



# Senate

General Assembly

**File No. 304**

January Session, 2019

Senate Bill No. 15

*Senate, April 2, 2019*

The Committee on Insurance and Real Estate reported through SEN. LESSER of the 9th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

## **AN ACT REQUIRING HEALTH INSURANCE COVERAGE FOR MOTORIZED WHEELCHAIRS.**

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

1 Section 1. (NEW) (*Effective January 1, 2020*) Each individual health  
2 insurance policy providing coverage of the type specified in  
3 subdivisions (1), (2), (4), (11) and (12) of section 38a-469 of the general  
4 statutes delivered, issued for delivery, renewed, amended or  
5 continued in this state on or after January 1, 2020, shall provide  
6 coverage for: (1) Motorized wheelchairs, including, but not limited to,  
7 used motorized wheelchairs; (2) repairs to motorized wheelchairs; and  
8 (3) replacement batteries for motorized wheelchairs.

9 Sec. 2. (NEW) (*Effective January 1, 2020*) Each group health insurance  
10 policy providing coverage of the type specified in subdivisions (1), (2),  
11 (4), (11) and (12) of section 38a-469 of the general statutes delivered,  
12 issued for delivery, renewed, amended or continued in this state on or  
13 after January 1, 2020, shall provide coverage for: (1) Motorized  
14 wheelchairs, including, but not limited to, used motorized

15 wheelchairs; (2) repairs to motorized wheelchairs; and (3) replacement  
16 batteries for motorized wheelchairs.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2020</i>	New section
Sec. 2	<i>January 1, 2020</i>	New 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:**

Agency Affected	Fund-Effect	FY 20 \$	FY 21 \$
State (ACA Mandate)	Potential Cost	See Below	See Below

**Municipal Impact:**

Municipalities	Effect	FY 20 \$	FY 21 \$
Various Municipalities	STATE MANDATE <sup>1</sup> - Cost	See Below	See Below

**Explanation**

The bill does not result in a cost to the state employee and retiree health plan as the plan currently provides coverage for wheelchairs under the durable medical equipment (DME) benefit at 100% for in-network and 20% coinsurance for out-of-network. Prior Authorization is required for wheelchairs or repairs costing in excess of \$500. In calendar year 2018, the state employee and retiree health plan spent approximately \$250,000 on wheel chairs and repairs.

There will be an impact to fully-insured municipal plans that do not provide the coverage required in the bill. The impact will be reflected in premiums for policy years beginning on and after January 1, 2020. Based on industry data, the cost for manual wheel chairs can range from \$500 - \$2,000 and the cost for motorized wheel chairs can range

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<sup>1</sup> 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.

from \$1,200 to an average of approximately \$7,000. Batteries and replacement parts for motorized wheelchairs range from \$70 to \$500 depending on the chair.<sup>2</sup> Pursuant to federal law, self-insured plans are exempt from state health insurance mandates.

In addition, many municipal health plans are recognized as “grandfathered” health plans under the Affordable Care Act (ACA).<sup>3</sup> It is unclear what effect the adoption of certain health mandates will have on the grandfathered status of certain municipal plans under ACA.

Lastly, the bill may result in a cost to the state pursuant to the ACA, to the extent the provisions of the bill are interpreted as an expansion of the current wheelchair benefit included in the state’s benchmark plan.<sup>4</sup> The cost will depend on the utilization and cost of motorized wheelchairs for exchange plans. While states are allowed to mandate benefits in excess of the essential health benefits (EHB), federal law requires the state to defray the cost of any such additional mandated benefits for all plans sold in the exchange, by reimbursing the carrier or the insured for the excess coverage. Absent further federal guidance, state mandated benefits enacted after December 31, 2011 cannot be considered part of the EHB unless they are already part of the benchmark plan.

### ***The Out Years***

The fiscal impact described above will continue into the future based on whether or not the coverage requirements of the bill are considered mandates pursuant to the ACA and the experience of exchange plan members. The impact to fully insured municipal plans

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<sup>2</sup> Source: <https://health.costhelper.com/wheelchair.html>

<sup>3</sup> Grandfathered plans include most group insurance plans and some individual health plans created or purchased on or before March 23, 2010.

<sup>4</sup> The state exchange’s benchmark plan, the Connecticare Flex POS Plan provides coverage for wheelchairs pursuant to prior authorization. The plan document does not specify whether there is a distinction between manual and motorized wheelchairs. (Source: Connecticare HMO Open Access Member Agreement <https://portal.ct.gov/-/media/CID/benchmarkplancontractpdf.pdf?la=en>)

will be reflected in plan premiums.

**OLR Bill Analysis****SB 15*****AN ACT REQUIRING HEALTH INSURANCE COVERAGE FOR  
MOTORIZED WHEELCHAIRS.*****SUMMARY**

This bill requires certain health insurance policies to cover new and used motorized wheelchairs, including repairs and replacement batteries. 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 such as the ones established in this bill do not apply to self-insured benefit plans.

EFFECTIVE DATE: January 1, 2020

**COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable

Yea 20 Nay 0 (03/14/2019)