
OLR Bill Analysis

sHB 5373

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE CONCERNING THE REPORTING OF CERTAIN DATA BY MANAGED CARE ORGANIZATIONS AND HEALTH INSURANCE COMPANIES TO THE INSURANCE DEPARTMENT.

SUMMARY:

This bill expands the information that managed care organizations (MCOs) and health insurers must report to the insurance commissioner by May 1 annually. The bill also expands the information the insurance commissioner must publish by October 15 annually in the Consumer Report Card on Health Insurance Carriers in Connecticut. The information to be reported and published relates to substance use and mental disorders.

An MCO that fails to file the required information is subject to a fine of \$100 for each day the report is late (CGS § 38a-478b). The bill does not specify a penalty for health insurers who fail to file the required information, thus, the general statutory penalty applies. That penalty allows the commissioner to fine the insurer up to \$15,000 (CGS § 38a-2).

The bill allows an MCO to ask the commissioner to consider some of the reported information confidential and not subject to disclosure under the Freedom of Information Act (FOIA). The commissioner must review the information and approve or disapprove the request in writing. But the effect of the commissioner's approval is unclear. By law, a person denied the right to inspect or copy a public record may appeal to the Freedom of Information Commission (FOIC), which may order disclosure of the record. Because the bill does not explicitly exempt the information from disclosure under FOIA, it appears that the FOIC could order it to be disclosed even if the commissioner determines it is confidential.

EFFECTIVE DATE: October 1, 2014

MANAGED CARE ORGANIZATION

By law, an “MCO” is an insurer, health care center (i.e., HMO), hospital or medical service corporation, or other organization delivering, issuing, renewing, amending, or continuing an individual or group health managed care plan in the state. A “managed care plan” is a product an MCO offers that finances or delivers health care services to plan enrollees through a network of participating providers.

The bill requires MCOs to report to the insurance commissioner by May 1 annually, by county, the:

1. estimated prevalence of substance use disorders among covered children (under age 16), young adults (age 16 to 25), and adults (age 26 and older);
2. number and percentage of covered children, young adults, and adults who received covered treatment for a substance use disorder, by level of care provided (e.g., inpatient, outpatient, residential care, and partial hospitalization);
3. median length of covered treatment provided to covered children, young adults, and adults for a substance use disorder, by level of care provided;
4. per member per month claim expenses for covered children, young adults, and adults who received covered treatment for substance use disorders; and
5. number of in-network health care providers who provide substance use disorder treatment, by level of care, and the percentage of such providers who are accepting new clients under the MCO’s plans.

The bill requires the commissioner to include the above information in his annual Consumer Report Card on Health Insurance Carriers in

Connecticut.

The bill also requires MCOs to report to the commissioner by May 1 annually:

1. the number, by licensure type, of health care providers who treat substance use disorders, co-occurring disorders, and mental disorders, who, in the preceding calendar year (a) applied for in-network status, and the percentage who were accepted, and (b) no longer participated in the network;
2. the number, by level of care provided, of health care facilities that treat substance use disorders, co-occurring disorders, and mental disorders, that, in the preceding calendar year (a) applied for in-network status, and the percentage that were accepted, and (b) no longer participated in the network;
3. factors that may negatively affect covered enrollees' access to substance use disorder treatment, including screening procedures, the supply of health care providers and their capacity limitations, and provider reimbursement rates; and
4. plans and ongoing or completed activities to address the identified factors.

Under the bill, an MCO may ask the commissioner to consider the above four reported items confidential and not subject to disclosure under FOIA. The commissioner must review the information and determine, in writing, to approve or disapprove the request.

HEALTH INSURER

The bill requires each health insurer that writes health insurance policies in Connecticut to report to the insurance commissioner by May 1 annually data on benefit requests, utilization review of benefit requests, adverse determinations, final adverse determinations, and external appeals, for the treatment of substance use disorders, co-occurring disorders, and mental disorders. The information must be grouped by (1) the level of care, (2) category, and (3) age group (i.e.,

children, young adult, and adults).

The bill requires the commissioner to include this information in his annual Consumer Report Card on Health Insurance Carriers in Connecticut.

COMMITTEE ACTION

Program Review and Investigations Committee

Joint Favorable Substitute

Yea 11 Nay 0 (03/13/2014)