



General Assembly

January Session, 2025

Raised Bill No. 6436

LCO No. 2303



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

***AN ACT CONCERNING REVISIONS TO THE HEALTH INSURANCE
STATUTES.***

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

1 Section 1. Subsection (b) of section 38a-21 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective October*
3 *1, 2025*):

4 (b) (1) There is established within the Insurance Department a health
5 benefit review program for the review and evaluation of any mandated
6 health benefit that is requested by the joint standing committee of the
7 General Assembly having cognizance of matters relating to insurance.
8 Such program shall be funded by the Insurance Fund established under
9 section 38a-52a. The commissioner shall be authorized to make
10 assessments in a manner consistent with the provisions of chapter 698
11 for the costs of carrying out the requirements of this section. Such
12 assessments shall be in addition to any other taxes, fees and moneys
13 otherwise payable to the state. The commissioner shall deposit all
14 payments made under this section with the State Treasurer. The moneys
15 deposited shall be credited to the Insurance Fund and shall be accounted

16 for as expenses recovered from insurance companies. Such moneys shall
17 be expended by the commissioner to carry out the provisions of this
18 section and section 2 of public act 09-179.

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

34 Sec. 2. Section 38a-479ppp of the general statutes is repealed and the
35 following is substituted in lieu thereof (*Effective from passage*):

36 (a) Not later than [February 1, 2025] March 1, 2026, and annually
37 thereafter, each pharmacy benefits manager shall file a report with the
38 commissioner for the immediately preceding calendar year. The report
39 shall contain the following information for health carriers that
40 delivered, issued for delivery, renewed, amended or continued health
41 care plans that included a pharmacy benefit managed by the pharmacy
42 benefits manager during such calendar year:

43 (1) The aggregate dollar amount of all rebates concerning drug
44 formularies used by such health carriers that such manager collected
45 from pharmaceutical manufacturers that manufactured outpatient
46 prescription drugs that (A) were covered by such health carriers during

47 such calendar year, and (B) are attributable to patient utilization of such
48 drugs during such calendar year; and

49 (2) The aggregate dollar amount of all rebates, excluding any portion
50 of the rebates received by such health carriers, concerning drug
51 formularies that such manager collected from pharmaceutical
52 manufacturers that manufactured outpatient prescription drugs that (A)
53 were covered by such health carriers during such calendar year, and (B)
54 are attributable to patient utilization of such drugs by covered persons
55 under such health care plans during such calendar year.

56 (b) The commissioner shall establish a standardized form for
57 reporting information pursuant to subsection (a) of this section after
58 consultation with pharmacy benefits managers. The form shall be
59 designed to minimize the administrative burden and cost of reporting
60 on the department and pharmacy benefits managers.

61 (c) All information submitted to the commissioner pursuant to
62 subsection (a) of this section shall be exempt from disclosure under the
63 Freedom of Information Act, as defined in section 1-200, except to the
64 extent such information is included on an aggregated basis in the report
65 required by subsection (d) of this section. The commissioner shall not
66 disclose information submitted pursuant to subdivision (1) of
67 subsection (a) of this section, or information submitted pursuant to
68 subdivision (2) of said subsection in a manner that (1) is likely to
69 compromise the financial, competitive or proprietary nature of such
70 information, or (2) would enable a third party to identify a health care
71 plan, health carrier, pharmacy benefits manager, pharmaceutical
72 manufacturer, or the value of a rebate provided for a particular
73 outpatient prescription drug or therapeutic class of outpatient
74 prescription drugs.

75 (d) Not later than [March 1, 2025] April 1, 2026, and annually
76 thereafter, the commissioner shall submit a report, in accordance with
77 section 11-4a, to the joint standing committee of the General Assembly

78 having cognizance of matters relating to insurance. The report shall
 79 contain (1) an aggregation of the information submitted to the
 80 commissioner pursuant to subsection (a) of this section for the
 81 immediately preceding calendar year, and (2) such other information as
 82 the commissioner, in the commissioner's discretion, deems relevant for
 83 the purposes of this section. Not later than ten days prior to the
 84 submission of the annual report pursuant to the provisions of this
 85 subsection, the commissioner shall provide each pharmacy benefits
 86 manager and any third party affected by submission of such report
 87 required by this subsection with a written notice describing the content
 88 of the report.

89 (e) The commissioner may impose a penalty of not more than seven
 90 thousand five hundred dollars on a pharmacy benefits manager for each
 91 violation of this section.

92 (f) The commissioner may adopt regulations, in accordance with the
 93 provisions of chapter 54, to implement the provisions of this section.

94 Sec. 3. Subsection (c) of section 38a-492w of the general statutes is
 95 repealed and the following is substituted in lieu thereof (*Effective from*
 96 *passage*):

97 (c) The Insurance Commissioner [shall] may adopt regulations, in
 98 accordance with chapter 54, to implement the provisions of this section.

99 Sec. 4. Subsection (c) of section 38a-518w of the general statutes is
 100 repealed and the following is substituted in lieu thereof (*Effective from*
 101 *passage*):

102 (c) The Insurance Commissioner [shall] may adopt regulations, in
 103 accordance with chapter 54, to implement the provisions of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2025	38a-21(b)

Sec. 2	<i>from passage</i>	38a-479ppp
Sec. 3	<i>from passage</i>	38a-492w(c)
Sec. 4	<i>from passage</i>	38a-518w(c)

Statement of Purpose:

To: (1) Eliminate the requirement that the Insurance Commissioner contract with certain entities that no longer exist to conduct reviews of mandated health benefits, and allow said commissioner to engage the services of organizations that may assist in the review of mandated health benefits; (2) revise annual reporting dates concerning pharmacy benefits manager rebate information; and (3) eliminate the requirement that the Insurance Commissioner adopt regulations to implement health insurance coverage requirements concerning medically necessary wheelchair repairs and replacements.

[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.]