

Private Plan Refunds

Finance & Audit Committee
November 21, 2025

Connecticut
Paid Leave

Private Plan Refunds

- When an employer has a private plan, it is not supposed to remit contributions to the Authority since it remits to their own insurance carrier
- Sometimes however, an employer still remits contributions to the Authority even though they have a private plan
- While reviewing the private plans, we discovered that some of them had remitted contributions to the Authority for multiple quarters
- We have not seen evidence of employees paying twice

Private Plan Refunds

- In October, we refunded approximately \$2.2M of contributions to 35 employers that represented an average of 7 quarters
- In November, we will have refunded \$292k of contributions to 27 employers
- By January 2026, the remaining estimated \$189k of contributions to 135 employers will be refunded
- Before issuing a refund, we confirm with an employer's private plan carrier that the private plan coverage is in force
- Refunds are reported as a reduction to contribution revenue

Private Plan Refunds

- Going forward, we will be monitoring private plans and refunding any contributions paid to the Authority by the following quarter
- We will also start exercising our authority to impose monetary penalties on repeat offenders