



Senate

General Assembly

File No. 160

February Session, 2010

Substitute Senate Bill No. 50

Senate, March 29, 2010

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 substitute bill ought to pass.

AN ACT CONCERNING ORAL CHEMOTHERAPY TREATMENTS.

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

1 Section 1. Section 38a-504 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective January 1, 2011*):

3 (a) Each insurance company, hospital service corporation, medical
4 service corporation, health care center or fraternal benefit society
5 [which] that delivers, [or] issues for delivery, renews, amends or
6 continues in this state individual health insurance policies providing
7 coverage of the type specified in subdivisions (1), (2), (4), (10), (11) and
8 (12) of section 38a-469, shall provide coverage under such policies for
9 the surgical removal of tumors and treatment of leukemia, including
10 outpatient chemotherapy, reconstructive surgery, cost of any
11 nondental prosthesis including any maxillo-facial prosthesis used to
12 replace anatomic structures lost during treatment for head and neck
13 tumors or additional appliances essential for the support of such
14 prosthesis, outpatient chemotherapy following surgical procedure in
15 connection with the treatment of tumors, and a wig if prescribed by a

16 licensed oncologist for a patient who suffers hair loss as a result of
17 chemotherapy. Such benefits shall be subject to the same terms and
18 conditions applicable to all other benefits under such policies.

19 (b) Except as provided in subsection (c) of this section, the coverage
20 required by subsection (a) of this section shall provide at least a yearly
21 benefit of five hundred dollars for the surgical removal of tumors, five
22 hundred dollars for reconstructive surgery, five hundred dollars for
23 outpatient chemotherapy, three hundred fifty dollars for a wig and
24 three hundred dollars for a nondental prosthesis, except that for
25 purposes of the surgical removal of breasts due to tumors the yearly
26 benefit for such prosthesis shall be at least three hundred dollars for
27 each breast removed.

28 (c) The coverage required by subsection (a) of this section shall
29 provide benefits for the reasonable costs of reconstructive surgery on
30 each breast on which a mastectomy has been performed, and
31 reconstructive surgery on a nondiseased breast to produce a
32 symmetrical appearance. Such benefits shall be subject to the same
33 terms and conditions applicable to all other benefits under such
34 policies. For the purposes of this subsection, reconstructive surgery
35 includes, but is not limited to, augmentation mammoplasty, reduction
36 mammoplasty and mastopexy.

37 (d) (1) Each policy of the type specified in subsection (a) of this
38 section that provides coverage for intravenously administered and
39 orally administered anticancer medications used to kill or slow the
40 growth of cancerous cells, that are prescribed by a prescribing
41 practitioner, as defined in section 20-571, shall provide coverage for
42 orally administered anticancer medications on a basis that is no less
43 favorable than intravenously administered anticancer medications.

44 (2) No such policy shall reclassify such anticancer medications or
45 increase the coinsurance, copayment, deductible or other out-of-pocket
46 expense imposed under such policy for such medications, to achieve
47 compliance with this subsection.

48 Sec. 2. Section 38a-542 of the general statutes is repealed and the
49 following is substituted in lieu thereof (*Effective January 1, 2011*):

50 (a) Each insurance company, hospital service corporation, medical
51 service corporation, health care center or fraternal benefit society
52 [which] that delivers, [or] issues for delivery, renews, amends or
53 continues in this state group health insurance policies providing
54 coverage of the type specified in subdivisions (1), (2), (4), (11) and (12)
55 of section 38a-469 shall provide coverage under such policies for
56 treatment of leukemia, including outpatient chemotherapy,
57 reconstructive surgery, cost of any nondental prosthesis, including any
58 maxillo-facial prosthesis used to replace anatomic structures lost
59 during treatment for head and neck tumors or additional appliances
60 essential for the support of such prosthesis, outpatient chemotherapy
61 following surgical procedures in connection with the treatment of
62 tumors, a wig if prescribed by a licensed oncologist for a patient who
63 suffers hair loss as a result of chemotherapy, and costs of removal of
64 any breast implant which was implanted on or before July 1, 1994,
65 without regard to the purpose of such implantation, which removal is
66 determined to be medically necessary. Such benefits shall be subject to
67 the same terms and conditions applicable to all other benefits under
68 such policies.

69 (b) Except as provided in subsection (c) of this section, the coverage
70 required by subsection (a) of this section shall provide at least a yearly
71 benefit of one thousand dollars for the costs of removal of any breast
72 implant, five hundred dollars for the surgical removal of tumors, five
73 hundred dollars for reconstructive surgery, five hundred dollars for
74 outpatient chemotherapy, three hundred fifty dollars for a wig and
75 three hundred dollars for a nondental prosthesis, except that for
76 purposes of the surgical removal of breasts due to tumors the yearly
77 benefit for such prosthesis shall be at least three hundred dollars for
78 each breast removed.

79 (c) The coverage required by subsection (a) of this section shall
80 provide benefits for the reasonable costs of reconstructive surgery on

81 each breast on which a mastectomy has been performed, and
 82 reconstructive surgery on a nondiseased breast to produce a
 83 symmetrical appearance. Such benefits shall be subject to the same
 84 terms and conditions applicable to all other benefits under such
 85 policies. For the purposes of this subsection, reconstructive surgery
 86 includes, but is not limited to, augmentation mammoplasty, reduction
 87 mammoplasty and mastopexy.

88 (d) (1) Each policy of the type specified in subsection (a) of this
 89 section that provides coverage for intravenously administered and
 90 orally administered anticancer medications used to kill or slow the
 91 growth of cancerous cells, that are prescribed by a prescribing
 92 practitioner, as defined in section 20-571, shall provide coverage for
 93 orally administered anticancer medications on a basis that is no less
 94 favorable than intravenously administered anticancer medications.

95 (2) No such policy shall reclassify such anticancer medications or
 96 increase the coinsurance, copayment, deductible or other out-of-pocket
 97 expense imposed under such policy for such medications, to achieve
 98 compliance with this subsection.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2011	38a-504
Sec. 2	January 1, 2011	38a-542

INS *Joint Favorable Subst.*

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 – See Below

Municipal Impact:

Municipalities	Effect	FY 11 \$	FY 12 \$
Various Municipalities	STATE MANDATE - Cost	Potential	Potential

Explanation

The bill requires orally-administered anticancer medications to be covered on the same basis as intravenously administered anticancer medications. This provision of the bill is not anticipated to impact costs to the state employee and retiree health plans since the state’s pharmacy benefit manager currently covers oral chemotherapy drugs with a \$25 copayment. The bill also broadens the applicability of several existing health insurance mandates including tumor removal, outpatient chemotherapy, leukemia treatment, reconstructive surgery, nondental prosthesis, and oncologist-prescribed wigs. These provisions of the bill are not anticipated to impact the state health plans as current coverage already meets these requirements.

The bill’s provisions may increase costs to fully-insured municipal plans which do not currently offer the coverage mandated. The coverage requirements may result in significant increased premium costs when municipalities enter into new health insurance contracts on or after January 1, 2011. Due to federal law, municipalities with self-insured health plans are exempt from state health insurance benefit mandates.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 50*****AN ACT CONCERNING ORAL CHEMOTHERAPY TREATMENTS.*****SUMMARY:**

This bill requires certain health insurance policies that cover intravenously- and orally-administered anticancer medications prescribed by a licensed practitioner with prescribing authority to cover the orally-administered medication on at least as favorable a basis as the intravenously-administered medication. It prohibits a policy from reclassifying anticancer medications or increasing the patient's out-of-pocket costs for the medications as a way to comply.

The bill also broadens the applicability of several health insurance benefits required by law, including treatment of tumors and leukemia, reconstructive surgery, nondental prosthesis, chemotherapy, and wigs for chemotherapy patients. It does this by requiring all policies renewed, amended, or continued in Connecticut to include the benefits. Policies delivered or issued here already must include them.

EFFECTIVE DATE: January 1, 2011

EXPANDED APPLICABILITY OF REQUIREMENTS

The bill requires health insurance policies renewed, amended, or continued in Connecticut to provide coverage for:

1. the surgical removal of tumors and related outpatient chemotherapy;
2. treatment of leukemia, including outpatient chemotherapy;
3. reconstructive surgery, including on a breast on which a mastectomy was performed and a nondiseased breast for symmetry (such as augmentation or reduction mammoplasty)

and mastopexy);

4. nondental prosthesis, including any maxillo-facial prosthesis used to replace anatomic structures lost during treatment for head and neck tumors or additional appliances essential for the support of such a prosthesis;
5. an oncologist-prescribed wig for a patient with hair loss resulting from chemotherapy; and
6. if a group health insurance policy, medically necessary removal of breast implants that were implanted before July 2, 1994.

Coverage must be subject to the same terms and conditions applicable to other benefits under the policy. But the policy must provide at least a yearly benefit of: (1) \$500 each for the surgical removal of tumors, reconstructive surgery, and outpatient chemotherapy; (2) \$350 for a wig; (3) \$300 for a nondental prosthesis, unless the prosthesis is due to the surgical removal of breasts because of tumors, in which case the yearly benefit must be at least \$300 for each breast; and (4) if a group policy, \$1,000 for a breast implant removal. Coverage must be provided for the reasonable cost of reconstructive breast surgery.

By law, policies issued or delivered in Connecticut already must include these benefits.

APPLICABILITY OF THE BILL

The bill applies to individual and group health insurance policies delivered, issued, renewed, amended, or continued in Connecticut 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. It also applies to individual health insurance policies that provide limited benefit health coverage.

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

BACKGROUND

Related Bills

The Insurance and Real Estate Committee reported out HB 5006 and HB 5009, which both include the expanded applicability requirements found in sSB 50.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 16 Nay 1 (03/11/2010)