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# The Commonwealth of Massachusetts

#### PRESENTED BY:

## Bradley H. Jones, Jr.

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to mandated benefits.

### PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Bradley H. Jones, Jr.	20th Middlesex	1/20/2011
Donald F. Humason, Jr.	4th Hampden	1/27/2011
Marc T. Lombardo	22nd Middlesex	2/2/2011
Randy Hunt	5th Barnstable	2/2/2011
F. Jay Barrows	1st Bristol	2/2/2011
Shaunna O'Connell	3rd Bristol	2/2/2011
Susan Williams Gifford	2nd Plymouth	2/2/2011
Daniel K. Webster	6th Plymouth	2/3/2011
Donald H. Wong	9th Essex	2/3/2011
Todd M. Smola	1st Hampden	2/3/2011
Kevin J. Kuros	8th Worcester	2/3/2011
Sheila C. Harrington	1st Middlesex	2/4/2011
Nicholas A. Boldyga	3rd Hampden	2/4/2011
Steven L. Levy	4th Middlesex	2/4/2011
David T. Vieira	3rd Barnstable	2/4/2011
Bruce E. Tarr		2/4/2011
Paul K. Frost	7th Worcester	2/4/2011
Paul Adams	17th Essex	2/4/2011

George N. Peterson, Jr.	9th Worcester	1/26/2011
Bradford Hill	4th Essex	2/4/2011
Elizabeth A. Poirier	14th Bristol	1/21/2011
Viriato Manuel deMacedo	1st Plymouth	2/3/2011

By Mr. Jones of North Reading, a petition (accompanied by bill, House, No. 2092) of Bradley H. Jones, Jr. and others relative to mandated health benefits. Health Care Financing.

# The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act relative to mandated benefits.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 38C of chapter 3 of the General Laws, as most recently amended by
 section 1 of chapter 288 of the Acts of 2010, is hereby further amended by striking subsection (a)
 and inserting in place thereof the following:-

4 "(a) For the purposes of this section, a mandated health benefit proposal is one that 5 mandates health insurance coverage for specific health services, specific diseases or certain 6 providers of health care services or that affects the operations of health insurers in the 7 administration of health insurance coverage as part of a policy or policies of group life and 8 accidental death and dismemberment insurance covering persons in the service of the 9 commonwealth, and group general or blanket insurance providing hospital, surgical, medical, 10 dental, and other health insurance benefits covering persons in the service of the commonwealth, 11 and their dependents organized under chapter 32A, individual or group health insurance policies 12 offered by an insurer licensed or otherwise authorized to transact accident or health insurance 13 organized under chapter 175, a nonprofit hospital service corporation organized under chapter

14 176A, a nonprofit medical service corporation organized under chapter 176B, a health 15 maintenance organization organized under chapter 176G, or an organization entering into a 16 preferred provider arrangement under chapter 176I, any health plan issued, renewed, or 17 delivered within or without the commonwealth to a natural person who is a resident of the 18 commonwealth, including a certificate issued to an eligible natural person which evidences 19 coverage under a policy or contract issued to a trust or association for said natural person and his 20 dependent, including said person's spouse organized under chapter 176M.".

21

22 SECTION 2. Subsection (d) of said section 38C of said chapter 3, as so appearing, is 23 hereby amended by striking subdivision (1) and inserting in place thereof the following:-

24 "(1) the financial impact of mandating the benefit, including the extent to which the 25 proposed insurance coverage would increase or decrease the cost of the treatment or service over 26 the next 5 years, the extent to which the proposed coverage might increase the appropriate or 27 inappropriate use of the treatment or service over the next 5 years, the extent to which the 28 mandated treatment or service might serve as an alternative for more expensive or less expensive 29 treatment or service, the extent to which the insurance coverage may affect the number and types 30 of providers of the mandated treatment or service over the next 5 years, the effects of mandating 31 the benefit on the cost of health care, particularly the premium, administrative expenses and 32 indirect costs of municipalities, large employers, small employers, employees and nongroup 33 purchasers, the potential benefits and savings to municipalities, large employers, small 34 employers, employees and nongroup purchasers, the effect of the proposed mandate on cost 35 shifting between private and public payors of health care coverage, the cost to health care

36 consumers of not mandating the benefit in terms of out of pocket costs for treatment or delayed
37 treatment and the effect on the overall cost of the health care delivery system in the
38 commonwealth;".

39 SECTION 3. Chapter 118G of the General Laws, as appearing in the 2008 Official
40 Edition, is hereby amended by inserting the following section:-

41 "Section 42. (a) For the purposes of this section, a mandated health benefit is a statutory 42 or regulatory requirement that mandates health insurance coverage for specific health services, 43 specific diseases or certain providers of health care services as part of a policy or policies of 44 group life and accidental death and dismemberment insurance covering persons in the service of 45 the commonwealth, and group general or blanket insurance providing hospital, surgical, medical, 46 dental, and other health insurance benefits covering persons in the service of the commonwealth, 47 and their dependents organized under chapter 32A, individual or group health insurance policies 48 offered by an insurer licensed or otherwise authorized to transact accident or health insurance 49 organized under chapter 175, a nonprofit hospital service corporation organized under chapter 50 176A, a nonprofit medical service corporation organized under chapter 176B, a health 51 maintenance organization organized under chapter 176G, or an organization entering into a 52 preferred provider arrangement under chapter 176I, any health plan issued, renewed, or 53 delivered within or without the commonwealth to a natural person who is a resident of the 54 commonwealth, including a certificate issued to an eligible natural person which evidences 55 coverage under a policy or contract issued to a trust or association for said natural person and his 56 dependent, including said person's spouse organized under chapter 176M.

(b) Joint committees of the general court and the house and senate committees on ways
and means when reporting favorably on mandated health benefits bills referred to them shall
include a review and evaluation conducted by the division of health care finance and policy
pursuant to this section.

61 (c) Upon request of a joint standing committee of the general court having jurisdiction or 62 the committee on ways and means of either branch, the division of health care finance and policy 63 shall conduct a review and evaluation of the mandated health benefit proposal, in consultation 64 with other relevant state agencies, and shall report to the committee within 90 days of the 65 request. If the division of health care finance and policy fails to report to the appropriate 66 committee within 45 days, said committee may report favorably on the mandated health benefit 67 bill without including a review and evaluation from the division.

68 (d) Any state agency or any board created by statute, including but not limited to the 69 Board of the Commonwealth Connector, the Department of Health, the Division of Medical 70 Assistance or the Division of Insurance that proposes to add a mandated health benefit by rule, 71 bulletin or other guidance must request that a review and evaluation of that proposed mandated 72 health benefit be conducted by the division of health care finance and policy pursuant to this 73 section. The report on the mandated health benefit by the division of health care finance and 74 policy must be received by the agency or board and available to the public at least 30 days prior 75 to any public hearing on the proposal. If the division of health care finance and policy fails to 76 report to the agency or board within 45 days of the request, said agency or board may proceed 77 with a public hearing on the mandated health benefit proposal without including a review and 78 evaluation from the division.

79 (e) Any party or organization on whose behalf the mandated health benefit was proposed 80 shall provide the division of health care finance and policy with any cost or utilization data that 81 they have. All interested parties supporting or opposing the proposal shall provide the division of 82 health care finance and policy with any information relevant to the division's review. The 83 division shall enter into interagency agreements as necessary with the division of medical 84 assistance, the group insurance commission, the department of public health, the division of 85 insurance, and other state agencies holding utilization and cost data relevant to the division's 86 review under this section. Such interagency agreements shall ensure that the data shared under 87 the agreements is used solely in connection with the division's review under this section, and that 88 the confidentiality of any personal data is protected. The division of health care finance and 89 policy may also request data from insurers licensed or otherwise authorized to transact accident 90 or health insurance under chapter 175, nonprofit hospital service corporations organized under 91 chapter 176A, nonprofit medical service corporations organized under chapter 176B, health 92 maintenance organizations organized under chapter 176G, and their industry organizations to 93 complete its analyses. The division of health care finance and policy may contract with an 94 actuary, or economist as necessary to complete its analysis.

95 The report shall include, at a minimum and to the extent that information is available, the 96 following: (1) the financial impact of mandating the benefit, including the extent to which the 97 proposed insurance coverage would increase or decrease the cost of the treatment or service over 98 the next 5 years, the extent to which the proposed coverage might increase the appropriate or 99 inappropriate use of the treatment or service over the next 5 years, the extent to which the 100 mandated treatment or service might serve as an alternative for more expensive or less expensive 101 treatment or service, the extent to which the insurance coverage may affect the number and types

102 of providers of the mandated treatment or service over the next 5 years, the effects of mandating 103 the benefit on the cost of health care, particularly the premium, administrative expenses and 104 indirect costs of municipalities, large employers, small employers, employees and nongroup 105 purchasers, the potential benefits and savings to municipalities, large employers, small 106 employers, employees and nongroup purchasers, the effect of the proposed mandate on cost 107 shifting between private and public payors of health care coverage, the cost to health care 108 consumers of not mandating the benefit in terms of out of pocket costs for treatment or delayed 109 treatment and the effect on the overall cost of the health care delivery system in the 110 commonwealth; (2) the medical efficacy of mandating the benefit, including the impact of the 111 benefit to the quality of patient care and the health status of the population and the results of any 112 research demonstrating the medical efficacy of the treatment or service compared to alternative 113 treatments or services or not providing the treatment or service; and (3) if the proposal seeks to 114 mandate coverage of an additional class of practitioners, the results of any professionally 115 acceptable research demonstrating the medical results achieved by the additional class of 116 practitioners relative to those already covered and the methods of the appropriate professional 117 organization that assures clinical proficiency.".

SECTION 4. Section 1 of chapter 175, as so appearing, is hereby amended by inserting
the following definitions:—

120 ""Flexible health benefit policy" means a health insurance policy that in whole or in part,121 does not offer state mandated health benefits.

122 "State mandated health benefits" means coverage required or required to be offered in123 the general or special laws as part of a policy of accident or sickness insurance that:

124	1. includes coverage for specific health care services or benefits;
125	2. places limitations or restrictions on deductibles, coinsurance, copayments, or
126	any annual or lifetime maximum benefit amounts; or
127	3. includes a specific category of licensed health care practitioner from whom an
128	insured is entitled to receive care.
129	"Policy of Accident and Sickness Insurance," any policy or contract covering the kind or
130	kinds of insurance described in subdivisions (a) through (d) of the sixth paragraph of section 47
131	of this chapter.".
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133	SECTION 5. Section 108 of said chapter 175, as so appearing, is hereby amended by
134	inserting after subsection 12 the following subsection:
135	"13. A carrier authorized to transact individual policies of accident or sickness insurance
136	under this section may offer a flexible health benefit policy, provided however, that for each sale
137	of a flexible health benefit policy the carrier shall provide to the prospective policyholder written
138	notice describing the state mandated health benefits that are not included in the policy and
139	provide to the prospective individual policyholder the option of purchasing at least one health
140	insurance policy that provides all state mandated health benefits.".
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142	SECTION 6. Section 110 of said chapter 175, as so appearing, is hereby amended by
143	inserting after subsection (P) the following:

144 "(Q) A carrier authorized to transact group policies of accident or sickness insurance 145 under this section may offer one or more flexible health benefit policies; provided however, that for each sale of a flexible health benefit policy the carrier shall provide to the prospective group 146 147 policyholder written notice describing the state mandated benefits that are not included in the 148 policy and provide to the prospective group policyholder the option of purchasing at least on 149 health insurance policy that provides all state mandated benefits. The carrier shall provide each 150 subscriber under a group policy upon enrollment with written notice stating that this a flexible 151 health benefit policy and describing the state mandated health benefits that are not included in 152 the policy.".

153 SECTION 7. Said chapter 175, as so appearing, is hereby amended by inserting after
154 section 111H the following:-

155 "Section 111I. (a) Except as otherwise provided in this section, the commissioner shall 156 not disapprove a policy of accident and sickness insurance which provides hospital expense and 157 surgical expense insurance solely on the basis that it does not include coverage for at least 1 158 mandated benefit.

(b) The commissioner shall not approve a policy of accident and sickness insurance
which provides hospital expense and surgical expense insurance unless it provides, at a
minimum, coverage for:

162 (1) pregnant women, infants and children as set forth in section 47C;

163 (2) prenatal care, childbirth and postpartum care as set forth in section 47F;

164 (3) cytologic screening and mammographic examination as set forth in section 47G;

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(3A)diabetes-related services, medications, and supplies as defined in section 47N;

166 (4) early intervention services as set forth in said section 47C; and

167 (5) mental health services as set forth in section 47B; provided however, that if the 168 policy limits coverage for outpatient physician office visits, the commissioner shall not 169 disapprove the policy on the basis that coverage for outpatient mental health services is not as 170 extensive as required by said section 47B, if the coverage is at least as extensive as coverage 171 under the policy for outpatient physician services.

(c) The commissioner shall not approve a policy of accident and sickness insurance
which provides hospital expense and surgical expense insurance that does not include coverage
for at least one mandated benefit unless the carrier continues to offer at least one policy that
provides coverage that includes all mandated benefits.

(d) For purposes of this section, "mandated benefit" shall mean a requirement in this
chapter that requires coverage for specific health services, specific diseases or certain providers
of health care.

(e) The commissioner may promulgate rules and regulations as are necessary to carry outthis section.

(f) Notwithstanding any special or general law to the contrary, no plan approved by the commissioner under this section shall be available to an employer who has provided a policy of accident and sickness insurance to any employee within 12 months.".

184 SECTION 8. Chapter 176A, as so appearing, is hereby amended by adding after section
185 1D the following two sections:—

"Section 1E. Definitions 186 187 The following words, as used in this chapter, unless the text otherwise requires or a 188 different meaning is specifically required, shall mean-189 "Flexible health benefit policy" means a health insurance policy that in whole or in part, 190 does not offer state mandated health benefits. 191 "State mandated health benefits" means coverage required or required to be offered 192 in the general or special laws as part of a policy of accident or sickness insurance that: 193 1. includes coverage for specific health care services or benefits; 2. places limitations or restrictions on deductibles, coinsurance, copayments, or 194 195 any annual or lifetime maximum benefit amounts; or 196 3. includes a specific category of licensed health care practitioner from whom an insured is entitled to receive care. 197 198 "Policy of Accident and Sickness Insurance," any policy or contract covering the kind or 199 kinds of insurance described in subdivisions (a) through (d) of the sixth paragraph of section 47 200 of chapter 175 of the general laws. 201 202 Section 1F. (a) Except as otherwise provided in this section, the commissioner shall not

203 disapprove a contract between a subscriber and the corporation under an individual or group

hospital services plan solely on the basis that it does not include coverage for at least onemandated benefit.

(b) The commissioner shall not approve a contract unless it provides, at a minimum,coverage for:

208 (1) pregnant women, infants and children as set forth in section 47C;

209 (2) prenatal care, childbirth and postpartum care as set forth in section 47F;

210 (3) cytologic screening and mammographic examination as set forth in section 47G;

211 (3A)diabetes-related services, medications, and supplies as defined in section 47N;

212 (4) early intervention services as set forth in said section 47C; and

(5) mental health services as set forth in section 47B; provided however, that if the policy limits coverage for outpatient physician office visits, the commissioner shall not disapprove the policy on the basis that coverage for outpatient mental health services is not as extensive as required by said section 47B, if the coverage is at least as extensive as coverage under the policy for outpatient physician services.

(c) The commissioner shall not approve a contract that does not include coverage for at
 least one mandated benefit unless the corporation continues to offer at least one contract that
 provides coverage that includes all mandated benefits.

(d) For purposes of this section, "mandated benefit" shall mean a requirement in this
 chapter that requires coverage for specific health services, specific diseases or certain providers
 of health care.

(e) The commissioner may promulgate rules and regulations as are necessary to carry outthis section.

(f) Notwithstanding any special or general law to the contrary, no plan approved by the commissioner under this section shall be available to an employer who has provided a hospital services plan, to any employee within 12 months.".

SECTION 9. Section 8 of chapter 176A, as so appearing, is hereby amended by inserting
 after subsection (g) the following:—

231 "(h) A non-profit hospital service corporation authorized to transact individual policies 232 of accident or sickness insurance under this section may offer a one flexible health benefit 233 policy, provided however, that for each sale of a flexible health benefit policy the non-profit 234 hospital service corporation shall provide to the prospective policyholder written notice 235 describing the state mandated health benefits that are not included in the policy and provide to 236 the prospective individual policyholder the option of purchasing at least one health insurance 237 policy that provides all state mandated health benefits.

238 (i) A non-profit hospital service corporation authorized to transact group policies of 239 accident or sickness insurance under this section may offer one or more flexible health benefit 240 policies; provided however, that for each sale of a flexible health benefit policy the non-profit 241 hospital service corporation shall provide to the prospective group policyholder written notice 242 describing the state mandated benefits that are not included in the policy and provide to the 243 prospective group policyholder the option of purchasing at least on health insurance policy that 244 provides all state mandated benefits. The non-profit hospital service corporation shall provide 245 each subscriber under a group policy upon enrollment with written notice stating that this a

246	flexible health benefit policy and describing the state mandated health benefits that are not
247	included in the policy.".
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249	SECTION 10. Section 1 of Chapter 176B, as so appearing, is hereby amended by
250	inserting the following new definitions:
251	"Flexible health benefit policy" means a health insurance policy that in whole or in part,
252	does not offer state mandated health benefits.
253	"State mandated health benefits" means coverage required or required to be offered in the
254	general or special laws as part of a policy of accident or sickness insurance that:
255	1. includes coverage for specific health care services or benefits;
256	2. places limitations or restrictions on deductibles, coinsurance, copayments, or
257	any annual or lifetime maximum benefit amounts; or
258	3. includes a specific category of licensed health care practitioner from whom an
259	insured is entitled to receive care.
260	
261	"Policy of Accident and Sickness Insurance," any policy or contract covering the kind or
262	kinds of insurance described in subdivisions (a) through (d) of the sixth paragraph of section 47
263	of chapter 175 of the general laws.".

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265 SECTION 11. Section 4 of chapter 176B, as so appearing, is hereby amended by
266 inserting the following paragraphs at the end thereof:—

267 "A medical service corporation authorized to transact individual policies of accident or 268 sickness insurance under this chapter may offer a one flexible health benefit policy, provided 269 however, that for each sale of a flexible health benefit policy the medical service corporation 270 shall provide to the prospective policyholder written notice describing the state mandated health 271 benefits that are not included in the policy and provide to the prospective individual policyholder 272 the option of purchasing at least one health insurance policy that provides all state mandated 273 health benefits.

A medical service corporation authorized to transact group policies of accident or sickness insurance under this section may offer one or more flexible health benefit policies; provided however, that for each sale of a flexible health benefit policy the medical service corporation shall provide to the prospective group policyholder written notice describing the state mandated benefits that are not included in the policy and provide to the prospective group policyholder the option of purchasing at least on health insurance policy that provides all state mandated benefits.

The medical service corporation shall provide each subscriber under a group policy upon enrollment with written notice stating that this a flexible health benefit policy and describing the state mandated health benefits that are not included in the policy.".

SECTION 12. Said chapter 176B, as so appearing, is hereby amended by inserting after
 section 6B the following section:-

286	"Section 6C. (a) Except as otherwise provided in this section, the commissioner shall not	
287	disapprove a subscription certificate solely on the basis that it does not include coverage for at	
288	least one mandated benefit.	
289	(b) The commissioner shall not approve a subscription certificate unless it provides, at a	
290	minimum, coverage for:	
291	(1) pregnant women, infants and children as set forth in section 47C;	
292	(2) prenatal care, childbirth and postpartum care as set forth in section 47F;	
293	(3) cytologic screening and mammographic examination as set forth in section 47G;	
294	(3A)diabetes-related services, medications, and supplies as defined in section 47N;	
295	(4) early intervention services as set forth in said section 47C; and	
296	(5) mental health services as set forth in section 47B; provided however, that if the	
297	policy limits coverage for outpatient physician office visits, the commissioner shall not	
298	disapprove the policy on the basis that coverage for outpatient mental health services is not as	
299	extensive as required by said section 47B, if the coverage is at least as extensive as coverage	
300	under the policy for outpatient physician services.	
301	(c) The commissioner shall not approve a subscription certificate that does not include	
302	coverage for at least 1 mandated benefit unless the corporation continues to offer at least one	
303	subscription certificate that provides coverage that includes all mandated benefits.	

304 (d) For purposes of this section, "mandated benefit" shall mean a requirement in this
 305 chapter that requires coverage for specific health services, specific diseases or certain providers
 306 of health care.

307 (e) The commissioner may promulgate rules and regulations as are necessary to carry out308 this section.

309 (f) Notwithstanding any special or general law to the contrary, no plan approved by the
310 commissioner under this section shall be available to an employer who has provided a
311 subscription certificate, to any employee within 12 months.".

312 SECTION 13. Section 1 of chapter 176G, as so appearing, is hereby amended by

313 inserting the following new definitions:—

314 ""Flexible health benefit policy" means a health insurance policy that in whole or in part,315 does not offer state mandated health benefits.

316 "State mandated health benefits" means coverage required or required to be offered in the 317 general or special laws as part of a policy of accident or sickness insurance that:

318 1. includes coverage for specific health care services or benefits;

319 2. places limitations or restrictions on deductibles, coinsurance, copayments, or

320 any annual or lifetime maximum benefit amounts; or

321 3. includes a specific category of licensed health care practitioner from whom an

322 insured is entitled to receive care.

323 "Policy of Accident and Sickness Insurance," any policy or contract covering the kind or
324 kinds of insurance described in subdivisions (a) through (d) of the sixth paragraph of section 47
325 of chapter 175 of the general laws.".

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327 SECTION 14. Section 4 of chapter 176G, as most recently amended by section 97 of 328 chapter 131 of the acts of 2010, hereby further amended by adding the following paragraph at the 329 end thereof:—

330 "A health maintenance organization authorized to transact individual policies of accident 331 or sickness insurance under this chapter may offer a one flexible health benefit policy, provided 332 however, that for each sale of a flexible health benefit policy the health maintenance 333 organization shall provide to the prospective policyholder written notice describing the state 334 mandated health benefits that are not included in the policy and provide to the prospective 335 individual policyholder the option of purchasing at least one health insurance policy that 336 provides all state mandated health benefits.".

337

338 SECTION 15. Chapter 176G, as most recently amended by section 5 of chapter 207 of 339 the acts of 2010, is hereby further amended by inserting after section 4V the following section:-340 "Section 4W. A health maintenance organization authorized to transact group policies of 341 accident or sickness insurance under this chapter may offer one or more flexible health benefit 342 policies; provided however, that for each sale of a flexible health benefit policy the health 343 maintenance organization shall provide to the prospective group policyholder written notice describing the state mandated benefits that are not included in the policy and provide to the
prospective group policyholder the option of purchasing at least on health insurance policy that
provides all state mandated benefits. The health maintenance organization shall provide each
subscriber under a group policy upon enrollment with written notice stating that this a flexible
health benefit policy and describing the state mandated health benefits that are not included in
the policy.".

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351	SECTION 16. Chapter 176G of the General Laws, as appearing in the 2008 Official
352	Edition, is hereby amended by inserting after Section 16B the following section:-
353	Section 16C. (a) Except as otherwise provided in this section, the commissioner shall not
354	disapprove a health maintenance contract solely on the basis that it does not include coverage for
355	at least 1 mandated benefit.
356	(b) The commissioner shall not approve a health maintenance contract unless it provides
357	coverage for:
358	(1) pregnant women, infants and children as set forth in section 47C;
359	(2) prenatal care, childbirth and postpartum care as set forth in section 47F;
360	(3) cytologic screening and mammographic examination as set forth in section 47G;
361	(3A)diabetes-related services, medications, and supplies as defined in section 47N;

362 (4) early intervention services as set forth in said section 47C; and

363 (5) mental health services as set forth in section 47B; provided however, that if the
364 policy limits coverage for outpatient physician office visits, the commissioner shall not
365 disapprove the policy on the basis that coverage for outpatient mental health services is not as
366 extensive as required by said section 47B, if the coverage is at least as extensive as coverage
367 under the policy for outpatient physician services.

368 (c) The commissioner shall not approve a health maintenance contract that does not
369 include coverage for at least one mandated benefit unless the health maintenance organization
370 continues to offer at least one health maintenance contract that provides coverage that includes
371 all mandated benefits.

372 (d) For purposes of this section, "mandated benefit" shall mean a requirement in this
373 chapter that requires coverage for specific health services, specific diseases or certain providers
374 of health care.

375 (e) The commissioner may promulgate rules and regulations as are necessary to carry out376 the provisions of this section.

(f) Notwithstanding any special or general law to the contrary, no plan approved by the
commissioner under this section shall be available to an employer who has provided a health
maintenance contract, to any employee within 12 months.

- 380 SECTION 17. Section 1 of chapter 176M, as so appearing, is hereby amended by
  381 inserting the following new definitions:—
- 382 ""Flexible health benefit policy" means a health insurance that, in whole or in part, does383 not offer state mandated health benefits.

384	"State mandated health benefits" means coverage required to be offered any general or
385	special law that:
386	1. includes coverage for specific health care services or benefits;
387	2. places limitations or restrictions on deductibles, coinsurance, copayments, or
388	any annual or lifetime maximum benefit amounts; or
389	3. includes a specific category of licensed health care practitioner from whom an
390	insured is entitled to receive care.".
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392	SECTION 18. Section 2 of chapter 176M, as most recently amended by section 35 of
393	chapter 288 of the acts of 2010, is hereby further amended by striking out the first sentence of
394	subsection (d) and inserting in place thereof the following:-
395	"A carrier that participates in the nongroup health insurance market shall make available
396	to eligible individuals a standard guaranteed health plan established pursuant to paragraph (c)
397	and may additionally make available to eligible individuals no more than two alternative
398	guaranteed issue health plans, one of which may be a flexible health benefit policy, with benefits
399	and cost sharing requirements, including deductibles, that differ from the standard guaranteed
400	issue health plan.".
401	
402	SECTION 19. Notwithstanding any general or special law to the contrary, it shall be the
403	policy of the general court to impose a moratorium on all new mandated health benefit

- 404 legislation until the later of July 31, 2012, or until the rate of increase in the Consumer Price
- 405 Index (CPI) for medical care services as reported by the United States Bureau of Labor Statistics
- 406 remains at zero or below zero for two consecutive years.