



General Assembly

January Session, 2005

Raised Bill No. 1297

LCO No. 4411

* SB01297INS 032405 *

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

AN ACT CONCERNING MANAGED CARE GRIEVANCE PROCEDURES.

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

1 Section 1. Section 38a-478m of the general statutes is repealed and
2 the following is substituted in lieu thereof (*Effective October 1, 2005*):

3 (a) Each managed care organization shall establish and maintain an
4 internal grievance procedure to assure that enrollees may seek a
5 review of any grievance that may arise from a managed care
6 organization's action or inaction, other than action or inaction based on
7 utilization review, and obtain a timely resolution of any such
8 grievance. Such grievance procedure shall comply with the following
9 requirements:

10 (1) Enrollees shall be informed of the grievance procedure at the
11 time of initial enrollment and at not less than annual intervals
12 thereafter, which notification may be met by inclusion in an enrollment
13 agreement or update. [Enrollees] Each enrollee and the enrollee's
14 provider shall also be informed of the grievance procedure when a
15 decision has been made not to certify an admission, service or

16 extension of stay ordered by the provider.

17 (2) Notices to enrollees and providers describing the grievance
18 procedure shall explain: (A) The process for filing a grievance with the
19 managed care organization, which may be communicated orally,
20 electronically or in writing; (B) that the enrollee, or a person acting on
21 behalf of an enrollee, including the enrollee's health care provider, may
22 make a request for review of a grievance; and (C) the time periods
23 within which the managed care organization must resolve the
24 grievance.

25 (b) All reviews conducted under this section shall be resolved not
26 later than sixty days from the date the enrollee or person acting on
27 behalf of the enrollee commences the complaint, unless an extension is
28 requested by the enrollee or person acting on behalf of the enrollee.

29 (c) A managed care organization that fails to provide notice of the
30 resolution of a complaint within the time provided in subsection (b) of
31 this section shall be fined twenty-five dollars for each failure to
32 provide notice. Any fines collected under this section shall be paid to
33 the Insurance Commissioner and deposited in the Insurance Fund
34 established in section 38a-52a. The amount of such fines shall be
35 allocated to the Office of Managed Care Ombudsman for the purposes
36 set forth in section 38a-1041.

37 Sec. 2. Section 38a-816 of the general statutes is amended by adding
38 subdivision (22) as follows (*Effective October 1, 2005*):

39 (NEW) (22) Any violation of section 38a-478m, as amended by this
40 act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2005</i>	38a-478m
Sec. 2	<i>October 1, 2005</i>	38a-816

INS *Joint Favorable*