

Insurance and Real Estate Committee

JOINT FAVORABLE REPORT

Bill No.: HB-6711

Title: AN ACT CONCERNING MANDATED HEALTH INSURANCE BENEFIT REVIEW.

Vote Date: 3/14/2023

Vote Action: Joint Favorable Substitute

PH Date: 2/23/2023

File No.:

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SPONSORS OF BILL:

Insurance and Real Estate Committee

REASONS FOR BILL:

This bill would direct the Insurance Commissioner and Executive director of the Office of Health Strategy to submit a mandated health benefit review report. The goal of the report is to assess each health benefit mandate and evaluate the quality and cost impact of each mandate. This is a response to the increasing price of healthcare due to additional health benefit mandates.

SUBSTITUTE LANGUAGE:

The substitute language of this bill makes several technical changes including a change in (b)(1), where mandated health benefits “considered” by the committee is changed to any mandated health benefit that “receives a public hearing”. (a)(5) including the state employee plan and the state employee plan is defined in (a)(7). There is also new language in subsection (c) that requires the Insurance Committee to submit a list of proposed mandated health benefits that received a public hearing to the Insurance Department and OHS within seven days following such public hearing; New language in Subsection (d) that requires the Insurance Department, in consultation with OHS, to submit a report by April 15 of each mandated health benefit that received a public hearing; New language in subsection (e) that allows the Insurance Committee to hold an informational hearing regarding the Insurance Department’s mandated health benefit report.

RESPONSE FROM ADMINISTRATION/AGENCY:

Office of the Healthcare Advocate, Healthcare Advocate, Ted Doolittle: Neither supports or opposes this bill and states that it is important for healthcare costs to be tracked. However,

the financial impact must track the mandates actual cost. It is recommended that the General Assembly “amend the proposal to require the regulators administrating the program to consider the plans already covering a newly mandated service in determining the mandate’s actual cost.”

NATURE AND SOURCES OF SUPPORT:

Connecticut Association of Health Plans, Executive Director, Susan Halpin: states that this bill would provide needed oversight to health benefits mandates before they are enacted and would lower healthcare costs by reducing future unnecessary mandates. It proposes to require fiscal notes for benefit mandates.

Connecticut Business & Industry Association, Assistant Counsel, Wyatt Bosworth: states that this bill would help prevent health benefit mandates from increasing health insurance costs for small businesses. It then stated that there has not been a mandate benefit review since 2014 and this bill would fix that by requiring a cost-benefit report for all proposed health benefit mandates. It suggests amending the bill to require the cost-benefit report to be completed prior to the bill being voted joint favorable and for a cost-benefit report to be filled for all pre-existing health benefit mandates.

Pharmaceutical Care Management Association, Director State Affairs, Sam Hallemeier: states that this bill will allow a competitive market which would decrease the cost of drug prices and healthcare premiums. It further states that “mandates prevent payers from effectively managing high drug prices”.

NATURE AND SOURCES OF OPPOSITION:

American Cancer Society Cancer Action Network, Connecticut Government Relations Director, Bryte Johnson: states that this bill would not value effectiveness of the health mandates under review and will create “artificial delays of at least a year”. It further states that this bill will complicate efforts to ensure people have the healthcare they need, like cancer related health benefits that save lives and long-term health costs.

Connecticut Citizen Action Group, Executive Director, Tom Swan: states that this legislation treats health care like a commodity and suggests changing the bill’s language to review health care industries executive compensation, consolidation of provider practices, health care corporations’ stock buybacks, and the amount spent by the health care industry on lobbying and its impact on government.

Reported by: Nadia Krill

Date: 3/30/2023