



# CONNECTICUT

## Health Strategy

### Financial Impact of Formulary Change Restrictions on Health Plans in Connecticut

Pursuant to Conn. Gen. Statute §38a-477jj(e)

December 19, 2025

## Overview

Pursuant to Conn. Gen. Statute [§ 38a-477jj\(e\)](#) the Office of Health Strategy (OHS) conducted a study of the impact of frozen formulary laws in Connecticut and published an [inaugural report](#) in early 2025 covering the period of 2021 through 2023. A frozen formulary law prohibits some health insurers from changing a formulary during a plan year.

The original study design proposed would have requested health insurance carriers to complete a survey detailing mid plan-year formulary changes, including impacted drugs and associated prices and rebates, that:

- were made from 2019 to 2021, before state law restricted these changes; and
- would have been made in 2022 and 2023, absent state law.

OHS proposed a survey template to collect this information and requested carrier feedback. The carriers, through the Connecticut Association of Health Plans (CTAHP), stated that the methodology must also consider member mix, client changes, plan selection variation, changes in renewal dates, as well as the proprietary nature of unit costs to provide meaningful comparative data. The carriers informed OHS that responding to a survey capturing all the data would be too onerous to complete.

What is a frozen formulary?

A frozen formulary law prohibits some health insurers from changing a formulary during a plan year.

Lacking the authority to compel health insurance carriers to produce the data necessary, OHS utilized existing research and data available through the All-Payer Claims Database to approximate the impact of frozen formulary laws on Connecticut health plans. OHS estimated the financial impact of Connecticut’s frozen formulary legislation averaged 78 cents per member per month (PMPM) and ranged from 62 cents PMPM in 2021 to 97 Cents PMPM in 2023.

## 2024 Data Status

OHS consulted with CTAHP to review changes in health insurance carriers’ capacity to produce the initially requested data as well as data for 2024 in preparation for this report. Carriers, through their association, maintain that providing the data necessary to inform the study continues to present an arduous challenge.

OHS has also reviewed recently released research related to frozen formularies and has found insufficient support in the literature to indicate Connecticut would see a significant change in results reported last year. This finding, combined with the important limitations of the literature review approach cited in the initial report, suggests limited value in repeating comprehensive analysis and restatement of data at this time.

## Related Resource

OHS invites review of the inaugural report which includes detailed review of formularies, allowable formulary changes, applicability of state statute, the originally proposed study design, subsequent review of existing research and data, results, and limitations.

*Read the inaugural report:*

[Financial Impact of Formulary Change Restrictions on Health Plans In Connecticut, February 1, 2025](#)

## Conclusion

OHS finds that the summary observations offered in the previous report remain appropriate within the scope of the available data:

- The aggregate estimates of the frozen formulary laws impact on the Connecticut fully insured market is up to \$70 million over five years.
- The financial impact of frozen formulary laws is relatively minimal on a per member, per month basis and needs to be weighed against consumer protection concerns.
- Some mid-year formulary changes provide savings to plan sponsors including the state employee health plan.
- The study methodology originally proposed by stakeholders, including the CTAHP, would require additional resources.