



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

Bulletin number HC-34 NF-87/RD-9  
September 26, 1983

• TO: COMPANIES LICENSED IN THE STATE TO WRITE PROPERTY/CASUALTY INSURANCE  
AND LIFE, ACCIDENT & HEALTH INSURANCE

RE: UNDERWRITING GUIDELINES FOR INSURING HANDICAPPED INDIVIDUALS

The Insurance Department has recently had discussions with the Office of Protection & Advocacy for the Handicapped and Developmentally Disabled Persons concerning the insurability of handicapped individuals. These discussions have focused on company compliance with section 38-61(12) Connecticut General Statutes. This statute prohibits companies from:

"Refusing to insure, refusing to continue to insure or limiting the amount, extent or kind of coverage available to an individual or charging an individual a different rate for the same coverage because of blindness, physical disability or mental retardation, except where the refusal, limitation or rate differential is based on sound actuarial principles or is related to actual or reasonably anticipated experience."

Physical disability is defined in the statutes as "any chronic physical handicap, infirmity or impairment, whether congenital or resulting from bodily injury, organic processes or changes or from illness, including, but not limited to, epilepsy, deafness or hearing impairment or reliance on a wheel chair or other remedial appliance or device."

The Insurance Department is concerned that some underwriting guidelines being used by companies may not comply with the law. Each company should review its guidelines for compliance and, if necessary, revise them and refile with the Insurance Department where applicable. It is the company's responsibility to justify a refusal or limitation of coverage. A company must objectively review the insurability of handicapped applicants. It must be able to support its decision on the basis of actuarial principles or actual or reasonably anticipated experience if required to do so by the Insurance Department. Statistical data or other pertinent information should be available for examination by the Department.

Rejection of an individual or agreeing to insure an individual at a higher than standard rate are adverse underwriting decisions under the Connecticut Insurance Information and Privacy Protection Act (P.A. 81-368 as amended by P.A. 82-21). Applicants must be afforded the specific reasons

.../2

Phone: (203) 566-5502

165 Capitol Avenue • Hartford, CT 06106

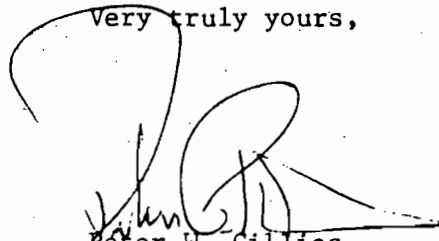
*An Equal Opportunity Employer*

Bulletin number HC-34/NF-87/RD-9  
September 26, 1983.

for the decision or notified that the reasons are available upon written request. The applicant should have access to the information upon which the insurer's decision is based. A statement such as "underwriting reasons" is unacceptable.

Please acknowledge receipt of this bulletin on the form provided. Acknowledgement will be considered certification that the company has reviewed its guidelines and that they comply with the law.

Very truly yours,



Peter W. Gillies  
Commissioner

PWG:MW