



General Assembly

January Session, 2023

Raised Bill No. 6711

LCO No. 4214



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT CONCERNING MANDATED HEALTH INSURANCE BENEFIT REVIEW.

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

1 Section 1. Section 38a-21 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2023*):

3 (a) As used in this section:

4 (1) "Commissioner" means the Insurance Commissioner.

5 (2) "Exchange" has the same meaning as provided in section 38a-1080.

6 (3) "Executive director" means the executive director of the Office of
7 Health Strategy.

8 (4) "Health carrier" has the same meaning as provided in section 38a-
9 1080.

10 [(2)] (5) "Mandated health benefit" means [an existing statutory
11 obligation of, or] proposed legislation that would require [,] an insurer,
12 health care center, hospital service corporation, medical service

13 corporation, fraternal benefit society or other entity that offers
14 individual or group health insurance or medical or health care benefits
15 plan in this state, or a health carrier that offers a qualified health plan
16 through the exchange, to [:(A) Permit an insured or enrollee to obtain
17 health care treatment or services from a particular type of health care
18 provider; (B) offer or provide coverage for the screening, diagnosis or
19 treatment of a particular disease or condition; or (C)] offer or provide
20 coverage for a particular type of health care treatment or service, or for
21 medical equipment, medical supplies or drugs used in connection with
22 a health care treatment or service. ["Mandated health benefit" includes
23 any proposed legislation to expand or repeal an existing statutory
24 obligation relating to health insurance coverage or medical benefits.]

25 (6) "Qualified health plan" has the same meaning as provided in
26 section 38a-1080.

27 (b) (1) There is established within the Insurance Department a health
28 benefit review program for the review and evaluation of any mandated
29 health benefit that is [requested] considered by the joint standing
30 committee of the General Assembly having cognizance of matters
31 relating to insurance. Such program shall be funded by the Insurance
32 Fund established under section 38a-52a. The commissioner shall be
33 authorized to make assessments in a manner consistent with the
34 provisions of chapter 698 for the costs of carrying out the requirements
35 of this section. Such assessments shall be in addition to any other taxes,
36 fees and moneys otherwise payable to the state. The commissioner shall
37 deposit all payments made under this section with the State Treasurer.
38 The moneys deposited shall be credited to the Insurance Fund and shall
39 be accounted for as expenses recovered from insurance companies. Such
40 moneys shall be expended by the commissioner to carry out the
41 provisions of this section and section 2 of public act 09-179.

42 (2) The commissioner [shall] may contract with The University of
43 Connecticut Center for Public Health and Health Policy or an actuarial
44 accounting firm to conduct [any] each annual mandated health benefit
45 review [requested] required pursuant to subsection [(c)] (d) of this

46 section. The director of said center may engage the services of an
47 actuary, quality improvement clearinghouse, health policy research
48 organization or any other independent expert, and may engage or
49 consult with any dean, faculty or other personnel said director deems
50 appropriate within The University of Connecticut schools and colleges,
51 including, but not limited to, The University of Connecticut (A) School
52 of Business, (B) School of Dental Medicine, (C) School of Law, (D) School
53 of Medicine, and (E) School of Pharmacy.

54 [(c) Not later than August first of each year, the joint standing
55 committee of the General Assembly having cognizance of matters
56 relating to insurance shall submit to the commissioner a list of any
57 mandated health benefits for which said committee is requesting a
58 review. Not later than January first of the succeeding year, the
59 commissioner shall submit a report, in accordance with section 11-4a, of
60 the findings of such review and the information set forth in subsection
61 (d) of this section.

62 (d) The review report shall include at least the following, to the extent
63 information is available:

64 (1) The social impact of mandating the benefit, including:]

65 (c) During a regular session of the General Assembly, the joint
66 standing committee of the General Assembly having cognizance of
67 matters relating to insurance shall submit to the commissioner and the
68 executive director a list that includes each mandated health benefit
69 considered during the current regular session.

70 (d) Not later than January 1, 2025, and each January first thereafter,
71 the commissioner, in consultation with the executive director, shall
72 submit a mandated health benefit review report, in accordance with
73 section 11-4a, to the joint standing committee of the General Assembly
74 having cognizance of matters relating to insurance. Such report shall
75 provide an assessment of each health benefit mandate included in the
76 list provided pursuant to subsection (c) of this section. Such report shall
77 include an evaluation of the quality and cost impacts of mandating each

78 health benefit, including:

79 [(A)] (1) The extent to which the treatment, service or equipment,
80 supplies or drugs, as applicable, is utilized by a significant portion of
81 the population;

82 [(B)] (2) The extent to which the treatment, service or equipment,
83 supplies or drugs, as applicable, is currently available to the population,
84 including, but not limited to, coverage under Medicare, or through
85 public programs administered by charities, public schools, the
86 Department of Public Health, municipal health departments or health
87 districts or the Department of Social Services;

88 [(C)] (3) The extent to which insurance coverage is already available
89 for the treatment, service or equipment, supplies or drugs, as applicable;

90 [(D) If the coverage is not generally available, the extent to which
91 such lack of coverage results in persons being unable to obtain necessary
92 health care treatment;

93 (E) If the coverage is not generally available, the extent to which such
94 lack of coverage results in unreasonable financial hardships on those
95 persons needing treatment;

96 (F) The level of public demand and the level of demand from
97 providers for the treatment, service or equipment, supplies or drugs, as
98 applicable;

99 (G) The level of public demand and the level of demand from
100 providers for insurance coverage for the treatment, service or
101 equipment, supplies or drugs, as applicable;

102 (H) The likelihood of achieving the objectives of meeting a consumer
103 need as evidenced by the experience of other states;

104 (I) The relevant findings of state agencies or other appropriate public
105 organizations relating to the social impact of the mandated health
106 benefit;

107 (J) The alternatives to meeting the identified need, including, but not
108 limited to, other treatments, methods or procedures;

109 (K) Whether the benefit is a medical or a broader social need and
110 whether it is consistent with the role of health insurance and the concept
111 of managed care;

112 (L) The potential social implications of the coverage with respect to
113 the direct or specific creation of a comparable mandated benefit for
114 similar diseases, illnesses or conditions;

115 (M) The impact of the benefit on the availability of other benefits
116 currently offered;

117 (N) The impact of the benefit as it relates to employers shifting to self-
118 insured plans and the extent to which the benefit is currently being
119 offered by employers with self-insured plans;]

120 [(O)] (4) The impact of making the benefit applicable to the state
121 employee health insurance or health benefits plan; [and]

122 [(P)] (5) The extent to which credible scientific evidence published in
123 peer-reviewed medical literature generally recognized by the relevant
124 medical community determines the treatment, service or equipment,
125 supplies or drugs, as applicable, to be safe and effective; [and]

126 [(2) The financial impact of mandating the benefit, including:]

127 [(A)] (6) The extent to which the mandated health benefit may
128 increase or decrease the cost of the treatment, service or equipment,
129 supplies or drugs, as applicable, over the next five years;

130 [(B)] (7) The extent to which the mandated health benefit may
131 increase the appropriate or inappropriate use of the treatment, service
132 or equipment, supplies or drugs, as applicable, over the next five years;

133 [(C)] (8) The extent to which the mandated health benefit may serve
134 as an alternative for more expensive or less expensive treatment, service

135 or equipment, supplies or drugs, as applicable;

136 [(D)] (9) The methods that will be implemented to manage the
137 utilization and costs of the mandated health benefit;

138 [(E)] (10) The extent to which insurance coverage for the treatment,
139 service or equipment, supplies or drugs, as applicable, may be
140 reasonably expected to increase or decrease the insurance premiums
141 and administrative expenses for policyholders;

142 [(F)] (11) The extent to which the treatment, service or equipment,
143 supplies or drugs, as applicable, is more or less expensive than an
144 existing treatment, service or equipment, supplies or drugs, as
145 applicable, that is determined to be equally safe and effective by credible
146 scientific evidence published in peer-reviewed medical literature
147 generally recognized by the relevant medical community;

148 [(G)] (12) The impact of insurance coverage for the treatment, service
149 or equipment, supplies or drugs, as applicable, on the total cost of health
150 care, including potential benefits or savings to insurers and employers
151 resulting from prevention or early detection of disease or illness related
152 to such coverage;

153 [(H)] (13) The impact of the mandated health care benefit on the cost
154 of health care for small employers, as defined in section 38a-564, and for
155 employers other than small employers; [and]

156 [(I)] (14) The impact of the mandated health benefit on cost-shifting
157 between private and public payors of health care coverage and on the
158 overall cost of the health care delivery system in the state; and

159 (15) The impact of the mandated health benefit on the cost of qualified
160 health plans offered through the exchange.

161 (e) The joint standing committee of the General Assembly having
162 cognizance of matters relating to insurance shall conduct an
163 informational hearing following such committee's receipt of each
164 mandated health benefit review report submitted by the commissioner,

165 in consultation with the executive director, pursuant to subsection (d)
166 of this section. The commissioner and executive director shall attend
167 and be available for questions from the members of such committee at
168 such hearing.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	October 1, 2023	38a-21
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Statement of Purpose:

To revise the manner in which mandated health insurance benefit reviews are performed and the content of such reviews prior to passage.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]