PA 26-47—sHB 5375
Insurance and Real Estate Committee
Judiciary Committee

AN ACT CONCERNING THE RECOMMENDATIONS OF THE INSURANCE AND REAL ESTATE COMMITTEE WORKING GROUPS

SUMMARY: This act generally requires health carriers, third-party administrators (TPAs), and pharmacy benefits managers (PBMs) covering benefits under a health benefit plan in Connecticut to (1) reimburse pharmacists for covered clinical services and (2) include them in reimbursement processes and provider networks. It authorizes the insurance commissioner to adopt regulations to implement its provisions on pharmacists' compensation.

The act also requires the commissioner, within available appropriations, to:

1. study the feasibility of (a) allowing nonprofits to pool their liability insurance policies; (b) establishing a captive insurance company, risk management agency, or a program to insure the pool's risk; and (c) establishing any other insurance program to address state-contracted nonprofits' needs;
2. develop a proposed plan to establish the company, agency, or program described above and a related financial analysis; and
3. report to the legislature on the study, proposed plan, and financial analysis, by November 1, 2026.

EFFECTIVE DATE: January 1, 2028, except the provision on the insurance commissioner's study is effective upon passage.

PHARMACISTS' COMPENSATION

The law recognizes licensed pharmacists as health care providers. The act provides for their compensation when they deliver covered clinical services under certain health plans. Specifically, it (1) requires (a) health carriers, TPAs, and PBMs covering benefits under a health benefit plan (see below) to include pharmacists in reimbursement processes and (b) provider networks to reimburse them for covered clinical services and (2) prohibits these entities from denying pharmacists reimbursement for clinical services under specified circumstances. The act specifies that it does not require coverage of any service not otherwise covered under the plan.

Applicability

The act applies to any insurance company, fraternal benefit society, hospital or medical service corporation, health care center, or other entity subject to Connecticut insurance laws and regulations ("health carrier"). It also applies to (1)

TPAs and (2) PBMs that administer the prescription drug, prescription device, or pharmacist services portion of a health benefit plan on behalf of plan sponsors, such as self-insured employers, insurance companies, labor unions, and health care centers.

Health Benefit Plan

Under the act, a "health benefit plan" is an insurance policy or contract offered, delivered, issued, renewed, amended, or continued in Connecticut by a health carrier to provide, deliver, pay for, or reimburse health care service costs. This expressly excludes coverage for certain types of benefits such as disability, specified accident or accident only, long term care, Medicare or TriCare supplement, travel health, any single service ancillary health (for example, vision, dental, or prescription drug coverage), or certain other limited scope, supplemental, or fixed indemnity benefits.

Covered Clinical Service

Under the act, a "covered clinical service" is any service or procedure (1) within the scope of the pharmacist's license and (2) covered under the health benefit plan's terms when done by any other licensed health care provider.

The act prohibits a health carrier, TPA, or PBM from denying reimbursement for any clinical service solely because the service (1) is provided by a pharmacist according to their scope of practice and license and (2) would otherwise be eligible for reimbursement if provided by a physician, physician assistant, or advanced practice registered nurse.

Credentialing and Contracting Standards

The act specifies that it does not prevent health carriers, TPAs, and PBMs from setting reasonable participation, credentialing, and contracting standards for pharmacists.

NONPROFITS' LIABILITY INSURANCE

Proposed Plan

The act requires the commissioner to develop a proposed plan to establish a captive insurance company, risk management agency, or a program to insure nonprofits who pool their liability insurance policies. The proposed plan must assess the appropriate structure of the company, agency, or program to ensure its financial and operational viability, including:

1. a process for collecting relevant data from participating nonprofits;
2. an actuarial analysis of any risks to be underwritten;
3. a plan design; and
4. any other factors the commissioner deems appropriate.

Financial Analysis

Under the act, the commissioner's financial analysis of the company, agency, or program, must include:

1. an estimate of the initial investment required to ensure that they (a) meet any applicable statutory operating ratios in the state's insurance laws and (b) are fully operational as Connecticut-licensed insurers or reinsurers and
2. estimates of future premium costs for participating nonprofits.

Report to the Legislature

By November 1, 2026, the act requires the commissioner to report to the Appropriations; Finance, Revenue and Bonding; Human Services; and Insurance and Real Estate committees on the feasibility study, proposed plan, and financial analysis. The report must include (1) any legislative recommendations required to establish the company, agency, or program and (2) an assessment of funding needed for implementation and any future investment in them.