



# Senate

General Assembly

**File No. 47**

February Session, 2004

Senate Bill No. 106

*Senate, March 15, 2004*

The Committee on Insurance and Real Estate reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

**AN ACT CONCERNING THE AVAILABILITY OF HEALTH PLANS WITH FLEXIBLE DESIGNS.**

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

1 Section 1. (NEW) (*Effective October 1, 2004*) Any licensed health  
2 insurer or health care center may design and issue health insurance  
3 policies or plans that offer flexible benefits designed to reduce health  
4 insurance premiums or fees provided such policies or plans meet the  
5 requirements of title 38a of the general statutes. Such policies and  
6 plans may include, but need not be limited to, policies and plans that:  
7 (1) Offer choices among provider networks of different size; (2) offer  
8 different deductibles depending on the health care facility used; (3) use  
9 both deductibles and coinsurance; or (4) offer prescription drug  
10 benefits that use any combination of deductibles, coinsurance and  
11 copayments, including, but not limited to, policies and plans that use  
12 different combinations at different benefit levels.

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

**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:**

Agency Affected	Fund-Effect	FY 05 \$	FY 06 \$
Insurance Dept.	IF - None	None	None
Comptroller Misc. Accounts (Fringe Benefits)	Various - Savings	Potential	Potential

Note: IF=Insurance Fund

**Municipal Impact:**

Municipalities	Effect	FY 05 \$	FY 06 \$
Various Municipalities	Savings	Potential	Potential

**Explanation**

The bill allows health insurers and health care centers to offer policies with flexible design benefits. Assuming newly designed and issued flexible benefit plans reduce health insurance premiums and fees, the state and municipal government may realize savings from employees that prefer those plans, rather than relatively higher premium health insurance coverage.

**OLR Bill Analysis**

SB 106

***AN ACT CONCERNING THE AVAILABILITY OF HEALTH PLANS WITH FLEXIBLE DESIGNS*****SUMMARY:**

This bill authorizes any licensed health insurer or health care center to design and issue health insurance policies or plans that offer flexible benefits designed to reduce health insurance premiums or fees. The policies or plans must meet existing requirements relating to insurance companies and policies.

The bill allows the policies and plans to (1) offer choices among provider networks of different sizes; (2) offer different deductibles, depending on the health care facility used; (3) use both deductibles and coinsurance; or (4) offer prescription drug benefits that use any combination of deductibles, coinsurance, and copayments, including, policies and plans that use different combinations at different benefit levels.

EFFECTIVE DATE: October 1, 2004

**COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable Report

Yea 13      Nay 4