



House of Representatives

General Assembly

File No. 273

January Session, 2019

House Bill No. 5521

House of Representatives, April 2, 2019

The Committee on Insurance and Real Estate reported through REP. SCANLON of the 98th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT EXPANDING REQUIRED HEALTH INSURANCE COVERAGE FOR PREEXISTING CONDITIONS.

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

1 Section 1. Section 38a-476 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective January 1, 2020*):

3 (a) For the purposes of this section:

4 (1) "Health insurance plan" means any hospital and medical expense
5 incurred policy, hospital or medical service plan contract and health
6 care center subscriber contract. "Health insurance plan" does not
7 include (A) [short-term health insurance issued on a nonrenewable
8 basis with a duration of six months or less,] accident only, credit,
9 dental, vision, Medicare supplement, long-term care or disability
10 insurance, hospital indemnity coverage, coverage issued as a
11 supplement to liability insurance, insurance arising out of a workers'
12 compensation or similar law, automobile medical payments insurance,
13 or insurance under which beneficiaries are payable without regard to

14 fault and which is statutorily required to be contained in any liability
15 insurance policy or equivalent self-insurance, or (B) policies of
16 specified disease or limited benefit health insurance, provided the
17 carrier offering such policies files on or before March first of each year
18 a certification with the Insurance Commissioner that contains the
19 following: (i) A statement from the carrier certifying that such policies
20 are being offered and marketed as supplemental health insurance and
21 not as a substitute for hospital or medical expense insurance; (ii) a
22 summary description of each such policy including the average annual
23 premium rates, or range of premium rates in cases where premiums
24 vary by age, gender or other factors, charged for such policies in the
25 state; and (iii) in the case of a policy that is described in this
26 subparagraph and that is offered for the first time in this state on or
27 after October 1, 1993, the carrier files with the commissioner the
28 information and statement required in this subparagraph at least thirty
29 days prior to the date such policy is issued or delivered in this state.

30 (2) "Insurance arrangement" means any "multiple employer welfare
31 arrangement", as defined in Section 3 of the Employee Retirement
32 Income Security Act of 1974, as amended from time to time, except for
33 any such arrangement that is fully insured within the meaning of
34 Section 514(b)(6) of said act, as amended from time to time.

35 (3) "Preexisting conditions provision" means a policy provision that
36 limits or excludes benefits relating to a condition based on the fact that
37 the condition was present before the effective date of coverage, [for
38 which] whether or not any medical advice, diagnosis, care or treatment
39 was recommended or received before such effective date. [Routine
40 follow-up care to determine whether a breast cancer has reoccurred in
41 a person who has been previously determined to be breast cancer free
42 shall not be considered as medical advice, diagnosis, care or treatment
43 for purposes of this section unless evidence of breast cancer is found
44 during or as a result of such follow-up.] Genetic information shall not
45 be treated as a condition in the absence of a diagnosis of the condition
46 related to such information. Pregnancy shall not be considered a
47 preexisting condition.

48 (4) "Applicable waiting period" means the period of time imposed
49 by the group policyholder or contractholder before an individual is
50 eligible for participating in the group policy or contract.

51 (b) (1) No group health insurance plan or insurance arrangement
52 shall impose a preexisting conditions provision on any individual.

53 (2) No individual health insurance plan or insurance arrangement
54 shall impose a preexisting conditions provision on any individual.

55 (3) No insurance company, fraternal benefit society, hospital service
56 corporation, medical service corporation or health care center shall
57 refuse to issue an individual health insurance plan or insurance
58 arrangement to any individual solely on the basis that such individual
59 has a preexisting condition.

60 [(c) (1) Notwithstanding the provisions of subsection (a) of this
61 section, a short-term health insurance policy issued on a nonrenewable
62 basis for six months or less that imposes a preexisting conditions
63 provision shall be subject to the following conditions: (A) No such
64 preexisting conditions provision shall exclude coverage beyond twelve
65 months following the insured's effective date of coverage; (B) such
66 preexisting conditions provision may only relate to conditions,
67 whether physical or mental, for which medical advice, diagnosis, care
68 or treatment was recommended or received during the twenty-four
69 months immediately preceding the effective date of coverage; and (C)
70 any policy, application or sales brochure issued for such short-term
71 health insurance policy that imposes such preexisting conditions
72 provision shall disclose in a conspicuous manner in not less than
73 fourteen-point boldface type the following statement:

74 "THIS POLICY EXCLUDES COVERAGE FOR CONDITIONS FOR WHICH MEDICAL ADVICE, DIAGNOSIS, CARE OR TREATMENT
75 WHICH MEDICAL ADVICE, DIAGNOSIS, CARE OR TREATMENT
76 WAS RECOMMENDED OR RECEIVED DURING THE TWENTY-
77 FOUR MONTHS IMMEDIATELY PRECEDING THE EFFECTIVE
78 DATE OF COVERAGE."

79 (2) In the event an insurer or health care center issues two
80 consecutive short-term health insurance policies on a nonrenewable
81 basis for six months or less that impose a preexisting conditions
82 provision to the same individual, the insurer or health care center shall
83 reduce the preexisting conditions exclusion period in the second policy
84 by the period of time such individual was covered under the first
85 policy. If the same insurer or health care center issues a third or
86 subsequent such short-term health insurance policy to the same
87 individual, such insurer or health care center shall reduce the
88 preexisting conditions exclusion period in the third or subsequent
89 policy by the cumulative time covered under the prior policies.
90 Nothing in this section shall be construed to require such short-term
91 health insurance policy to be issued on a guaranteed issue or
92 guaranteed renewable basis.]

93 Sec. 2. Section 38a-503a of the general statutes is repealed. (*Effective*
94 *January 1, 2020*)

95 Sec. 3. Section 38a-530a of the general statutes is repealed. (*Effective*
96 *January 1, 2020*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2020</i>	38a-476
Sec. 2	<i>January 1, 2020</i>	Repealer section
Sec. 3	<i>January 1, 2020</i>	Repealer section

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.

OFA Fiscal Note**State Impact:** None**Municipal Impact:** None**Explanation**

The bill does not result in a fiscal impact to the State or municipalities as the bill codifies current law.

The Out Years**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis**HB 5521*****AN ACT EXPANDING REQUIRED HEALTH INSURANCE COVERAGE FOR PREEXISTING CONDITIONS.*****SUMMARY**

This bill prohibits short-term health insurance policies issued on a nonrenewable basis for a term of six months or less from containing a preexisting condition provision. The law already prohibits other individual and group health insurance policies and HMO contracts from imposing a preexisting condition provision. A preexisting condition provision limits or excludes coverage for preexisting conditions.

The bill redefines the term “preexisting condition provision” to include preexisting conditions whether or not medical advice, diagnosis, care, or treatment was recommended or received before the coverage effective date. Current law limits the provision to preexisting conditions for which medical advice, diagnosis, care, or treatment was recommended or received.

Lastly, the bill repeals provisions that mandate coverage for breast cancer survivors, which are rendered unnecessary due to the change in the definition of preexisting condition provision.

EFFECTIVE DATE: January 1, 2020

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 18 Nay 1 (03/14/2019)