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***Insurance Association of Connecticut***

***Insurance and Real Estate Committee***

Thursday, February 18, 2010

SB 50, An Act Concerning Oral Chemotherapy Treatments

The Insurance Association of Connecticut (IAC) is opposed to SB 50's mandate that specified disease policies provide orally-administered anticancer medications.

Specified disease policies do not provide benefits in the same manner as a typical pure health policy. Specified disease policies benefits, typically lump sum cash payments, are paid if a designated trigger is met. For example, a person is diagnosed with cancer and the person has a specified disease policy—then the policy's benefits may be paid. The trigger for the benefit being paid is not dependent on a person receiving treatment or the therapy for the diagnosis, but quite simply on the diagnosis.

Mandating that such policies provide coverage for orally-administered anticancer medications is adding a benefit to the policy it does not provide. Specified disease policies do not have a drug reimbursement provision. It would be like mandating an auto policy to provide coverage for a garage that was struck by lightning.

The IAC respectfully requests that subdivision (1) of subsection (d) of Sections 1 and 2 be amended to remove any reference to subdivision (13) of Section 38a-369.