



# Senate

General Assembly

January Session, 2015

**File No. 11**

Senate Bill No. 14

*Senate, February 20, 2015*

The Committee on Insurance and Real Estate reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING THE CLAIMS DATA PROVIDED TO CERTAIN EMPLOYERS.***

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

1 Section 1. Section 38a-513f of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) As used in this section:

4 (1) "Claims paid" means the amounts paid for the covered  
5 employees of an employer by an insurer, health care center, hospital  
6 service corporation, medical service corporation or other entity as  
7 specified in subsection (b) of this section for medical services and  
8 supplies and for prescriptions filled, but does not include expenses for  
9 stop-loss coverage, reinsurance, enrollee educational programs or  
10 other cost containment programs or features, administrative costs or  
11 profit.

12 (2) "Employer" means any town, city, borough, school district,

13 taxing district or fire district employing more than fifty employees.

14 (3) "Utilization data" means (A) the aggregate number of procedures  
15 or services performed for the covered employees of the employer, by  
16 practice type and by service category, or (B) the aggregate number of  
17 prescriptions filled for the covered employees of the employer, by  
18 prescription drug name.

19 (b) Each insurer, health care center, hospital service corporation,  
20 medical service corporation or other entity delivering, issuing for  
21 delivery, renewing, amending or continuing in this state any group  
22 health insurance policy providing coverage of the type specified in  
23 subdivisions (1), (2), (4), (11), (12) and (16) of section 38a-469 shall:

24 (1) Not later than October first, annually, provide to an employer  
25 sponsoring such policy, free of charge, the following information for  
26 the most recent thirty-six-month period or for the entire period of  
27 coverage, whichever is shorter, ending not more than sixty days prior  
28 to the date of the provision of such information, in a format as set forth  
29 in subdivision (3) of this subsection:

30 (A) Complete and accurate medical, dental and pharmaceutical  
31 utilization data, as applicable;

32 (B) Claims paid by year, aggregated by practice type and by service  
33 category, each reported separately for in-network and out-of-network  
34 providers, and the total number of claims paid;

35 (C) Premiums paid by such employer by month; [and]

36 (D) The number of insureds by coverage tier, including, but not  
37 limited to, single, two-person and family including dependents, by  
38 month; and

39 (E) Written plan descriptions for all populations covered by such  
40 policy;

41 (2) Include in such information specified in subdivision (1) of this

42 subsection only health information that has had identifiers removed, as  
43 set forth in 45 CFR 164.514, is not individually identifiable, as defined  
44 in 45 CFR 160.103, and is permitted to be disclosed under the Health  
45 Insurance Portability and Accountability Act of 1996, P.L. 104-191, as  
46 amended from time to time, or regulations adopted thereunder; and

47 (3) Provide such information (A) in a written report, (B) through an  
48 electronic file transmitted by secure electronic mail or a file transfer  
49 protocol site, or (C) through a secure web site or web site portal that is  
50 accessible by such employer.

51 (c) Such insurer, health care center, hospital service corporation,  
52 medical service corporation or other entity shall not be required to  
53 provide such information to the employer more than once in any  
54 twelve-month period.

55 (d) (1) Except as provided in subdivision (2) of this subsection,  
56 information provided to an employer pursuant to subsection (b) of this  
57 section shall be used by such employer only for the purposes of  
58 obtaining competitive quotes for group health insurance or to promote  
59 wellness initiatives for the employees of such employer.

60 (2) Any employer may provide to the Comptroller upon request the  
61 information disclosed to such employer pursuant to subsection (b) of  
62 this section. The Comptroller shall maintain as confidential any such  
63 information.

64 (e) Any information provided to an employer in accordance with  
65 subsection (b) of this section or to the Comptroller in accordance with  
66 subdivision (2) of subsection (d) of this section shall not be subject to  
67 disclosure under section 1-210. An employee organization, as defined  
68 in section 7-467, that is the exclusive bargaining representative of the  
69 employees of such employer shall be entitled to receive annually claim  
70 information and the information set forth in subparagraphs (D) and (E)  
71 of subdivision (1) of subsection (b) of this section from such employer  
72 [in order to fulfill] for the sole purpose of fulfilling its duties to bargain  
73 collectively on behalf of the employees of such employer pursuant to

74 section 7-469. Such employer shall provide such information to such  
75 employee organization not later than thirty days after a request by  
76 such employee organization.

77 (f) If a subpoena or other similar demand related to information  
78 provided pursuant to subsection (b) of this section is issued in  
79 connection with a judicial proceeding to an employer that receives  
80 such information, such employer shall immediately notify the insurer,  
81 health care center, hospital service corporation, medical service  
82 corporation or other entity that provided such information to such  
83 employer of such subpoena or demand. Such insurer, health care  
84 center, hospital service corporation, medical service corporation or  
85 other entity shall have standing to file an application or motion with  
86 the court of competent jurisdiction to quash or modify such subpoena.  
87 Upon the filing of such application or motion by such insurer, health  
88 care center, hospital service corporation, medical service corporation  
89 or other entity, the subpoena or similar demand shall be stayed  
90 without penalty to the parties, pending a hearing on such application  
91 or motion and until the court enters an order sustaining, quashing or  
92 modifying such subpoena or demand.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	38a-513f

**INS**      *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:**

<b>Municipalities</b>	<b>Effect</b>	<b>FY 16 \$</b>	<b>FY 17 \$</b>
Various Municipalities	STATE MANDATE - Cost	Minimal	Minimal

**Explanation**

The bill: 1) expands the amount of information regarding health insurance policies that municipal employers are required to provide to municipal collective bargaining units; and 2) requires municipalities to provide such information within 30 days after a request is made. There is a minimal cost to municipalities associated with printing the additional information.

The bill also expands reporting requirements of health insurers, which has no fiscal impact.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****SB 14*****AN ACT CONCERNING THE CLAIMS DATA PROVIDED TO CERTAIN EMPLOYERS.*****SUMMARY:**

This bill expands the types of information that insurers or similar entities (e.g., HMOs and hospital service corporations) must disclose to municipal employers that have more than 50 employees and sponsor a group health insurance policy ("employer"). Under current law, they must disclose information related to services used, claims and premiums paid, and the number of people covered under the policy. The bill requires them to also disclose written plan descriptions for everyone covered by the policy. By law, the insurer or entity must provide the information to the employer (1) free of charge by October 1 annually and (2) in a way that is not individually identifiable, in accordance with federal law.

The bill also expands the information that collective bargaining units are entitled to receive from an employer in order to fulfill their duties. Currently, collective bargaining units are entitled to receive claim information. The bill also entitles collective bargaining units to receive the number of people covered under the policy and the written plan descriptions. Thus, the bill creates more parity between employers and collective bargaining units with regard to the insurance information they are entitled to receive. Under the bill, a bargaining unit is entitled to receive all such information annually and only to fulfill its duties to bargain collectively on behalf of the employer's employees. The bill requires the employer to provide all such information to the bargaining unit within 30 days after receiving a request for it. (Current law is silent on the timeframes for receiving or providing the information.)

EFFECTIVE DATE: Upon passage

**COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable

Yea 10 Nay 7 (02/10/2015)