

Connecticut Vaccine Program: Insurance Assessment

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Issue

Provide information on the insurance assessment used to fund the Connecticut Vaccine Program.

Connecticut Vaccine Program (CVP)

The Department of Public Health (DPH) operates the CVP, which provides routine childhood vaccinations at no cost to health care providers. The program has two components: (1) a federal “Vaccines for Children” (VFC) entitlement program for eligible low-income children and (2) a state program funded by an assessment on certain health insurers and third-party administrators (TPAs) ([CGS § 19a-7f](#)). (For more information on the program, see [OLR Report 2012-R-0514](#).)

Insurance Assessment

The state-funded component of the program provides federal Centers for Disease Control and Prevention-recommended vaccines free of charge to children who are not VFC-eligible, regardless of insurance status. (Vaccines must be provided within available appropriations.) It is funded by an assessment on certain state health insurers and TPAs. Historically, the assessment applied to all domestic health and life insurers specified in law. But [PA 12-1, JSS](#) limited the assessment to those domestic health insurance companies and HMOs that cover (1) basic hospital expenses, (2) basic medical-surgical expenses, (3) major medical expenses, and (4) hospital or medical services. It also excluded life insurers from the assessment and extended the assessment to (1) licensed TPAs that provide administrative services for self-insured health benefit plans and (2) domestic insurers exempt from TPA licensure who administer self-insured health benefit plans.

Assessed insurers and TPAs must pay an annual “health and welfare” fee to the Insurance Department. The insurance commissioner calculates the fee by multiplying the number of insured or enrolled lives these entities report to the department by a factor the commissioner determines annually to fully fund the program’s appropriation. (The Office of Policy and Management generally determines the appropriation by September 1st annually in consultation with DPH.) To determine the factor, the commissioner divides the appropriation by the total number of reported lives ([CGS § 19a-7j](#)). Table 1 lists the annual timeline for the insurance assessment:

Table 1: CVP Insurance Assessment Annual Timeline

<i>Date</i>	<i>Task</i>
September 1 st	Each insurer and TPA must report to the insurance commissioner the number of insured or enrolled lives for which it is providing health insurance or administering a health benefit plan in Connecticut as of May 1 st (those who fail to do so must pay a late filing fee of \$100 per day)
November 1 st	The insurance commissioner determines the assessment amount for each insurer and TPA as described above
December 1 st	The insurance commissioner submits a statement to each insurer and TPA that includes the proposed assessment amount
February 1 st	Each insurer and TPA must pay the assessment to the insurance commissioner

The funds the Insurance Department collects are deposited into the General Fund. This allows DPH to purchase the vaccines at no cost to the state, which it does at a discount through federal government contracts.

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