



General Assembly

Substitute Bill No. 5529

February Session, 2014



AN ACT CONCERNING THE DEFINITION OF MEDICAL NECESSITY.

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

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 Section 38a-482a of the general statutes is repealed and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

3 (a) No insurer, health care center, hospital service corporation,
4 medical service corporation or other entity delivering, issuing for
5 delivery, renewing, continuing or amending any individual health
6 insurance policy providing coverage of the type specified in
7 subdivisions (1), (2), (4), (6), (10), (11) and (12) of section 38a-469 in this
8 state shall deliver or issue for delivery in this state any such policy
9 unless such policy contains a definition of "medically necessary" or
10 "medical necessity" as follows: "Medically necessary" or "medical
11 necessity" means health care services that a physician, exercising
12 prudent clinical judgment, would provide to a patient for the purpose
13 of preventing, evaluating, diagnosing or treating an illness, including
14 mental illness or its effects, injury, disease or its symptoms, and that
15 are: (1) In accordance with generally accepted standards of medical
16 practice; (2) clinically appropriate, in terms of type, frequency, extent,
17 site and duration and considered effective for the patient's illness,
18 injury or disease; [and] (3) not primarily for the convenience of the
19 patient, physician or other health care provider and not more costly
20 than an alternative service or sequence of services at least as likely to

21 produce equivalent therapeutic or diagnostic results as to the diagnosis
22 or treatment of that patient's illness, injury or disease; and (4) based on
23 an assessment of the patient and his or her medical condition. For the
24 purposes of this subsection, "generally accepted standards of medical
25 practice" means standards that are [based on credible scientific
26 evidence published in peer-reviewed medical literature] generally
27 recognized by the relevant medical community or otherwise consistent
28 with the standards set forth in policy issues involving clinical
29 judgment.

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

34 Sec. 2. Section 38a-513c of the general statutes is repealed and the
35 following is substituted in lieu thereof (*Effective October 1, 2014*):

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

54 produce equivalent therapeutic or diagnostic results as to the diagnosis
55 or treatment of that patient's illness, injury or disease; and (4) based on
56 an assessment of the patient and his or her medical condition. For the
57 purposes of this subsection, "generally accepted standards of medical
58 practice" means standards that are [based on credible scientific
59 evidence published in peer-reviewed medical literature] generally
60 recognized by the relevant medical community or otherwise consistent
61 with the standards set forth in policy issues involving clinical
62 judgment.

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2014	38a-482a
Sec. 2	October 1, 2014	38a-513c

Statement of Legislative Commissioners:

In sections 1(a)(4) and 2(a)(4), "individual" was changed to "patient", for internal consistency.

PH *Joint Favorable Subst.*