



General Assembly

February Session, 2024

Raised Bill No. 5248

LCO No. 619



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT CONCERNING HEALTH 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 Section 38a-21 of the general statutes is repealed and the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, 2024*):

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

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

28 (7) "State employee plan" has the same meaning as provided in
29 section 3-123rrr.

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

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

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

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

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

69 (c) Not later than the last joint favorable deadline of the joint standing
70 committees of the General Assembly, as established by the joint rules of
71 the Senate and House of Representatives, the chairs and ranking
72 members of the joint standing committee of the General Assembly
73 having cognizance of matters relating to insurance shall review each
74 mandated health benefit that received a public hearing during the
75 current regular session. Upon the request of not less than one chair and
76 one ranking member of the joint standing committee of the General
77 Assembly having cognizance of matters relating to insurance, such joint

78 standing committee shall submit to the commissioner and the executive
79 director a list that includes each requested mandated health benefit to
80 be reviewed by the commissioner and the executive director pursuant
81 to subsection (d) of this section.

82 (d) Not later than February 1, 2026, and annually thereafter, the
83 commissioner, in consultation with the executive director, shall submit
84 a mandated health benefit review report, in accordance with the
85 provisions of section 11-4a, to the joint standing committee of the
86 General Assembly having cognizance of matters relating to insurance.
87 Such report shall provide an assessment of each mandated health
88 benefit included in the list provided pursuant to subsection (c) of this
89 section. Such report shall include an evaluation of the quality and cost
90 impacts of mandating each such health benefit, including:

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

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

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

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

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

108 (F) The level of public demand and the level of demand from
109 providers for the treatment, service or equipment, supplies or drugs, as
110 applicable;

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

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

116 (I) The relevant findings of state agencies or other appropriate public
117 organizations relating to the social impact of the mandated health
118 benefit;

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

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

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

127 (M) The impact of the benefit on the availability of other benefits
128 currently offered;

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

132 [(O)] (4) The impact of making the mandated health benefit
133 applicable to the state employee [health insurance or health benefits]
134 plan; [and]

135 [(P)] (5) The extent to which credible scientific evidence published in

136 peer-reviewed medical literature generally recognized by the relevant
137 medical community determines the treatment, service or equipment,
138 supplies or drugs, as applicable, to be safe and effective; [and

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

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

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

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

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

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

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

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

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

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

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

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2024	38a-21

Statement of Purpose:

To revise the manner in which health benefit reviews are performed and the content of such reviews.

[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.]