



House of Representatives

File No. 648

General Assembly

February Session, 2004 **(Reprint of File No. 191)**

House Bill No. 5467
As Amended by House
Amendment Schedules
"A" and "B"

Approved by the Legislative Commissioner
April 23, 2004

***AN ACT REQUIRING DISCLOSURE OF REIMBURSEMENT UNDER
DENTAL PLANS AND REVISING THE MANAGED CARE ACT TO
REFERENCE PROFESSIONAL COUNSELORS.***

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

1 Section 1. (NEW) (*Effective October 1, 2004*) For any policy delivered,
2 issued for delivery, renewed, amended or continued in this state on or
3 after October 1, 2004, that provides coverage for inpatient or outpatient
4 dental services only, the person who issues the policy shall provide the
5 insured or a licensed dentist acting on behalf of the insured, upon
6 request, an estimate of reimbursement under the policy with respect to
7 specific dental procedure codes ordered or recommended for the
8 insured by a licensed dentist, except that the actual reimbursement
9 may be adjusted based on factors such as the insured's eligibility, plan
10 design, utilization of benefits and the actual claim submitted.

11 Sec. 2. Section 38a-478 of the general statutes, as amended by section
12 10 of public act 03-169, is repealed and the following is substituted in
13 lieu thereof (*Effective October 1, 2004*):

14 As used in sections 38a-478 to 38a-478o, inclusive, as amended, and
15 subsection (a) of section 38a-478s:

16 (1) "Commissioner" means the Insurance Commissioner.

17 (2) "Managed care organization" means an insurer, health care
18 center, hospital or medical service corporation or other organization
19 delivering, issuing for delivery, renewing or amending any individual
20 or group health managed care plan in this state.

21 (3) "Managed care plan" means a product offered by a managed care
22 organization that provides for the financing or delivery of health care
23 services to persons enrolled in the plan through: (A) Arrangements
24 with selected providers to furnish health care services; (B) explicit
25 standards for the selection of participating providers; (C) financial
26 incentives for enrollees to use the participating providers and
27 procedures provided for by the plan; or (D) arrangements that share
28 risks with providers, provided the organization offering a plan
29 described under subparagraph (A), (B), (C) or (D) of this subdivision is
30 licensed by the Insurance Department pursuant to chapter 698, 698a or
31 700 and that the plan includes utilization review pursuant to sections
32 38a-226 to 38a-226d, inclusive.

33 (4) "Provider" means a person licensed to provide health care
34 services under chapters 370 to 373, inclusive, 375 to [383b] 383c,
35 inclusive, 384a to 384c, inclusive, or chapter 400j.

36 (5) "Enrollee" means a person who has contracted for or who
37 participates in a managed care plan for himself or his eligible
38 dependents.

39 (6) "Preferred provider network" means a preferred provider
40 network, as defined in section 38a-479aa, as amended.

41 (7) "Utilization review" means utilization review, as defined in
42 section 38a-226.

43 (8) "Utilization review company" means a utilization review
44 company, as defined in section 38a-226.

This act shall take effect as follows:	
Section 1	<i>October 1, 2004</i>
Sec. 2	<i>October 1, 2004</i>

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:

Agency Affected	Fund-Effect	FY 05 \$	FY 06 \$
Office of Managed Care Ombudsman	IF - None	None	None

Note: IF=Insurance Fund

Municipal Impact: None

Explanation

The bill requires that an insurance company disclose an estimated policy reimbursement. The bill has no fiscal impact on the Office of Managed Care Ombudsman.

House "A" eliminates the original file. The amendment requires disclosure of estimated policy reimbursement. This has no fiscal impact.

House "B" expands the definition of a provider has no fiscal impact.

OLR BILL ANALYSIS

HB 5467 (as amended by House "A" and "B")*

AN ACT CONCERNING DISCLOSURE OF PARTICIPATING AND NONPARTICIPATING PROVIDER REIMBURSEMENT UNDER MANAGED CARE PLANS**SUMMARY:**

This bill requires an insurance company, upon request from an insured or a licensed dentist acting on an insured's behalf, to disclose the estimated policy reimbursement for specific dental procedure codes ordered or recommended by a dentist. Actual reimbursement may differ from the estimate based on factors such as eligibility, plan design, utilization of benefits, and the actual claim submitted for reimbursement. This requirement applies to policies delivered, issued for delivery, renewed, amended, or continued starting on October 1, 2004 that cover inpatient or outpatient dental services only.

The bill also adds professional counselors to the definition of a "provider" under the managed care statutes. This means that managed care organizations (MCOs) must, among other things, include professional counselors in provider lists issued to enrollees, give them 60 days prior notice of contract termination, and permit them to tell enrollees how the MCO compensates them.

*House Amendment "A" eliminates the original file, which expanded the managed care organization plan description requirements with respect to provider reimbursement procedures. The amendment requires disclosure of estimated dental procedure reimbursements.

*House Amendment "B" adds professional counselors to the definition of a provider under the managed care statutes.

EFFECTIVE DATE: October 1, 2004

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Report
Yea 17 Nay 1