



Senate

General Assembly

File No. 158

February Session, 2016

Substitute Senate Bill No. 160

Senate, March 23, 2016

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 substitute bill ought to pass.

AN ACT CONCERNING PRIOR AUTHORIZATION FOR THE INTERHOSPITAL TRANSFER OF CERTAIN NEWBORN INFANTS AND THEIR MOTHERS.

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

1 Section 1. Section 38a-503c of the 2016 supplement to the general
2 statutes is amended by adding subsection (e) as follows (*Effective*
3 *January 1, 2017*):

4 (NEW) (e) No individual health insurance carrier subject to this
5 section shall require prior authorization for the interhospital transfer of
6 (1) a newborn infant experiencing a life-threatening emergency or
7 condition, or (2) the hospitalized mother of such newborn infant to
8 accompany her newborn infant.

9 Sec. 2. Section 38a-530c of the 2016 supplement to the general
10 statutes is amended by adding subsection (e) as follows (*Effective*
11 *January 1, 2017*):

12 (NEW) (e) No group insurance carrier subject to this section shall

13 require prior authorization for the interhospital transfer of (1) a
14 newborn infant experiencing a life-threatening emergency or
15 condition, or (2) the hospitalized mother of such newborn infant to
16 accompany her newborn infant.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2017</i>	38a-503c
Sec. 2	<i>January 1, 2017</i>	38a-530c

INS *Joint Favorable Subst.*

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: None

Municipal Impact:

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

Explanation

The bill does not result in a cost to the state employee and retiree health plan as (1) the plan does not currently require prior authorization for medically necessary medical transport services and (2) the bill does not change the plan’s coverage requirements. The bill does not result in a fiscal impact to self-insured municipalities who are exempt from state health mandates pursuant to federal law.

There may be a cost to fully-insured municipalities who require prior authorization for transport services outlined in the bill. The coverage requirements may result in increased premium costs when municipalities enter into new health insurance contracts after January 1, 2017. In addition, many municipal health plans are recognized as “grandfathered” health plans under the ACA.¹ It is unclear what effect the adoption of certain health mandates will have on the grandfathered status of certain municipal plans under ACA. Pursuant to federal law, self-insured health plans are exempt from state health mandates.

The Out Years

¹ Grandfathered plans include most group insurance plans and some individual health plans created or purchased on or before March 23, 2010.

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

OLR Bill Analysis**sSB 160*****AN ACT CONCERNING PRIOR AUTHORIZATION FOR THE INTERHOSPITAL TRANSFER OF CERTAIN NEWBORN INFANTS AND THEIR MOTHERS.*****SUMMARY:**

This bill prohibits health carriers (e.g., insurers and medical service corporations) from requiring preauthorization for an interhospital transfer of a newborn infant experiencing a life-threatening emergency or condition or the infant's hospitalized mother to accompany him or her.

The bill applies to insurers, health care centers (i.e., HMOs), hospital service corporations, medical service corporations, or other entities delivering, issuing, renewing, amending, or continuing individual or group health insurance policies in Connecticut 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; (5) limited benefits; or (6) accidents only. Because of the federal Employee Retirement Income Security Act (ERISA), state insurance benefit mandates do not apply to self-insured benefit plans.

EFFECTIVE DATE: January 1, 2017

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 18 Nay 0 (03/08/2016)