



General Assembly

Substitute Bill No. 6839

January Session, 2007

* HB06839PH_APP032607 *

AN ACT CONCERNING HEALTH INFORMATION TECHNOLOGY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2007*) As used in sections 1 to 9,
2 inclusive, of this act:

3 (1) "Health information technology" means the application of
4 information processing, involving both computer hardware and
5 software that deals with the storage, retrieval, sharing and use of
6 health care information, data and knowledge for communication and
7 decision-making, and includes: (A) An electronic health record that
8 provides access in real-time to a patient's complete medical record; (B)
9 a personal health record through which an individual, and anyone
10 authorized by such individual, can maintain and manage such
11 individual's health information; (C) computerized order entry
12 technology that permits a health care provider to order diagnostic and
13 treatment services, including prescription drugs electronically; (D)
14 electronic alerts and reminders to health care providers to improve
15 compliance with best practices, promote regular screenings and other
16 preventive practices, and facilitate diagnoses and treatments; (E) error
17 notification procedures that generate a warning if an order is entered
18 that is likely to lead to a significant adverse outcome for a patient; and
19 (F) tools to allow for the collection, analysis and reporting of data on
20 adverse events, near misses, the quality and efficiency of care, patient

21 satisfaction and other healthcare-related performance measures.

22 (2) "Interoperability" means the ability of two or more systems or
23 components to exchange information and to use the information that
24 has been exchanged and includes: (A) The capacity to physically
25 connect to a network for the purpose of exchanging data with other
26 users; (B) the ability of a connected user to demonstrate appropriate
27 permissions to participate in the instant transaction over the network;
28 and (C) the capacity of a connected user with such permissions to
29 access, transmit, receive and exchange usable information with other
30 users.

31 (3) "Standard electronic format" means a format using open
32 electronic standards that: (A) Enable health information technology to
33 be used for the collection of clinically specific data; (B) promote the
34 interoperability of health care information across health care settings,
35 including reporting to local, state and federal agencies; and (C)
36 facilitate clinical decision support.

37 (4) "Telemedicine" means the practice of health care delivery,
38 diagnosis, consultation, treatment, transfer of medical data and
39 education using: (A) Interactive audio, video, or data communications;
40 (B) store-and-forward technology; or (C) remote patient monitoring.

41 Sec. 2. (NEW) (*Effective October 1, 2007*) (a) There is established,
42 within the Department of Public Health, an Office of Health
43 Information Technology. The office shall:

44 (1) Develop, implement and periodically update a health
45 information technology plan for establishing a state-wide, integrated
46 electronic health information infrastructure. Such plan shall include
47 timetables for implementation, which may be accomplished in phases
48 or through the use of pilot projects or regional approaches;

49 (2) Provide leadership related to, and encourage the adoption and
50 effective use of, health information technology by conducting pilot
51 projects, demonstration programs and other initiatives and by

52 administering programs providing financial incentives, including
53 grants and loans for the creation of local and regional health
54 information networks to facilitate the development of interoperability
55 across healthcare settings;

56 (3) Assemble, analyze and widely disseminate to health care
57 providers and the general public evidence and experience related to
58 the adoption, implementation, effective use and value of health
59 information technology;

60 (4) Identify, adopt and promote the use of open data standards for
61 interoperability that (A) include provisions relating to security,
62 privacy, data content, structures and format, vocabulary and
63 transmission protocols, and (B) take into account and are compatible
64 with any national data standards in order to allow for interstate
65 interoperability;

66 (5) Adopt regulations, in accordance with the provisions of chapter
67 54 of the general statutes, to carry out the responsibilities of the office;
68 and

69 (6) Submit, in accordance with section 11-4a of the general statutes,
70 an annual report concerning the activities of the office to the Governor
71 and to the joint standing committee of the General Assembly having
72 cognizance of matters relating to public health. The annual report shall
73 include the following:

74 (A) An assessment of the office's progress in developing and
75 implementing the health information technology plan;

76 (B) An assessment of the impact of such plan, including the results
77 of pilot projects and other initiatives undertaken by and financial
78 incentives provided by the state;

79 (C) A summary description of health information technology,
80 including telemedicine services, newly eligible for funding or payment
81 under one or more state-funded programs, including the HUSKY Plan,

82 Part A and Part B and the medical assistance program; and

83 (D) Recommendations for additional funding and legislation
84 needed to accelerate the deployment and effective use of health
85 information technology.

86 (b) In developing and periodically revising the health information
87 technology plan, the office shall consult with the Health Information
88 Technology Advisory Committee established under section 3 of this
89 act, issue a draft of the plan, or updated plan, for public review and
90 comment, provide one or more public meetings to receive public
91 comments on the draft plan, or updated plan, and take steps to assure
92 the greatest possible collaboration between the private and public
93 sectors, including the federal government, in order to accelerate the
94 deployment and effective use of health information technology.

95 (c) No state agency shall expend funds for the purchase of
96 hardware, software or support services for the electronic exchange of
97 health information that is not consistent with data standards for
98 interoperability adopted by the Office of Health Information
99 Technology.

100 (d) All state agencies collecting health data shall comply with the
101 data standards for interoperability adopted by the Office of Health
102 Information Technology and shall implement procedures to enable
103 receipt of statutorily mandated and voluntarily reported health
104 information in a standard electronic format.

105 Sec. 3. (NEW) (*Effective October 1, 2007*) (a) There is established a
106 Health Information Technology Advisory Committee. The committee
107 shall consist of the Commissioner of Public Health and eight members
108 who shall be appointed as follows: Two by the Governor; one each by
109 the president pro tempore of the Senate and the speaker of the House
110 of Representatives; one each by the majority leaders of the Senate and
111 House of Representatives; and one each by the minority leaders of the
112 Senate and House of Representatives. Members shall serve for a term

113 of four years commencing on November first. All initial appointments
114 to the committee shall be made by November 1, 2007. Any vacancy
115 shall be filled by the appointing authority.

116 (b) The Commissioner of Public Health shall serve as the
117 chairperson of the committee. The chairperson shall schedule the first
118 meeting of the committee, which shall be held no later than December
119 1, 2007.

120 (c) The Health Information Technology Advisory Committee shall:
121 (1) Provide comments and advice regarding the health information
122 technology plan developed by the Office of Health Information
123 Technology; (2) assess the use of health information technology by the
124 state, health care providers and facilities and local public health
125 agencies; (3) identify legal, regulatory, administrative or other barriers
126 to the acquisition and effective use of health information technology;
127 (4) provide advice about pilot projects or other initiatives for
128 accelerating the deployment and effective use of health information
129 technology; (5) identify incentives to accelerate the deployment and
130 effective use of health information technology; and (6) provide advice
131 regarding the development and implementation of the Medicaid
132 value-based purchasing program established under section 5 of this
133 act, especially with respect to the use of health information technology.

134 Sec. 4. (NEW) (*Effective July 1, 2007*) (a) The Commissioner of Public
135 Health, acting through the Office of Health Information Technology,
136 shall establish and implement a program to provide grants to public
137 and nonprofit private entities that are or represent a network or
138 potential network that includes health care providers and health plans
139 in a defined area of geographic proximity or organizational affinity
140 and that may include for-profit entities provided such an entity is not
141 the grantee, to plan and implement local or regional health information
142 infrastructures that allow for the seamless, secure, electronic sharing of
143 health information among health care providers, health plans and
144 other authorized users.

145 (b) (1) The Commissioner of Public Health, acting through the Office
146 of Health Information Technology, shall establish and implement a
147 loan program for public and nonprofit private entities that are or
148 represent a network or potential network that includes health care
149 providers and health plans in a defined area of geographic proximity
150 or organizational affinity, and that may include for profit entities
151 provided such an entity is not the loan recipient, to plan and
152 implement local or regional health information infrastructures that
153 allow for the seamless, secure, electronic sharing of health information
154 among health care providers, health plans, and other authorized users.
155 The amount of any loan under this section shall not exceed fifty
156 thousands dollars. The interest rate for each loan shall be less than or
157 equal to the market interest rate. The principal and interest payments
158 on each loan shall commence not later than one year after the loan was
159 awarded, and each loan shall be fully amortized not later than ten
160 years after the date of the loan.

161 (2) There is established an account to be known as the "health
162 information network loan fund account" which shall be a separate,
163 nonlapsing account within the General Fund. The account may contain
164 all moneys required by law to be deposited in the account. The moneys
165 in said account shall be allocated for implementation of the health
166 information technology loan program described in subdivision (1) of
167 this subsection.

168 (c) (1) For the purposes described in subsection (b) of this section,
169 the State Bond Commission shall have the power, from time to time, to
170 authorize the issuance of bonds of the state in one or more series and
171 in principal amounts not exceeding in the aggregate one million
172 dollars.

173 (2) The proceeds of the sale of said bonds, to the extent of the
174 amount stated in subdivision (1) of subsection (c) of this section, shall
175 be used by the Department of Public Health, acting through the Office
176 of Health Information Technology, for the purpose of implementing
177 the health information technology loan program authorized under the

178 provisions of subsection (b) of this section.

179 (3) All provisions of section 3-20 of the general statutes, or the
180 exercise of any right or power granted thereby, which are not
181 inconsistent with the provisions of this section are hereby adopted and
182 shall apply to all bonds authorized by the State Bond Commission
183 pursuant to this section, and temporary notes in anticipation of the
184 money to be derived from the sale of any such bonds so authorized
185 may be issued in accordance with said section 3-20 and from time to
186 time renewed. Such bonds shall mature at such time or times not
187 exceeding twenty years from their respective dates as may be provided
188 in or pursuant to the resolution or resolutions of the State Bond
189 Commission authorizing such bonds. None of said bonds shall be
190 authorized except upon a finding by the State Bond Commission that
191 there has been filed with it a request for such authorization which is
192 signed by or on behalf of the Secretary of the Office of Policy and
193 Management and states such terms and conditions as said commission,
194 in its discretion, may require. Said bonds issued pursuant to this
195 section shall be general obligations of the state and the full faith and
196 credit of the state of Connecticut are pledged for the payment of the
197 principal of and interest on said bonds as the same become due, and
198 accordingly and as part of the contract of the state with the holders of
199 said bonds, appropriation of all amounts necessary for punctual
200 payment of such principal and interest is hereby made, and the State
201 Treasurer shall pay such principal and interest as the same become
202 due.

203 (d) Health information technology acquired under a grant or loan
204 authorized under this section shall comply with data standards for
205 interoperability adopted by the Office of Health Information
206 Technology.

207 Sec. 5. (NEW) (*Effective October 1, 2007*) (a) To the extent that federal
208 financial participation is available, the Commissioner of Social Services
209 shall revise Medicaid payment policies to implement a value-based
210 purchasing program under which financial incentives are provided to

211 health care providers who meet applicable reporting or performance
212 criteria specified by the commissioner. The program may be limited to
213 categories of health care providers or classes of health care items and
214 services specified by the commissioner and may be phased in or
215 implemented on another basis.

216 (b) The Commissioner of Social Services shall specify reporting and
217 performance criteria that relate to quality and efficiency measures,
218 including the improvement of health care quality through the
219 electronic exchange of health information.

220 (c) In selecting the quality and efficiency measures to be used under
221 this program with respect to a category of health care provider or a
222 class of health care items and services, and in undertaking periodic
223 updates of such measures, the Commissioner of Social Services shall
224 consult with associations representing the relevant health care
225 providers, organizations representing health care consumers, and the
226 Health Information Technology Advisory Committee established
227 under section 3 of this act.

228 (d) To the greatest extent possible: (1) The Commissioner of Social
229 Services shall select quality and efficiency measures from among
230 measures endorsed by the National Quality Forum, the National
231 Committee for Quality Assurance, the Joint Commission on
232 Accreditation of Healthcare Organizations, the Centers for Medicare
233 and Medicaid Services, or the Agency for Healthcare Research and
234 Quality of the United States Department of Health and Human
235 Services; (2) the information related to such measures shall not be
236 overly burdensome to collect; and (3) the Commissioner of Social
237 Services shall implement procedures to enable the receipt of such
238 information in a standard electronic format.

239 (e) For any category of health care provider or any class of health
240 care items and services, the incentives under the program in any given
241 year shall not exceed the applicable percentage of the amounts
242 otherwise payable to such category or for such class as follows: (1) For

243 2007 and 2008, two per cent; (2) for 2009 and 2010, three per cent; (3)
244 for 2011 and 2012, five per cent; and (4) for 2013 and each subsequent
245 year, an amount equal to or greater than five per cent, specified by the
246 Commissioner of Social Services following notice and an opportunity
247 for public comment.

248 Sec. 6. (NEW) (*Effective October 1, 2007*) (a) To the extent that federal
249 financial participation is available, the Department of Social Services
250 shall expand the list of services covered under the state Medicaid plan
251 to include telemedicine services provided by a physician, nurse
252 midwife, nurse practitioner or other licensed practitioner of the healing
253 arts within the scope of his or her practice, provided:

254 (1) The services are similar to services covered by the state Medicaid
255 plan when furnished in a conventional face-to-face manner.

256 (2) The services can be safely and effectively provided without
257 traditional face-to-face contact with the patient, as determined by the
258 Commissioner of Social Services.

259 (3) The services are appropriately provided using either real-time,
260 interactive video conferencing or store-and-forward technology.

261 (b) In determining payment amounts for covered telemedicine
262 services, the Commissioner of Social Services shall take into account
263 the amounts paid for similar covered services furnished in
264 conventional face-to-face manner and the costs of technical support,
265 line-charges, depreciation of equipment and other costs associated
266 with the delivery of the services by electronic means.

267 (c) In determining the services that can be safely and effectively
268 provided without the necessity of a traditional face-to-face contact
269 with the patient, the Commissioner of Social Services shall consult
270 with the Commissioner of Public Health and associations representing
271 physicians, telehealth providers and other health care providers, and
272 shall issue a report to the public summarizing the results of such
273 consultations.

274 Sec. 7. (NEW) (*Effective October 1, 2007*) (a) Not later than October 1,
275 2008, the Commissioner of Public Health, in consultation with the
276 Health Information Technology Advisory Committee, shall submit a
277 report, in accordance with section 11-4a of the general statutes, to the
278 Governor and the joint standing committee of the General Assembly
279 having cognizance of matters relating to public health identifying
280 existing statutory, regulatory and administrative barriers to the
281 acquisition and effective use of health information technology,
282 including, but not limited to, state requirements related to the privacy
283 and security of personal health information, together with
284 recommendations for legislation and other actions to address such
285 barriers. The report shall include an assessment of the barriers
286 presented by the professional licensure policies and practices of the
287 state to patient access to telemedicine services provided across state
288 lines by out-of-state physicians or other out-of-state practitioners of the
289 healing arts.

290 (b) Notwithstanding any other provision of the general statutes, the
291 provision of any equipment, information, right, license, intellectual
292 property, software, training or service used for developing,
293 implementing, operating or facilitating the use of health information
294 technology, or funding used exclusively to provide or pay for any of
295 such items or services, designed to promote the electronic exchange of
296 health information and improve health care quality, reduce medical
297 errors, reduce health care costs, improve the coordination of care and
298 streamline administrative processes shall not be considered a
299 prohibited payment, solicitation or remuneration in exchange for
300 referring another individual for a service, purchasing or leasing an
301 item or service or arranging for or recommending the purchase of an
302 item or service, or as establishing a financial relationship with the
303 entity providing such item or service:

304 (1) Is not conditioned on the recipient making any referral to, or
305 generating any business for, any person or entity for which any health
306 care program may make payment; and

307 (2) Complies with data standards for interoperability adopted by
 308 the Office of Health Information Technology.

309 Sec. 8. (*Effective July 1, 2007*) The sum of two hundred fifty thousand
 310 dollars is appropriated to the Department of Public Health, from the
 311 General Fund, for the fiscal year ending June 30, 2008, for the
 312 information technology grant program authorized under section 4 of
 313 this act.

314 Sec. 9. (*Effective July 1, 2007*) The sum of two hundred fifty thousand
 315 dollars is appropriated to the Department of Public Health, from the
 316 General Fund, for the fiscal year ending June 30, 2008, for the health
 317 information technology loan program authorized under section 4 of
 318 this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007</i>	New section
Sec. 2	<i>October 1, 2007</i>	New section
Sec. 3	<i>October 1, 2007</i>	New section
Sec. 4	<i>July 1, 2007</i>	New section
Sec. 5	<i>October 1, 2007</i>	New section
Sec. 6	<i>October 1, 2007</i>	New section
Sec. 7	<i>October 1, 2007</i>	New section
Sec. 8	<i>July 1, 2007</i>	New section
Sec. 9	<i>July 1, 2007</i>	New section

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Joint Favorable Subst. C/R

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