



General Assembly

February Session, 2014

Raised Bill No. 5529

LCO No. 2272



Referred to Committee on PUBLIC HEALTH

Introduced by:
(PH)

AN ACT CONCERNING THE DEFINITIONS OF MEDICAL NECESSITY.

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

1 Section 1. Subsection (a) of section 17b-259b of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2014*):

4 (a) For purposes of the administration of the medical assistance
5 programs by the Department of Social Services, "medically necessary"
6 and "medical necessity" mean those health services required to
7 prevent, identify, diagnose, treat, rehabilitate or ameliorate an
8 individual's medical condition, including mental illness, or its effects,
9 in order to attain or maintain the individual's achievable health and
10 independent functioning provided such services are: (1) Consistent
11 with generally-accepted standards of medical practice that are defined
12 as standards that are based on [(A) credible scientific evidence
13 published in peer-reviewed medical literature that is generally
14 recognized by the relevant medical community, (B)] (A)
15 recommendations of a physician-specialty society, [(C)] (B) the views
16 of physicians practicing in relevant clinical areas, and [(D)] (C) any

17 other relevant factors; (2) clinically appropriate in terms of type,
18 frequency, timing, site, extent and duration and considered effective
19 for the individual's illness, injury or disease; (3) not primarily for the
20 convenience of the individual, the individual's health care provider or
21 other health care providers; (4) not more costly than an alternative
22 service or sequence of services at least as likely to produce equivalent
23 therapeutic or diagnostic results as to the diagnosis or treatment of the
24 individual's illness, injury or disease; and (5) based on an assessment
25 of the individual and his or her medical condition.

26 Sec. 2. Section 38a-482a of the general statutes is repealed and the
27 following is substituted in lieu thereof (*Effective October 1, 2014*):

28 (a) No insurer, health care center, hospital service corporation,
29 medical service corporation or other entity delivering, issuing for
30 delivery, renewing, continuing or amending any individual health
31 insurance policy providing coverage of the type specified in
32 subdivisions (1), (2), (4), (6), (10), (11) and (12) of section 38a-469 in this
33 state shall deliver or issue for delivery in this state any such policy
34 unless such policy contains a definition of "medically necessary" or
35 "medical necessity" as follows: "Medically necessary" or "medical
36 necessity" means health care services that a physician, exercising
37 prudent clinical judgment, would provide to a patient for the purpose
38 of preventing, evaluating, diagnosing or treating an illness, including
39 mental illness or its effects, injury, disease or its symptoms, and that
40 are: (1) In accordance with generally accepted standards of medical
41 practice; (2) clinically appropriate, in terms of type, frequency, extent,
42 site and duration and considered effective for the patient's illness,
43 injury or disease; [and] (3) not primarily for the convenience of the
44 patient, physician or other health care provider and not more costly
45 than an alternative service or sequence of services at least as likely to
46 produce equivalent therapeutic or diagnostic results as to the diagnosis
47 or treatment of that patient's illness, injury or disease; and (4) based on
48 an assessment of the individual and his or her medical condition. For
49 the purposes of this subsection, "generally accepted standards of

50 medical practice" means standards that are [based on credible scientific
51 evidence published in peer-reviewed medical literature] generally
52 recognized by the relevant medical community or otherwise consistent
53 with the standards set forth in policy issues involving clinical
54 judgment.

55 (b) The provisions of subsection (a) of this section shall not apply to
56 any insurer, health care center, hospital service corporation, medical
57 service corporation or other entity that has entered into any national
58 settlement agreement until the expiration of any such agreement.

59 Sec. 3. Section 38a-513c of the general statutes is repealed and the
60 following is substituted in lieu thereof (*Effective October 1, 2014*):

61 (a) No insurer, health care center, hospital service corporation,
62 medical service corporation or other entity delivering, issuing for
63 delivery, renewing, continuing or amending any group health
64 insurance policy providing coverage of the type specified in
65 subdivisions (1), (2), (4), (6), (10), (11) and (12) of section 38a-469 in this
66 state shall deliver or issue for delivery in this state any such policy
67 unless such policy contains a definition of "medically necessary" or
68 "medical necessity" as follows: "Medically necessary" or "medical
69 necessity" means health care services that a physician, exercising
70 prudent clinical judgment, would provide to a patient for the purpose
71 of preventing, evaluating, diagnosing or treating an illness, including
72 mental illness or its effects, injury, disease or its symptoms, and that
73 are: (1) In accordance with generally accepted standards of medical
74 practice; (2) clinically appropriate, in terms of type, frequency, extent,
75 site and duration and considered effective for the patient's illness,
76 injury or disease; [and] (3) not primarily for the convenience of the
77 patient, physician or other health care provider and not more costly
78 than an alternative service or sequence of services at least as likely to
79 produce equivalent therapeutic or diagnostic results as to the diagnosis
80 or treatment of that patient's illness, injury or disease; and (4) based on
81 an assessment of the individual and his or her medical condition. For

82 the purposes of this subsection, "generally accepted standards of
83 medical practice" means standards that are [based on credible scientific
84 evidence published in peer-reviewed medical literature] generally
85 recognized by the relevant medical community or otherwise consistent
86 with the standards set forth in policy issues involving clinical
87 judgment.

88 (b) The provisions of subsection (a) of this section shall not apply to
89 any insurer, health care center, hospital service corporation, medical
90 service corporation or other entity that has entered into any national
91 settlement agreement until the expiration of any such agreement.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014</i>	17b-259b(a)
Sec. 2	<i>October 1, 2014</i>	38a-482a
Sec. 3	<i>October 1, 2014</i>	38a-513c

Statement of Purpose:

To amend the definitions of medical necessity.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]