

CONNECTICUT: EMPLOYEE BENEFIT CONSIDERATIONS

Employers doing business in Connecticut (including those that have one or more employees working in or remotely from Connecticut) should be aware of the state's laws regarding continuation of benefits, leave, and other notable components of employee benefits. Note that this publication is limited to employee benefit considerations and does not cover labor and employment law considerations.

WHEN CONNECTICUT LAW MAY APPLY

Connecticut law requires that group accident and health insurance policies issued in the state comply with certain mandates. This publication covers several of the most important benefit considerations. See the Resources section below for a list of the state's mandated health benefits. If Connecticut licensed the insurer that issued the policy and the insurer delivers the policy to Connecticut residents, then the policy is likely subject to Connecticut insurance regulations, including state-mandated health benefits. Self-insured plans are typically exempt from state mandates.

Insurers are generally aware of state insurance regulations, so employers should consult with the insurer or with legal counsel to determine whether particular state requirements apply to their plan(s).

STATE CONTINUATION OF BENEFITS

Connecticut has a state continuation requirement that applies to employers with fully insured medical plans. In states such as Connecticut that have state continuation of benefits laws, employers subject to federal COBRA laws must offer eligible individuals the option to continue coverage under federal COBRA and the applicable state continuation law; individuals who wish to continue coverage must then make an election under one law or the other. State continuation does not apply to self-insured plans or to stand-alone dental, vision, accident, or disease-specific policies.

State Continuation (Mini-COBRA)

The Connecticut mini-COBRA law applies to employers with fewer than 20 employees (i.e., those not subject to federal COBRA) and to all fully insured medical policies issued in Connecticut. The Connecticut mini-COBRA law requires that upon a layoff, reduction of hours, leave of absence, or termination of employment (except for gross misconduct), an employee, along with any covered dependents, is eligible to elect continuation coverage for up to 30 months.

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The Connecticut mini-COBRA law also expands federal COBRA requirements by requiring a group policy to offer participants who have exhausted continuation coverage under federal COBRA the opportunity to continue coverage for up to 30 months from the date the federal COBRA coverage began. This rule applies only if participants were entitled to less than 36 months of continuation benefits under federal COBRA. The rule does not limit the reason for the qualifying event under federal COBRA.

Under the Connecticut mini-COBRA law, qualifying events include voluntary and involuntary job loss, reduction in hours, transition between jobs, death, divorce, and other life events. Specifically, qualifying events include all of the following:

- Employees who lose group coverage due to termination of employment, reduction in hours of employment, or loss of membership in an eligible class.
- Spouses who lose group coverage due to the employee's termination of employment, reduction in hours of employment, death, divorce, legal separation, eligibility for Medicare, or loss of membership in an eligible class.
- Dependent children who lose group coverage due to a loss of dependent child status under the plan or the employee's termination of employment, reduction in hours of employment, death, divorce, legal separation, eligibility for Medicare, or loss of membership in an eligible class.

Qualified individuals may be required to pay up to 102% of the premium cost. The 30-month period may end sooner if any of the following events occur:

- The covered individual does not make timely premium payments.
- The employer ceases to maintain any group health plan (including successor plans of related companies).
- The employee or spouse/dependent becomes covered under any other group health plan that is not maintained by the employer (even if the other coverage is less comprehensive than COBRA or continuation coverage).
- The qualified beneficiary becomes entitled to (enrolled in) Medicare benefits.

Employers or the group health plan insurer must provide notice to employees and dependents about their right to continue group health plan coverage and their opportunity to make an election for continuation coverage. Employers should work with their carriers to ensure appropriate notices are distributed timely.

For more information, see:

[**FAQs on Continuation of Group Health Coverage Expanded to 30 Months**](#)

[**Model Connecticut Continuation Coverage Notice**](#)

DEPENDENT COVERAGE LAWS

Extension of Coverage for Dependents Turning Age 26

For fully insured medical, dental, or vision plans issued in Connecticut, carriers must continue coverage until the end of the plan year in which the dependent turns age 26. This is in contrast to more commonly used plan eligibility rules, which typically extend coverage until the end of the month in which the dependent turns age 26. For non-calendar year plans, the end of the plan year in which a dependent turns 26 will be later than the end of the calendar year in which the same dependent turns 26. Employers with non-calendar year plans should work with their CPA and tax counsel to determine the appropriate taxation for any period of dependent coverage that extends beyond the end of the calendar year in which a dependent turns 26, as any such period is ineligible for the federal tax exclusion from gross income that otherwise applies.

For more information, see:

[**An Act Concerning Dental and Vision Insurance Coverage for Children, Stepchildren and Other Dependent Children**](#)

SMALL EMPLOYER HEALTH INSURANCE

Connecticut defines a “small” employer as a business with 2-50 employees. There is no federal requirement for small employers to offer health insurance to employees, nor does Connecticut state law have any such requirement.

Federal requirements for small employer health plans, such as the requirement to provide essential health benefits, apply to small employer health plans issued in Connecticut, as do prohibitions against discrimination or exclusion based upon preexisting conditions. Carriers are generally responsible for any coverage or mandated benefit requirements that apply to small employer health insurance plans.

DOMESTIC PARTNERSHIPS AND CIVIL UNIONS

Although Connecticut does not recognize domestic partnerships as formal relationships with protections under state law, it recognizes domestic partnerships that are formalized in other states. That said, there is no state (or federal) requirement to offer employer-sponsored health and welfare coverage (medical, dental, vision, Rx, etc.) to an employee's domestic partner or the child(ren) of a domestic partner. With approval from a carrier (for fully insured plans) or the stop-loss carrier (for self-insured plans), Connecticut employers may choose to offer benefit plan eligibility to domestic partners. For information about establishing a working definition of domestic partner for the administration of employee benefits, see the PPI publication [Domestic Partner Benefits: A Guide for Employers](#).

Connecticut does not offer or allow civil unions or common law marriage as a form of legal marriage. However, Connecticut does recognize legal marriages performed in other states (and other states might offer and allow common law marriages or civil unions as legal marriages).

OFFER OF RETIREMENT PLAN

Connecticut does not have retirement savings program statutes or regulations that apply generally to private employers.

GROUP TERM LIFE INSURANCE

Employers in Connecticut are not required to provide employer-paid group term life insurance (GTLI) benefits. However, employers that provide GTLI benefits must comply with certain requirements. Specifically, the GTLI policy must cover all employees of the employer or all employees of any class or classes of employees identified by bona fide business classifications.

Importantly, GTLI policies issued in Connecticut are required to include a conversion option that gives covered employees a time-limited opportunity to convert group coverage to an individual whole life policy without evidence of insurability (EOI) when eligibility for the policy ceases due to an employee's termination, leave of absence, or reduction in standard hours. Employees who wish to exercise GTLI conversion rights must provide a completed written application and make the initial premium payment within 31 days of the termination of coverage. For general information about GTLI benefits, see the PPI publication [Group Term Life Insurance: A Guide for Employers](#).

DISABILITY INSURANCE

Connecticut does not have a mandated disability coverage requirement.

LEAVE LAWS

Employers must comply with certain state and local leave laws with respect to employees working in Connecticut (including employees that work remotely from any location in Connecticut). These leave laws generally provide job and benefit protections when employees take time away from work for specified reasons. Federal leave laws, such as the FMLA, may also impact an employee's protections and rights during a leave of absence. Employers should also consider their internal leave policies and the related benefit plan documents, which together may determine when benefit plan coverage ends following the end of any applicable federal, state, and/or local leave protections. Connecticut's leave-related laws are described at a high level below.

Connecticut Family and Medical Leave Act

The Connecticut Family and Medical Leave Act (CTFMLA) applies to employers with at least one employee working in Connecticut. CTFMLA is essentially Connecticut's state version of the federal FMLA. The CTFMLA provides eligible employees, after three consecutive months on the job, up to 12 weeks of unpaid, job- and benefit-protected leave during a 12-month period for qualifying family or medical leave reasons, including caring for an employee's parents with a serious health condition. Employees who exercise rights under CTFMLA are entitled to be reinstated to their same position or, if the same position is no longer available, to an equivalent position upon returning from CTFMLA leave. Employers have notice requirements and must designate the leave as CTFMLA.

For more information, see:

The Connecticut Family & Medical Leave Act and CT Paid Leave Appeals

Connecticut Paid Leave Program (CTPL)

Connecticut's Paid Leave Program (CTPL) applies to employers with one or more employees working in Connecticut. CTPL provides a paid leave benefit for employees who take leave for a qualifying event. To be eligible, an employee must be currently employed in the state (or have been employed as such within the last 12 weeks) and must have earned wages of at least \$2,325 in the highest-earning quarter of the first four of the five most recently completed quarters in Connecticut (from any employers in Connecticut). CTPL benefits provide partial wage replacement for up to 12 weeks in a 12-month period for most qualifying events; there is the possibility of two additional weeks of leave for incapacity during pregnancy.

Qualifying events include bonding with a newly-born or newly-placed child and caring for a family member with a serious health condition. Employees serving as organ or bone marrow donors may also be eligible for CTPL benefits. Employees impacted by family violence may be eligible to receive CTPL benefits to seek medical or psychological care, to seek care from a victim services organization, to relocate, or to participate in any civil or criminal proceeding relating to family violence. (Benefits for these family violence reasons are limited to 12 days.) Finally, employees can use CTPL leave to care for a family member who is injured while on active duty or to address specific issues related to a family member's call to active duty or active duty in the armed forces. Importantly, "family member" includes spouses, children, domestic partners, siblings, grandparents, grandchildren, and any individual related to the employee by blood or affinity.

CTPL should run concurrently with CTFMLA whenever qualified. CTPL does not provide job- or benefit-protected time away from work, but taken together, CTPL and CTFMLA provide job- and benefit-protected leave, with partial wage replacement benefits. The weekly wage replacement under CTPL depends on an employee's average weekly wage and is capped at an amount that reflects a designated multiple of the state's minimum wage. Effective June 1, 2023, the maximum CTPL benefit is \$900/week. Employees need to actively apply for CT Paid leave and receive approval. For further information about CTPL, see the PPI publication [Connecticut Paid Leave Program: A Guide for Employers](#).

For more information, also see:

Connecticut Paid Leave

Other Connecticut State and Local Leave Laws

Connecticut has several other leave protections for employees. Employees can take leave for jury duty, military training, family violence, voting, and organ, blood, and bone marrow donor reasons. In addition, Connecticut has its own paid sick leave law, as outlined more fully below.

Connecticut Paid Sick Leave

Connecticut sick leave law requires employers with 50 or more employees to provide up to 40 hours of benefits-protected paid leave (and continuation of health benefits) per year.

Employees can use the leave for a broad number of reasons. Generally, it can be used for an employee's or employee's family member's physical/mental illness, injury, or health condition (regardless of whether that condition has actually been diagnosed or

requires medical care at the time the employee requests the leave), and for the diagnosis, care, or treatment of a physical/mental illness, injury, or health condition of, or need for medical diagnosis of, or preventive care for, an employee or family member. Connecticut paid sick leave is also available for an employee or family member who has been the victim of domestic violence, a family offense, a sexual offense, stalking, or human trafficking. Under these circumstances, employees can use the leave if they meet any of the following criteria:

- Are the parent or guardian of a victim of family violence or sexual assault (as long as they are not the alleged perpetrator)
- Need to seek medical care or psychological or other counseling for physical or psychological injury or disability
- Need to obtain services from a victim services organization
- Are relocating due to family violence or sexual assault
- Need to participate in a civil or criminal proceedings related to or resulting from family violence or sexual assault

Importantly, for purposes of Connecticut's paid sick leave law, "family member" means an employee's child (including adult children), spouse, domestic partner, parent, sibling, grandchild, or grandparent, or the parent or child of an employee's spouse or domestic partner. "Parent" means a biological, foster, stepparent, or adoptive parent, a legal guardian of an employee, or a person who stood in loco parentis when the employee was a minor child. "Child" means a biological, adopted, or foster child, a legal ward, or a child of an employee standing in loco parentis.

COMMUTER BENEFITS

Connecticut does not have a mandated commuter benefit requirement.

SUMMARY

Employers with one or more employees who work or reside in Connecticut should be well informed about the range of benefit requirements that pertain to such employees.

RESOURCES

[Connecticut State-Mandated Health Insurance Benefits](#)

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