



Connecticut Health Insurance Reform 2016-2021

From 2016 to 2021, the Connecticut legislature passed several significant commercial health insurance reforms. Generally, these reforms focused on four different areas: benefits, out-of-pocket costs, prescription drugs, and consumer protections, as described below. Not all of these laws apply to all health insurance policies; see the linked public act summaries for full details.

Additionally, the legislature enacted several laws specific to dental and vision insurance policies, as described below. In practice, these policies may be excluded from other health insurance reforms.

Benefits. Several laws established new benefit mandates or expanded existing ones. A benefit mandate is a requirement that a fully-insured commercial health insurance policy or plan cover a specified benefit or service. Although state benefit mandates do not generally apply to self-funded health plans, in practice the state employee health insurance plan typically adopts them. New or expanded benefit mandates included the following:

- Diabetes screening, drugs, and devices, including emergency insulin and supplies ([PA 20-4, JSS, §§ 13 & 14](#))
- Essential health benefits and preventive health services ([PA 18-10](#))
- Hearing aids ([PA 19-133](#))
- Immunization consultations ([PA 21-6, §§ 10 & 11](#))
- Infertility coverage ([PA 17-55](#))
- Interhospital transfers during newborn emergencies (prior authorization prohibited) ([PA 16-162](#))
- Mammograms and tomosynthesis ([PA 16-82, PA 18-159, PA 19-117, §§ 209 & 210](#))
- Medically necessary emergency services ([PA 19-117, § 246](#))
- Mental health and substance use disorder benefits (nonquantitative treatment limitations) ([PA 19-159](#))
- Opioid antagonists (prior authorization prohibited) ([PA 16-43, §§ 2 & 3](#))
- Prosthetic devices and repairs ([PA 18-69](#))
- Substance use disorder treatments ([PA 17-131, §§ 8 & 9, PA 17-157](#))
- Step-therapy restrictions ([PA 17-228](#))
- Telehealth ([PA 20-2, JSS, §§ 3-5, PA 21-9](#))
- Terminally ill patients' right-to-try experimental drugs ([PA 16-214](#))

Out-of-Pocket Costs. Over the past several years, states have considered reforms that limit out-of-pocket costs for health services and prescription drugs. While this does not necessarily decrease the overall cost of providing health care, it does minimize the cost to the consumer by limiting their cost-sharing (i.e., copayments, coinsurance, or deductibles). (In practice, this may spread the cost across all covered individuals' premiums.) In Connecticut, the legislature established the maximum cost sharing a health carrier can impose on insureds ([PA 19-117, §§ 236 & 237](#)). Under this law, a health carrier cannot charge more than the greatest of (1) the amount it paid to the healthcare provider, (2) an amount based on how much the provider charges, or (3) the amount an uninsured patient would pay.

The legislature also addressed out-of-pocket costs for the following:

- Diabetes and emergency insulin and supplies ([PA 20-4, JSS, §§ 13 & 14](#))
- Essential health benefits and preventive services ([PA 18-10](#))
- Mammograms, ultrasounds, and breast MRIs ([PA 19-117, §§ 209 & 210](#))
- Surprise bills ([PA 19-117, § 240](#))

Consumer Protections. Other consumer protections enacted since 2016 include:

- Establishing pregnancy as a qualifying event ([PA 18-43](#))
- Health care coverage identification card disclosures ([PA 21-2, JSS, § 313](#))
- Limiting preexisting conditions for short term health insurance ([PA 19-134](#))
- Optional explanation of benefits ([PA 21-22](#))
- Pharmacy and health carrier disclosure laws ([PA 17-241, §§ 1 & 3, PA 19-117, § 238](#))
- Prescription drug formulary changes ([PA 21-96](#))
- Prohibiting copay accumulator programs ([PA 21-14](#))
- Protections for domestic violence victims ([PA 21-93, §§ 1-3](#))
- Provider network change notification requirements ([PA 18-115](#))
- Psychotropic drug protections ([PA 21-125](#))
- Restricting use of genetic testing results ([PA 21-137, §§ 1-3](#))

Prescription Drugs. In addition to the out-of-pocket cost-control measures described above, the legislature also sought to address the rising cost of prescription drugs. Among other things, they established a system for health carriers and pharmacy benefit managers to report on drug cost, utilization, and rebates, including for drugs with substantial cost to the state ([PA 18-41](#)).

Dental and Vision Policies. Stand-alone dental and vision policies are regulated as health insurance, but in practice, not all the laws described in this report apply to them. In recent years, the legislature enacted reforms specific to dental and vision policies, including the following:

- Requiring them to continue coverage for a child at least until they turn 26 ([PA 21-149](#))
- Requiring health carriers that change dental provider contracts to disclose certain information ([PA 21-2, JSS, § 83](#))
- Restricted when third parties can access dental networks and contracts ([PA 21-187](#))
- Expanded network adequacy laws to dental and vision carriers ([PA 17-198, § 31](#))

Covered Connecticut and Other Health Insurance Expansions

In addition to the reforms discussed above, the legislature established several programs to expand access to health insurance. For example, the Covered Connecticut program ([PA 21-2, JSS, §§ 15-19](#)) provides free health insurance to certain income-eligible individuals, and [PA 19-117, §§ 377-383](#), allows the comptroller to offer health care plans to non-state public employers. Another law makes the Birth-to-Three program free for eligible families, including requiring health insurance to cover certain intervention services ([PA 21-46, §§ 24 & 28](#) and [PA 21-2, JSS, §§ 419-421](#)).

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“OLR Backgrounder: State-Mandated Health Insurance Benefits,” [2020-R-0258](#)

“ERISA, Self-Insured Benefit Plans, and State Insurance Mandates,” [2020-R-0214](#)

“Insurance Coverage for Telehealth Services,” [2021-R-0199](#)

Connecticut Health Insurance Reform Proposals, [2020-R-0271](#)

