



STATE OF CONNECTICUT
INSURANCE DEPARTMENT

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**Testimony of the Connecticut Insurance Department
Before
The Insurance and Real Estate Committee**

January 25, 2011

Senate Bill No. 13--An Act Concerning Copayments for Drugs

The Connecticut Insurance Department offers the following comments on Senate Bill 13
– An Act Concerning Copayments for Drugs.

A mail order option for prescription drugs offers insured consumers a lower cost option to obtain typically maintenance type prescription drugs for longer fill periods. Requiring mail order and retail pharmacy benefits to have the same co-pay and fill period will increase cost sharing amounts paid by insured consumers, as well as potentially increasing premiums.

The language in Subsection (3) in both Section 1 and Section 2 prohibits a policy from having different copayments for participating and out of network pharmacies. Network plans offer lower cost sharing for participating providers due to negotiated discounts with those providers. The effect of prohibiting this standard practice could increase cost sharing amounts paid by the insured consumers, increase premiums, or both.

The Department appreciates the opportunity to offer comments on this bill. As always, we are available to answer any questions the Committee may have.