

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 12-145—sHB 5011

Insurance and Real Estate Committee

**AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS'
RECOMMENDATIONS FOR TECHNICAL AND MINOR CHANGES TO
THE INSURANCE STATUTES**

SUMMARY: This act expands the circumstances under which certain health insurance mandates apply. It also corrects statutory references and makes other minor and technical changes to the insurance laws.

EFFECTIVE DATE: Upon passage, except the mandate changes take effect January 1, 2013.

HEALTH INSURANCE MANDATES

By law, insurance companies, fraternal benefit societies, hospital service corporations, medical service corporations, and Health Care Centers (i.e., HMOs) that issue, renew, or continue a Medicare supplement policy must file a request for approval with the Insurance Department at least 60 days before changing their rates. The act extends this requirement to amended policies. By law, the department must hold a hearing and has 45 days from receiving the request to approve or deny it.

Under existing law, requirements that health insurers offer specified benefits apply to new and renewed policies and, in most cases, to policies amended or continued on or after the mandate's effective date. As described in Table 1, the act requires coverage of amended or continued policies in those cases where this was not previously required. The mandates apply to individual and group policies.

Table 1: Expansion of Applicability of Health Benefit Mandates

<i>Benefit</i>	<i>Expansion</i>
Amino acid modified preparations and low protein modified food products when prescribed for the treatment of inherited metabolic diseases	Amended or continued policies
Medically necessary specialized formula	Amended or continued policies
Medically necessary prescription drugs removed from formulary	Amended policies
Medically necessary ambulance services	Continued policies

The act also specifies that the mandate regarding amino acid modified and low protein modified food products does not apply to accident-only policies.

OLR Tracking: KM:TA:ts:eh