MAYER, 40th DISTRICT:

Mr. Speaker, through you to the gentleman who reported this out, I am just questioning why this particular statute is necessary, if he cares to answer.

PAUL A. LA ROSA, 4th DISTRICT:

Mr. Speaker, right now they have some people, chiropractors who are licensed under 372 do not receive reimbursements under some insurance policies, this would make it uniformity enough so that they would receive a client who cares to be treated by one would be covered under his policies and therefore receive benefits there has already been passed such legislation in such states as New Mexico, Maryland, Ohio, Michigan and Montana and there is also legislation pending in many other states. Right now it is on an optional basis, this would make it mandatory under this bill.

MR. SPEAKER:

The question is on the acceptance of the committee's favorable report and passage of the bill, will you remark further, if not, all those in favor will say Aye, opposed, the bill is passed.

THE CLERK:

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of this bill as amended, signify by saying Aye. AYE. Opposed?
The bill as amended is passed.

THE CLERK:

Calendar 657, file 774, modified SB 1111, An Act Creating the Connecticut Capitol Center Commission. As amended by House Amendment Schedule "G". Favorable report of the Joint Committee on Appropriations. The Clerk has an amendment.

SENATOR MARCUS:

Mr. President, may we stand at ease for a moment?

THE CHAIR:

The Senate will be at ease for a moment.

SENATOR MARCUS:

Mr. President, may calendar 657 be passed retaining its place?

THE CHAIR:

If there is no objection, calendar 657 will be passed retaining its place.

SENATOR MARCUS:

Mr. President, may we return to page 6 and take up calendar 1137? And on page 10, take up calendar 1354?

THE CLERK:

Page 6, calendar 1137, file 981, substitute HB 4305, An Act concerning Unfair Insurance Practices. Favorable report of the Joint Committee on Insurance.

SENATOR JANOVIC:

Mr. President, I move acceptance of the joint committee's

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favorable report and the passage of this bill. This act will prohibit an insurance company from denying benefits to a person treated by a chiropractor. It will prohibit insurance companies from discriminating against a chiropractor for services rendered under future insurance contracts.

THE CHAIR:

Will you remark further? If not, all in favor of the passage of this bill, signify by saying Aye. AYE. Opposed? The bill is passed.

THE CLERK:

Page 10, calendar 1354, file 1193, HB 4887, An Act concerning Municipal Port Authorities. Favorable report of the Joint Committee on Judiciary and Governmental Functions.

SENATOR PICKETT:

Mr. President, I move for acceptance of the joint committee's favorable report and passage of this bill. In the interest of keeping the calendar short, the time is late. I shall merely report this bill out by saying that it is a permissive bill that would allow municipalities to create port authorities. It's a good bill and should pass.

SENATOR RUDOLF:

Mr. President, members of the Senate, under this bill, it states in line 1 that such authority shall embrace said town. It further states that, by vote of its legislative body they may adopt it, each municipality. This bill before you conflicts with your towns' planning commission, and a bill that we recently

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THE CLERK:

Page 4, calendar 1137, file 981, substitute HB 4305, An Act concerning Unfair Insurance Practices. Favorable report of the Joint Committee on Insurance.

SENATOR MARCUS:

Mr. President, I move the acceptance of the committee's favorable report and the passage of the bill. The bill is self-explanatory.

THE CHAIR:

Further remarks? If not, the question is on passage of the bill. All those in favor will signify by saying Aye. AYE. Opposed? The bill is passed.

THE CLERK:

Calendar 1140, file 974, substitute HB 5244, An Act concerning the Reinstatement of the New Britain Hunting and Fishing Club, Inc. Favorable report of the Joint Committee on Incorporations.

SENATOR HICKEY:

Mr. President, I move acceptance of the committee's favorable report and passage of the bill. This bill simply allows the corporation until December 31, 1967 to be reinstated by the secretary of state's office.

THE CHAIR:

All those in favor of the passage of this bill, signify by saying Aye. AYE. Opposed? The bill is passed.

THE CLERK:

Calendar 1234, file 1038, substitute HB 2100, An Act

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and we could be beaten, we do not have the authority we have been doing it by guts.

Rep. La Rosa: On these abuses that you have, going back to different companies, you related some experience, such as 29%, 40%, are these companies the ones who have raised their rates, because they lost money in other areas of their business.

Carter: For the most part these are Nationwide figures, although, there are situations where their nationwide loss ratio could be in the neighborhood of 60-70%, their loss ratio in Connecticut could be in the 20's, but the Connecticut residence are also faced with this increase.

Rep. La Rosa: In otherwords, the Connecticut residence are paying for the high cost of big city operations. Would this allow you to ask them for separate experience for the policyholders in Connecticut and the premium would be based on the experience within the state.

Carter: Right.

Rep. Bigos: Would you have a sufficient spread of experience in Connecticut to be able to establish a rate based on losses and expenses.

Carter: I think it would vary by company, but I think that there is a bench mark, but then we work around that, I can't take you what a fair bench mark is at this point. For one company it may be 50% for another it may be 40%, but it certainly shouldn't be the difference between 20% and 90%.

Rep. Bigos: What would you do with the smaller riders that do not have much experience, would you then combine other states with it.

Carter: When a policy is initially offered we would not question the rate we would only do it after 3-4 years experience.

Ch. Piccolo: Anyone else in favor of 877, anyone in opposition, if not we have a representative in the hall that wants to be heard.

Rep. Cohn: Thank you Mr. Chairman for this courtesy, I beg your indulgence to briefly express my views and testimony in favor of House Bill 4305. As you no Mr. Chairman, that the laws guarantee the rights of every individual against any act of discrimination. Discrimination has been found in many ways as legislatures of the past have attempted to help the individual or group of people who have been discriminated because of race, religion, color, sex, employment and many other facits. After discussing H.B. 4305 it is my opinion Mr Chairman that this bill does discriminate

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against a certain group of professional people and excludes many profession that are fully linensed and operating within the scope of their professional ability to be reimbursed for services and I urge your consideration of a favorable report for HB 4305.

Ch. Piccolo:

Getting back to Senate Bill 877, is there anyone who wants to be heard in opposition of this bill. Seeing none this will conclude the hearing on Bill 877-878, is their anyone who wants to be heard in opposition of either one of these bills. Seeing none this will conclude the hearing on 878. Next bill is House Bill 4305.

AN ACT CONCERNING UNFAIR INSURANCE PRACTICES.

John Baldwin:

I an representing the Connecticut Chiropractic Association. The chiropractic profession in Connecticut is in favor of House Bill 4305. This bill is without precedent, other states law making bodies have an act similar or identical to this legislation. I have seen New Mexico's public act and Michigan's public act and they are in substance the same as this. 4305 protects the citizens of this state in allowing them to choose whatever type of license health care they have found to be the most effective for themselves. It seems that this should be provided for by the premium they pay. Some contracts presently being written approve one healing art with the total exclusion of other licensed healing disciplines. 4305 concerns itself with the people, it protects the very important doctor-patient relationship. We are well aware of the importance confident and trust developed over the years between a patient and his doctor can have for a complete and speedy recovery. House Bill 4305 allows the patient to continue with that doctor with whom that confidence exists. Without house Bill 4305 a disasterous situation could result. A patient may be placed in a situation or eitner having to seek a new doctor to meet the terms of a restricted contract or in order to retain the doctor he trusts, which is more often the case he becomes straddled with his cost of insurance and his added cost of the doctor. In some way, we see House Bill 4305 simply saying that if the condition for which a person is seeking help is within the scope of the doctors practice then the patient should have the privilege of going to his own doctor if he so desires. We trust your committee will vote in favor of House Bill 4305.

Ch, Piccolo:

Is anyone else in favor of House Bill 4305. Anyone wants to be heard in opposition.

Joseph Conney:

For the Connecticut State Medical Society if this bill means what I think I means it is very difficult to find out from the explanation what it does mean. I think its an attempt to

infringe upon the medical profession. I don't think that these people should be allowed to be infringed upon the medical society..

Rep. La Rosa:

Mr. Cooney do you object to chiropractors who have a title of a doctor, would you object to those people being considered in this type of a bill. Are they presently covered, if a man has a policy with Blue Cross or any other form, and he goes to a chiropractor, does he get payment.

Cooney:

I am sure that he does not get CMS payment.

Rep. La Rosa:

That is surgical, but does he get payment under major medical.

Cooney:

I don't know, but I do say this, that if I make a contract with you, I don't think that anybody has the right to tell me that I have got to change it and include in it, chiropractors ors, pace healers or anything else.

Rep. La Rosa:

What I asked was do you object to a chiropractor being included in insurance policies.

Cooney:

I don't object to them being included I object to him saying that by law the legislature must know rewrite a contract that I made with you. If he is entitled to collect under the policy more power to him, if he is not entitled to collect I don't think it is the business of the legislature to rewrite that contract. I can't understand this bill at all, if it is really discrimination I thought the civil rights commission would be up here. Obviously, that is not the purpose, there is something very subtle in here, it is an attempt to infringe upon the medical profession.

Rep. Vicino:

Mr. Cooney; do you think that the companies should at least be consistent in what they would accept as a, accept to pay for example, a chiropractor, should the companies be consistent if it is not spelled out in the language of the policy. What I mean is this, we have had the experience a couple of times where the companies have refused to pay, for example a chiropractor, they have threatened to go to the insurance commissioner, the companies have then paid them.

Cooney:

Well, I think that is a matter within the insurance commissioner's department. Certainly, if the company is wrong the commissioner can compel them to pay.

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Rep. Vicino:

No, the insurance commissioner was not involved here at all, but the company took one position then reversed it, I wonder if this shouldn't be spelt out as to positions so that the people would know exactly what they have entitled to them.

Cooney:

I think that it is spelled out, but I don't think that the legislature ought to adopt a bill that says that all Natureopaths, faith healers and everybody else who dolls themselves out as benefiting people are entitled to collect under contracts made for medical care.

Rep. Oliver:

Mr. Cooney, I don't understand the nature of your opposition, you talk about rewriting a contract, does that mean that you are not in favor of a respective application of this bill or you are in favor or what.

Cooney:

I say that the medical society opposes this bill.

Rep. Oliver:

Are you speaking in behalf of the insurance company or the medical society.

Cooney:

No sir, I made that clear, the State Medical. This is one of the group of bills that have been in a half a dozen committees this year and there are more to be heard, all of which have sort of vague language which really test to equate these people as medical physicians.

Sen. Gunther:

I would like to speak in favor of 4305. Actually, I think that you people should be aware that the perfections in the State of Connecticut have some of the highest ratings in the country. We have come into this state in all professions and qualify for some of the most difficult examinations, they all say in the profession, if you can pass Connecticut you can pass in any state, so that practically anyone of these professions is a top qualified man by his educational standards and by his examinations. I think it is not fair to discriminate against all the other professions other than the medical profession, when it comes to the coverage of these bills. All these men take the same basic examinations in the State of Connecticut, we sit in the same room as the medical profession, half to show a preresiguate in our educational standards that are set up by the state, so consequently I think that this is very discriminatory in the state in many areas that they don't except all professional men. I know that everyone of those professions has worked under the state under the ADC program and all the other state subsidized programs, so I would ask for a favorable passage of 4305.

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- William Carter: I don't think that there has ever been an instance when the department has demanded a company
- Rep. Vicino: No Sir, Commissioner, the point that I made was that when a claimant threatens to take action or go to the insurance department, then the company reverses its decision, and then says yes we will now pay.
- William Carter: I think what the situation is there that one company may be more liberal in the interpretation of a contract than another, but I don't know of any contract in existence which covers these particular services, there could be, but we have never gone beyond the limits of the contract. As far as discrimination because of race color or creed we have exercised authority over this for sometime, this is not a problem as we see it.
- Rep. King: Commissioner Carter, do you have any personal views as commissioner on whether the professions mentioned are being discriminated against because they are not included, as you say, in any contract of which you know.
- Carter: There are certain standards which companies have established as far as what is a doctor and what is a medical service, and whether these practitioners of the healing art meet the same standards, I don't know, I am not qualified to say, honestly, but I do know that on most policies these are excluded.
- You approve these policies as to coverage and you never disapproved a policy because it has failed to include optometrist, faith healers, etc.
- Carter: Not to my knowledge.
- Rep. Larosa: Under Major Medical, if a patient has a nurse 24 hours a day, I am sure they are covered on their Major Medical Policy and it would get paid. Would you have any objection to chiropractors who adhere to all the standards of the State of Connecticut, educational wise, and are placed supposedly in a professional status, would you object if there were included in policies that would reimburse them for the services that they rendered to their patients and I am sure that this is only on Major Medical contracts.
- Carter: On existing contracts?

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Rep. LaRosa:

Not on existing contracts, on future contracts.

Carter:

No, I would not have any objection to it, as I say, I cannot judge what the standards of excellence are in these various professions, but if the companies include it in their contracts, it is perfectly alright as far as we are concerned.

Rep. LaRosa:

I agree with Mr. Cooney that we should eliminate Optometrist, because all they do is prescribe glasses.

Chm. Piccolo:

Any other questions? Anyone else want to be heard in opposition to House Bill 4305.

B. M. Anderson:

Connecticut General Life Insurance Company: This bill would appear to be retroactive and would force us to pay in situations where the contract does not call for it, I think that Representative Oliver, raised that point a moment ago, I don't know about the merits of the bill otherwise. It certainly should be corrected in that respect and maybe the correction in that respect is not the answer either. If there is any constitutional law left, sometimes I wonder if there is, it certainly should apply to a situation like this, when you issue your policies thinking they are, beseting coverages, it doesn't seem to be that the legislature ought to enlarge on those coverages. You fix your premium you fix your coverage.

Chm. Piccolo:

Anyone else want to be heard on this bill? As I understand then, Mr. Cooney, your prime argument is that you do not want anyone to force a contract, a contract is something between the company and the individual and this bill if it were to pass would be forcing a revision in the contract which the companies do not want to put in unless they do it under their own voluntary actions. Is that correct?

Mr. Cooney:

Yes sir.

Chm. Piccolo:

Seeing no one else to be heard on House Bill 4305 we will conclude the hearing and open the hearing on House Bill 4306

AN ACT CONCERNING DATES AND PREMIUMS OF CERTAIN TYPES OF INSURANCE.

Anyone wishing to speak in favor of this bill?