



## CONNECTICUT: EMPLOYEE BENEFIT CONSIDERATIONS

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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 health benefits, leave, and other notable requirements related to employee benefits.

This publication focuses on the benefits compliance obligations that fall on employers. There are numerous state insurance laws that apply to carriers sponsoring fully insured plans. To the extent a state insurance law does not impose a compliance obligation on an employer (i.e., the law applies solely to the insurer from which an employer purchases a group policy), it may not be covered in this publication. In addition, this publication is limited to employee benefit considerations and does not cover state tax laws, privacy laws, cybersecurity laws, or other employment law topics such as workers' compensation, employment discrimination, payroll practices, wage and hour laws, or short-term leave laws that provide job and/or benefit protections for one month or less.

### GROUP HEALTH PLAN REQUIREMENTS

#### Health Benefit Coverage Mandates (Fully Insured Plans)

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 (Mini-COBRA) (Fully Insured Plans)

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 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.



The Connecticut mini-COBRA law applies to employers with fewer than 20 employees (i.e., those not subject to federal COBRA) and to all employers with fully insured medical policies issued in Connecticut. Under Connecticut's mini-COBRA law, covered employers must allow employees and their enrolled dependents to elect continuation coverage for up to 30 months if their benefits end due to any of the qualifying events bulleted below.

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.

Individuals who are eligible for Connecticut mini-COBRA can make a mini-COBRA election if they lose group health plan coverage for any of the following qualifying events:

- Employee's loss of group coverage due to termination of employment (except for gross misconduct), reduction in hours of employment, or loss of membership in an eligible class.
- Spouse's loss of group coverage due to the employee's termination of employment (except for gross misconduct), reduction in hours of employment, death, divorce, legal separation, entitlement to (enrollment in) Medicare, or loss of membership in an eligible class.
- Dependent child(ren)'s loss of group coverage due to a loss of dependent child status under the plan or the employee's termination of employment (except for gross misconduct), reduction in hours of employment, death, divorce, legal separation, entitlement to (enrollment in) Medicare, or loss of membership in an eligible class.

Premiums for continuation coverage under mini-COBRA cannot exceed 102% of the cost of covering a similarly situated active employee. The 30-month mini-COBRA entitlement period may end sooner for any of the following reasons:

- 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 under the Connecticut mini-COBRA law. Employers should work with their carriers to ensure appropriate notices are distributed timely. For information about federal COBRA, PPI clients can download **[COBRA: A Guide For Employers from the PPI Client Help Center](#)**.

For more information, see:

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

[Model Connecticut Continuation Coverage Notice](#)

### **Extension of Coverage for Dependents Turning Age 26 (Fully Insured Plans)**

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 (Fully Insured Plans)

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 Partner/Civil Union Health Coverage Laws (Fully Insured and Self-Insured Plans)

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.

Given the variety – and in many cases the absence – of domestic partnership definitions at the state or local level, employers generally have discretion to define domestic partners as they choose, provided their definition is not more restrictive than the prevailing definition in a state or municipality where the employer operates. Employers should ensure that their domestic partner certification practices are reasonably consistent with those for other family members (such as spouses and children). For example, employers that do not request relationship documentation (e.g., a marriage certificate) from married employees should not make domestic partner coverage conditional upon submission of evidence of the domestic partnership.

The federal government does not recognize domestic partnerships. Thus, if the domestic partner is not the employee’s tax dependent, the cost of coverage is subject to state and federal taxation.

For further information about domestic partner benefits considerations, including best practices for establishing eligibility, certifying domestic partnerships, and calculating and processing domestic partner cost of coverage imputed income, 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).

## DISABILITY INSURANCE

Connecticut does not have a mandated disability coverage requirement.

## PAID FAMILY LEAVE

### Connecticut Paid Leave Program (CTPL)

- **Covered Employers.** Employers with one or more employees working in Connecticut are subject to CTPL. Municipalities are exempt unless their unionized employees collectively bargain to participate. Schools are not considered covered employers unless their employees do not require certification pursuant to Chapter 166 of the CT General Statutes. Certified employees of public school operators can negotiate through collective bargaining agreements to be included for CTPL benefits.
- **Required Contributions.** The CTPL program is funded via employee payroll deductions. The deduction rate is one-half of one percent (0.5%) of an employee’s wages, up to the defined Social Security wage base, using the same earnings definitions as are used to calculate FICA taxes. Employers do not need to adjust payroll cycles to accommodate CTPL deductions, which can be made pursuant to the employer’s regular payroll calendar(s).
- **Eligibility and Qualified Reasons for Leave Benefits.** 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 from any Connecticut employer in

the highest-earning quarter of the first four of the five most recently completed quarters. A covered employee must also have been employed by their company for at least three months immediately preceding the leave.

Qualifying events for CTPL 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. 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.

- **Maximum Benefit Amount and Duration.** The maximum CTPL benefit effective 1/1/2025 is \$981.00 per week; the maximum CTPL benefit effective 1/1/2026 is \$1,016.40 per week. CTPL benefit payments are calculated as 95% of an employee's average weekly wage (AWW) if the wage is less than or equal to 40 times the CT minimum wage. If wages exceed the CT minimum wage multiplied by 40, the employee's CTPL wage replacement benefit is calculated as 95% of the employee's AWW up to the CT minimum wage multiplied by 40, plus 60% of the amount by which the AWW exceeds the CT minimum wage multiplied by 40. The benefit rate is capped at 60 times the CT minimum wage. Benefits are provided 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.
- **Plan Options.** In addition to state-administered paid leave, employers may apply to offer a private plan to all employees for paid leave coverage if it provides the same or better benefits than the state-run program. The CTPL authority must approve a private plan before it can become effective. Any money collected for a private plan must go to an account or accounts established by an employer. Such account(s) can only be used by the employer to administer the private plan.
- **Required Notices.** Employers are required to provide written notice to employees at the time of hire and annually thereafter regarding the employee's entitlement to CTPL, the terms under which such leave may be used, and certain other CTPL rights and responsibilities. A model [Notice of Employee Rights](#) is available to satisfy the notice requirement. Employers should comply with the notice requirements and should consult with employment law counsel as needed to ensure their leave policies reflect proper compliance procedures.
- **Job Protection and Health Plan Continuation Requirements.** CTPL should run concurrently with leaves under the Connecticut Family and Medical Leave Act (CTFMLA) whenever qualified. (See the [Connecticut Family and Medical Leave Act](#) sub-section below.) 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. Employers who are advised of an employee's request to take CTPL must also notify employees of their eligibility to take CTFMLA leave no later than five business days after receiving a request to take such leave or learning that the employee is taking leave for a qualifying reason.

For more information on state-mandated leave laws in Connecticut and other states, see the PPI publication [State PFML and Statutory Disability Programs: A Quick Reference Chart](#).

See under the [Resources](#) section below for additional CTPL resources.

## OTHER LEAVE LAWS

### Connecticut Family and Medical Leave Act

CTFMLA, which is essentially Connecticut's state version of the federal FMLA, applies to employers with at least one employee working in Connecticut. 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](#)

### **Other Leave Laws**

Except as noted above, Connecticut does not have any other state or local laws that provide more than one month of paid or unpaid leave entitlement. Note that short-term state and local employment leave laws that provide one month or less of leave are outside the scope of this publication. Short-term employment leave protections that may apply in Connecticut based on employer size include paid sick leave; bone marrow or organ donor leave; crime victim leave; and emergency responder leave. Employers should consult with their human resources consultant or employment attorney to ensure their leave, PTO, and other personnel policies satisfy all applicable state and local employment laws.

### **OFFER OF RETIREMENT PLAN**

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

### **COMMUTER BENEFITS**

Connecticut does not have a mandated commuter benefit requirement.

### **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\*\*](#).

### **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](#)

[CT PFMLA Law](#)

[CTPL Program Website](#)

[CTPL Employer Toolkit](#)

[CTPL Employee Fact Sheet](#)

[CTPL Employer Fact Sheet](#)

[CTPL Employer Landing Page](#)

[CTPL FAQs](#)

[CTPL Infocard](#)

[CTPL Notice of Employee Rights](#)

[CTPL Paycheck Insert/Pamphlet](#)

[CTPL Poster](#)