



**PA 21-22—sHB 6389**

*Insurance and Real Estate Committee*

## **AN ACT CONCERNING EXPLANATIONS OF BENEFITS**

**SUMMARY:** This act requires certain health insurance carriers and their third-party administrators (TPAs) to (1) provide an explanation of benefits (EOBs) to covered individuals for benefits they receive and (2) allow covered individuals, who may legally consent to receive covered medical services, to make a specific written selection about whether and how to receive the EOBs (see BACKGROUND). The act requires health insurance carriers and TPAs to disclose EOB delivery options to covered individuals in plain language, and display or print them clearly and conspicuously in all coverage documents, privacy communications, EOBs, and Internet websites made available to Connecticut consumers.

It prohibits a health insurance carrier from requiring a covered individual to waive his or her right to limit disclosure under the act as a precondition to issuing, delivering, renewing, amending, or continuing a policy. The act specifies that it does not limit a covered individual's or policy holder's ability to request an adverse determination review.

The act applies to insurers, health care centers (i.e., HMOs), hospital and medical service corporations, fraternal benefit societies, and any other entity that delivers, issues, renews, amends, or continues a health insurance policy in Connecticut (i.e., "health insurance carriers") 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. It also applies to TPAs providing services to these health insurance carriers.

It also makes conforming and technical changes.

EFFECTIVE DATE: January 1, 2023

## **EXPLANATION OF BENEFITS (EOBs)**

### *Delivery Method*

The act requires health insurance carriers and TPAs to issue EOBs to consumers, but it also allows covered individuals who may legally consent to receiving covered services to (1) specify how EOBs are delivered or (2) opt out of receiving them entirely.

Health insurance carriers and TPAs must allow a legally consenting consumer who is a covered individual to specify in writing that EOBs must be delivered solely to him or her by:

1. mailing it to his or her address or any other specified address or
2. making it available electronically and notifying him or her electronically

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of its availability, including by e-mail or other electronic means, in compliance with certain federal privacy laws (e.g., through a patient portal).

Under the act, the consumer's choice remains valid until he or she specifies another method in writing to the carrier. The health insurance carrier or TPA must comply with a consumer's written request for a specific delivery method within three business days after receiving it. Additionally, it must provide written confirmation of receipt and, if contacted by the consumer, advise on the status of his or her selection.

### *Opting Out*

Covered individuals who can legally consent to benefits may specify, in writing, that the health insurance carrier or TPA not issue an EOB. In such a case, the carrier or TPA cannot require the covered individual to explain this decision unless required by law or pursuant to a court order.

### *Disclosures*

Additionally, the act requires health insurance carriers and TPAs to make available to consumers a statement disclosing that any covered individual who can legally consent to receiving covered benefits may specify that the carrier (1) not issue EOBs concerning him or her or (2) issue them only to the consumer using the method he or she chooses.

The statement must be in an easily readable, accessible, and understandable format and include a space for the consumer to provide a mailing or email address.

Under the act, the disclosure statement described above must be included in the benefits information that carriers must provide upon enrollment and that both carriers and the Connecticut Health Insurance Exchange (Access Health CT) must make available on their websites.

## BACKGROUND

### *Medical Consent*

Generally, adults may legally consent to medical procedures. By law, a minor may legally receive certain medical examinations or treatment without his or her parent's consent, including sexually transmitted disease testing (CGS § 19a-216) and alcohol or drug dependence treatment (CGS § 17a-688).