



House of Representatives

General Assembly

File No. 281

January Session, 2019

House Bill No. 6095

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 CONCERNING REQUIRED HEALTH INSURANCE
COVERAGE FOR DETOXIFICATION AND SUBSTANCE ABUSE
SERVICES.***

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

1 Section 1. Section 38a-492p of the general statutes is repealed and
2 the following is substituted in lieu thereof (*Effective January 1, 2020*):

3 Each insurance company, hospital service corporation, medical
4 service corporation, health care center, fraternal benefit society or other
5 entity that delivers, issues for delivery, renews, amends or continues in
6 this state an individual health insurance policy providing coverage of
7 the type specified in subdivision (1), (2), (4), (11) or (12) of section 38a-
8 469 that provides coverage to an insured or enrollee who has been
9 diagnosed with a substance use disorder, as described in section 17a-
10 458, shall cover: [medically necessary, medically monitored inpatient
11 detoxification services and medically necessary, medically managed
12 intensive inpatient detoxification services provided to the insured or
13 enrollee. For purposes of this section, "medically monitored inpatient

14 detoxification" and "medically managed intensive inpatient
15 detoxification" have the same meanings as described in the most recent
16 edition of the American Society of Addiction Medicine Treatment
17 Criteria for Addictive, Substance-Related and Co-Occurring
18 Conditions.]

19 (1) Family counseling and intervention services for the insured or
20 enrollee;

21 (2) Not more than seven days of inpatient hospital or nonhospital
22 detoxification services per admission for the insured or enrollee; and

23 (3) Not fewer than:

24 (A) Four admissions for inpatient hospital or nonhospital
25 detoxification services for the insured or enrollee during such insured's
26 or enrollee's lifetime;

27 (B) Thirty days of substance abuse services rendered to the insured
28 or enrollee at a residential treatment facility during any year;

29 (C) Ninety days of substance abuse services rendered to the insured
30 or enrollee at a residential treatment facility during such insured's or
31 enrollee's lifetime;

32 (D) Thirty sessions of outpatient or partial hospitalization substance
33 abuse services for the insured or enrollee during any year;

34 (E) One hundred twenty sessions of outpatient or partial
35 hospitalization substance abuse services for the insured or enrollee
36 during such insured's or enrollee's lifetime; and

37 (F) Thirty additional sessions of outpatient or partial hospitalization
38 substance abuse services for the insured or enrollee during such
39 insured's or enrollee's lifetime, which such insured or enrollee may
40 exchange on a two-to-one basis to obtain fifteen additional days of
41 nonhospital substance abuse services rendered to such insured or
42 enrollee at a residential treatment facility during such insured's or

43 enrollee's lifetime.

44 Sec. 2. Section 38a-518p of the general statutes is repealed and the
45 following is substituted in lieu thereof (*Effective January 1, 2020*):

46 Each insurance company, hospital service corporation, medical
47 service corporation, health care center, fraternal benefit society or other
48 entity that delivers, issues for delivery, renews, amends or continues in
49 this state a group health insurance policy providing coverage of the
50 type specified in subdivision (1), (2), (4), (11) or (12) of section 38a-469
51 that provides coverage to an insured or enrollee who has been
52 diagnosed with a substance use disorder, as described in section 17a-
53 458, shall cover: [medically necessary, medically monitored inpatient
54 detoxification services and medically necessary, medically managed
55 intensive inpatient detoxification services provided to the insured or
56 enrollee. For purposes of this section, "medically monitored inpatient
57 detoxification" and "medically managed intensive inpatient
58 detoxification" have the same meanings as described in the most recent
59 edition of the American Society of Addiction Medicine Treatment
60 Criteria for Addictive, Substance-Related and Co-Occurring
61 Conditions.]

62 (1) Family counseling and intervention services for the insured or
63 enrollee;

64 (2) Not more than seven days of inpatient hospital or nonhospital
65 detoxification services per admission for the insured or enrollee; and

66 (3) Not fewer than:

67 (A) Four admissions for inpatient hospital or nonhospital
68 detoxification services for the insured or enrollee during such insured's
69 or enrollee's lifetime;

70 (B) Thirty days of substance abuse services rendered to the insured
71 or enrollee at a residential treatment facility during any year;

72 (C) Ninety days of substance abuse services rendered to the insured

73 or enrollee at a residential treatment facility during such insured's or
74 enrollee's lifetime;

75 (D) Thirty sessions of outpatient or partial hospitalization substance
76 abuse services for the insured or enrollee during any year;

77 (E) One hundred twenty sessions of outpatient or partial
78 hospitalization substance abuse services for the insured or enrollee
79 during such insured's or enrollee's lifetime; and

80 (F) Thirty additional sessions of outpatient or partial hospitalization
81 substance abuse services for the insured or enrollee during such
82 insured's or enrollee's lifetime, which such insured or enrollee may
83 exchange on a two-to-one basis to obtain fifteen additional days of
84 nonhospital substance abuse services rendered to such insured or
85 enrollee at a residential treatment facility during such insured's or
86 enrollee's lifetime.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2020	38a-492p
Sec. 2	January 1, 2020	38a-518p

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:

Agency Affected	Fund-Effect	FY 20 \$	FY 21 \$
State Comptroller - Fringe Benefits	GF&TF - Potential Cost	See Below	See Below

Note: GF&TF=General Fund & Transportation Fund

Municipal Impact:

Municipalities	Effect	FY 20 \$	FY 21 \$
Various Municipalities	STATE MANDATE ¹ - Potential Cost	See Below	See Below

Explanation

The bill will result in a cost to the state employee and retiree health plan and fully-insured municipal health plans to the extent the elimination of the medical necessity requirement for inpatient and outpatient substance abuse and detoxification services outlined in the bill increases the utilization of services for covered members. The state employee and retiree health plan currently provides coverage for the specified services in the bill based on a determination of medical necessity. Based on the most recent data available, the state employee and retiree health plan spent approximately \$6.8 million on substance abuse services.² The cost to fully insured municipal plans will be reflected in premiums for policy years beginning on and after January

¹ State mandate is defined in Sec. 2-32b(2) of the Connecticut General Statutes, "state mandate" means any state initiated constitutional, statutory or executive action that requires a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

² Source: Office of the State Comptroller

1, 2020 and be based on the risk profile of the covered members. Pursuant to federal law, self-insured plans are exempt from state health insurance mandates.³ It is unclear what impact the lifetime limits will have on services and if they are preempted by preexisting coverage provisions.

In addition, many municipal health plans are recognized as “grandfathered” health plans under the Affordable Care Act (ACA).⁴ It is unclear what effect the adoption of certain health mandates will have on the grandfathered status of certain municipal plans under ACA.

The Out Years

The annualized ongoing fiscal impact identified above will continue into the future based on the utilization of services and for fully-insured municipalities, will be reflected in future premiums.

³ The state employee and retiree health plan is a self-insured plan. However, historically the plan has adopted all health insurance mandates.

⁴ Grandfathered plans include most group insurance plans and some individual health plans created or purchased on or before March 23, 2010.

OLR Bill Analysis**HB 6095*****AN ACT CONCERNING REQUIRED HEALTH INSURANCE COVERAGE FOR DETOXIFICATION AND SUBSTANCE ABUSE SERVICES.*****SUMMARY**

This bill replaces current law's required health insurance coverage of medically necessary, medically monitored inpatient and intensive inpatient detoxification services (see BACKGROUND) with a specific list of substance use disorder treatments that includes family counseling, inpatient hospital detoxification services, and services at a residential treatment facility.

The bill applies to individual and group health insurance policies delivered, issued, renewed, amended, or continued in Connecticut that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; or (4) hospital or medical services, including those provided under an HMO plan. 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, 2020

SUBSTANCE USE DISORDER INSURANCE COVERAGE

Under the bill, for individuals diagnosed with a substance use disorder, applicable individual and group health insurance policies must cover family counseling and intervention services and seven or fewer days of inpatient hospital or nonhospital detoxification services per admission. Policies must also cover at least:

1. four inpatient hospital or nonhospital admissions for detoxification services over the covered individual's lifetime;

2. 30 days of substance abuse services at a residential treatment facility per year and 90 days per lifetime; and
3. 30 sessions of outpatient or partial hospitalization substance abuse services per year and 120 sessions per lifetime; and

The bill also requires policies to cover 30 additional sessions of outpatient or partial hospitalization substance abuse services over the individual's lifetime, which an insured may exchange on a two-for-one basis for 15 additional days of nonhospital substance abuse services at a residential treatment facility.

BACKGROUND

Medically Monitored Inpatient and Intensive Inpatient Detoxification Services

Medically monitored inpatient detoxification services, currently referred to by the American Society of Addiction Medicine as "withdrawal management" services, generally consist of care in a permanent facility with inpatient beds for patients whose withdrawal symptoms require at least a 24-hour evaluation. Intensive withdrawal management services are provided in an acute care inpatient setting to an individual whose withdrawal symptoms require primary medical and nursing care services.

Related Bill

sHB 7125, favorably reported by the Insurance and Real Estate Committee, among other things, requires insurers covering prescription drugs to cover drugs used to treat substance use disorder and prohibits insurers from applying nonquantitative treatment limitations to substance use disorder benefits, unless the policy also applies the limitations to medical and surgical benefits.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 19 Nay 0 (03/14/2019)