



Quality is Our Bottom Line

**Insurance Committee Public Hearing**

**Thursday, March 15, 2012**

**Connecticut Association of Health Plans**

**Testimony in Opposition to**

**SB 410 AAC Adverse Determination Reviews**

The Connecticut Association of Health Plans respectfully urges the committee's rejection of SB 410 AAC Adverse Determination Reviews. Connecticut has already taken significant action in the area of adverse determinations, and in fact, our external appeal process is held up as a model around the country. Matters in question are forwarded via the Department of Insurance to an outside entity made up of physicians within the specialty practice in question. They review all relevant information from both sides and issue a decision that is binding on both parties.

The additional requirements proposed under SB 410 require that carriers provide free of charge with every notice of appeal and upheld adverse determination a copy of all documents, communications information and rationale regarding the adverse determination *regardless of whether the member requests such information and regardless of whether such information was even considered by the health plan in making such determination*. Current law already requires that a covered person may receive from a carrier, free of charge and upon request, reasonable access to copies of all documents, records and other information relevant to the adverse determination under review. We would strongly argue that this provision does nothing, but raise administrative costs significantly when premium price sensitivity is particularly high.

SB 410 further requires that upon a denial and subsequent appeal for prescription drugs that health plans be required to provide immediate electronic authorization and payment to the covered person's pharmacy for such drug for the duration of any such grievance or review. Consider the implications for safety if, in fact, this provision were implemented relative to controlled substances. A person would be guaranteed access to, and payment for, oxycontin provided they presented with a script. The same would be true if a drug were denied because of a potential drug interaction or other clinical reason. Coverage for drugs considered to be experimental would also be required if this bill would pass. Not only would this provision add enormous cost to pharmacy benefits that may cause employers to drop coverage all together, but it would also give rise to serious safety considerations.

We strongly urge your rejection of SB 410. Thank you for your consideration.