General Assembly

Raised Bill No. 6895

January Session, 2025

LCO No. **3596**

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:

Section 1. Section 38a-21 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) As used in this section:

(1) "Commissioner" means the Insurance Commissioner.

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

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

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

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

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

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

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

(2) The commissioner **[**shall contract with The University of

Connecticut Center for Public Health and Health Policy to conduct**]** may engage the services of any actuary, actuarial firm, quality improvement clearinghouse, health policy research organization or any other independent expert as the commissioner deems necessary to assist said commissioner in the review and evaluation of any mandated health benefit review requested pursuant to subsection (c) of this section. **[**The director of said center may engage the services of an actuary, quality improvement clearinghouse, health policy research organization or any other independent expert, and may engage or consult with any dean, faculty or other personnel said director deems appropriate within The University of Connecticut schools and colleges, including, but not limited to, The University of Connecticut (A) School of Business, (B) School of Dental Medicine, (C) School of Law, (D) School of Medicine, and (E) School of Pharmacy.**]**

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

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

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

(c) Not later than the last joint favorable deadline of the joint standing committees of the General Assembly, as established by the joint rules of the Senate and the House of Representatives, the chairs and ranking members of the joint standing committee of the General Assembly having cognizance of matters relating to insurance shall review each mandated health benefit that received a public hearing during the

current regular session. Upon the request of not less than one chair and one ranking member of the joint standing committee of the General Assembly having cognizance of matters relating to insurance, such joint standing committee shall submit to the commissioner and the Commissioner of Health Strategy a list that includes each requested mandated health benefit to be reviewed by the commissioner and the Commissioner of Health Strategy pursuant to subsection (d) of this section.

(d) Not later than February 1, 2027, and annually thereafter, the commissioner, in consultation with the Commissioner of Health Strategy, shall submit a mandated health benefit review report, in accordance with the provisions of section 11-4a, to the joint standing committee of the General Assembly having cognizance of matters relating to insurance. Such report shall provide an assessment of each mandated health benefit included in the list provided pursuant to subsection (c) of this section. Such report shall include an evaluation of the quality and cost impacts of mandating each such health benefit, including:

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

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

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

[(D) If the coverage is not generally available, the extent to which such lack of coverage results in persons being unable to obtain necessary

health care treatment;

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

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

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

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

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

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

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

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

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

(N) The impact of the benefit as it relates to employers shifting to self-insured plans and the extent to which the benefit is currently being

offered by employers with self-insured plans;**]**

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

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

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

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

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

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

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

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

[(F)**]** (11) The extent to which the treatment, service or equipment, supplies or drugs, as applicable, is more or less expensive than an existing treatment, service or equipment, supplies or drugs, as applicable, that is determined to be equally safe and effective by credible

scientific evidence published in peer-reviewed medical literature generally recognized by the relevant medical community;

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

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

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

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

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	*October 1, 2025*	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.]