



Senate

General Assembly

File No. 109

January Session, 2001

Senate Bill No. 524

Senate, April 3, 2001

The Committee on Insurance and Real Estate reported through SEN. BOZEK of the 6th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

**AN ACT CONCERNING HEALTH INSURANCE COVERAGE FOR
MEDICALLY NECESSARY INFANT FORMULA.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-492c of the general statutes is repealed and the
2 following is substituted in lieu thereof:

3 (a) For purposes of this section:

4 (1) "Inherited metabolic disease" means a disease for which
5 newborn screening is required under section 19a-55.

6 (2) "Low protein modified food product" means a product
7 formulated to have less than one gram of protein per serving and
8 intended for the dietary treatment of an inherited metabolic disease
9 under the direction of a physician.

10 (3) "Amino acid modified preparation" means a product intended
11 for the dietary treatment of an inherited metabolic disease under the

12 direction of a physician.

13 (4) "Specialized formula" means a nutritional formula for infants
14 that is exempt from the general requirements for nutritional labeling
15 under the statutory and regulatory guidelines of the federal Food and
16 Drug Administration and is intended for use solely under medical
17 supervision in the dietary management of specific diseases.

18 (b) Each individual health insurance policy providing coverage of
19 the type specified in subdivisions (1), (2), (4), ~~[(6),]~~ (11) and (12) of
20 section 38a-469 delivered, issued for delivery, ~~[or renewed]~~ amended,
21 renewed or continued in this state on or after October 1, ~~[1997]~~ 2001,
22 shall provide coverage for amino acid modified preparations and low
23 protein modified food products for the treatment of inherited
24 metabolic diseases if the amino acid modified preparations or low
25 protein modified food products are prescribed for the therapeutic
26 treatment of inherited metabolic diseases and are administered under
27 the direction of a physician.

28 (c) Each individual health insurance policy providing coverage of
29 the type specified in subdivisions (1), (2), (4), (11) and (12) of section
30 38a-469 delivered, issued for delivery, amended, renewed or continued
31 in this state on or after October 1, 2001, shall provide coverage for
32 specialized formulas when such specialized formulas are medically
33 necessary for the treatment of a disease or condition and are
34 administered under the direction of a physician.

35 Sec. 2. Section 38a-518c of the general statutes is repealed and the
36 following is substituted in lieu thereof:

37 (a) For purposes of this section:

38 (1) "Inherited metabolic disease" means a disease for which
39 newborn screening is required under section 19a-55.

40 (2) "Low protein modified food product" means a product

41 formulated to have less than one gram of protein per serving and
42 intended for the dietary treatment of an inherited metabolic disease
43 under the direction of a physician.

44 (3) "Amino acid modified preparation" means a product intended
45 for the dietary treatment of an inherited metabolic disease under the
46 direction of a physician.

47 (4) "Specialized formula" means a nutritional formula for infants
48 that is exempt from the general requirements for nutritional labeling
49 under the statutory and regulatory guidelines of the federal Food and
50 Drug Administration and is intended for use solely under medical
51 supervision in the dietary management of specific diseases.

52 (b) Each group health insurance policy providing coverage of the
53 type specified in subdivisions (1), (2), (4), [(6),] (11) and (12) of section
54 38a-469 delivered, issued for delivery, [or renewed] amended,
55 renewed or continued in this state on or after October 1, [1997] 2001,
56 shall provide coverage for amino acid modified preparations and low
57 protein modified food products for the treatment of inherited
58 metabolic diseases if the amino acid modified preparations or low
59 protein modified food products are prescribed for the therapeutic
60 treatment of inherited metabolic diseases and are administered under
61 the direction of a physician.

62 (c) Each group health insurance policy providing coverage of the
63 type specified in subdivisions (1), (2), (4), (11) and (12) of section 38a-
64 469 delivered, issued for delivery, amended, renewed or continued in
65 this state on or after October 1, 2001, shall provide coverage for
66 specialized formulas when such specialized formulas are medically
67 necessary for the treatment of a disease or condition and are
68 administered under the direction of a physician.

INS *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Future Cost

Affected Agencies: Department of Insurance, State Comptroller

Municipal Impact: Potential Cost

Explanation

State Impact:

The bill requires each individual and group health insurance policy issued, delivered and renewed on or after October 1, 2001 in the state to provide coverage for specialized formulas when such specialized formulas are medically necessary for the treatment of a disease or condition and are administered under the direction of a physician.

The coverage of medically necessary infant formula is not provided under the current state employee plans. The Office of the Comptroller has indicated that there would be a minimal fiscal impact associated with this mandated coverage that would be incurred in FY 04 when the state is expected to enter into new health insurance contracts.

Municipal Impact:

To the extent that medically necessary infant formula is not covered under a municipality's employee health insurance policy, there may be increased municipal costs to provide it. The bill's impact on municipal health insurance costs will vary by municipality depending on the

current coverage and cannot be determined at this time.

OLR Bill Analysis

SB 524

***AN ACT CONCERNING HEALTH INSURANCE COVERAGE FOR
MEDICALLY NECESSARY INFANT FORMULA.*****SUMMARY:**

Beginning October 1, 2001, this bill requires individual and group health insurance policies to cover medically necessary specialized infant nutritional formula used to treat a disease or condition and administered under a doctor's direction. The requirement applies to hospital and medical coverage offered by HMOs and to health insurance policies that pay for (1) basic hospital expenses, (2) basic medical-surgical expenses, (3) major medical expenses, and (4) hospital or medical services. The plan or policy must be issued for delivery, amended, renewed, or continued in the state on or after October 1, 2001.

EFFECTIVE DATE: October 1, 2001

NUTRITIONAL FORMULA

The bill defines "specialized formula" as a nutritional formula for infants that is (1) used solely under medical supervision in the dietary management of specific diseases and (2) exempt from the general nutritional labeling requirements under federal Food and Drug Administration statutory and regulatory guidelines.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Report

Yea 16 Nay 2