

Public Act No. 25-132

AN ACT CONCERNING REVISIONS TO THE HEALTH INSURANCE STATUTES.

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

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 Subsection (b) of section 38a-21 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October* 1, 2025):

(b) (1) There is established within the Insurance Department a health benefit review program for the review and evaluation of any mandated health benefit that is requested by the 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 the 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.]
- Sec. 2. Section 38a-479ppp of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- (a) Not later than [February 1, 2025] March 1, 2026, and annually thereafter, each pharmacy benefits manager shall file a report with the commissioner for the immediately preceding calendar year. The report shall contain the following information for health carriers that delivered, issued for delivery, renewed, amended or continued health care plans that included a pharmacy benefit managed by the pharmacy benefits manager during such calendar year:
- (1) The aggregate dollar amount of all rebates concerning drug formularies used by such health carriers that such manager collected from pharmaceutical manufacturers that manufactured outpatient prescription drugs that (A) were covered by such health carriers during such calendar year, and (B) are attributable to patient utilization of such drugs during such calendar year; and

- (2) The aggregate dollar amount of all rebates, excluding any portion of the rebates received by such health carriers, concerning drug formularies that such manager collected from pharmaceutical manufacturers that manufactured outpatient prescription drugs that (A) were covered by such health carriers during such calendar year, and (B) are attributable to patient utilization of such drugs by covered persons under such health care plans during such calendar year.
- (b) The commissioner shall establish a standardized form for reporting information pursuant to subsection (a) of this section after consultation with pharmacy benefits managers. The form shall be designed to minimize the administrative burden and cost of reporting on the department and pharmacy benefits managers.
- (c) All information submitted to the commissioner pursuant to subsection (a) of this section shall be exempt from disclosure under the Freedom of Information Act, as defined in section 1-200, except to the extent such information is included on an aggregated basis in the report required by subsection (d) of this section. The commissioner shall not disclose information submitted pursuant to subdivision (1) of subsection (a) of this section, or information submitted pursuant to subdivision (2) of said subsection in a manner that (1) is likely to compromise the financial, competitive or proprietary nature of such information, or (2) would enable a third party to identify a health care plan, health carrier, pharmacy benefits manager, pharmaceutical manufacturer, or the value of a rebate provided for a particular outpatient prescription drug or therapeutic class of outpatient prescription drugs.
- (d) Not later than [March 1, 2025] <u>April 1, 2026</u>, and annually thereafter, the commissioner shall submit a report, in accordance with section 11-4a, to the joint standing committee of the General Assembly having cognizance of matters relating to insurance. The report shall contain (1) an aggregation of the information submitted to the

commissioner pursuant to subsection (a) of this section for the immediately preceding calendar year, and (2) such other information as the commissioner, in the commissioner's discretion, deems relevant for the purposes of this section. Not later than ten days prior to the submission of the annual report pursuant to the provisions of this subsection, the commissioner shall provide each pharmacy benefits manager and any third party affected by submission of such report required by this subsection with a written notice describing the content of the report.

- (e) The commissioner may impose a penalty of not more than seven thousand five hundred dollars on a pharmacy benefits manager for each violation of this section.
- (f) The commissioner may adopt regulations, in accordance with the provisions of chapter 54, to implement the provisions of this section.
- Sec. 3. Subsection (c) of section 38a-492w of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- (c) The Insurance Commissioner [shall] <u>may</u> adopt regulations, in accordance with chapter 54, to implement the provisions of this section.
- Sec. 4. Subsection (c) of section 38a-518w of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- (c) The Insurance Commissioner [shall] <u>may</u> adopt regulations, in accordance with chapter 54, to implement the provisions of this section.

Governor's Action: Approved July 8, 2025