



General Assembly

Substitute Bill No. 1371

January Session, 2007

* _____SB01371INS__031507_____*

AN ACT ESTABLISHING THE CONNECTICUT SAVES HEALTH CARE PROGRAM.

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

1 Section 1. (NEW) (*Effective from passage*) As used in sections 1 to 10,
2 inclusive, of this act:

3 (1) "Policy" means a health insurance policy as described in section 4
4 of this act.

5 (2) "Commission" means the Connecticut Saves Health Care
6 Commission established under section 2 of this act.

7 (3) "Eligible individual" means an individual who is (A) a resident
8 of the state, and (B) under sixty-five years of age, except that "eligible
9 individual" does not include an individual who has been a resident of
10 the state for less than six consecutive months prior to the date of
11 application for such program.

12 (4) "Program" means the Connecticut Saves Health Care program.

13 Sec. 2. (*Effective from passage*) (a) There is established the Connecticut
14 Saves Health Care Commission to implement and administer the
15 Connecticut Saves Health Care program.

- 16 (b) The commission shall consist of the following members:
- 17 (1) Two appointed by the speaker of the House of Representatives;
- 18 (2) Two appointed by the president pro tempore of the Senate;
- 19 (3) One appointed by the majority leader of the House of
20 Representatives;
- 21 (4) One appointed by the majority leader of the Senate;
- 22 (5) One appointed by the minority leader of the House of
23 Representatives;
- 24 (6) One appointed by the minority leader of the Senate;
- 25 (7) One each appointed by the chairpersons of the joint standing
26 committee of the General Assembly having cognizance of matters
27 relating to insurance; and
- 28 (8) Two appointed by the Governor.
- 29 (c) Any member of the commission appointed under subdivision
30 (1), (2), (3), (4), (5), (6) or (7) of subsection (b) of this section may be a
31 member of the General Assembly.
- 32 (d) All appointments to the commission shall be made not later than
33 July 1, 2007. Each member shall serve for a term of three years and no
34 member shall serve for more than two consecutive terms. Any vacancy
35 shall be filled by the appointing authority.
- 36 (e) The speaker of the House of Representatives and the president
37 pro tempore of the Senate shall select the chairpersons of the
38 commission from among the members of the commission. Such
39 chairpersons shall schedule the first meeting of the commission, which
40 shall be held not later than sixty days after the effective date of this
41 section.
- 42 (f) Not later than January 1, 2008, and annually thereafter, the

43 commission shall submit a report on its findings and recommendations
44 to the joint standing committees of the General Assembly having
45 cognizance of matters relating to insurance, human services and public
46 health, in accordance with the provisions of section 11-4a of the
47 general statutes. Such report shall address the progress in
48 implementing the program and include any modifications in employer
49 or resident contribution levels or state-funding levels.

50 Sec. 3. (NEW) (*Effective from passage*) (a) There is established the
51 Connecticut Saves Health Care program to provide health insurance
52 policies, as defined in section 38a-469 of the general statutes, to ensure
53 affordable health care for eligible individuals.

54 (b) The commission shall arrange and procure health insurance
55 policies for enrollees in the program. The commission shall negotiate
56 and contract with insurance companies and health care centers
57 authorized to do insurance business in the state, in accordance with the
58 provisions of section 38a-41 of the general statutes, to provide health
59 insurance policies to the program. Such health insurance policies shall
60 be approved by the Insurance Commissioner in accordance with the
61 provisions of title 38a of the general statutes. The commission shall:

62 (1) Determine covered benefits and out-of-pocket cost-sharing to
63 assure affordable access to necessary health care;

64 (2) Survey employer-based health coverage in New England to
65 assist in determining such benefits and cost-sharing;

66 (3) Reimburse health care providers;

67 (4) Credential health care providers for participation in the
68 program;

69 (5) Issue or arrange for the issuance of the same Connecticut Saves
70 card to all enrollees in the program;

71 (6) Improve quality of care through measures that include, but are
72 not limited to:

- 73 (A) Obtaining and publishing data pertinent to quality of care,
- 74 (B) Encouraging the development of integrated health care systems,
75 incorporating such procedures as case management, registries,
76 feedback to physicians and team-based approach to patient-centered
77 care, and
- 78 (C) Preventing and managing of chronic disease;
- 79 (7) Reduce unnecessary health care spending and control health care
80 cost growth through measures that include, but are not limited to:
- 81 (A) Administrative simplification;
- 82 (B) Provider reimbursement policies;
- 83 (C) Prevention and management of chronic disease;
- 84 (D) Consumer quality report cards;
- 85 (E) Error reporting;
- 86 (F) Strengthening certificate of need procedures; and
- 87 (G) E-health initiatives;
- 88 (8) Devise and implement systems for voluntary and automatic
89 enrollment;
- 90 (9) Establish and implement policies and procedures for interstate
91 coverage issues involving state residents who work or receive health
92 care in other states and residents of other states who work or receive
93 health care in this state;
- 94 (10) Establish arrangements with the Department of Revenue
95 Services through which employers and state residents have their
96 contributions sent automatically to said department, via payroll
97 withholding or otherwise, which in turn provides those contributions
98 to the Comptroller; and

99 (11) Educate state residents concerning the use of the program, the
100 importance of preventive care and assessments, and communicate
101 general public health messages.

102 (c) The commission may delegate the duties of reimbursing and
103 credentialing health care providers and preventing and managing
104 chronic disease to a third-party administrator.

105 (d) The commission shall educate state residents about the health
106 insurance policies available under the program, by means including,
107 but not limited to, preparation of educational materials; conducting
108 informational sessions or workshops; contracting with nonprofit
109 organizations and community-based organizations for outreach to
110 hard-to-reach populations and training, consulting with and
111 reimbursing licensed health insurance brokers for assistance in
112 educating residents.

113 (e) The commission shall promote the use of information technology
114 by insurance companies and health care centers providing health
115 insurance policies to the program, individuals applying to, enrolled in
116 or seeking information about the program and persons providing
117 information to the program and shall arrange for the provision of
118 technical support, training and assistance to assure the effective use of
119 such information technology. The commission shall require each
120 insurance company and health care center providing health insurance
121 policies to the program to operate an electronic health record system
122 not later than October 1, 2007, certified by the commission, that meets
123 interoperability standards established by the commission, by
124 regulations adopted in accordance with subsection (f) of this section,
125 for such electronic health record systems.

126 (f) The commission shall adopt regulations, in accordance with
127 chapter 54 of the general statutes, to implement and administer the
128 Connecticut Saves Health Care program pursuant to sections 1 to 10,
129 inclusive, of this act.

130 Sec. 4. (NEW) (*Effective from passage*) (a) The commission shall make

131 available to each eligible individual seeking enrollment in the program
132 a health insurance policy, affordable to most state residents, offering
133 the benefits specified in subdivision (2) of subsection (b) of this section.
134 The commission shall survey employer-based health insurance
135 coverage in New England to determine the actuarial value of policy
136 coverage.

137 (b) The policy shall:

138 (1) Have an actuarial value that is not less than the sum of (A) the
139 actuarial value of all coverage, excluding dental coverage, for average
140 New England enrollees in employer-based insurance during the
141 previous year; and (B) the actuarial value of dental coverage for
142 average New England enrollees in employer-based insurance during
143 the previous year; and

144 (2) Offer benefits including, but not limited to, office visits, inpatient
145 and outpatient hospital care, mental and behavioral health care,
146 including substance abuse treatment, prescription drugs, including
147 brand name and generic drugs, maternity care, including prenatal and
148 postpartum care, oral contraceptives, durable medical equipment,
149 speech, physical and occupational therapy, home health care, hospice
150 services and extended care as alternatives to institutionalization;
151 preventive and restorative dental care, basic vision care and, as
152 prescribed by a physician, personalized nutrition and exercise plans
153 and smoking cessation services; examinations, screenings, and
154 immunizations for every adult and child including, but not limited to,
155 well-child and well-baby care, which shall be exempt from out-of-
156 pocket cost-sharing.

157 Sec. 5. (NEW) (*Effective from passage*) (a) The commission shall
158 prospectively adjust payments for each health insurance policy under
159 the program to compensate fully for any differences between the
160 average risk levels of the policy's enrollees and the state's nonelderly
161 population.

162 (b) Within available appropriations, during the first three years of

163 implementation of the program, the commission may subsidize the
164 cost of reinsurance premiums related to the program. The remainder of
165 the cost of such premiums shall be paid from payments made to the
166 program by or on behalf of enrollees.

167 (c) The commission shall establish risk corridors and coinsurance
168 percentages for subsidized reinsurance based on best practices from
169 other states.

170 (d) On or before January 1, 2011, the commission shall submit a
171 report, in accordance with the provisions of section 11-4a of the general
172 statutes, to the joint standing committee of the General Assembly
173 having cognizance of matters relating to insurance and real estate,
174 containing recommendations about future financing for reinsurance. If
175 the General Assembly does not take action to the contrary before the
176 end of the February, 2012 regular session, reinsurance premiums shall,
177 for the third and each subsequent year, be paid entirely by payments
178 made to the program by or on behalf of enrollees.

179 Sec. 6. (NEW) (*Effective from passage*) (a) Any state resident may
180 purchase health insurance coverage under the program at the full cost
181 for such coverage, as determined by the commission, if such resident is
182 sixty-five years of age or older and is employed by, or whose spouse is
183 employed by, an employer that: (1) Offered employer-sponsored
184 insurance on or before October 1, 2006, but no longer offers such
185 insurance, and (2) would have qualified to participate in such
186 employer-sponsored insurance in effect on October 1, 2006.

187 (b) Any employer may purchase either full or partial coverage
188 under the program for a retired employee who is a state resident at the
189 full cost for such coverage, as determined by the Comptroller.

190 Sec. 7. (NEW) (*Effective from passage*) On and after July 1, 2008, any
191 eligible individual, or individual purchasing coverage in the program
192 in accordance with the provisions of section 6 of this act, may apply to
193 the program through the commission or the Department of Social
194 Services.

195 Sec. 8. (NEW) (*Effective from passage*) On and after July 1, 2008, an
196 eligible individual not yet enrolled in the program shall be enrolled by
197 default when any of the following occurs:

198 (1) Such individual's income is reported to the Department of
199 Revenue Services or the Labor Department;

200 (2) A state income tax form is filed on which such individual is
201 listed as a member of the household; or

202 (3) Such individual seeks health care.

203 Sec. 9. (NEW) (*Effective from passage*) (a) The Department of Social
204 Services shall screen each eligible individual, or individual purchasing
205 coverage in the program in accordance with the provisions of section 6
206 of this act, at the time such individual applies for the program for
207 eligibility under Title XIX or Title XXI of the Social Security Act. Such
208 screening shall also determine income for purposes of establishing the
209 amount of premium payments under the program for each such
210 individual. Individuals shall be enrolled in the appropriate state
211 Medicaid program or the HUSKY Plan, unless the individual objects to
212 such enrollment. To the maximum extent feasible, relevant information
213 shall be obtained through state-maintained or state-accessible data and
214 through the self-attestation of individuals.

215 (b) Notwithstanding any provision of the general statutes, the
216 following information shall be made available to the Department of
217 Social Services and the Comptroller for the purposes of determining
218 eligibility under Title XIX or Title XXI of the Social Security Act and for
219 establishing premium payments under the program:

220 (1) Eligibility and enrollment information for individuals enrolled in
221 means tested assistance programs, other than the HUSKY Plan;

222 (2) New hire information and quarterly reports provided to the
223 Labor Department;

224 (3) State income tax information maintained by the Department of

225 Revenue Services;

226 (4) Information showing United States citizenship of individuals,
227 including, but not limited to, information obtained from birth
228 certificates and other vital records; and

229 (5) Federal information about new hires, quarterly earnings, Social
230 Security numbers, immigration status and other data pertinent to
231 income or other components of eligibility for Title XIX or XXI of the
232 Social Security Act.

233 (c) The Comptroller and the Commissioner of Social Services shall
234 enter into agreements with other state agencies providing or receiving
235 information for the program. Such agreements shall require that:

236 (1) Such information be used only to verify or establish income or
237 eligibility for matching funds under Titles XIX or XXI of the Social
238 Security Act; and

239 (2) Each state agency providing information to the program train
240 and monitor all staff and contractors who have access to such
241 information and inform such staff and contractors of all applicable
242 state and federal privacy and data security requirements.

243 (d) Within available appropriations, the Commissioner of Social
244 Services shall develop and operate the information infrastructure
245 required to conduct the screening described in subsection (a) of this
246 section and shall take all feasible steps to maximize the use of federal
247 funds for developing and operating such infrastructure. The
248 commissioner, in consultation with data privacy and security experts,
249 shall develop and implement policies and procedures that maintain
250 data security and prevent inadvertent, improper and unauthorized
251 access to or disclosure, inspection, use or modification of information.

252 (e) Any individual about whom information is provided to the
253 program shall have the right to (1) obtain, at no cost to the individual,
254 a copy of all such information, which shall identify the agency from

255 which the information was obtained, and (2) correct any
256 misinformation or complete any incomplete information. If any breach
257 of an individual's privacy occurs, such individual shall be promptly
258 informed of such breach and of any rights and remedies available to
259 the individual as a result of such breach.

260 Sec. 10. (NEW) (*Effective from passage*) (a) On or before January 1,
261 2008, the Commissioner of Social Services shall submit to the federal
262 Centers for Medicare and Medicaid Services an amendment to the
263 state Medicaid plan required by Title XIX of the Social Security Act to
264 extend coverage to all parents, guardians and caretaker relatives with
265 incomes at or below three hundred per cent of the federal poverty
266 level, as well as to any other individuals with incomes below such
267 level who are nineteen to sixty-four years of age, inclusive, and who
268 may be covered, at state option, through the state plan amendment.

269 (b) If needed to access all federal funds allotted to the state under
270 Title XXI of the Social Security Act, the commissioner shall cover
271 individuals over eighteen years of age, including, but not limited to,
272 pregnant women, whether or not such individuals are eligible for
273 coverage under Title XIX of the Social Security Act.

274 (c) (1) On or before January 1, 2008, the commissioner shall submit
275 an application for a waiver under Section 1115 of the Social Security
276 Act, in accordance with section 17b-8 of the general statutes, to
277 authorize the use of funds received under Title XXI of the Social
278 Security Act for individuals nineteen to sixty-four years of age,
279 inclusive, with incomes at or below one hundred eighty-five per cent
280 of the federal poverty level who do not otherwise qualify under Title
281 XIX of the Social Security Act, either under mandatory eligibility or at
282 state option through state plan amendment. Federal budget neutrality
283 requirements for such waiver may be met through unused
284 uncompensated care payments to hospitals or by taking other
285 measures, provided such measures do not result in any of the
286 following for individuals who would have qualified for coverage
287 under the Medicaid program, the HUSKY Plan or state-administered

288 general assistance:

289 (A) Any reduction in covered services or access to care;

290 (B) Any increase in deductibles, premiums or other out-of-pocket
291 costs; or

292 (C) Any reduction in enforceable, individual guarantees of coverage
293 or services.

294 (2) If federal budget neutrality requirements do not permit
295 extending Title XIX coverage to the individuals described in
296 subdivision (1) of this subsection, such coverage shall extend to such
297 individuals with incomes under the highest possible percentage of
298 federal poverty level less than one hundred eighty-five per cent.

299 Sec. 11. (NEW) (*Effective from passage*) On or before September 1,
300 2009, the Department of Public Health shall expand the state's network
301 of school-based health clinics so that all public school children in the
302 state have ready access to such clinics. Such school-based health clinics
303 shall be licensed by said department pursuant to chapter 368v of the
304 general statutes and shall provide physical and behavioral health care,
305 including dental care, with appropriate linkages to other services in
306 the state. Such services shall include, but not be limited to, local health
307 departments, community health centers, hospitals, social service
308 providers, mental health and family service agencies, youth service
309 bureaus, pediatricians and other primary care physicians and
310 adolescent medical specialists.

311 Sec. 12. (NEW) (*Effective from passage*) (a) On or before July 1, 2009,
312 the Department of Public Health shall establish sufficient primary care
313 clinics to supplement other primary care resources so that all state
314 residents shall have ready access to necessary primary care. Such
315 primary care clinics shall be licensed by said department pursuant to
316 chapter 368v of the general statutes and provide physical and
317 behavioral health care, including dental care, with appropriate
318 linkages to other services in the state, including, but not limited to,

319 specialty care providers, other primary care providers and pharmacies.
320 Each primary care clinic shall be, or be operated by, a federally
321 qualified health center, a health center determined by the
322 Commissioner of Public Health to be substantially similar to a
323 federally qualified health center or a hospital. Each primary care clinic
324 shall provide a wide range of primary care services and shall remain
325 open outside of normal business hours to provide access to urgent but
326 nonemergency care.

327 (b) Licensed physicians and other health care providers who
328 provide their services for a minimum number of hours to primary care
329 clinics at a reduced rate shall receive incentives that may include, but
330 need not be limited to, reduced cost medical malpractice insurance
331 offered or arranged by the Department of Public Health, loan
332 forgiveness from postsecondary educational institutions that receive
333 funding from the state and partial payment of educational loans.

334 Sec. 13. (NEW) (*Effective from passage*) The Commissioner of Public
335 Health shall adopt regulations, in accordance with chapter 54 of the
336 general statutes, to implement the provisions of sections 11 and 12 of
337 this act and to establish requirements for: (1) Services to be provided
338 by and the hours of operation of primary care clinics; and (2) the
339 provisions of services to primary care clinics by physicians and other
340 health care providers, including the number of hours such services
341 shall be provided.

342 Sec. 14. (NEW) (*Effective from passage*) (a) On or before January 1,
343 2008, and biennially thereafter, the Department of Public Health shall
344 publish Plans For A Healthy Connecticut. The department shall
345 develop each such plan with the assistance of state and local agencies,
346 health care experts and members of the public. Each such plan shall
347 include, but not be limited to, information pertaining to the following:

- 348 (1) Access to essential health care;
- 349 (2) Health care quality;

350 (3) Health care costs;

351 (4) Data collection and analysis needs;

352 (5) Health status and health care disparities, including those based
353 on race, ethnicity, gender, age, sexual orientation, area of residence,
354 health status, diagnosis, immigration status, education, employment,
355 English-language fluency and other relevant factors between different
356 groups of Connecticut residents; and

357 (6) Preservation of wellness and prevention of health problems.

358 (b) For each item listed in subsection (a) of this section, and for any
359 other items included in the plan, the plan shall include:

360 (1) An assessment of the current status of such item in Connecticut;

361 (2) An analysis of recent public and private efforts to address such
362 item;

363 (3) Recommendations for future public and private actions to
364 address such item; and

365 (4) A statement of measurable goals and objectives, with defined
366 time frames, that reasonably can be achieved given sufficient public
367 and private sector commitment and resources.

368 Sec. 15. (*Effective from passage*) (a) There is established a Blue Ribbon
369 Commission to study the Connecticut Saves Health Care program.
370 Such study shall include, but not be limited to, an examination of the
371 effect of such program on the cost of providing medical care in the
372 state and the accessibility to medical care for residents of the state.
373 Such commission shall develop recommendations for applying aspects
374 of the program to the state residents who are served by the Medicare
375 program.

376 (b) The commission shall consist of the following members:

377 (1) One each to be appointed by the Governor, the speaker of the

378 House of Representatives, the president pro tempore of the Senate, the
379 majority leader of the House of Representatives, the majority leader of
380 the Senate, the minority leader of the House of Representatives and the
381 minority leader of the Senate;

382 (2) The Commissioner of Social Services, or said commissioner's
383 designee; and

384 (3) The Comptroller, or said Comptroller's designee.

385 (c) Any member of the commission appointed under subdivision (1)
386 of subsection (b) of this section may be a member of the General
387 Assembly.

388 (d) All appointments to commission shall be made no later than
389 thirty days after the effective date of this section. Any vacancy shall be
390 filled by the appointing authority.

391 (e) The member appointed by the Governor shall be the chairperson
392 of the commission. The chairperson shall schedule the first meeting of
393 the commission, which shall be held no later than sixty days after the
394 effective date of this section.

395 (f) The administrative staff of the joint standing committee of the
396 General Assembly having cognizance of matters relating to insurance
397 shall serve as administrative staff of the commission.

398 (g) Not later than January 30, 2008, the commission shall submit a
399 report on its findings and recommendations to the joint standing
400 committees of the General Assembly having cognizance of matters
401 relating to human services and public health, in accordance with the
402 provisions of section 11-4a of the general statutes. The commission
403 shall terminate on the date that it submits such report or January 30,
404 2008, whichever is later.

405 Sec. 16. (*Effective July 1, 2007*) An amount is appropriated to the
406 Connecticut Saves Health Care Commission, from the General Fund,
407 for the fiscal year ending June 30, 2008, for implementation of the

408 Connecticut Saves Health Care program, established under section 3 of
409 this act.

410 Sec. 17. (*Effective July 1, 2007*) An amount is appropriated to the
411 Connecticut Saves Health Care Commission, from the General Fund,
412 for the fiscal year ending June 30, 2008, for the purpose of lowering, by
413 not less than ten per cent, the cost to employers of having employees
414 and dependents receive health insurance coverage through the
415 Connecticut Saves Health Care program, established under section 3 of
416 this act.

417 Sec. 18. (*Effective July 1, 2007*) An amount is appropriated to the
418 Connecticut Saves Health Care Commission, from the General Fund,
419 for the fiscal year ending June 30, 2008, for payment of reinsurance
420 premiums for the Connecticut Saves Health Care program, established
421 under section 3 of this act.

422 Sec. 19. (*Effective July 1, 2007*) An amount is appropriated to the
423 Department of Social Services, from the General Fund, for the fiscal
424 year ending June 30, 2008, to develop and operate the information
425 technology infrastructure required under section 9 of this act.

426 Sec. 20. (*Effective July 1, 2007*) An amount is appropriated to the
427 Department of Public Health, from the General Fund, for the fiscal
428 year ending June 30, 2008, for the purpose of expanding the state's
429 network of school-based health clinics, in accordance with section 11 of
430 this act.

431 Sec. 21. (*Effective July 1, 2007*) An amount is appropriated to the
432 Department of Public Health, from the General Fund, for the fiscal
433 year ending June 30, 2008, for the purpose of establishing primary care
434 clinics, in accordance with section 12 of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	New section
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>from passage</i>	New section
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>from passage</i>	New section
Sec. 13	<i>from passage</i>	New section
Sec. 14	<i>from passage</i>	New section
Sec. 15	<i>from passage</i>	New section
Sec. 16	<i>July 1, 2007</i>	New section
Sec. 17	<i>July 1, 2007</i>	New section
Sec. 18	<i>July 1, 2007</i>	New section
Sec. 19	<i>July 1, 2007</i>	New section
Sec. 20	<i>July 1, 2007</i>	New section
Sec. 21	<i>July 1, 2007</i>	New section

INS *Joint Favorable Subst.*