STATE OF CONNECTICUT

INSURANCE DEPARTMENT

BULLETIN HC-84
June 20, 2011

TO: **ALL UTILIZATION REVIEW COMPANIES LICENSED TO CONDUCT BUSINESS IN CONNECTICUT AND ALL INSURANCE COMPANIES, FRATERNAL BENEFIT SOCIETIES, HOSPITAL SERVICE CORPORATIONS, MEDICAL SERVICE CORPORATIONS AND HEALTH CARE CENTERS THAT DELIVER OR ISSUE INDIVIDUAL OR GROUP HEALTH INSURANCE PLANS IN CONNECTICUT**

SUBJECT: **REVISIONS TO UTILIZATION REVIEW LICENSING AND PROCEDURAL REQUIREMENTS – PUBLIC ACT 11-58**

The Connecticut General Assembly has enacted legislation, Public Act No. 11-58 that brings the state's utilization review, internal grievance and external appeal requirements into compliance with the requirements set forth in the federal Patient Protection and Affordable Care Act, Pub.L.111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. 111-152, ("PPACA") and corresponding regulation 26 CFR Parts 54, 29 CFR 2590 and 45 CFR147 as amended. A copy of this Act may be accessed on the legislature web site http://www.cga.ct.gov/2011/ACT/PA/2011PA-00058-R00HB-06308-PA.htm. The purpose of this Bulletin is to address the major issues regarding utilization review company responsibilities.

Entities requiring licensure may change. Effective July 1, 2011, the definition of "utilization review" is amended to include retrospective review. Entities that need to be licensed can access the application on the Department website http://www.ct.gov/cid/lib/cid/utilrev.pdf. Licensing requirements will now be limited to those entities conducting utilization review for fully insured plans issued or delivered in Connecticut that provide coverage of the type specified in subdivisions (1), (2), (4), (10), (11), (12) and (16) of Connecticut General Statute §38a-469.

In addition, statutory time frames for making determinations, filing and responding to internal appeals and external appeals as well as notification processes must be modified to comply with PPACA. Please refer to Bulletin HC-83 for revised process and timeline requirements.

Currently licensed utilization review companies subject to these changes must modify denial letters to enrollees and providers as well as internal procedures. All modifications must be filed with the Department within 30 days of the effective date. Utilization review companies no longer subject to licensure must evaluate and modify any correspondence sent to enrollees and providers that will contain incorrect information as of July 1, 2011 as current state law requirements will no longer be effective.

Please contact the Insurance Department Life and Health Division at cid.lh@ct.gov with any questions.

Thomas B. Leonardi
Insurance Commissioner