



General Assembly

January Session, 2021

Raised Bill No. 6389

LCO No. 2692



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT CONCERNING EXPLANATIONS OF BENEFITS.

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

1 Section 1. Section 38a-477d of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective January 1, 2023*):

3 (a) Each insurer, health care center, hospital service corporation,
4 medical service corporation, fraternal benefit society or other entity that
5 delivers, issues for delivery, renews, amends or continues a health
6 insurance policy providing coverage of the type specified in
7 subdivisions (1), (2), (4), (11) and (12) of section 38a-469 in this state,
8 shall:

9 (1) Make available to consumers, in an easily readable, accessible and
10 understandable format; [the]

11 (A) The following information for each such policy:

12 [(A)] (i) Any coverage exclusions;

13 [(B) any] (ii) Any restrictions on the use or quantity of a covered

14 benefit, including on prescription drugs or drugs administered in a
15 physician's office or a clinic;

16 [(C) a] (iii) A specific description of how prescription drugs are
17 included or excluded from any applicable deductible, including a
18 description of other out-of-pocket expenses that apply to such drugs;

19 [(D) the] (iv) The specific dollar amount of any copayment and the
20 percentage of any coinsurance imposed on each covered benefit,
21 including each covered prescription drug; and

22 [(E) information] (v) Information regarding any process available to
23 consumers, and all documents necessary, to seek coverage of a
24 noncovered outpatient prescription drug; and

25 (B) With respect to explanations of benefits issued pursuant to
26 subsection (d) of this section, a statement disclosing that each consumer
27 who is a covered individual and legally capable of consenting to the
28 provision of covered benefits under such policy may specify that such
29 insurer, center, corporation, society or entity, and each third-party
30 administrator, as defined in section 38a-720, providing services to such
31 insurer, center, corporation, society or entity, shall:

32 (i) Not issue explanations of benefits concerning covered benefits
33 provided to such consumer; or

34 (ii) (I) Issue explanations of benefits concerning covered benefits
35 provided to such consumer solely to such consumer; and

36 (II) Use a method specified by such consumer to issue such
37 explanations of benefits solely to such consumer, and provide sufficient
38 space in the statement for such consumer to specify a mailing address
39 or an electronic mail address for such insurer, center, corporation,
40 society, entity or third-party administrator to use to contact such
41 consumer concerning covered benefits provided to such consumer.

42 (2) Make available to consumers a way to determine accurately;

43 (A) [whether] Whether a specific prescription drug is available under
44 such policy's drug formulary;

45 (B) [the] The coinsurance, copayment, deductible or other out-of-
46 pocket expense applicable to such drug;

47 (C) [whether] Whether such drug is covered when dispensed by a
48 physician or a clinic;

49 (D) [whether] Whether such drug requires prior authorization or the
50 use of step therapy;

51 (E) [whether] Whether specific types of health care specialists are in-
52 network; and

53 (F) [whether] Whether a specific health care provider or hospital is
54 in-network.

55 (b) (1) Each insurer, health care center, hospital service corporation,
56 medical service corporation, fraternal benefit society or other entity
57 shall make the information and statement required under subsection (a)
58 of this section available to consumers at the time of enrollment and shall
59 post such information and statement on its Internet web site.

60 (2) The Connecticut Health Insurance Exchange, established
61 pursuant to section 38a-1081, shall post links on its Internet web site to
62 such information and statement for each qualified health plan that is
63 offered or sold through the exchange.

64 (c) The Insurance Commissioner shall post links on the Insurance
65 Department's Internet web site to any on-line tools or calculators to help
66 consumers compare and evaluate health insurance policies and plans.

67 (d) (1) Except as provided in subdivision (2) of this subsection, each
68 insurer, health care center, hospital service corporation, medical service
69 corporation, fraternal benefit society or other entity that delivers, issues
70 for delivery, renews, amends or continues a health insurance policy
71 described in subsection (a) of this section, and each third-party

72 administrator, as defined in section 38a-720, providing services to such
73 an insurer, center, corporation, society or entity, shall:

74 (A) Issue explanations of benefits to consumers who are covered
75 individuals under the policy; and

76 (B) (i) Permit each consumer who is a covered individual under the
77 policy and legally capable of consenting to the provision of covered
78 benefits to specify, in writing, that such insurer, center, corporation,
79 society, entity or third-party administrator issue explanations of
80 benefits concerning covered benefits provided to such consumer solely
81 to such consumer, and specify, in writing, which of the following
82 methods such insurer, center, corporation, society, entity or third-party
83 administrator shall use to issue such explanations of benefits solely to
84 such consumer:

85 (I) Mailing such explanations of benefits to such consumer's mailing
86 address or another mailing address specified by such consumer;

87 (II) Sending such explanations of benefits to such consumer by
88 electronic means, including, but not limited to, electronic mail; or

89 (III) Making such explanations of benefits available to such consumer
90 by electronic means, provided making such explanations of benefits
91 available solely to such consumer by electronic means complies with all
92 applicable federal and state laws and regulations concerning data
93 security, including, but not limited to, 45 CFR Part 160, as amended from
94 time to time, and 45 CFR Part 164, Subparts A and C, as amended from
95 time to time.

96 (ii) Each method specified by a consumer, in writing, pursuant to
97 subparagraph (B)(i) of this subdivision shall be valid until the consumer
98 submits a written specification to the insurer, center, corporation,
99 society, entity or third-party administrator for a different method. Such
100 insurer, center, corporation, society, entity or third-party administrator
101 shall comply with a written specification under this clause or
102 subparagraph (B)(i) of this subdivision, as applicable, not later than

103 three business days after such insurer, center, corporation, society,
104 entity or third-party administrator receives such specification.

105 (iii) Each insurer, center, corporation, society, entity or third-party
106 administrator that receives a written specification from a consumer
107 pursuant to subparagraph (B)(i) or (B)(ii) of this subdivision, as
108 applicable, shall provide the consumer who made such specification
109 with written confirmation that such insurer, center, corporation, society,
110 entity or third-party administrator received such specification, and
111 advise such consumer, in writing, regarding the status of such
112 specification if such consumer contacts such insurer, center,
113 corporation, society, entity or third-party administrator, in writing,
114 regarding such specification.

115 (2) Each consumer who is a covered individual under a policy
116 described in subsection (a) of this section and is legally capable of
117 consenting to the provision of covered benefits may specify, in writing,
118 that the insurer, center, corporation, society or entity that delivered,
119 issued for delivery, renewed, amended or continued the policy, or a
120 third-party administrator providing services to such insurer, center,
121 corporation, society or entity, not issue explanations of benefits
122 pursuant to subdivision (1) of this subsection if such explanations of
123 benefits concern covered benefits that were provided to such consumer.
124 Such insurer, center, corporation, society, entity or third-party
125 administrator shall not require such consumer to provide any
126 explanation regarding the basis for such consumer's specification,
127 unless such explanation is required by applicable law or pursuant to an
128 order issued by a court of competent jurisdiction.

129 (3) Each insurer, center, corporation, society or entity that delivers,
130 issues for delivery, renews, amends or continues a policy described in
131 subsection (a) of this section, and each third-party administrator
132 providing services to such insurer, center, corporation, society or entity,
133 shall disclose to each consumer who is a covered individual under the
134 policy such consumer's ability to submit specifications pursuant to
135 subdivisions (1) and (2) of this subsection. Such disclosure shall be in

136 plain language and displayed or printed, as applicable, clearly and
137 conspicuously in all evidence of coverage documents, privacy
138 communications, explanations of benefits and Internet web sites that are
139 maintained by such insurer, center, corporation, society, entity or third-
140 party administrator and accessible to consumers in this state.

141 (4) No insurer, center, corporation, society or entity that is subject to
142 this subsection shall require a consumer or policyholder to waive any
143 right to limit disclosure under this subsection as a precondition to
144 delivering, issuing for delivery, renewing, amending or continuing a
145 policy described in subsection (a) of this section to the consumer or
146 policyholder. Nothing in this subsection shall be construed to limit a
147 consumer's or policyholder's ability to request review of an adverse
148 determination.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2023	38a-477d

Statement of Purpose:

To: (1) Require health insurers that deliver, issue for delivery, renew, amend or continue certain health insurance policies in this state to (A) issue explanations of benefits to consumers in certain circumstances, and (B) disclose information concerning explanations of benefits to consumers; and (2) require that explanations of benefits be maintained as confidential in certain circumstances.

[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.]