SENATE DOCKET, NO. 1728 FILED ON: 1/21/2011

SENATE . . . . . No. 546

The Commonwealth of Massachusetts

PRESENTED BY:

Anthony W. Petruccelli

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 strengthening the mandate review law.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Anthony W. Petruccelli	

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SENATE . . . . . No. 546

By Mr. Petruccelli, a petition (accompanied by bill, Senate, No. 546) of Anthony W. Petruccelli for legislation to strengthen the mandate review law. Health Care Financing.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act strengthening the mandate review law.

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. Subsection (a) of section 38C of chapter 3 of the General Laws, is hereby amended by deleting the first paragraph in its entirety and inserting in place thereof the following:-

Section 38C. (a) For the purposes of this section, a mandated health benefit proposal is one that mandates health insurance coverage for specific health services, specific diseases or certain providers of health care services or that affects the operations of health insurers in the administration of health insurance coverage as part of a policy or policies of group life and accidental death and dismemberment insurance covering persons in the service of the commonwealth, and group general or blanket insurance providing hospital, surgical, medical, dental, and other health insurance benefits covering persons in the service of the commonwealth, and their dependents organized under chapter 32A , individual or group health insurance policies offered by an insurer licensed or otherwise authorized to transact accident or health insurance 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

21 SECTION 2. Subsection (d)(1) of section 38C of chapter 3 of the General Laws, is
22 hereby amended by deleting the paragraph in its entirety and inserting in place thereof the
23 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;