



General Assembly

Substitute Bill No. 977

January Session, 2019



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, as amended by
2 section 11 of public act 18-41, is repealed and the following is
3 substituted in lieu thereof (*Effective January 1, 2020*):

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

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

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

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

14 [(B) any] (ii) Any restrictions on the use or quantity of a covered
15 benefit, including on prescription drugs or drugs administered in a
16 physician's office or a clinic;

17 [(C) a] (iii) A specific description of how prescription drugs are
18 included or excluded from any applicable deductible, including a

19 description of other out-of-pocket expenses that apply to such drugs;

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

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

26 (B) With respect to explanations of benefits issued pursuant to
27 subsection (d) of this section, a statement disclosing that each
28 consumer who is a covered individual and legally capable of
29 consenting to the provision of covered benefits under such policy may
30 specify that such insurer, center, corporation, society or entity shall:

31 (i) Not issue such explanations of benefits to such consumer;

32 (ii) Issue such explanations of benefits solely to such consumer if
33 such explanations of benefits contain confidential information
34 concerning covered benefits provided to such consumer; or

35 (iii) Use a method specified by such consumer to issue such
36 explanations of benefits to such consumer, and provide sufficient space
37 in the statement for such consumer to specify a mailing address,
38 electronic mail address or telephone number for such insurer, center,
39 corporation, society or entity, or a third-party administrator, as defined
40 in section 38a-720, to use to contact such consumer regarding
41 confidential information concerning covered benefits provided to such
42 consumer.

43 (2) Make available to consumers a way to determine accurately:

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

46 (B) [the] The coinsurance, copayment, deductible or other out-of-

47 pocket expense applicable to such drug;

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

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

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

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

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

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

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

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

74 (A) Issue an explanation of benefits to each consumer who is a

75 covered individual 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 the method that such insurer, center, corporation,
79 society or entity shall use to issue an explanation of benefits
80 concerning benefits provided to such consumer, which method may
81 include, but need not be limited to:

82 (I) Mailing such explanation of benefits to the policyholder's mailing
83 address, such consumer's mailing address or another mailing address
84 specified by such consumer;

85 (II) Sending such explanation of benefits by electronic means,
86 including, but not limited to, electronic mail; or

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

94 (ii) Each method specified by a consumer pursuant to subparagraph
95 (B)(i) of this subdivision shall be valid until the consumer submits an
96 oral or written specification to the insurer, center, corporation, society
97 or entity for a different method. Such insurer, center, corporation,
98 society or entity shall comply with a specification under this clause
99 and clause (i) of this subparagraph not later than three calendar days
100 after the date of such specification, if such specification was made by
101 electronic or telephonic means, or seven days after the date such
102 insurer, center, corporation, society or entity received such
103 specification by first-class mail, except that such insurer, center,
104 corporation, society or entity may adhere to an electronic or telephonic
105 specification and request that a consumer send to such insurer, center,

106 corporation, society or entity written confirmation of such specification
107 by first-class mail.

108 (iii) Each insurer, center, corporation, society or entity that receives
109 a specification from a consumer pursuant to subparagraph (B)(i) or
110 (B)(ii) of this subdivision shall provide the consumer who made such
111 specification with oral or written confirmation that such insurer,
112 center, corporation, society or entity received such specification, and
113 advise such consumer regarding the status of such specification if such
114 consumer contacts such insurer, center, corporation, society or entity
115 regarding such specification.

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

128 (3) Each insurer, center, corporation, society or entity that delivers,
129 issues for delivery, renews, amends or continues a policy described in
130 subsection (a) of this section shall disclose to each consumer who is a
131 covered individual under the policy such consumer's ability to submit
132 specifications pursuant to subdivisions (1) and (2) of this subsection.
133 Such disclosure shall be in plain language and displayed or printed, as
134 applicable, clearly and conspicuously in all evidence of coverage
135 documents, privacy communications, explanations of benefits, and
136 Internet web sites that are maintained by such insurer, center,
137 corporation, society or entity and accessible to consumers in this state.

138 (4) Notwithstanding subdivisions (1) to (3), inclusive, of this
 139 subsection, a health care provider may make arrangements with a
 140 consumer for cost-sharing payments for covered benefits and shall
 141 disclose such arrangements to the insurer, center, corporation, society
 142 or entity that delivered, issued for delivery, renewed, amended or
 143 continued the policy providing coverage to such consumer.

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2020	38a-477d

Statement of Legislative Commissioners:

In Subsec. (d)(1)(A), "an" was inserted before "explanations", "explanation" was substituted for "explanations", "each" was substituted for "the", "consumer" was substituted for "consumers", "is a" was substituted for "are" and "individual" was substituted for "individuals" for consistency; in Subsec. (d)(1)(B)(i), "an explanation" was substituted for "to such consumer explanations" for consistency and conciseness; in Subsecs. (d)(1)(B)(i)(I) and (II), "explanation" was substituted for "explanations" for consistency; in Subsec. (d)(1)(B)(i)(III), "explanation" was substituted for "explanations", ", as amended from time to time," was inserted after "45 CFR Part 160" and "the same may be" was deleted for consistency; in Subsec. (d)(1)(B)(ii), "this clause and clause (i)" was substituted for "clauses (i) or (ii)" and "except that" was substituted for "provided" for consistency; in Subsec. (d)(2), "is" was inserted before "legally" and "not financially" for clarity, and "an explanation" was substituted for "explanations" for consistency; and in Subsec. (d)(5), "policyholder" was substituted for "a policyholder" for conciseness.

INS *Joint Favorable Subst. -LCO*