



General Assembly

**Substitute Bill No. 6711**

January Session, 2023



**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 Section 38a-21 of the general statutes is repealed and the  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-  
6 1080.

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

9 (4) "Health carrier" has the same meaning as provided in section  
10 38a-1080.

11 [(2)] (5) "Mandated health benefit" means [an existing statutory  
12 obligation of, or] proposed legislation that would require [,] an insurer,  
13 health care center, hospital service corporation, medical service  
14 corporation, fraternal benefit society or other entity that offers  
15 individual or group health insurance or medical or health care benefits  
16 plan in this state, a health carrier that offers a qualified health plan

17 through the exchange or the state employee plan to [: (A) Permit an  
18 insured or enrollee to obtain health care treatment or services from a  
19 particular type of health care provider; (B) offer or provide coverage  
20 for the screening, diagnosis or treatment of a particular disease or  
21 condition; or (C)] offer or provide coverage for a particular type of  
22 health care treatment or service, or for medical equipment, medical  
23 supplies or drugs used in connection with a health care treatment or  
24 service. ["Mandated health benefit" includes any proposed legislation  
25 to expand or repeal an existing statutory obligation relating to health  
26 insurance coverage or medical benefits.]

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

29 (7) "State employee plan" means the group hospitalization, medical,  
30 pharmacy and surgical insurance plan offered to state employees and  
31 retirees pursuant to section 5-259.

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

48 (2) The commissioner [shall] may contract with The University of

49 Connecticut Center for Public Health and Health Policy or an actuarial  
50 accounting firm to conduct any mandated health benefit review  
51 [requested] required pursuant to subsection [(c)] (d) of this section. The  
52 director of said center may engage the services of an actuary, quality  
53 improvement clearinghouse, health policy research organization or  
54 any other independent expert, and may engage or consult with any  
55 dean, faculty or other personnel said director deems appropriate  
56 within The University of Connecticut schools and colleges, including,  
57 but not limited to, The University of Connecticut (A) School of  
58 Business, (B) School of Dental Medicine, (C) School of Law, (D) School  
59 of Medicine, and (E) School of Pharmacy.

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

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

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

71 (c) Not later than seven days after each public hearing on any  
72 mandated health benefit during a regular session of the General  
73 Assembly, the joint standing committee of the General Assembly  
74 having cognizance of matters relating to insurance shall submit to the  
75 commissioner and the executive director a list that includes each  
76 mandated health benefit that received a public hearing during the  
77 current regular session.

78 (d) Not later than April 15, 2024, and each April fifteenth thereafter,  
79 the commissioner, in consultation with the executive director, shall

80 submit a mandated health benefit review report, in accordance with  
81 section 11-4a, to the joint standing committee of the General Assembly  
82 having cognizance of matters relating to insurance. Such report shall  
83 provide an assessment of each mandated health benefit included in the  
84 list provided pursuant to subsection (c) of this section. Such report  
85 shall include an evaluation of the quality and cost impacts of  
86 mandating each health benefit, including:

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

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

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

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

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

105 (F) The level of public demand and the level of demand from  
106 providers for the treatment, service or equipment, supplies or drugs,  
107 as applicable;

108 (G) The level of public demand and the level of demand from  
109 providers for insurance coverage for the treatment, service or

110 equipment, supplies or drugs, as applicable;

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

113 (I) The relevant findings of state agencies or other appropriate  
114 public organizations relating to the social impact of the mandated  
115 health benefit;

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

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

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

124 (M) The impact of the benefit on the availability of other benefits  
125 currently offered;

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

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

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

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

136 [(A)] (6) The extent to which the mandated health benefit may

137 increase or decrease the cost of the treatment, service or equipment,  
138 supplies or drugs, as applicable, over the next five years;

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

143 [(C)] (8) The extent to which the mandated health benefit may serve  
144 as an alternative for more expensive or less expensive treatment,  
145 service or equipment, supplies or drugs, as applicable;

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

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

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

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

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

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

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

171 (e) The joint standing committee of the General Assembly having  
172 cognizance of matters relating to insurance may conduct an  
173 informational hearing following such committee's receipt of the  
174 mandated health benefit review report submitted by the  
175 commissioner, in consultation with the executive director, pursuant to  
176 subsection (d) of this section. The commissioner and executive director  
177 shall attend and be available for questions from the members of such  
178 committee at such hearing.

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

**INS** Joint Favorable Subst.