



General Assembly

Amendment

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Offered by:

SEN. MCKINNEY, 28th Dist.

SEN. FASANO, 34th Dist.

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To: Subst. House Bill No. 5669

File No. 609

Cal. No. 401

**"AN ACT CONCERNING EMPLOYER HEALTH INSURANCE
PREMIUM PAYMENTS FOR TERMINATED EMPLOYEES."**

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. (NEW) (*Effective July 1, 2009*) (a) As used in this section:

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

5 (2) "Mandated health benefit" means an existing statutory obligation
6 of, or proposed legislation that would require, an insurer, health care
7 center, hospital service corporation, medical service corporation,
8 fraternal benefit society or other entity that offers individual or group
9 health insurance or medical or health care benefits plan in this state to:
10 (A) Permit an insured or enrollee to obtain health care treatment or
11 services from a particular type of health care provider; (B) offer or
12 provide coverage for the screening, diagnosis or treatment of a

13 particular disease or condition; or (C) offer or provide coverage for a
14 particular type of health care treatment or service, or for medical
15 equipment, medical supplies or drugs used in connection with a health
16 care treatment or service. "Mandated health benefit" includes any
17 proposed legislation to expand or repeal an existing statutory
18 obligation relating to health insurance coverage or medical benefits.

19 (b) (1) There is established within the Insurance Department a
20 health benefit review program for the review and evaluation of any
21 mandated health benefit that is requested by the joint standing
22 committee of the General Assembly having cognizance of matters
23 relating to insurance. Such program shall be funded by the Insurance
24 Fund established under section 38a-52a of the general statutes. The
25 commissioner shall be authorized to make assessments in a manner
26 consistent with the provisions of chapter 698 of the general statutes for
27 the costs of carrying out the requirements of this section. Such
28 assessments shall be in addition to any other taxes, fees and moneys
29 otherwise payable to the state. The commissioner shall deposit all
30 payments made under this section with the State Treasurer. The
31 moneys deposited shall be credited to the Insurance Fund and shall be
32 accounted for as expenses recovered from insurance companies. Such
33 moneys shall be expended by the commissioner to carry out the
34 provisions of this section and section 2 of this act.

35 (2) The commissioner shall contract with The University of
36 Connecticut Center for Public Health and Health Policy to conduct any
37 mandated health benefit review requested pursuant to subsection (c)
38 of this section. The director of said center may engage the services of
39 an actuary, quality improvement clearinghouse, health policy research
40 organization or any other independent expert, and may engage or
41 consult with any dean, faculty or other personnel said director deems
42 appropriate within The University of Connecticut schools and colleges,
43 including, but not limited to, The University of Connecticut (A) School
44 of Business, (B) School of Dental Medicine, (C) School of Law, (D)
45 School of Medicine, and (E) School of Pharmacy.

46 (c) Not later than August first of each year, a chairperson or ranking
47 member of the joint standing committee of the General Assembly
48 having cognizance of matters relating to insurance may submit to the
49 commissioner a list of any mandated health benefits for which such
50 chairperson or ranking member is requesting a review. Not later than
51 January first of the succeeding year, the commissioner shall submit a
52 report, in accordance with section 11-4a of the general statutes, of the
53 findings of such review and the information set forth in subsection (d)
54 of this section. Each such report shall include a statement from the
55 commissioner whether, in the opinion of the commissioner, based
56 upon the findings of such report, the overall negative social and
57 financial impact of the mandated health benefit under review
58 outweighs the overall positive social and financial impact of such
59 benefit.

60 (d) The review report shall include at least the following, to the
61 extent information is available:

62 (1) The social impact of mandating the benefit, including:

63 (A) The extent to which the treatment, service or equipment,
64 supplies or drugs, as applicable, is utilized by a significant portion of
65 the population;

66 (B) The extent to which the treatment, service or equipment,
67 supplies or drugs, as applicable, is currently available to the
68 population, including, but not limited to, coverage under Medicare, or
69 through public programs administered by charities, public schools, the
70 Department of Public Health, municipal health departments or health
71 districts or the Department of Social Services;

72 (C) The extent to which insurance coverage is already available for
73 the treatment, service or equipment, supplies or drugs, as applicable;

74 (D) If the coverage is not generally available, the extent to which
75 such lack of coverage results in persons being unable to obtain
76 necessary health care treatment;

77 (E) If the coverage is not generally available, the extent to which
78 such lack of coverage results in unreasonable financial hardships on
79 those persons needing treatment;

80 (F) The level of public demand and the level of demand from
81 providers for the treatment, service or equipment, supplies or drugs,
82 as applicable;

83 (G) The level of public demand and the level of demand from
84 providers for insurance coverage for the treatment, service or
85 equipment, supplies or drugs, as applicable;

86 (H) The likelihood of achieving the objectives of meeting a
87 consumer need as evidenced by the experience of other states;

88 (I) The relevant findings of state agencies or other appropriate
89 public organizations relating to the social impact of the mandated
90 health benefit;

91 (J) The alternatives to meeting the identified need, including, but
92 not limited to, other treatments, methods or procedures;

93 (K) Whether the benefit is a medical or a broader social need and
94 whether it is consistent with the role of health insurance and the
95 concept of managed care;

96 (L) The potential social implications of the coverage with respect to
97 the direct or specific creation of a comparable mandated benefit for
98 similar diseases, illnesses or conditions;

99 (M) The impact of the benefit on the availability of other benefits
100 currently offered;

101 (N) The impact of the benefit as it relates to employers shifting to
102 self-insured plans and the extent to which the benefit is currently being
103 offered by employers with self-insured plans;

104 (O) The impact of making the benefit applicable to the state

105 employee health insurance or health benefits plan; and

106 (P) The extent to which credible scientific evidence published in
107 peer-reviewed medical literature generally recognized by the relevant
108 medical community determines the treatment, service or equipment,
109 supplies or drugs, as applicable, to be safe and effective; and

110 (2) The financial impact of mandating the benefit, including:

111 (A) The extent to which the mandated health benefit may increase
112 or decrease the cost of the treatment, service or equipment, supplies or
113 drugs, as applicable, over the next five years;

114 (B) The extent to which the mandated health benefit may increase
115 the appropriate or inappropriate use of the treatment, service or
116 equipment, supplies or drugs, as applicable, over the next five years;

117 (C) The extent to which the mandated health benefit may serve as
118 an alternative for more expensive or less expensive treatment, service
119 or equipment, supplies or drugs, as applicable;

120 (D) The methods that will be implemented to manage the utilization
121 and costs of the mandated health benefit;

122 (E) The extent to which insurance coverage for the treatment,
123 service or equipment, supplies or drugs, as applicable, may be
124 reasonably expected to increase or decrease the insurance premiums
125 and administrative expenses for policyholders;

126 (F) The extent to which the treatment, service or equipment,
127 supplies or drugs, as applicable, is more or less expensive than an
128 existing treatment, service or equipment, supplies or drugs, as
129 applicable, that is determined to be equally safe and effective by
130 credible scientific evidence published in peer-reviewed medical
131 literature generally recognized by the relevant medical community;

132 (G) The impact of insurance coverage for the treatment, service or
133 equipment, supplies or drugs, as applicable, on the total cost of health

134 care, including potential benefits or savings to insurers and employers
135 resulting from prevention or early detection of disease or illness
136 related to such coverage;

137 (H) The impact of the mandated health care benefit on the cost of
138 health care for small employers, as defined in section 38a-564 of the
139 general statutes, and for employers other than small employers; and

140 (I) The impact of the mandated health benefit on cost-shifting
141 between private and public payors of health care coverage and on the
142 overall cost of the health care delivery system in the state.

143 (e) (1) Pursuant to subsection (c) of this section, if, in the opinion of
144 the commissioner, the overall negative social and financial impact of
145 an existing mandated health benefit under review outweighs the
146 overall positive social and financial impact of such benefit, the
147 commissioner shall file such opinion and report with the clerks of the
148 House of Representatives and the Senate not later than ten days after
149 such report is submitted in accordance with subsection (c) of this
150 section. Such existing mandated health benefit that is the subject of
151 such opinion shall be terminated for all individual and group health
152 insurance policies or plans delivered, issued for delivery, renewed,
153 amended or continued on or after July first following the
154 commissioner's submission of such opinion and report, unless the
155 General Assembly rejects such opinion as a whole by a majority vote of
156 both houses. The opinion and the termination of such existing
157 mandated health benefit shall be deemed approved if the General
158 Assembly fails to vote to approve or reject such opinion during the
159 regular session of the General Assembly immediately succeeding the
160 submission of such opinion and report.

161 (2) The commissioner shall provide notification of the termination of
162 any existing mandated health benefits to the entities set forth in and in
163 accordance with section 38a-477a of the general statutes.

164 Sec. 502. (*Effective July 1, 2009*) (a) The commissioner shall carry out
165 a review as set forth in section 1 of this act of statutorily mandated

166 health benefits existing on or effective on July 1, 2009. The
167 commissioner shall submit, in accordance with section 11-4a of the
168 general statutes, the findings to the joint standing committee of the
169 General Assembly having cognizance of matters relating to insurance
170 not later than January 1, 2010. Such report shall include a statement
171 from the commissioner whether, in the opinion of the commissioner,
172 based upon the findings of such report, the overall negative social and
173 financial impact of each mandated health benefit under review
174 outweighs the overall positive social and financial impact of such
175 benefit.

176 (b) (1) Pursuant to subsection (a) of this section, if, in the opinion of
177 the commissioner, the overall negative social and financial impact of
178 an existing mandated health benefit under review outweighs the
179 overall positive social and financial impact of such benefit, the
180 commissioner shall file such opinion and report with the clerks of the
181 House of Representatives and the Senate not later than ten days after
182 such report is submitted in accordance with subsection (a) of this
183 section. Such existing mandated health benefit that is the subject of
184 such opinion shall be terminated for all individual and group health
185 insurance policies or plans delivered, issued for delivery, renewed,
186 amended or continued on or after July 1, 2010, unless the General
187 Assembly rejects such opinion as a whole by a majority vote of both
188 houses. The opinion and the termination of such existing mandated
189 health benefit shall be deemed approved if the General Assembly fails
190 to vote to approve or reject such opinion during the regular session of
191 the General Assembly immediately succeeding the submission of such
192 opinion and report.

193 (2) The commissioner shall provide notification of the termination of
194 any existing mandated health benefits to the entities set forth in and in
195 accordance with section 38a-477a of the general statutes."