

NOTES OF INTEREST

- The Connecticut State Legislature began the 2023 Session on January 4th. The session adjourned on June 7th, 2023



LEGISLATIVE HIGHLIGHTS

End of Session Update

LEGISLATION

The Connecticut General Assembly Adjourned the legislative session Sine Die on June 7th, 2023. At this time, the legislature is not expected to reconvene until February 2024. All bills that did not receive final passage in both chambers have died with the end of the session. A number of our priority bills did not make it through the legislative session, including legislation allowing Association Health Plans (additional details below).

The most significant piece of legislation affecting health care costs which did receive passage was an amended version of [House Bill 6669](#), ***An Act Protecting Patients and Prohibiting Unnecessary Health Care Costs***. This bill was passed as part of an agreement between the Governor, the legislature, and the CT Hospital Association. Provisions of note in the bill include:

- Section 9: Facility Fees: Makes various changes affecting facility fees, such as (1) generally prohibiting hospitals and health systems from charging these fees for certain on-campus outpatient procedures that are provided outside of the emergency department; (2) repealing a provision that currently makes a violation of facility fee limits an unfair trade practice, and instead generally allowing OHS to impose civil penalties for violations of fee limits. The legislation does not apply to observation stays on a hospital campus and CPT E/M and CPT A/M codes when billed for wound care, orthopedics, anticoagulation, oncology, obstetrics, and solid organ transplant.
- Section 20: Requires health carriers to disclose how they sort health care providers into tiers
- Section 22: Requires a health carrier and participating provider to give each other at least 90 days' written notice of an intent to terminate their contract; generally requires the carrier to make a good faith effort to notify affected patients within 30 days before a termination; extends termination requirements that apply to hospitals to hospital intermediaries as well.

Final Status of Other Legislation of Interest:

House Bill 6710 An Act Concerning Association Health Plans And Establishing A Task Force To Study Stop-loss Insurance.

Bill is dead

- The Association Health Plan language supported by NABIP-CT unfortunately did not pass this year, although efforts to pass legislation did get much further than in years past.
- A tentative agreement on AHP legislation was reached amongst industry stakeholders, the Governor's Office, Insurance committee leadership, CT Insurance Department, and State Healthcare Advocate Ted Doolittle. Unfortunately, the bill ultimately was never called in the House due to pushback from progressive members.
- Stakeholders intend to advocate for the legislation again next year.

H.B. No. 6709 An Act Concerning Access Health

Bill is dead

- This legislation would have allow health carriers on the exchange to directly market and assist with enrolling members.

H.B. 6634 An Act Concerning Site Of Service Reimbursements

Bill is dead

- This legislation would have prohibited off-site hospital based facilities in Connecticut from charging a facility fee, unless it is mutually agreed to in a contract between a health carrier and the hospital.

SB 983 An Act Limiting Anticompetitive Health Care Practices.

Bill is dead

- This bill would have limited what out-of-network health care providers can charge enrollees for in-patient and out-patient hospital services to 150% of the rate Medicare pays for the same service in the same geographic area. Under the bill, health benefit plans would have been required to pass on any savings from reduced provider payments to consumers, and health carriers (e.g., insurers and HMOs) must reflect this in their annual rate filings.

SB 6 An Act Concerning Utilization Review And Health Care Contracts, Health Insurance Coverage For Newborns And Step Therapy, as Amended by Senate Amendment A and B

Bill incorporated into budget and passed

- This bill, as amended, makes the following changes to the insurance statutes:
 1. prohibits health carriers (e.g., insurers and HMOs) from requiring a prospective or concurrent review of a recurring prescription drug used to treat an autoimmune disorder, multiple sclerosis, or cancer that they already approved through utilization review (§§ 1 & 2);
 2. shortens the maximum timeframes for health carriers to notify an insured or his or her authorized representative of certain utilization reviews (§ 3);
 3. extends, from 61 days to 91 days after birth, the time period within which an insured person must (a) notify the insurer, HMO, or hospital or medical service corporation about a newborn's birth and (b) pay any required premium or subscription fee to continue the newborn's coverage beyond that period (§§ 4 & 5);
 4. reduces how long an insurer can require an insured to use step therapy for prescription drugs from 60 to 30 days and prohibits step therapy from January 1, 2024, to January 1, 2027, for drugs used to treat schizophrenia, major depressive disorder or bipolar disorder (§§ 6 & 7);
 5. establishes a 23-member task force to study step therapy data collection, including step therapy edits, rejections, and appeals for behavioral health drugs, and the best ways to collect data (§8);
 6. requires managed care organizations (MCOs) to annually report certain prior authorization and utilization review data, actuarial analyses, and estimated premium savings to the insurance commissioner, and requires the commissioner to include some of this information in his annual consumer report card (§§ 9 & 10); and
 7. requires providers participating in a health carrier's network to use a carrier's secure electronic system to process utilization reviews (§ 11).

ADMINISTRATION

Budget: After months of negotiation, a final budget was adopted by the legislature last week, and the governor has already announced he plans to sign the bill into law. A majority of bipartisan lawmakers in the Connecticut General Assembly voted to approve a biennial state budget for fiscal years 2024 and 2025 that includes the largest cut to the state's income tax rates in Connecticut history and increases to the Earned Income Tax Credit for low-income working individuals and families, while also providing significant increases in funding for K-12 education, child care programs, affordable housing units, and nonprofit providers.

The budget bill – House Bill 6941 – had limited language in it re: health insurance plans, but did incorporate the Step Therapy bill (SB 6) language, as described above. A summary of the full document can be found [here](#).



KEY INFORMATION RESOURCES:

- **CT Insurance Department Bulletins:** <https://portal.ct.gov/CID/Bulletins/Current-List-of-Bulletins>
- **Connecticut Paid Leave Authority website:** CTPaidLeave.org

RECENT ARTICLES AND OP-EDS OF NOTE:

- **CT Mirror:** [CT insurers seek health insurance rate increases on 2024 plans](#)
- **CT Mirror:** [CT won't allow trade associations to offer health plans this year](#)
- **CT Examiner:** [CT Lawmakers Pass Bill To Reduce Health Care Fees, Drug Costs](#)
- **AG Tong:** [Attorney General Tong Responds to Double-Digit Rate Hikes Sought by Health Insurers](#)
- **CT NewsJunkie:** [Opinion ANALYSIS | CONNECTICUT IS DOING SOMETHING ABOUT HEALTHCARE COSTS, FINALLY](#)
- **CID:** [STATEMENT FROM INSURANCE COMMISSIONER ANDREW N. MAIS ON HEALTH INSURANCE RATE REQUEST FILINGS FOR 2024](#)



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