



Senate

General Assembly

File No. 44

January Session, 2009

Senate Bill No. 459

Senate, March 9, 2009

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 PROHIBITING COPAYMENTS FOR PREVENTIVE CARE.

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

1 Section 1. (NEW) (*Effective October 1, 2009*) (a) Notwithstanding any
2 provision of title 38a of the general statutes, no group or individual
3 health insurance policy providing coverage of the type specified in
4 subdivisions (1), (2), (4), (11) and (12) of section 38a-469 of the general
5 statutes, delivered, issued for delivery, renewed, amended or
6 continued in this state on or after January 1, 2012, shall impose a
7 copayment, deductible or other out-of-pocket expense for preventive
8 care services.

9 (b) For purposes of this section, "preventive care services" include,
10 but are not limited to: (1) Annual physicals and periodic health
11 evaluations, including test and diagnostic procedures ordered in
12 connection with routine examinations such as annual physicals; (2)
13 routine prenatal and well-child care; (3) child and adult
14 immunizations; (4) tobacco cessation programs; and (5) obesity weight
15 loss programs. "Preventive care services" do not include any services

16 or benefits to treat an existing illness, injury or condition.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2009</i>	New section

INS *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None in FY 10 & FY 11; See Below for Out Year Impact

Municipal Impact: None in FY 10 & 11; See Below for Out Year Impact

Explanation

Since this mandate would be effective January 1, 2012 there is no fiscal impact to state or municipal health plans in FY 10 or in FY 11. The state employee health plan currently charges for some preventative care services and currently does not cover programs for tobacco cessation or obesity weight-loss. The bill prohibits imposing a copayment for preventative care services however it does not require coverage of these preventative services. The bill would therefore only require the elimination of copayments currently being charged for covered preventative services. It is not anticipated to impact the state employee health plans until after the policy is renewed on July 1, 2011.

The bill's provisions may increase costs to certain fully insured municipal plans which include copayments for the preventative care services specified by the bill. The coverage requirements may result in increased premium costs when municipalities enter into new health insurance contracts after January 1, 2012. Due to federal law, municipalities with self-insured health plans are exempt from state health insurance benefit mandates.

The Out Years

It is estimated that the state employee health plan will incur a prorated partial year cost of \$467,500 in FY 12 and an annual cost of \$935,000 beginning in FY 13 as a result of eliminating copayments for currently covered preventative services. This does not include

additional costs for tobacco cessation or obesity weight-loss programs which are currently not covered by the plan and therefore would be outside of the scope of this mandate. As previously stated, the bill's coverage requirements may also result in increased premium costs when municipalities enter into new health insurance contracts after January 1, 2012. The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

Sources: Office of the State Comptroller, Municipal Employees Health Insurance Plan (MEHIP) Schedule of Benefits, State Employee Health Plan Subscriber Agreement.

OLR Bill Analysis**SB 459*****AN ACT PROHIBITING COPAYMENTS FOR PREVENTIVE CARE.*****SUMMARY:**

This bill prohibits certain health insurance policies from imposing a copayment, deductible, or other out-of-pocket expense (e.g., coinsurance) for preventive care. It specifies that “preventive care services” excludes any services or benefits intended to treat an existing illness, injury, or condition, but includes:

1. periodic health evaluations and annual physicals, including tests and diagnostic procedures ordered in connection with them;
2. routine prenatal and well-child care;
3. child and adult immunizations;
4. tobacco cessation programs; and
5. obesity weight-loss programs.

EFFECTIVE DATE: October 1, 2009

APPLICABILITY

The bill applies to individual and group health insurance policies delivered, issued, renewed, amended, or continued in Connecticut on or after January 1, 2012 that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; and (4) hospital or medical services, including coverage under an HMO plan.

Due to federal law (ERISA), state insurance benefit mandates do not apply to self-insured benefit plans.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 11 Nay 8 (02/19/2009)