



Insurance Committee

PUBLIC HEARING

Tuesday, March 5, 2024

Connecticut Association of Health Plans

Testimony in Opposition to

S.B. No. 320 (RAISED) AN ACT CONCERNING EARLY CHILDHOOD DEVELOPMENTAL DISORDERS.

H.B. No. 5378 (RAISED) AN ACT CONCERNING HEALTH INSURANCE COVERAGE FOR THE DIAGNOSIS AND TREATMENT OF INFERTILITY.

The Connecticut Association of Health Plans respectfully urges your opposition to S.B. 320 and H.B. 5378. While well intended, mandates increase the cost of insurance. Please note previous testimony provided by the Insurance Department on a similar mandate bill:

While well-intended, S.B. No. 320 and H.B. No. 5378, if enacted, would create a new mandate and subsequently new costs for state of Connecticut under the federal Affordable Care Act (ACA) for health plans sold on the Exchange (Access Health CT). Under the ACA, Essential Health Benefits are those mandated benefits that states enacted on or before December 31, 2011. The state is required to defray the cost of any new mandated benefit or expanded benefit added after this date. Section 1311(d)(3)(B) of the ACA permits a state to require Qualified Health Plans, which are sold through the Exchange, to offer benefits in addition to the Essential Health Benefits already selected by Connecticut, but it requires the state to defray the cost of these additional benefits for Exchange plans and the State Employee Health Plan. The Department of Health and Human Services (HHS) issued a final rule on February 25, 2013 that recognizes only those mandated benefits that were enacted on or before December 31, 2011 to be considered part of the Essential Health Benefits. The state would be required to make payment to the enrollee or insurance carrier to defray the cost of any new benefits specific to care, treatment and services which are enacted this session. While the Connecticut Insurance Department appreciates the intent of this bill, it cautions the Insurance and Real Estate Committee that any new state mandated benefits enacted in 2018 can have a fiscal impact to the State of Connecticut.

Connecticut's authority to regulate health benefit plans only extends to the fully insured market representing roughly 25% of the state's commercially insured market or 13% of the state's overall population. The fully insured market is made up of individual and small group policy holders who are incredibly price sensitive to any premium increase. As such, that market can ill-afford the costs associated with any new mandates.

Connecticut has invested considerable time and resources to support the Office of Health Strategy (OHS) that, under the leadership of Dr. Deirdre Gifford, is charged with benchmarking total cost of care data with the aim of reducing year-over-year price and premium increases. Mandates run counter to the established objectives of the benchmarking process that was adopted on a bipartisan basis to bring focus to the affordability of health care coverage.

One word of caution specifically related to the expansion of ABA therapy contemplated under S.B. 320. For whatever reason, there seems to have been a recent prevalence of fraud related to such services in Connecticut. Before passing this bill, it might be prudent to do a more in-depth study of the issue.

Thank you for your consideration.