



House of Representatives

General Assembly

File No. 669

February Session, 2016

House Bill No. 5620

House of Representatives, April 19, 2016

The Committee on Appropriations reported through REP. WALKER of the 93rd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING INSURANCE COVERAGE FOR OPIOID ANALGESICS AND REQUIRING A STUDY OF IMPEDIMENTS TO INSURANCE COVERAGE FOR SUBSTANCE USE DISORDER TREATMENTS.

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

1 Section 1. (NEW) (*Effective January 1, 2017*) No insurance company,
2 health care center, hospital service corporation, medical service
3 corporation, fraternal benefit society or other entity that delivers,
4 issues for delivery, renews, amends or continues in this state an
5 individual health insurance policy providing coverage of the type
6 specified in subdivisions (1), (2), (4), (11), (12) and (16) of section 38a-
7 469 of the general statutes and that provides coverage for prescription
8 drugs shall provide coverage for more than a thirty-day supply of any
9 opioid analgesic per initial prescription or per refill of such
10 prescription.

11 Sec. 2. (NEW) (*Effective January 1, 2017*) No insurance company,
12 health care center, hospital service corporation, medical service

13 corporation, fraternal benefit society or other entity that delivers,
 14 issues for delivery, renews, amends or continues in this state a group
 15 health insurance policy providing coverage of the type specified in
 16 subdivisions (1), (2), (4), (11), (12) and (16) of section 38a-469 of the
 17 general statutes and that provides coverage for prescription drugs
 18 shall provide coverage for more than a thirty-day supply of any opioid
 19 analgesic per initial prescription or per refill of such prescription.

20 Sec. 3. (*Effective from passage*) The Insurance Commissioner shall
 21 study the impediments that exist, if any, for insureds to receive
 22 treatments for substance use disorders under their health insurance
 23 policies or health benefit plans. Such study shall include, but need not
 24 be limited to, (1) the extent to which coverage is provided under health
 25 insurance policies or health benefit plans, (2) the types of treatments
 26 covered under such policies or plans, (3) the requirements, if any, that
 27 insureds must meet for such treatments to be covered under such
 28 policies or plans, and (4) the cost-sharing requirements for insureds for
 29 such treatments. Not later than January 31, 2017, the commissioner
 30 shall submit a report, in accordance with the provisions of section 11-
 31 4a of the general statutes, to the joint standing committees of the
 32 General Assembly having cognizance of matters relating to insurance
 33 and public health, summarizing the commissioner's findings.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2017</i>	New section
Sec. 2	<i>January 1, 2017</i>	New section
Sec. 3	<i>from passage</i>	New section

APP *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.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 17 \$	FY 18 \$
State Comptroller - Fringe Benefits (Active and Retired State Employee Health Accounts)	GF&TF - Potential Cost	Up to \$83,500	Up to \$167,000
Insurance Dept.	IF - Cost	Up to \$55,000	None

Note: GF&TF=General Fund & Transportation Fund; IF=Insurance Fund

Municipal Impact:

Municipalities	Effect	FY 17 \$	FY 18 \$
Various Municipalities	STATE MANDATE - Potential Cost	See Below	See Below

Explanation

The bill may result in a cost to the state¹ and fully insured municipal health plans from prohibiting a plan from providing more than a 30-day supply of an opioid to an insured. The cost to the state plan may be up to \$83,500 in FY 17 and up to \$167,000 in FY 18.² For the most recent 12 month period, the state plan filled 767 prescriptions for opioids with a 31 to 90 day supply, at a total gross to the state of \$181,990. Based on the most recent 12 month data the average cost per pill for 1 to 30 day supply is \$5.10 and the average cost per pill for a 31 to 90 day supply is \$2.66. Prescriptions for more than a 30 day supply

¹ The state employee and retiree health plan is a self-insured health plan. Pursuant to federal law, self-insured health plans are exempt from state health mandates. However, the state has traditionally adopted all state health mandates.

² This reflects the potential gross cost to the state. For active state employees and their dependents the state requires copays for Maintenance 90-day prescriptions of \$5, \$10, or \$25 depending on tier (generic, preferred brand, or brand) and for Non-Maintenance 30-day prescriptions of \$5, \$20, and \$35 depending on tier.

are approximately 1% of total opioid prescriptions written for the state plan. The cost will depend on the extent to which 90-day opioid prescriptions are replaced by 30-day refills. The state health plan currently requires active employees and their dependents, and non-Medicare retirees and dependents to fill maintenance prescriptions through mail-order or at a participating maintenance network retail pharmacy. After the initial 30-day prescription is filled, the prescription is refilled for a 90-day supply. It is currently unknown how many opioid prescriptions fall within the definition of a maintenance drug.

The state health plan currently defines a maintenance prescription drug as a prescription drug that is used on a continuing basis for the treatment of a chronic condition or illness, such as heart disease, high blood pressure, arthritis and/or diabetes. It may also include oral contraceptives and other medications used on a year-round basis. Lastly, the state health plan benefits are governed by an agreement between the state and the State Employees' Bargaining Agent Coalition. The provisions of the bill may be in conflict with the current agreement which is in place until 2022.

The bill results in a cost to the Department of Insurance of up to \$55,000 in FY 17 for consulting costs associated with the required study.³

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation. There are no costs in the out-years for the Department of Insurance.

³ This assumes consulting cost of approximately \$75 per hour, 30 hours per week for 24 weeks.

OLR Bill Analysis**HB 5620*****AN ACT CONCERNING INSURANCE COVERAGE FOR OPIOID ANALGESICS AND REQUIRING A STUDY OF IMPEDIMENTS TO INSURANCE COVERAGE FOR SUBSTANCE USE DISORDER TREATMENTS.*****SUMMARY:**

This bill prohibits certain health insurance policies that cover prescription drugs from covering more than a 30-day supply of an opioid analgesic, whether for an initial prescription or a prescription refill. Opioid analgesics are certain pain relievers that act on the central nervous system (e.g., morphine, oxycodone).

The prohibition applies to each insurer, HMO, hospital or medical service corporation, fraternal benefit society, or other entity that delivers, issues, renews, amends, or continues in Connecticut individual or group insurance policies that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; (4) hospital or medical services, including those provided under an HMO plan; or (5) single ancillary services, such as dental, vision, or prescription drugs.

The bill also requires the insurance commissioner to study impediments to insureds receiving substance use disorder treatments under their current health insurance policies or benefit plans. She must report her findings to the Insurance and Real Estate and Public Health committees by January 31, 2017. The study must include the:

1. extent of coverage under health insurance policies or benefit plans,
2. types of treatments covered under such policies or plans,

- 3. requirements for insureds to receive covered treatment, and
- 4. cost-sharing requirements for such treatments.

EFFECTIVE DATE: January 1, 2017, except the study provisions are effective from passage.

BACKGROUND

Related Bills

sSB 129 (File 429), favorably reported by the Public Health and Insurance and Real Estate committees, requires the insurance commissioner to study and report on opioid analgesics and non-abuse deterrent opioid analgesics.

sSB 352 (File 476), reported favorably by the Public Health Committee, (1) allows opioid prescribers to issue standing orders allowing pharmacists to dispense opioid antagonists administered nasally or by auto-injection, without a patient-specific prescription, and (2) limits the circumstances in which authorized practitioners may prescribe more than a seven-day supply of opioids.

COMMITTEE ACTION

Appropriations Committee

Joint Favorable

Yea 56 Nay 0 (04/07/2016)