

Dannel P. Malloy

GOVERNOR
STATE OF CONNECTICUT

May 29, 2014

The Honorable Denise Merrill
Secretary of State
30 Trinity Street
Hartford, CT 06106

Dear Madam Secretary:

I hereby return, without my signature, substitute House Bill 5373, *An Act Implementing the Recommendations of the Legislative Program Review and Investigations Committee Concerning the Reporting of Certain Data by Managed Care Organizations and Health Insurance Companies to the Insurance Department.*

I support the objective of this bill, which is to increase the amount of information available to policymakers and citizens concerning substance use and the accessibility and availability of substance abuse treatment and coverage in Connecticut. While the objective is laudable, for the reasons stated below, I am not comfortable signing this bill into law. As the effective date of the Act is January, 2016, I believe that there will be an opportunity for stakeholders, the executive branch, the Connecticut Health Insurance Exchange, and others, to work together to pursue this bill's laudable objective in the next legislative session.

First, I am concerned that the data required by subdivisions (7) through (9) of Section 1 of this bill could provide an inaccurate picture on the accessibility and availability of substance use treatment in the state. Subdivisions (7) through (9) require Managed Care Organizations (MCOs) to report on the number of covered individuals receiving substance use treatment and average length and expense of treatment in addition to the number of in-network providers and facilities that treat substance use disorders and information related to the number of providers and facilities that have been accepted or left the MCOs network. The data can only be accurate if a provider reports a patient as being treated for substance use. I am persuaded that, perhaps due to stigma or other reasons, there may be a significant number of people who seek substance use treatment but are reported to carriers as being treated for other issues such as depression, anxiety, or other mental health issues.

Second, there is ambiguity in the reporting requirements, which could lead to different carriers reporting information differently about essentially the same service. This information will then be published by the Insurance Department in the Annual Consumer Report Card on Health

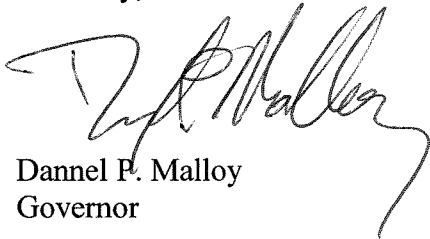
Insurance, which could lead to consumer confusion and misconceptions about the level of substance use treatment available from each provider. The Consumer Report Card is intended to inform consumers about the availability of medical and surgical care within provider networks generally. I am concerned that if the report includes a substantial amount of potentially incomplete or misleading information on substance use treatment, the Report Card risks losing the valuable consumer education function it was intended to serve.

Third, Subparagraphs (10) and (11) of Section 1 require MCOs to provide an annual report “explaining factors that may be negatively impacting covered individuals’ access to treatment of substance use disorders, including... screening procedures, the supply state-wide of certain categories of health care providers, health care provider capacity limitations and provider reimbursement rates,” while section (11) requires reporting on “[p]lans and ongoing or completed activities” to address the factors identified in subdivision (10). It is unusual to require, by statute, that private sector entities opine on matters of public policy or report on activities to achieve public policy objectives. I am concerned by the precedent such a requirement would set.

Finally, as highlighted by the Connecticut Health Insurance Exchange (the “Exchange”), the Exchange has significant concerns about the ability of the Exchange’s All-Payer Claims Database to assist MCOs in complying with the reporting requirements described above. Specifically, the Exchange has noted that the database was not and is not intended to track the information sought in this bill and further, that the preparation and provision of the required report is outside the scope of the federal grant received to fund the All-Payer Claims Database.

For these reasons, I disapprove of substitute House Bill 5373, *An Act Implementing the Recommendations of the Legislative Program Review and Investigations Committee Concerning the Reporting of Certain Data by Managed Care Organizations and Health Insurance Companies to the Insurance Department*. Pursuant to Section 15 of Article Fourth of the Constitution of the State of Connecticut, I am returning substitute House Bill 5373 without my signature.

Sincerely,



Dannel P. Malloy
Governor