



General Assembly

Substitute Bill No. 7339

January Session, 2019



AN ACT CONCERNING A PUBLIC INSURANCE OPTION.

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

- 1 Section 1. (*Effective from passage*) (a) Within available appropriations,
2 the executive director of the Office of Health Strategy shall convene a
3 working group to make recommendations concerning the
4 establishment of a public health insurance coverage option not later
5 than January 1, 2022, that would be (1) funded by enrollee premiums,
6 and (2) open to individuals ineligible for Medicaid who earn less than
7 four hundred per cent of the federal poverty level. The working group
8 shall study how best to expand consumer choice and improve the
9 viability and affordability of the private insurance marketplace.
- 10 (b) In addition to the executive director of the Office of Health
11 Strategy, the working group shall include, but need not be limited to:
- 12 (1) Three consumer advocates, one each appointed by the speaker,
13 the majority leader and the minority leader of the House of
14 Representatives;
- 15 (2) Three providers, including at least one private insurance
16 provider and one Medicaid-enrolled health care provider, one each
17 appointed by the president pro tempore, the majority leader and the
18 minority leader of the Senate;

19 (3) The Commissioner of Social Services, or the commissioner's
20 designee;

21 (4) The State Comptroller, or the State Comptroller's designee;

22 (5) The Healthcare Advocate appointed pursuant to section 38a-1042
23 of the general statutes, or the Healthcare Advocate's designee; and

24 (6) Other stakeholders as deemed appropriate and appointed by the
25 executive director of the Office of Health Strategy, including, but not
26 limited to, (A) representatives of small businesses and employee
27 groups, (B) behavioral health providers, (C) representatives of groups
28 who have faced historical barriers to accessing healthcare, and (D)
29 representatives of state agencies.

30 (c) The executive director of the Office of Health Strategy shall serve
31 as chairperson of the working group, which shall provide
32 opportunities for stakeholder input prior to submitting its
33 recommendations. The working group shall:

34 (1) Evaluate how best to establish a public coverage option for
35 persons not otherwise eligible for Medicaid pursuant to the HUSKY
36 Health program, as defined in section 17b-290 of the general statutes;

37 (2) (A) Evaluate whether the coverage option should be jointly
38 administered with the Medicaid program or another existing program,
39 and (B) if the coverage option is jointly administered with the
40 Medicaid program, recommend how to ensure that the existing
41 Medicaid program will not move to a managed care model and that
42 existing enrollees will not experience reduction to their eligibility and
43 benefits as a result of the new program's implementation;

44 (3) Identify (A) the appropriate state agency or other public or
45 private entity to administer such program, and (B) consumer
46 protections that should be included in any applicable contract;

47 (4) Formulate a plan design that includes the ten essential benefits

48 required pursuant to 42 USC 18022 and that is funded by premiums
49 assessed on enrollees, and, if approved by the federal government,
50 federal premium tax credits and cost-sharing subsidies;

51 (5) Consider how to attract and maintain provider participation and
52 set adequate provider payment rates;

53 (6) Consider how to mitigate potential adverse selection or risk
54 segmentation;

55 (7) Evaluate whether and how to include components of the person-
56 centered medical home, value-based insurance design or similar
57 models;

58 (8) Evaluate whether the state should apply for a state innovation
59 waiver under 42 USC 18052 to allow eligible persons who enroll in the
60 plan to use tax credits and cost-sharing subsidies toward their
61 premiums; and

62 (9) Advise on how to leverage, preserve or maximize federal dollars
63 available to Connecticut consumers, companies or other entities.

64 (d) The Office of Health Strategy shall provide administrative
65 support to the working group and may seek grants to support the
66 study.

67 (e) The executive director of the Office of Health Strategy may issue
68 interim reports and findings relating to the study as the executive
69 director deems appropriate to the Health Care Cabinet established
70 pursuant to section 19a-725 of the general statutes and legislative
71 committees of cognizance.

72 (f) Not later than February 15, 2021, the executive director of the
73 Office of Health Strategy shall submit a report, in accordance with the
74 provisions of section 11-4a of the general statutes, on the results of the
75 study required pursuant to this section to the joint standing
76 committees of the General Assembly having cognizance of matters

77 relating to appropriations and the budgets of state agencies, human
78 services and insurance. The report shall include an actuarial and
79 economic analysis of the public health insurance coverage option.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>from passage</i>	New section
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Statement of Legislative Commissioners:

In section 1(b), the phrase "In addition to the executive director of the Office of Health Strategy, the" was added for clarity.

HS *Joint Favorable Subst.*