



General Assembly

Substitute Bill No. 256

February Session, 2010

* SB00256INS 031810 *

**AN ACT CONCERNING ASSESSMENTS FOR HEALTH BENEFIT
REVIEWS PERFORMED BY THE INSURANCE DEPARTMENT.**

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

1 Section 1. Subsection (b) of section 38a-21 of the 2010 supplement to
2 the general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective July 1, 2010, and applicable to assessments or portions of*
4 *assessments made on or after July 1, 2010*):

5 (b) (1) There is established within the Insurance Department a
6 health benefit review program for the review and evaluation of any
7 mandated health benefit that is requested by the joint standing
8 committee of the General Assembly having cognizance of matters
9 relating to insurance. Such program shall be funded by the Insurance
10 Fund established under section 38a-52a. The commissioner shall [be
11 authorized to make assessments in a manner consistent with the
12 provisions of chapter 698] assess, in accordance with subdivision (2) of
13 this subsection, each domestic insurer and domestic health care center
14 conducting health insurance business in this state for the costs of
15 carrying out the requirements of this section. Such assessments shall be
16 in addition to any other taxes, fees and moneys otherwise payable to
17 the state. The commissioner shall deposit all payments made under
18 this section with the State Treasurer. The moneys deposited shall be
19 (A) credited to the Insurance Fund, (B) dedicated to the health benefit

20 review program, and [shall be] (C) accounted for as expenses
21 recovered from insurance companies. Such moneys shall be expended
22 by the commissioner to carry out the provisions of this section and
23 section 2 of public act 09-179.

24 (2) Upon the committee's request of a mandated health benefit
25 review pursuant to subsection (c) of this section, the commissioner
26 shall determine (A) the total amount necessary to conduct such review,
27 and (B) the fee to be assessed against each such insurer and health care
28 center for such review. Each such fee shall be a percentage of the total
29 amount necessary and shall be calculated on the basis of direct written
30 health insurance premiums and subscriber charges in the same manner
31 as calculations under section 38a-48, as amended by this act. Each such
32 insurer and health care center shall pay to the commissioner the fee
33 assessed, on a schedule as determined by the commissioner.

34 ~~[(2)]~~ (3) The commissioner shall contract with The University of
35 Connecticut Center for Public Health and Health Policy to conduct any
36 mandated health benefit review requested pursuant to subsection (c)
37 of this section. The director of said center may engage the services of
38 an actuary, quality improvement clearinghouse, health policy research
39 organization or any other independent expert, and may engage or
40 consult with any dean, faculty or other personnel said director deems
41 appropriate within The University of Connecticut schools and colleges,
42 including, but not limited to, The University of Connecticut (A) School
43 of Business, (B) School of Dental Medicine, (C) School of Law, (D)
44 School of Medicine, and (E) School of Pharmacy.

45 Sec. 2. Subdivision (2) of subsection (c) of section 38a-48 of the 2010
46 supplement to the general statutes is repealed and the following is
47 substituted in lieu thereof (*Effective July 1, 2010*):

48 (2) When the amount any such company or entity is assessed
49 pursuant to this section exceeds twenty-five per cent of the actual
50 expenditures of the Insurance Department and the Office of the
51 Healthcare Advocate, such excess amount shall not be paid by such

52 company or entity but rather shall be assessed against and paid by all
 53 other such companies and entities in proportion to their respective
 54 shares of the total taxes and charges imposed under chapter 207 on
 55 business done in this state during the preceding calendar year, except
 56 that for purposes of any assessment made to fund (A) payments to the
 57 Department of Public Health to purchase vaccines, or (B) mandated
 58 health benefit reviews requested pursuant to subsection (c) of section
 59 38a-21, as amended by this act, such company or entity shall be
 60 responsible for its share of the costs, notwithstanding whether its
 61 assessment exceeds twenty-five per cent of the actual expenditures of
 62 the Insurance Department and the Office of the Healthcare Advocate.
 63 The provisions of this subdivision shall not be applicable to any
 64 corporation which has converted to a domestic mutual insurance
 65 company pursuant to section 38a-155 upon the effective date of any
 66 public act which amends said section to modify or remove any
 67 restriction on the business such a company may engage in, for
 68 purposes of any assessment due from such company on and after such
 69 effective date.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2010, and applicable to assessments or portions of assessments made on or after July 1, 2010</i>	38a-21(b)
Sec. 2	<i>July 1, 2010</i>	38a-48(c)(2)

INS *Joint Favorable Subst.*