

OFFICE OF FISCAL ANALYSIS

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HB-5013

AN ACT CONCERNING MANDATED HEALTH INSURANCE
BENEFIT REVIEW.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Insurance Dept.	IF - Indeterminate	Potential	Potential

Note: IF=Insurance Fund

Municipal Impact: None

Explanation

The bill may result in a change in costs and an equally sized change in revenue to the Insurance Department (DOI) associated with the Health Benefit Review Program (HBRP). Unchanged by the bill, costs of the program are reimbursed by domestic carriers, so there is no anticipated net fiscal impact to the state.

To the extent that the bill's modifications to the mandate process result in more or more frequent referrals to the HBRP, DOI will incur more contract costs to analyze the mandate proposals. The most recent review was conducted in FY 15 at a cost of \$536,029.

On a per-review basis, the bill's provisions are likely to result in savings compared to current law. Specifically, limits to the number and type of mandates, changes to the criteria that must be evaluated, and the potential for competitive bidding may result in contract cost savings when reviews are conducted.

The Out Years

Primary Analyst: MP
Contributing Analyst(s):

4/5/21

The annualized ongoing fiscal impact identified above would continue into the future.

Sources: Connecticut Insurance Department