



House of Representatives

File No. 996

General Assembly

January Session, 2009

(Reprint of File Nos. 615 and 920)

Substitute House Bill No. 6600
As Amended by House Amendment
Schedules "A" and "B"

Approved by the Legislative Commissioner
May 21, 2009

AN ACT CONCERNING THE ESTABLISHMENT OF THE SUSTINET PLAN.

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

1 Section 1. (NEW) (*Effective July 1, 2009*) As used in sections 1 to 14,
2 inclusive, of this act and section 17b-297b of the general statutes, as
3 amended by this act:

4 (1) "SustiNet Plan" means a self-insured health care delivery plan,
5 that is designed to ensure that plan members receive high-quality
6 health care coverage without unnecessary costs;

7 (2) "Standard benefits package" means a set of covered benefits as
8 determined by the public authority, with out-of-pocket cost-sharing
9 limits and provider network rules, subject to the same coverage
10 mandates described in chapter 700c of the general statutes and the
11 utilization review requirements described in chapter 698a of the
12 general statutes that apply to group health insurance sold in this state.
13 The standard benefits package includes, but is not limited to, the
14 following:

15 (A) Coverage of medical home services; inpatient and outpatient
16 hospital care; generic and name-brand prescription drugs; laboratory
17 and x-ray services; durable medical equipment; speech, physical and
18 occupational therapy; home health care; vision care; family planning;
19 emergency transportation; hospice; prosthetics; podiatry; short-term
20 rehabilitation; the identification and treatment of developmental
21 delays from birth through age three; and wellness programs, provided
22 convincing scientific evidence demonstrates that such programs are
23 effective in reducing the severity or incidence of chronic disease;

24 (B) A per individual and per family deductible, provided preventive
25 care or prescription drugs shall not be subject to any deductible;

26 (C) Preventive care requiring no copayment that includes well-child
27 visits, well-baby care, prenatal care, annual physical examinations,
28 immunizations and screenings;

29 (D) Office visits for matters other than preventive care for which
30 there shall be a copayment;

31 (E) Prescription drug coverage with copayments for generic, name-
32 brand preferred and name-brand nonpreferred drugs;

33 (F) Coverage of mental and behavioral health services, including
34 tobacco cessation services, substance abuse treatment services, and
35 services that prevent and treat obesity with such services being at
36 parity with the coverage for physical health services; and

37 (G) Dental care coverage that is comparable in scope to the median
38 coverage provided to employees by large employers in the Northeast
39 states; provided, in defining large employers, consideration shall be
40 given to the capacity of available data to yield, without substantial
41 expense, reliable estimates of median dental coverage offered by such
42 employers;

43 (3) "Electronic medical record" means a record of a person's medical
44 treatment created by a licensed health care provider and stored in an

45 interoperable and accessible digital format;

46 (4) "Electronic health record" means an electronic record of health-
47 related information on an individual that conforms to nationally
48 recognized interoperability standards and that can be created,
49 managed and consulted by authorized clinicians and staff across more
50 than one health care organization;

51 (5) "Northeast states" means the Northeast states as defined by the
52 United States Census Bureau;

53 (6) "Board of directors" means the SustiNet Health Partnership
54 board of directors established pursuant to section 2 of this act;

55 (7) "Public authority" means a public authority or other entity
56 recommended by the SustiNet Health Partnership board of directors in
57 accordance with the provisions of subsection (b) of section 3 of this act;

58 (8) "Small employer" has the same meaning as provided in
59 subparagraph (A) of subdivision (4) of section 38a-564 of the general
60 statutes; and

61 (9) "Nonstate public employer" means a municipality or other
62 political subdivision of the state, including a board of education, quasi-
63 public agency or public library.

64 Sec. 2. (NEW) (*Effective July 1, 2009*) (a) There is established the
65 SustiNet Health Partnership board of directors. The board of directors
66 shall consist of nine members, as follows: The Comptroller; the
67 Healthcare Advocate; one appointed by the Governor, who shall be a
68 representative of the nursing or allied health professions; one
69 appointed by the president pro tempore of the Senate, who shall be a
70 primary care physician; one appointed by the speaker of the House of
71 Representatives, who shall be a representative of organized labor; one
72 appointed by the majority leader of the Senate, who shall have
73 expertise in the provision of employee health benefit plans for small
74 businesses; one appointed by the majority leader of the House of

75 Representatives, who shall have expertise in health care economics or
76 health care policy; one appointed by the minority leader of the Senate,
77 who shall have expertise in health information technology; and one
78 appointed by the minority leader of the House of Representatives, who
79 shall have expertise in the actuarial sciences or insurance
80 underwriting. The Comptroller and the Healthcare Advocate shall
81 serve as the chairpersons of the board of directors.

82 (b) Initial appointments to the board of directors shall be made on or
83 before July 15, 2009. In the event that an appointing authority fails to
84 appoint a board member by July 31, 2009, the president pro tempore of
85 the Senate and the speaker of the House of Representatives shall
86 jointly appoint a board member meeting the required specifications on
87 behalf of such appointing authority and such board member shall
88 serve a full term. The presence of not less than five members shall
89 constitute a quorum for the transaction of business. The initial term for
90 the board member appointed by the Governor shall be for two years.
91 The initial term for board members appointed by the minority leader
92 of the House of Representatives and the minority leader of the Senate
93 shall be for three years. The initial term for board members appointed
94 by the majority leader of the House of Representatives and the
95 majority leader of the Senate shall be for four years. The initial term for
96 the board members appointed by the speaker of the House of
97 Representatives and the president pro tempore of the Senate shall be
98 for five years. Terms pursuant to this subdivision shall expire on June
99 thirtieth in accordance with the provisions of this subdivision. Any
100 vacancy shall be filled by the appointing authority for the balance of
101 the unexpired term. Not later than thirty days prior to the expiration of
102 a term as provided for in this subsection, the appointing authority may
103 reappoint the current board member or shall appoint a new member to
104 the board. Other than an initial term, a board member shall serve for a
105 term of five years and until a successor board member is appointed. A
106 member of the board pursuant to this subdivision shall be eligible for
107 reappointment. Any member of the board may be removed by the
108 appropriate appointing authority for misfeasance, malfeasance or

109 wilful neglect of duty.

110 (c) The SustiNet Health Partnership board of directors shall not be
111 construed to be a department, institution or agency of the state. The
112 staff of the joint standing committee of the General Assembly having
113 cognizance of matters relating to public health shall provide
114 administrative support to the board of directors.

115 Sec. 3. (NEW) (*Effective July 1, 2009*) (a) The SustiNet Health
116 Partnership board of directors shall design and establish
117 implementation procedures to implement the SustiNet Plan. The
118 SustiNet Plan shall be designed to (1) improve the health of state
119 residents; (2) improve the quality of health care and access to health
120 care; (3) provide health insurance coverage to Connecticut residents
121 who would otherwise be uninsured; (4) increase the range of health
122 care insurance coverage options available to residents and employers;
123 (5) slow the growth of per capita health care spending both in the
124 short-term and in the long-term; and (6) implement reforms to the
125 health care delivery system that will apply to all SustiNet Plan
126 members, provided any such reforms to health care coverage provided
127 to state employees, retirees and their dependents shall be subject to
128 applicable collective bargaining agreements.

129 (b) The SustiNet Health Partnership board of directors shall offer
130 recommendations to the General Assembly on the governance
131 structure of the entity that is best suited to provide oversight and
132 implementation of the SustiNet Plan. Such recommendations may
133 include, but need not be limited to, the establishment of a public
134 authority authorized and empowered:

135 (1) To adopt guidelines, policies and regulations in accordance with
136 chapter 54 of the general statutes that are necessary to implement the
137 provisions of sections 1 to 14, inclusive, of this act;

138 (2) To contract with insurers or other entities for administrative
139 purposes, such as claims processing and credentialing of providers.
140 Such contracts shall reimburse these entities using "per capita" fees or

141 other methods that do not create incentives to deny care. The selection
142 of such insurers or other entities may take into account their capacity
143 and willingness to (A) offer timely networks of participating providers
144 both within and outside the state, and (B) help finance the
145 administrative costs involved in the establishment and initial operation
146 of the Sustinet Plan;

147 (3) To solicit bids from individual providers and provider
148 organizations and to arrange with insurers and others for access to
149 existing or new provider networks, and take such other steps to
150 provide all Sustinet Plan members with access to timely, high-quality
151 care throughout the state and, in appropriate cases, care that is outside
152 the state's borders;

153 (4) To establish appropriate deductibles, standard benefit packages
154 and out-of-pocket cost-sharing levels for different providers, that may
155 vary based on quality, cost, provider agreement to refrain from balance
156 billing Sustinet Plan members, and other factors relevant to patient
157 care and financial sustainability;

158 (5) To commission surveys of consumers, employers and providers
159 on issues related to health care and health care coverage;

160 (6) To negotiate on behalf of providers participating in the Sustinet
161 Plan to obtain discounted prices for vaccines and other health care
162 goods and services;

163 (7) To make and enter into all contracts and agreements necessary or
164 incidental to the performance of its duties and the execution of its
165 powers under its enabling legislation, including contracts and
166 agreements for such professional services as financial consultants,
167 actuaries, bond counsel, underwriters, technical specialists, attorneys,
168 accountants, medical professionals, consultants, bio-ethicists and such
169 other independent professionals or employees as the board of directors
170 shall deem necessary;

171 (8) To purchase reinsurance or stop loss coverage, to set aside

172 reserves, or to take other prudent steps that avoid excess exposure to
173 risk in the administration of a self-insured plan;

174 (9) To enter into interagency agreements for performance of
175 SustiNet Plan duties that may be implemented more efficiently or
176 effectively by an existing state agency;

177 (10) To set payment methods for licensed health care providers that
178 reflect evolving research and experience both within the state and
179 elsewhere, promote access to care and patient health, prevent
180 unnecessary spending, and ensure sufficient compensation to cover the
181 reasonable cost of furnishing necessary care;

182 (11) To appoint such advisory committees as may be deemed
183 necessary for the public authority to successfully implement the
184 SustiNet Plan, further the objectives of the public authority and secure
185 necessary input from various experts and stakeholder groups;

186 (12) To establish and maintain an Internet web site that provides for
187 timely posting of all public notices issued by the public authority or
188 the board of directors and such other information as the public
189 authority or board deems relevant in educating the public about the
190 SustiNet Plan;

191 (13) To evaluate the implementation of an individual mandate in
192 concert with guaranteed issue, the elimination of preexisting condition
193 exclusions, and the implementation of auto-enrollment;

194 (14) To raise funds from private and public sources outside of the
195 state budget to contribute toward support of its mission and
196 operations;

197 (15) To make optimum use of opportunities created by the federal
198 government for securing new and increased federal funding,
199 including, but not limited to, increased reimbursement revenues;

200 (16) In the event of the enactment of federal health care reform, to
201 submit preliminary recommendations for the implementation of the

202 SustiNet Plan to the General Assembly not later than sixty days after
203 the date of enactment of such federal health care reform; and

204 (17) To study the feasibility of funding premium subsidies for
205 individuals with income that exceeds three hundred per cent of the
206 federal poverty level but does not exceed four hundred per cent of the
207 federal poverty level.

208 (c) Not later than January 1, 2011, the SustiNet Health Partnership
209 board of directors shall submit its design and implementation
210 procedures in the form of recommended legislation to the joint
211 standing committees of the General Assembly having cognizance of
212 matters relating to appropriations and the budgets of state agencies
213 and finance, revenue and bonding.

214 (d) All state and municipal agencies, departments, boards,
215 commissions and councils shall fully cooperate with the board of
216 directors in carrying out the purposes enumerated in this section.

217 Sec. 4. (NEW) (*Effective July 1, 2009*) (a) The board of directors shall
218 develop the procedures and guidelines for the SustiNet Plan. Such
219 procedures and guidelines shall be specific and ensure that the
220 SustiNet Plan is established in accordance with the five following
221 principles to guide health care reform as enumerated by the Institute
222 of Medicine: (1) Health care coverage should be universal; (2) health
223 care coverage should be continuous; (3) health care coverage should be
224 affordable to individuals and families; (4) the health insurance strategy
225 should be affordable and sustainable for society; and (5) health care
226 coverage should enhance health and well-being by promoting access to
227 high-quality care that is effective, efficient, safe, timely, patient-
228 centered and equitable.

229 (b) The board of directors shall identify all potential funding sources
230 that may be utilized to establish and administer the SustiNet Plan.

231 (c) The board of directors shall recommend that the public authority
232 adopt periodic action plans to achieve measurable objectives in areas

233 that include, but are not limited to, effective management of chronic
234 illness, preventive care, reducing racial and ethnic disparities as
235 related to health care and health outcomes, and reducing the number
236 of state residents without insurance. The board of directors shall
237 include in its recommendations that the public authority monitor the
238 accomplishment of such objectives and modify action plans as
239 necessary.

240 Sec. 5. (NEW) (*Effective July 1, 2009*) (a) For purposes of this section:
241 (1) "Subscribing provider" means a licensed health care provider that:
242 (A) Either is a participating provider in the SustiNet Plan or provides
243 services in this state; and (B) enters into a binding agreement to pay a
244 proportionate share of the cost of the goods and services described in
245 this section, consistent with guidelines adopted by the board; and (2)
246 "approved software" means electronic medical records software
247 approved by the board, after receiving recommendations from the
248 information technology committee, established pursuant to this
249 section.

250 (b) The board of directors shall establish an information technology
251 advisory committee that shall formulate a plan for developing,
252 acquiring, financing, leasing or purchasing fully interoperable
253 electronic medical records software and hardware packages for
254 subscribing providers. Such plan shall include the development of a
255 periodic payment system that allows subscribing providers to acquire
256 approved software and hardware while receiving the services
257 described in this section. The committee shall offer recommendations
258 on matters that include, but are not limited to: (1) The furnishing of
259 approved software to subscribing providers and to participating
260 providers, as the case may be, consistent with the capital acquisition,
261 technical support, reduced-cost digitization of records, software
262 updating and software transition procedures described in this section;
263 and (2) the development and implementation of procedures to ensure
264 that physicians, nurses, hospitals and other health care providers gain
265 access to hardware and approved software for interoperable electronic
266 medical records and the establishment of electronic health records for

267 Sustinet Plan members.

268 (c) The committee shall consult with health information technology
269 specialists, physicians, nurses, hospitals and other health care
270 providers, as deemed appropriate by the committee, to identify
271 potential software and hardware options that meet the needs of the full
272 array of health care practices in the state. Any electronic medical
273 record package that the committee recommends for future possible
274 purchase shall include, to the maximum extent feasible: (1) A full set of
275 functionalities for pertinent provider categories, including practice
276 management, patient scheduling, claims submission, billing, issuance
277 and tracking of laboratory orders and prescriptions; (2) automated
278 patient reminders concerning upcoming appointments; (3)
279 recommended preventive care services; (4) automated provision of test
280 results to patients, when appropriate; (5) decision support, including a
281 notice of recommended services not yet received by a patient; (6)
282 notice of potentially duplicative tests and other services; (7) in the case
283 of prescriptions, notice of potential interactions with other drugs and
284 past patient adverse reactions to similar medications; (8) notice of
285 possible violation of patient wishes for end-of-life care; (9) notice of
286 services provided inconsistently with care guidelines adopted
287 pursuant to section 8 of this act, along with options that permit the
288 convenient recording of reasons why such guidelines are not being
289 followed; and (10) such additional functions as may be approved by
290 the information technology committee.

291 (d) The committee shall offer recommendations on the procurement
292 and development of approved software. Such recommendations may
293 include that any approved software have the capacity to: (1) Gather
294 information pertinent to assessing health care outcomes, including
295 activity limitations, self-reported health status and other quality of life
296 indicators; and (2) allow the board of directors to track the
297 accomplishment of clinical care objectives at all levels. The board of
298 directors shall ensure that Sustinet Plan providers who use approved
299 software are able to electronically transmit to, and receive information
300 from, all laboratories and pharmacies participating in the Sustinet

301 Plan, without the need to construct interfaces, other than those
302 constructed by the public authority.

303 (e) The committee shall offer recommendations on the selection of
304 vendors to provide reduced-cost, high-quality digitization of paper
305 medical records for use with approved software. Such vendors shall be
306 bonded, supervised and covered entities under the provisions of the
307 Health Insurance Portability and Accountability Act of 1996 (P.L. 104-
308 191) (HIPAA), as amended from time to time, and in full compliance
309 with other governing federal law.

310 (f) The committee shall offer recommendations on an integration
311 system through which electronic medical records used by subscribing
312 providers are integrated into a single electronic health record for each
313 SustiNet Plan member, updated in real time whenever the member
314 seeks or obtains care, and accessible to any participating or subscribing
315 provider serving the member. Such electronic health record shall be
316 designed to automatically update approved software. Such updates
317 may include incorporating newly approved clinical care guidelines,
318 software patches or other changes.

319 (g) All recommendations concerning electronic medical records and
320 electronic health records shall be developed and administered in a
321 manner that is consistent with guidelines approved by the board of
322 directors for safeguarding privacy and data security and with state and
323 federal law, including any recommendations of the United States
324 Government Accountability Office. Such guidelines shall include the
325 remedies and sanctions that apply in the event of a provider's failure to
326 comply with privacy or information security requirements. Remedies
327 shall include notice to affected members and may include, in
328 appropriate cases, termination of network privileges and denial or
329 reduction of SustiNet Plan reimbursement. Remedies and sanctions
330 recommended by the board of directors shall be in addition to those
331 otherwise available under state or federal law.

332 (h) The committee shall develop recommended methods to

333 eliminate or minimize transition costs for health care providers that,
334 prior to January 1, 2011, have implemented comprehensive systems of
335 electronic medical records or electronic health records. Such methods
336 may include technical assistance in transitioning to new software and
337 development of modules to help existing software connect to the
338 integration system described in subsection (i) of this section.

339 (i) The committee shall offer recommendations that permit
340 subscribing providers to receive a proportionate share of systemic cost
341 savings that are specifically attributable to the implementation of
342 electronic medical records and electronic health records. Such
343 subscribing providers shall include those that, throughout the period
344 of their subscription, have been participating providers in the Sustinet
345 Plan and that, but for the savings shared pursuant to this subsection,
346 would incur net financial losses during their first five years of using
347 approved software. The amount of savings shared by the board with a
348 provider shall be limited to the amount of net financial loss
349 satisfactorily demonstrated by the provider. A provider whose losses
350 resulted from the provider's failure to take reasonable advantage of
351 available technical support and other services offered by the public
352 authority shall not share in the systemic cost savings.

353 (j) The committee shall offer recommendations concerning the use of
354 electronic health records to facilitate the provision of medical home
355 functions as described in section 6 of this act. The committee shall
356 recommend methods for such electronic health records to generate
357 automatic notices to medical homes that: (1) Report when an enrolled
358 member receives services outside the medical home; (2) describe
359 member compliance or noncompliance with provider instructions, as
360 relate to the filling of prescriptions, referral services, and
361 recommended tests, screenings or other services; and (3) identify the
362 expiration of refillable prescriptions.

363 (k) The committee shall offer recommendations requiring: (1) That
364 each participating provider use either approved software or other
365 electronic medical record software that is interoperable with approved

366 software and the electronic health record integration system described
367 in subsection (f) of this section; (2) the development and
368 implementation of appropriate financial incentives for early
369 subscriptions by participating providers, including discounted fees for
370 providers who do not delay their subscriptions; (3) that no later than
371 July 1, 2015, the board of directors require as a condition of
372 participation in the Sustinet Plan that each participating provider use
373 either approved software or other electronic medical record software
374 that is interoperable with approved software and the electronic health
375 record integration system described in subsection (f) of this section; (4)
376 that after July 1, 2015, the board of directors have authority to provide
377 additional support to a provider that demonstrates to the satisfaction
378 of the board that such provider would experience special hardship due
379 to the implementation of electronic medical records and electronic
380 health records requirements within the specified time frame; and (5)
381 that such provider be allowed to qualify for additional support and an
382 exemption from compliance with the time frame specified in this
383 subsection, but only if such an exemption is necessary to ensure that
384 members in the geographic locality served by the provider continue to
385 receive access to care.

386 (l) The committee shall recommend methods to coordinate the
387 development and implementation of electronic medical records and
388 electronic health records in concert with the Department of Public
389 Health and other state agencies to ensure efficiency and compatibility.
390 The committee shall determine appropriate financing options,
391 including, but not limited to, financing through the Connecticut Health
392 and Educational Facilities Authority established pursuant to section
393 10a-179 of the general statutes.

394 Sec. 6. (NEW) (*Effective July 1, 2009*) (a) The board of directors shall
395 establish a medical home advisory committee that shall develop
396 recommended internal procedures and proposed regulations
397 governing the administration of patient-centered medical homes that
398 provide health care services to Sustinet Plan members. The medical
399 home advisory committee shall forward their recommended internal

400 procedures and proposed regulations to the board of directors in
401 accordance with such time and format requirements as may be
402 prescribed by said board. The medical home advisory committee shall
403 be composed of physicians, nurses, consumer representatives and
404 other qualified individuals chosen by said board.

405 (b) Committee recommendations concerning patient-centered
406 medical homes shall include that: (1) Medical home functions be
407 defined by the board of directors on an ongoing basis that incorporates
408 evolving research concerning the delivery of health care services; and
409 (2) if limitations in provider infrastructure prevent all SustiNet Plan
410 members from being enrolled in patient-centered medical homes,
411 enrollment in medical homes be implemented in phases with priority
412 enrollment given to members for whom cost savings appear most
413 likely, including, in appropriate cases, members with chronic health
414 conditions.

415 (c) Subject to revision by the board of directors, the committee shall
416 offer recommendations that initial medical home functions include the
417 following:

418 (1) Assisting members to safeguard and improve their own health
419 by: (A) Advising members with chronic health conditions of methods
420 to monitor and manage their own conditions; (B) working with
421 members to set and accomplish goals related to exercise, nutrition, use
422 of tobacco and other addictive substances, sleep, and other behaviors
423 that directly affect such member's health; (C) implementing best
424 practices to ensure that members understand medical instructions and
425 are able to follow such directions; and (D) providing translation
426 services and using culturally competent communication strategies in
427 appropriate cases;

428 (2) Care coordination that includes: (A) Managing transitions
429 between home and the hospital; (B) proactive monitoring to ensure
430 that the member receives all recommended primary and preventive
431 care services; (C) the provision of basic mental health care, including

432 screening for depression, with referral relationships in place for those
433 members who require additional assistance; (D) strategies to address
434 stresses that arise in the workplace, home, school and the community,
435 including coordination with and referrals to available employee
436 assistance programs; (E) referrals, in appropriate cases, to nonmedical
437 services such as housing and nutrition programs, domestic violence
438 resources and other support groups; and (F) for a member with a
439 complex health condition that involves care from multiple providers,
440 ensuring that such providers share information about the member, as
441 appropriate, and pursue a single, integrated treatment plan; and

442 (3) Providing readily accessible, twenty-four-hour consultative
443 services by telephone, secure electronic mail or quickly scheduled
444 office appointments for purposes that include reducing the need for
445 hospital emergency room visits.

446 (d) The committee shall offer recommendations on entities that may
447 serve as a medical home, including that: (1) A licensed health care
448 provider be allowed to serve as a medical home if such provider is
449 authorized to provide all core medical home functions as prescribed by
450 the board and operationally capable of providing such functions; and
451 (2) a group practice or community health center serving as a medical
452 home identify, for each member, a lead provider with primary
453 responsibility for the member's care. In appropriate cases, as
454 determined by the board of directors, a specialist may serve as a
455 medical home and a patient's medical home may temporarily be with a
456 health care provider who is overseeing the patient's care for the
457 duration of a temporary medical condition, including pregnancy.

458 (e) The committee shall offer recommendations concerning the
459 responsibilities of a medical home provider. Such recommendations
460 shall include that: (1) Each medical home provider be presented with a
461 listing of all medical home functions, including patient education, care
462 coordination and twenty-four-hour accessibility; and (2) if a provider
463 does not wish to perform, within his or her office, certain functions
464 outside core medical home functions, such provider shall make

465 arrangements for other qualified entities or individuals to perform
466 such functions, in a manner that integrates such functions into the
467 medical home's clinical practice. Such qualified entities or individuals
468 shall be certified by the board of directors based on factors that include
469 the quality, safety and efficiency of the services provided. At the
470 request of a core medical home provider, the board of directors shall
471 make all necessary arrangements required for a qualified entity or
472 individual to perform any medical home function not assumed by the
473 core provider.

474 (f) The medical home advisory committee may develop quality and
475 safety standards for medical home functions that are not covered by
476 existing professional standards, which may include care coordination
477 and member education.

478 (g) The committee shall recommend that the public authority assist
479 in the development of community-based resources to enhance medical
480 home functions, including, but not limited to:

481 (1) The availability of loans on favorable terms that facilitate the
482 development of necessary health care infrastructure, including
483 community-based providers of medical home services and
484 community-based preventive care service providers;

485 (2) The offering of reduced price consultants that shall assist
486 physicians and other health care providers in restructuring their
487 practices and offices so as to function more effectively and efficiently
488 in response to changes in health care insurance coverage and the
489 health care service delivery system that are attributable to the
490 implementation of the Sustinet Plan; and

491 (3) The offering of continuing medical education courses that assist
492 physicians, nurses and other clinicians in order to provide better care,
493 consistent with the objectives of the Sustinet Plan, including training
494 in the delivery of linguistically and culturally competent health care
495 services.

496 (h) The committee shall offer recommendations concerning
497 payment for medical home functions, including that: (1) All of the
498 medical home functions set forth in this section be reimbursable and
499 covered by the Sustinet Plan; (2) to the extent that such functions are
500 generally not covered by commercial insurance, payment levels cover
501 the full cost of performing such functions; and (3) in setting such
502 payment levels, consideration be given to: (A) Utilizing rate-setting
503 procedures based on those used to set physician payment levels for
504 Medicare; (B) establishing monthly case management fees paid based
505 on demonstrated performance of medical home functions; or (C)
506 taking other steps, as deemed necessary by the board of directors, to
507 make payments that cover the cost of performing each function.

508 (i) The committee shall offer recommendations that specialty
509 referrals include, under circumstances set forth in the board's
510 guidelines, prior consultation between the specialist and the medical
511 home to ascertain whether such referral is medically necessary. If such
512 referral is medically necessary, the consultation shall identify any tests
513 or other procedures that shall be conducted or arranged by the medical
514 home, prior to the specialty visit, so as to promote economic
515 efficiencies. The Sustinet Plan shall reimburse the medical home and
516 the specialist for time spent in any such consultation.

517 Sec. 7. (NEW) (*Effective July 1, 2009*) (a) The board of directors shall
518 establish a health care provider advisory committee that shall develop
519 recommended clinical care and safety guidelines for use by
520 participating health care providers. The committee shall choose from
521 nationally and internationally recognized guidelines for the provision
522 of care, including guidelines for hospital safety and the inpatient and
523 outpatient treatment of particular conditions. The committee shall
524 continually assess the quality of evidence relevant to the costs, risks
525 and benefits of treatments described in such guidelines. The committee
526 shall forward their recommended clinical care and safety guidelines to
527 the board of directors in accordance with such time and format
528 requirements as may be prescribed by said board. The committee shall
529 include both health care consumers and health care providers.

530 (b) The committee shall offer recommendations that health care
531 providers participating in the Sustinet Plan receive confidential
532 reports comparing their practice patterns with those of their peers.
533 Such reports shall provide information about opportunities for
534 appropriate continuing medical education.

535 (c) The committee shall offer recommendations concerning quality
536 of care standards for the care of particular medical conditions. Such
537 standards may reflect outcomes over the entire care cycle for each
538 health care condition, adjusted for patient risk and general consistency
539 of care with approved guidelines as well as other factors. The
540 committee shall offer recommendations that providers who meet or
541 exceed quality of care standards for a particular medical condition be
542 publicly recognized by the board of directors in such manner as said
543 board determines appropriate. Such recognition shall be effectively
544 communicated to Sustinet Plan members, including those who have
545 been diagnosed with the particular medical condition for which
546 recognition has been extended. Such communication to members shall
547 be in multiple forms and reflect consideration of diversity in primary
548 language, general and health literacy levels, past health-information-
549 seeking behaviors, and computer and Internet use among members.

550 (d) The committee shall recommend procedures that require
551 hospitals and their medical staffs, physicians, nurse practitioners, and
552 other participating health care providers to engage in periodic reviews
553 of their quality of care. The purpose of such reviews shall be to
554 develop plans for quality improvement. Such reviews shall include the
555 identification of potential problems manifesting as adverse events or
556 events that could have resulted in negative patient outcomes. As
557 appropriate, such reviews shall incorporate confidential consultation
558 with peers and colleagues, opportunities for continuing medical
559 education, and other interventions and supports to improve
560 performance. To the maximum extent permissible, such reviews shall
561 incorporate existing peer review mechanisms. The committee's
562 recommendations shall include that any review conducted in
563 accordance with the provisions of this subsection be subject to the

564 protections afforded by section 19a-17b of the general statutes.

565 (e) The board of directors, in consultation with the committee, shall
566 develop hospital safety standards that shall be implemented in such
567 hospitals. The board of directors shall establish monitoring procedures
568 and sanctions that ensure compliance by each participating hospital
569 with such safety standards and may establish performance incentives
570 to encourage hospitals to exceed such safety standards.

571 (f) The committee shall offer recommendations pertaining to
572 information to be made available to participating providers concerning
573 prescription drugs, medical devices, and other goods and services
574 used in the delivery of health care. Such information may address
575 emerging trends that involve utilization of goods and services that, in
576 judgment of the public authority, are less than optimally cost effective.
577 The committee shall offer recommendations concerning the provision
578 of free samples of generic or other prescription drugs to participating
579 providers.

580 (g) The committee shall recommend policies and procedures that
581 encourage participating providers to furnish and SustiNet Plan
582 members to obtain appropriate evidenced-based health care.

583 Sec. 8. (NEW) (*Effective July 1, 2009*) (a) The board of directors shall
584 establish a preventive health care advisory committee that shall use
585 evolving medical research to draft recommendations to improve health
586 outcomes for members in areas involving nutrition, sleep, physical
587 exercise, and the prevention and cessation of the use of tobacco and
588 other addictive substances. The committee shall include providers,
589 consumers and other individuals chosen by said board. Such
590 recommendations may be targeted to member populations where they
591 are most likely to have a beneficial impact on the health of such
592 members and may include behavioral components and financial
593 incentives for participants. Such recommendations shall take into
594 account existing preventive care programs administered by the state,
595 including, but not limited to, state administered educational and

596 awareness campaigns. Not later than July 1, 2010, and annually
597 thereafter, the preventive health care advisory committee shall submit
598 such recommendations to the board of directors.

599 (b) The board of directors shall recommend that the Sustinet Plan
600 provide coverage for community-based preventive care services and
601 such services be required of all health insurance sold pursuant to the
602 plan to individuals or employers. Community-based preventive care
603 services are those services identified by the board as capable of being
604 safely administered in community settings. Such services shall include,
605 but not be limited to, immunizations, simple tests and health care
606 screenings. Such services shall be provided by individuals or entities
607 who satisfy board of director approved standards for quality of care.
608 The board of directors shall recommend that: (1) Prior to furnishing a
609 community-based preventive care service, a provider obtain
610 information from a patient's electronic health record to verify that the
611 service has not been provided in the past and that such services are not
612 contraindicated for the patient; and (2) a provider promptly furnish
613 relevant information about the service and the results of any test or
614 screening to the patient's medical home or the patient's primary care
615 provider if the patient does not have a medical home. The board of
616 directors shall recommend that community-based preventive services
617 be allowed to be provided at job sites, schools or other community
618 locations consistent with said board's guidelines.

619 Sec. 9. (NEW) (*Effective July 1, 2009*) (a) The board of directors may
620 develop recommendations that ensure that on and after July 1, 2012,
621 nonstate public employers are offered the benefits of the Sustinet Plan.
622 The board of directors may develop recommendations that permit the
623 Comptroller to offer the benefits of the Sustinet Plan to state
624 employees, retirees and their dependents. No changes in health care
625 benefits shall be implemented with regard to plans administered
626 under the provisions of subsection (a) of section 5-259 of the general
627 statutes unless such changes are negotiated and agreed to by the state
628 and the coalition committee established pursuant to subsection (f) of
629 section 5-278 of the general statutes, through the collective bargaining

630 process.

631 (b) The board of directors shall develop recommendations that
632 ensure that on and after July 1, 2012, employees of nonprofit
633 organizations and small businesses are offered the benefits of the
634 SustiNet Plan.

635 (c) The board of directors shall develop recommendations to ensure
636 that the HUSKY Plan Part A and Part B, Medicaid, and state-
637 administered general assistance programs participate in the SustiNet
638 Plan. Such recommendations shall also ensure that HUSKY Plan Part
639 A and Part B benefits are extended, to the extent permitted by federal
640 law, to adults with income at or below three hundred per cent of the
641 federal poverty level.

642 (d) The board of directors shall make recommendations to ensure
643 that on and after July 1, 2012, state residents who are not offered
644 employer-sponsored insurance and who do not qualify for HUSKY
645 Plan Part A and Part B, Medicaid, or state-administered general
646 assistance are permitted to enroll in the SustiNet Plan. Such
647 recommendations shall ensure that premium variation based on
648 member characteristics does not exceed in total amount or in
649 consideration of individual health risk, the variation permitted for a
650 small employer carrier, as defined in subdivision (16) of section 38a-
651 564 of the general statutes.

652 (e) The board of directors shall make recommendations to provide
653 an option for enrollment into the SustiNet Plan, rather than employer-
654 sponsored insurance, for certain state residents who are offered
655 employer-sponsored insurance but who have a household income at or
656 below four hundred per cent of the federal poverty level. Said board
657 may make recommendations for the establishment of (1) an enrollment
658 procedure for those individuals who demonstrate eligibility to enroll
659 in the SustiNet Plan pursuant to this subsection; and (2) a method for
660 the collection of payments from employers, whose employees would
661 have received employer-sponsored insurance, but instead enroll in the

662 Sustinet Plan in accordance with the provisions of this subsection.

663 Sec. 10. (NEW) (*Effective July 1, 2009*) (a) As used in this section
664 "adverse selection" means purchase of Sustinet Plan coverage by
665 employers with unusually high-cost employees and dependents under
666 circumstances where premium payments do not fully cover the
667 probable claims costs of the employer's members.

668 (b) The board of directors shall offer recommendations concerning:
669 (1) The use of new and existing channels of sale to employers,
670 including public and private purchasing pools, agents and brokers; (2)
671 the offering of multi-year contracts to employers with predictable
672 premiums; (3) policies and procedures to be established that ensure
673 that employers can easily and conveniently purchase Sustinet Plan
674 coverage for their workers and dependents, including, but not limited
675 to, participation requirements, timing of enrollment, open enrollment,
676 enrollment length and other subject matters as deemed appropriate by
677 said board; (4) policies and procedures to be established that prevent
678 adverse selection and achieve other goals specified by the board; (5)
679 the availability of Sustinet Plan coverage for small employers on and
680 after July 1, 2012, with premiums based on member characteristics as
681 permitted for small employer carriers, as defined in subdivision (16) of
682 section 38a-564 of the general statutes; (6) the availability of Sustinet
683 Plan coverage for employers who are not small employers with
684 premiums charged to such employers to prevent adverse selection,
685 taking into account past claims experience, changes in the
686 characteristics of covered employees and dependents since the most
687 recent time period covered by claims data, and other factors approved
688 by the board of directors; and (7) the availability of a standard benefits
689 package to employers purchasing coverage under this section,
690 provided no such benefit package provide less comprehensive
691 coverage than that described in the model benefits packages adopted
692 pursuant to section 12 of this act.

693 Sec. 11. (NEW) (*Effective July 1, 2009*) (a) As used in this section,
694 "clearinghouse" means an independent information clearinghouse

695 recommended by the board of directors that is: (1) Established and
696 overseen by the Office of the Healthcare Advocate; (2) operated by an
697 independent research organization that contracts with the Office of the
698 Healthcare Advocate; and (3) responsible for providing employers,
699 individual purchasers of health coverage, and the general public with
700 comprehensive information about the care covered by the SustiNet
701 Plan and by private health plans licensed in the state of Connecticut.

702 (b) The clearinghouse shall develop specifications for data that show
703 for each health plan, quality of care, outcomes for particular health
704 conditions, access to care, utilization of services, adequacy of provider
705 networks, patient satisfaction, rates of disenrollment, grievances and
706 complaints, and any other factors the Office of the Healthcare
707 Advocate determines relevant to assessing health plan performance
708 and value. In developing such specifications, the Office of the
709 Healthcare Advocate shall consult with private insurers and with the
710 board of directors.

711 (c) The board of directors shall recommend that the following
712 entities shall provide data to the clearinghouse in a time and manner
713 as prescribed by the Office of the Healthcare Advocate: (1) The
714 SustiNet Plan; (2) health insurers, as a condition of licensure; and (3)
715 any self-insured group plan that volunteers to provide data.
716 Dissemination of any information provided by a self-insured group
717 plan shall be limited and in conformity with a written agreement
718 governing such dissemination as developed and approved by the
719 group plan and the Office of the Healthcare Advocate.

720 (d) Except as provided for in subsection (c) of this section, the
721 clearinghouse shall make public all information provided pursuant to
722 subsection (b) of this section. The clearinghouse shall not disseminate
723 any information that identifies individual patients or providers. The
724 clearinghouse shall adjust outcomes based on patient risk levels, to the
725 maximum extent possible. The clearinghouse shall make information
726 available in multiple forms and languages, taking into account varying
727 needs for the information and different methods of processing such

728 information.

729 (e) The clearinghouse shall collect data based on each plan's
730 provision of services over continuous twelve-month periods. Except as
731 provided in subsection (c) of this section, the clearinghouse shall make
732 public all information required by this section no later than August 1,
733 2013, with updated information provided each August first thereafter.

734 Sec. 12. (NEW) (*Effective July 1, 2009*) (a) Within available
735 appropriations, the Office of the Healthcare Advocate shall develop
736 and update the model benefit packages, based on evolving medical
737 evidence and scientific literature, that make the greatest possible
738 contribution to member health for a premium cost typical of private,
739 employer-sponsored insurance in the Northeast states. Not later than
740 December 1, 2010, and biennially thereafter, the Office of the
741 Healthcare Advocate shall report to the board of directors on the
742 updated model benefit packages.

743 (b) After the promulgation of the model benefit packages, as
744 provided in subsection (a) of this section, the board of directors may
745 modify the standard benefits package if said board determines that: (1)
746 Such modification would yield better outcomes for an equivalent
747 expenditure of funds; or (2) providing additional coverage or reduced
748 cost-sharing for particular services as provided to particular member
749 populations may reduce net costs or provide sufficient improvements
750 to health outcomes to warrant the resulting increase in net costs. Any
751 such modification of the standard benefits package by the board shall
752 ensure compliance with the coverage mandates described in chapter
753 700c of the general statutes and the utilization review requirements
754 described in chapter 698a of the general statutes.

755 (c) The Office of the Healthcare Advocate shall recommend
756 guidelines for establishing an incentive system that recognizes
757 employers who provide employees with health insurance benefits that
758 are equal to or more comprehensive than the model benefit packages.
759 Such incentives may include public recognition of employers who

760 offer such comprehensive benefits. Not later than December 1, 2012,
761 the Office of the Healthcare Advocate shall report, in accordance with
762 section 11-4a of the general statutes, on such guidelines and
763 recommendations to the board of directors, the Governor and the joint
764 standing committees of the General Assembly having cognizance of
765 matters relating to public health, labor and public employees, and
766 appropriations and the budgets of state agencies.

767 Sec. 13. (NEW) (*Effective July 1, 2011*) (a) The board of directors shall
768 develop recommendations for public education and outreach
769 campaigns to ensure that state residents are informed about the
770 SustiNet Plan and are encouraged to enroll in the plan.

771 (b) The public education and outreach campaign shall utilize
772 community-based organizations and shall include a focus on targeting
773 populations that are underserved by the health care delivery system.

774 (c) The public education and outreach campaign shall be based on
775 evidence of the cost and effectiveness of similar efforts in this state and
776 elsewhere. Such campaign shall incorporate an ongoing evaluation of
777 its effectiveness, with corresponding changes in strategy, as needed.

778 Sec. 14. (NEW) (*Effective July 1, 2011*) The board of directors, in
779 collaboration with state and municipal agencies, shall, within available
780 appropriations, develop and implement systematic recommendations
781 to identify uninsured individuals in the state. Such recommendations
782 may include that:

783 (1) The Department of Revenue Services modify state income tax
784 forms to request that a taxpayer identify existing health coverage for
785 each member of the taxpayer's household.

786 (2) The Labor Department modify application forms for initial and
787 continuing claims for unemployment insurance to request information
788 about health insurance status for the applicant and the applicant's
789 dependents.

790 (3) Hospitals, community health centers and other providers as
791 determined by the board of directors shall: (A) Identify the health
792 insurance status of individuals who seek health care, and (B) convey
793 such information, via secure electronic mail transmission, to said board
794 to facilitate the potential enrollment of such individuals into health
795 insurance coverage.

796 Sec. 15. Section 17b-297b of the general statutes is repealed and the
797 following is substituted in lieu thereof (*Effective July 1, 2011*):

798 (a) To the extent permitted by federal law, the Commissioners of
799 Social Services and Education, in consultation with the board of
800 directors, shall jointly establish procedures for the sharing of
801 information contained in applications for free and reduced price meals
802 under the National School Lunch Program for the purpose of
803 determining whether children participating in said program are
804 eligible for coverage under the SustiNet Plan or the HUSKY Plan, Part
805 A and Part B. The Commissioner of Social Services shall take all
806 actions necessary to ensure that children identified as eligible for
807 [either] the SustiNet Plan, or the HUSKY Plan, Part A or Part B, are
808 enrolled in the appropriate plan.

809 (b) The Commissioner of Education shall establish procedures
810 whereby an individual may apply for the SustiNet Plan or the HUSKY
811 Plan, Part A or Part B, at the same time such individual applies for the
812 National School Lunch Program.

813 Sec. 16. (*Effective from passage*) (a) There is established a task force to
814 study childhood and adult obesity. The task force shall examine
815 evidence-based strategies for preventing and reducing obesity in
816 children and adults and develop a comprehensive plan that will
817 effectuate a reduction in obesity among children and adults.

818 (b) The task force shall consist of the following members:

819 (1) One appointed by the speaker of the House of Representatives,
820 who shall represent a consumer group with expertise in childhood and

821 adult obesity;

822 (2) One appointed by the president pro tempore of the Senate, who
823 shall be an academic expert in childhood and adult obesity;

824 (3) One appointed by the majority leader of the House of
825 Representatives, who shall be a representative of the business
826 community with expertise in childhood and adult obesity;

827 (4) One appointed by the majority leader of the Senate, who shall be
828 a health care practitioner with expertise in childhood and adult
829 obesity;

830 (5) One appointed by the minority leader of the House of
831 Representatives, who shall be a representative of the business
832 community with expertise in childhood and adult obesity;

833 (6) One appointed by the minority leader of the Senate, who shall be
834 a health care practitioner with expertise in childhood and adult
835 obesity;

836 (7) One appointed by the Governor who shall be an academic expert
837 in childhood and adult obesity; and

838 (8) The Commissioners of Public Health, Social Services and
839 Economic and Community Development and a representative of the
840 Sustinet board of directors shall be ex-officio, nonvoting members of
841 the task force.

842 (c) Any member of the task force appointed under subdivision (1),
843 (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member
844 of the General Assembly.

845 (d) All appointments to the task force shall be made no later than
846 thirty days after the effective date of this section. Any vacancy shall be
847 filled by the appointing authority.

848 (e) The members of the task force appointed by the speaker of the

849 House of Representatives and the president pro tempore of the Senate
850 shall serve as the chairpersons of the task force. Such chairpersons
851 shall schedule the first meeting of the task force, which shall be held no
852 later than thirty days after the effective date of this section.

853 (f) The administrative staff of the joint standing committee of the
854 General Assembly having cognizance of matters relating to public
855 health shall serve as administrative staff of the task force.

856 (g) Not later than July 1, 2010, the task force shall submit a report on
857 its findings and recommendations to the board of directors and the
858 joint standing committee of the General Assembly having cognizance
859 of matters relating to public health, human services and appropriations
860 and the budgets of state agencies in accordance with the provisions of
861 section 11-4a of the general statutes. The task force shall terminate on
862 the date that it submits such report or January 1, 2011, whichever is
863 later.

864 Sec. 17. (*Effective from passage*) (a) There is established a task force to
865 study tobacco use by children and adults. The task force shall examine
866 evidence-based strategies for preventing and reducing tobacco use by
867 children and adults, and then develop a comprehensive plan that will
868 effectuate a reduction in tobacco use by children and adults.

869 (b) The task force shall consist of the following members:

870 (1) One appointed by the speaker of the House of Representatives,
871 who shall represent a consumer group with expertise in tobacco use by
872 children and adults;

873 (2) One appointed by the president pro tempore of the Senate, who
874 shall be an academic expert in tobacco use by children and adults;

875 (3) One appointed by the majority leader of the House of
876 Representatives, who shall be a representative of the business
877 community with expertise in tobacco use by children and adults;

878 (4) One appointed by the majority leader of the Senate, who shall be

879 a health care practitioner with expertise in tobacco use by children and
880 adults;

881 (5) One appointed by the minority leader of the House of
882 Representatives, who shall be a representative of the business
883 community with expertise in tobacco use by children and adults;

884 (6) One appointed by the minority leader of the Senate, who shall be
885 a health care practitioner with expertise in tobacco use by children and
886 adults;

887 (7) One appointed by the Governor who shall be an academic expert
888 in tobacco use by children and adults; and

889 (8) The Commissioners of Public Health, Social Services and
890 Economic and Community Development and a representative of the
891 SustiNet board of directors shall be ex-officio, nonvoting members of
892 the task force.

893 (c) Any member of the task force appointed under subdivision (1),
894 (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member
895 of the General Assembly.

896 (d) All appointments to the task force shall be made no later than
897 thirty days after the effective date of this section. Any vacancy shall be
898 filled by the appointing authority.

899 (e) The members of the task force appointed by the speaker of the
900 House of Representatives and the president pro tempore of the Senate
901 shall serve as the chairpersons of the task force. Such chairpersons
902 shall schedule the first meeting of the task force, which shall be held no
903 later than thirty days after the effective date of this section.

904 (f) The administrative staff of the joint standing committee of the
905 General Assembly having cognizance of matters relating to public
906 health shall serve as administrative staff of the task force.

907 (g) Not later than July 1, 2010, the task force shall submit a report on

908 its findings and recommendations to the board of directors and the
909 joint standing committee of the General Assembly having cognizance
910 of matters relating to public health, human services and appropriations
911 and the budgets of state agencies in accordance with the provisions of
912 section 11-4a of the general statutes. The task force shall terminate on
913 the date that it submits such report or January 1, 2011, whichever is
914 later.

915 Sec. 18. (*Effective from passage*) (a) There is established a task force to
916 study the state's health care workforce. The task force shall develop a
917 comprehensive plan for preventing and remedying state-wide,
918 regional and local shortage of necessary medical personnel, including,
919 physicians, nurses and allied health professionals.

920 (b) The task force shall consist of the following members:

921 (1) One appointed by the speaker of the House of Representatives,
922 who shall represent a consumer group with expertise in health care;

923 (2) One appointed by the president pro tempore of the Senate, who
924 shall be an academic expert on the health care workforce;

925 (3) One appointed by the majority leader of the House of
926 Representatives, who shall be a representative of the business
927 community with expertise in health care;

928 (4) One appointed by the majority leader of the Senate, who shall be
929 a health care practitioner;

930 (5) One appointed by the minority leader of the House of
931 Representatives, who shall be a representative of the business
932 community with expertise in health care;

933 (6) One appointed by the minority leader of the Senate, who shall be
934 a primary care physician;

935 (7) One appointed by the Governor who shall be an academic expert
936 in health care; and

937 (8) The Commissioners of Public Health, Social Services and
938 Economic and Community Development, the president of The
939 University of Connecticut, the chancellor of the Connecticut State
940 University System, the chancellor of the Regional Community-
941 Technical Colleges, and a representative of the SustiNet board of
942 directors shall be ex-officio, nonvoting members of the task force.

943 (c) Any member of the task force appointed under subdivision (1),
944 (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member
945 of the General Assembly.

946 (d) All appointments to the task force shall be made no later than
947 thirty days after the effective date of this section. Any vacancy shall be
948 filled by the appointing authority.

949 (e) The members of the task force appointed by the speaker of the
950 House of Representatives and the president pro tempore of the Senate
951 shall serve as the chairpersons of the task force. Such chairpersons
952 shall schedule the first meeting of the task force, which shall be held no
953 later than thirty days after the effective date of this section.

954 (f) The administrative staff of the joint standing committee of the
955 General Assembly having cognizance of matters relating to public
956 health shall serve as administrative staff of the task force.

957 (g) Not later than July 1, 2010, the task force shall submit a report on
958 its findings and recommendations to the board of directors and the
959 joint standing committee of the General Assembly having cognizance
960 of matters relating to public health, human services and appropriations
961 and the budgets of state agencies in accordance with the provisions of
962 section 11-4a of the general statutes. The task force shall terminate on
963 the date that it submits such report or January 1, 2011, whichever is
964 later.

965 Sec. 19. (NEW) (*Effective July 1, 2009*) Any individual who serves on
966 the SustiNet Health Partnership board of directors shall be subject to
967 the provisions of section 1-83 of the general statutes concerning the

968 filing of a statement of financial interests.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2009</i>	New section
Sec. 2	<i>July 1, 2009</i>	New section
Sec. 3	<i>July 1, 2009</i>	New section
Sec. 4	<i>July 1, 2009</i>	New section
Sec. 5	<i>July 1, 2009</i>	New section
Sec. 6	<i>July 1, 2009</i>	New section
Sec. 7	<i>July 1, 2009</i>	New section
Sec. 8	<i>July 1, 2009</i>	New section
Sec. 9	<i>July 1, 2009</i>	New section
Sec. 10	<i>July 1, 2009</i>	New section
Sec. 11	<i>July 1, 2009</i>	New section
Sec. 12	<i>July 1, 2009</i>	New section
Sec. 13	<i>July 1, 2011</i>	New section
Sec. 14	<i>July 1, 2011</i>	New section
Sec. 15	<i>July 1, 2011</i>	17b-297b
Sec. 16	<i>from passage</i>	New section
Sec. 17	<i>from passage</i>	New section
Sec. 18	<i>from passage</i>	New section
Sec. 19	<i>July 1, 2009</i>	New section

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: See Below

Municipal Impact: See Below

Explanation

This bill establishes the Sustinet Health Partnership board of directors. The purpose of the Partnership is to design and establish the Sustinet Plan, which is intended to provide health care coverage in the state. The Partnership, as proposed in this bill, is not to be construed as a department, institution, or agency of the state. The Partnership is required to submit a range of recommendations to the General Assembly concerning the implementation of the Sustinet Plan, including the creation of an agency having the power to operate as a quasi-public authority. These recommendations must be submitted as proposed legislation to the General Assembly by January 1, 2011. The Partnership is also required to establish several committees that are required to make recommendations in a variety of health care policy areas.

The bill establishes the Sustinet Health Partnership board of directors as a voluntary organization that is not a state agency and receives no appropriated funds. State agencies that are involved with the Board will incur minimal administrative expenses related to Board activities. Any additional potential costs associated with this organization would involve the implementation of the recommendations made to the legislature as outlined in the bill. However, as those recommendations are subject to approval by the legislature, any costs associated with them would be related to the implementation of that subsequent legislation.

The bill has further requirements that may lead to potential administrative costs for the Departments of Revenue Services and Labor, and the Office of Health Care Advocate.

The bill establishes three task forces to study obesity, tobacco use, and shortages in medical personnel. Any state agencies that are involved with these task forces will incur minimal administrative expenses related to task force activities.

House "A" struck the underlying bill and replaced it with the impact noted above. This eliminated a significant cost associated with an expansion of eligibility under the Department of Social Services' HUSKY programs.

House "B" made individuals who serve on the Sustinet board subject to provisions concerning filing statements of financial interests. It had no associated fiscal impact.

OLR Bill Analysis**sHB 6600 (as amended by House "A" and "B")******AN ACT CONCERNING THE ESTABLISHMENT OF THE SUSTINET PLAN.*****SUMMARY:**

This bill establishes a nine-member SustiNet Health Partnership Board of Directors that must make legislative recommendations, by January 1, 2011, on the details and implementation of the "SustiNet Plan," a self-insured health care delivery plan. The bill specifies that these recommendations must address:

1. establishment of a public authority or other entity with the power to contract with insurers and health care providers, develop health care infrastructure ("medical homes"), set reimbursement rates, create advisory committees, and encourage the use of health information technology;
2. provisions for the phased-in offering of the SustiNet Plan to state employees and retirees, HUSKY A and B beneficiaries, people without employer sponsored insurance (ESI), people with unaffordable ESI, small and large employers, and others ;
3. guidelines for development of a model benefits package; and
4. public outreach and methods of identifying uninsured citizens.

The board must establish a number of separate committees to address and make recommendations concerning health information technology, medical homes, clinical care and safety guidelines, and preventive care and improved health outcomes. The bill also establishes an independent information clearinghouse to provide

employers, consumers, and the general public with information about Sustinet and private health care plans.

Finally, the bill creates task forces addressing obesity, tobacco usage, and the health care workforce.

*House Amendment "A" (1) reduces the board membership from 14 to nine members and changes board representation and corresponding appointing authorities; (2) specifies that the board must offer recommendations to the General Assembly on the governance structure of an entity to oversee and implement the Sustinet Plan which may include establishing a public authority, rather than directing the board to make recommendations on establishing a public authority; (3) makes changes to the list of recommendations that the board may offer, including adding (a) evaluating the implementation of an individual mandate in concert with guaranteed issue, elimination of preexisting condition exclusions, and implementation of auto-enrollment and (b) studying the feasibility of funding premium subsidies for individuals with income between 300% and 400% of the federal poverty level; (4) requires the board to identify all potential funding sources for establishing and administering Sustinet; (5) specifies that the board may develop recommendations (a) permitting the comptroller to offer the Sustinet Plan to state employees, retirees and their dependents, with any changes to health care benefits subject to the collective bargaining process and (b) ensuring that nonstate public employers are offered the Sustinet Plan; (6) makes changes concerning recommendations for offering Sustinet to those not offered ESI and those offered unaffordable or inadequate ESI; (7) makes changes to provisions of the bill on offering Sustinet to employers through existing channels; (8) eliminates a section on expansion of Medicaid and HUSKY eligibility; and (9) makes technical changes.

*House Amendment "B" adds the provision subjecting board members to the law on filing statements of financial interests.

EFFECTIVE DATE: July 1, 2009, except that the sections on

identifying uninsured adults and children (§ 14, 15) and Medicaid and public education outreach (§ 13) take effect July 1, 2011, and the three task forces (§§ 16-18) take effect upon passage.

§ 1 — DEFINITIONS

The bill defines the “SustiNet Plan” as a self-insured health care delivery plan designed to ensure that its enrollees receive high-quality health care coverage without unnecessary costs. “Public authority” means a public authority or other entity recommended by the SustiNet Health Partnership board of directors.

“Standard benefits package” means a set of covered benefits, as determined by the public authority, with out-of-pocket cost-sharing limits and provider network rules, subject to the same coverage mandates that apply to small group health insurance sold in the state. It includes, but is not limited to (1) coverage of medical home services; inpatient and outpatient hospital care; generic and name-brand prescription drugs; laboratory and x-ray services; durable medical equipment; speech, physical, and occupational therapy; home health care; vision care; family planning; emergency transportation; hospice; prosthetics; podiatry; short-term rehabilitation; identification and treatment of developmental delays from birth through age three; and evidence-based wellness programs; (2) a per individual and per family deductible that excludes drugs and preventive care; (3) preventive care with no copayment; (4) prescription drug coverage with copayments; (5) office visits for other than preventive care with copayments; (6) mental and behavioral health services coverage, including tobacco cessation, substance abuse treatment, and obesity prevention and treatment (these services must have parity with coverage for physical health services); and (7) dental coverage comparable to that provided by large employers in the Northeast.

A “small employer” is a person, firm, corporation, limited liability company, partnership, or association actively engaged in business or self-employed for at least three consecutive months, which, on at least 50% of its working days during the preceding twelve months,

employed up to 50 people, the majority of whom worked in the state.

§ 2 —THE SUSTINET HEALTH PARTNERSHIP BOARD OF DIRECTORS

Board Members

The bill establishes the SustiNet Health Partnership board of directors consisting of nine members as follows:

1. the state comptroller;
2. the healthcare advocate;
3. a representative of the nursing or allied health professions, appointed by the governor;
4. a primary care physician, appointed by the Senate president pro tempore;
5. a representative of organized labor, appointed by the House speaker;
6. an individual with expertise in the provision of employee health benefit plans for small businesses, appointed by the Senate majority leader;
7. an individual with expertise in health economics or policy, appointed by the House majority leader;
8. an individual with expertise in health information technology, appointed by the Senate minority leader; and
9. an individual with expertise in actuarial sciences or insurance underwriting, appointed by the House minority leader.

The comptroller and healthcare advocate serve as board chairpersons.

Initial appointments must be made by July 15, 2009. If an appointing authority fails to appoint a member by July 31, 2009, the Senate

president pro tempore and the House speaker jointly make that appointment. A quorum is five members.

Board members' terms are staggered. The initial term for the member appointed by the governor is two years. For those appointed by the House and Senate majority leaders, the term is four years. For the House and Senate minority leaders' appointments, the term is three years. And the term is five years for the appointments of the House speaker and Senate president pro tempore. After the initial term, board members serve five-year terms.

Within the 30 days before a term expires, the appointing authority can reappoint a current member or appoint a new one. Board members can be removed by their appointing authority for misfeasance, malfeasance, or willful neglect of duty.

The bill specifies that any individual serving on the board is subject to existing law on filing a statement of financial interests.

The bill specifies that the board is not a department, institution, or agency of the state.

§ 3 — DUTIES OF THE SUSTINET BOARD OF DIRECTORS

Designing the Sustinet Plan

The SustiNet Health Partnership board of directors must design and establish procedures to implement the "SustiNet Plan." The SustiNet Plan must be designed to:

1. improve the health of state residents;
2. improve the quality of health care and access to health care;
3. provide health insurance coverage to Connecticut residents who would otherwise be uninsured;
4. increase the range of health care insurance coverage options available to residents and employers; and

5. slow the growth of per capita health care spending both in the short-term and in the long-term; and
6. implement reforms to the health care delivery system that will apply to all SustiNet Plan members. But provided any reforms to health care coverage provided to state employees, retirees, and their dependents must be subject to applicable collective bargaining agreements.

By January 1, 2011, the board must submit its design and implementation procedures in recommended legislation to the Appropriations and the Finance, Revenue, and Bonding committees.

Designing the Public Authority

The board must offer recommendations to the General Assembly on the governance structure of the entity that is best suited to oversee and implement the SustiNet Plan. These recommendations may include, but are not limited to, the establishment of a public authority authorized to:

1. adopt guidelines, policies and regulations necessary to implement the bill's provisions;
2. contract with insurers or other entities for administrative purposes, such as claims processing and credentialing of providers, taking into account their capacity and willingness to offer networks of participating providers both within and outside the state and their capacity and willingness to help finance the administrative costs involved in the establishment and initial operation of the SustiNet Plan, and reimbursing them using per capita fees or other methods that do not create incentives to deny care;
3. solicit bids from individual providers and provider organizations to insure adequate provider networks and provide all SustiNet Plan members with timely access to high-quality care throughout the state and, in appropriate cases,

outside the state;

4. establish appropriate deductibles, standard benefit packages, and out-of-pocket cost-sharing levels for different providers that may vary based on quality, cost, provider agreement to refrain from balance billing SustiNet Plan members, and other factors relevant to patient care and financial sustainability;
5. commission surveys of consumers, employers, and providers on issues related to health care and health care coverage;
6. negotiate on behalf of SustiNet Plan providers to obtain discounted prices for vaccines and other health care goods and services;
7. contract for such professional services as financial consultants, actuaries, bond counsel, underwriters, technical specialists, attorneys, accountants, medical professionals, consultants, and bio-ethicists as the board deems necessary;
8. purchase reinsurance or stop loss coverage, set aside reserves, or take other prudent steps that avoid excess exposure to risk in administering a self-insured plan;
9. enter into interagency agreements for performance of SustiNet Plan duties that may be implemented more efficiently or effectively by a state agency;
10. set payment methods for licensed health care providers that reflect evolving research and experience both within the state and elsewhere, promote patient health, prevent unnecessary spending, and ensure sufficient compensation to cover the reasonable cost of furnishing necessary care;
11. appoint advisory committees to successfully implement the SustiNet Plan, further the objectives of the authority, and secure necessary input from various experts and stakeholder groups;

12. establish and maintain an Internet web site that provides for timely posting of all public notices issued by the authority or the board and such other information either deems relevant in educating the public about the Sustinet Plan;
13. evaluate the implementation of an individual mandate in concert with guaranteed issue, the elimination of preexisting condition exclusions,, and the implementation of auto-enrollment;
14. raise funds from public and private sources outside of the state budget to contribute toward support of its mission and operations;
15. make optimum use of opportunities created by the federal government for securing new and increased federal funding, including increased reimbursement revenues;
16. if the federal government enacts national health care reform, submit preliminary recommendations for implementing the Sustinet Plan to the General Assembly, not later than 60 days after federal enactment; and
17. study the feasibility of funding premium subsidies for individuals with income between 300% and 400% of the federal poverty level (FPL).

The bill specifies that all state and municipal agencies, departments, boards, commissions and councils must fully cooperate with the board in carrying out these purposes.

§ 4 — SUSTINET PLAN

The board of directors must develop the procedures and guidelines for the Sustinet Plan which must comport with these five Institute of Medicine (IOM) principles:

1. health care coverage should be universal;

2. health care coverage should be continuous;
3. health care coverage should be affordable to individuals and families;
4. the health insurance strategy should be affordable and sustainable for society; and
5. health care coverage should enhance health and well-being by promoting access to high-quality care that is effective, efficient, safe, timely, patient-centered, and equitable.

The board must identify all potential funding sources that may be used to establish and administer the Sustinet Plan.

The board must recommend that the public authority establish action plans with measurable objectives in such areas as:

1. effective management of chronic illness,
2. preventive care,
3. reducing racial and ethnic disparities in health care and health outcomes, and
4. reducing the number of uninsured state residents.

The board must include recommendations that the authority monitor the progress made toward achieving these objectives and modify the action plans as necessary.

§§ 1 AND 5 — HEALTH INFORMATION TECHNOLOGY

The bill delineates how electronic health records will be established for Sustinet members and how participating providers may gain access to hardware and approved software for interoperable electronic medical records. For these purposes, the bill defines:

1. “electronic medical record” as a record of a person’s medical treatment created by a licensed health care provider and stored

in an interoperable and accessible digital format;

2. "electronic health record" as an electronic record of health-related information on an individual that conforms to nationally recognized interoperability standards and that can be created, managed, and consulted by authorized clinicians and staff across multiple health care organizations;
3. "subscribing provider" as a licensed health care provider that (a) either is a participating provider in the SustiNet plan or provides services in the state and (b) agrees to pay a proportionate share of the cost of health care technology goods and services, consistent with board-adopted guidelines; and
4. "approved software" as electronic medical records software approved by the board, after receiving recommendations from the information technology committee the bill establishes.

Information Technology Committee and Plan Development

The board must establish an information technology committee to make a plan for developing, acquiring, financing, leasing, or purchasing fully interoperable electronic medical records software and hardware packages for subscribing providers.

The plan must include the development of a periodic payment system that allows subscribing providers to acquire approved software and hardware and to receive other support services for the implementation of electronic medical records.

Software and Hardware Options and Availability

The committee must make recommendations on (1) providing approved software to subscribing providers and participating providers (the bill does not define this term), consistent with the bill's capital acquisition, technical support, reduced-cost digitization of existing records, software updating, and software transition procedures and (2) developing and implementing procedures to ensure that individual providers and hospitals have access to

hardware and approved software for interoperable electronic medical records and establishment of electronic health records for Sustinet Plan members.

The information technology committee must consult with technology specialists, physicians, nurses, hospitals and other health care providers to identify potential software and hardware options that meet the needs of the full array of health care practices. Any recommended electronic medical records packages the committee recommends for possible purchase must interact with other pertinent practice management modules including patient scheduling, claims submission, billing, and tracking of laboratory orders and prescriptions.

Any recommended system must also include:

1. automated patient reminders concerning upcoming appointments;
2. recommended preventive care reminders;
3. automated provision of test results to patients when appropriate;
4. decision support, including notice of recommended services not yet received by a patient;
5. notice of potentially duplicative tests and other services;
6. notice of potential drug interactions and past adverse drug reactions to similar medications;
7. notice of possible violation of patient wishes for end-of-life care; and
8. notice of services provided inconsistently with care guidelines.

The committee must make recommendations on procuring and

developing approved software. These recommendations may include that any approved software be able to gather information to help the board assess health outcomes and track the accomplishment of clinical care objectives. The board must ensure that SustiNet Plan providers who use approved software can electronically transmit to, and receive information from, all laboratories and pharmacies participating in the plan, without the need to construct interfaces other than those constructed by the authority.

The committee must make recommendations on selection of public vendors to provide reduced-cost, high-quality digitization of paper medical records for use with approved software. The vendors must be bonded, supervised and covered entities under the federal Health Insurance Portability and Accountability Act, that is, subject to the act's privacy requirements.

System Integration

The information technology committee must make recommendations on a system of integrating information from subscribing providers' electronic medical records systems into a single electronic health record for each SustiNet Plan member. This integrated record must be updated in real time and accessible to any participating or subscribing provider serving the member.

The bill requires all recommendations on electronic health and medical records to be developed in a manner consistent with board approved guidelines for safeguarding privacy and data security and with state and federal laws, including any recommendations of the U.S. Government Accountability Office. These guidelines must include recommended remedies and sanctions in cases where guidelines are not followed. The remedies can include termination from the network or reimbursement denial or reduction.

The committee must recommend methods to coordinate the development and implementation of electronic medical health records in concert with the Department of Public Health (DPH) and other state

agencies to ensure efficiency and compatibility. The committee must determine appropriate financing options, including financing through the Connecticut Health and Educational Facilities Authority.

Condition of Participation in Sustinet

Under the bill, the committee must recommend that use of board-approved or compatible electronic medical records become a condition of provider participation in the Sustinet plan by July 1, 2015, with possible time extensions or exemptions made for providers who would face hardship in meeting the time frame and whose participation in Sustinet is necessary to assure geographic access to care. It authorizes the board to provide additional support to these providers. (But it is not clear what kind of support the board can provide.)

The bill includes specific incentives to help providers meet the goal of adoption of electronic medical records by July 1, 2015. The committee must develop and implement appropriate financial incentives for early subscriptions by participating providers, including discounted fees.

The committee must develop recommended methods to eliminate or minimize transition costs for providers, who, before January 1, 2011, implemented comprehensive electronic medical or health records systems. This can include technical assistance in transitioning to new software and development of modules to help existing software connect to the integrated system.

The committee must make recommendations that subscribing providers share systemic cost savings achieved by implementing electronic medical and health records. The amount of savings the board shares with a provider is limited to the amount of net financial loss the provider experienced during the first five years of the implementation process.

The committee must also make recommendations on the use of electronic health records to encourage the provision of medical home

functions (see below). Electronic health records must generate automatic notices to medical homes that (1) report when an enrolled member receives services outside the medical home, (2) describe member compliance or noncompliance with provider instructions, and (3) identify the expiration of refillable prescriptions.

§ 6 — MEDICAL HOMES

Medical Home Advisory Committee

The board must establish a medical home advisory committee composed of physicians, nurses, consumer representatives, and other qualified individuals chosen by the board. The committee must develop recommended internal procedures and proposed regulations for the administration of medical homes serving to SustiNet Plan members. The committee must forward its recommendations to the board.

Medical Home Functions

Committee recommendations must include that (1) the board define medical home functions on an ongoing basis, incorporating evolving research on delivery of health care services and (2) if provider infrastructure limits prevent all SustiNet Plan members from enrolling in a medical home, then enrollment be implemented in phases with priority given to members where cost savings appear most likely, including members with chronic health conditions.

The committee, subject to revision by the board, must make recommendations that initial medical home functions include:

1. Assisting members to safeguard and improve their own health by:
 - a. advising members with chronic health conditions on how to monitor and manage their conditions;
 - b. working with members to set and accomplish goals related to exercise, nutrition, and tobacco use, among other behaviors;

- c. implementing best practices to insure members understand and can follow medical instructions; and
 - d. providing translation services and culturally competent communication strategies.
2. Care coordination that includes:
- a. managing transitions between home and hospital;
 - b. monitoring to ensure members receive all recommended primary and preventive care services;
 - c. providing basic mental health care, including screening for depression, with referral for those who require more help;
 - d. addressing workplace, home, school, and community stress;
 - e. referring to nonmedical services such as housing, nutrition, domestic violence programs, and support groups; and
 - f. ensuring information about members with complex health conditions is shared when multiple providers are involved and that they follow a single integrated treatment plan; and
3. Providing 24-hour access by telephone, secure email, or quickly scheduled office appointments in order to reduce the need for hospital emergency room visits.

The committee may develop quality and safety standards for medical home functions that are not covered by existing professional standards, which may include care coordination and member education.

The committee must recommend to the board that the public authority assist in developing community-based resources to enhance medical home functions, including (1) making loans available on favorable terms that help with development of necessary health care

infrastructure, including community-based providers of medical home services and community-based preventive care service providers; (2) offering reduced price consultants to help health care providers restructure their practices and offices to function more effectively and efficiently in response to changes in health care insurance coverage and service delivery attributable to SustiNet implementation; and (3) the offering of continuing medical education courses for physicians, nurses, and other clinicians, including training in culturally competent delivery of health care services.

Health Care Providers Who Can Serve as a Medical Home

Under the bill, the committee must make recommendations on entities that can be a medical home including that (1) a licensed health care provider who is capable of providing all core medical home functions as prescribed by the board can serve as a medical home and (2) a group practice or community health center serving as a medical home must identify, for each member, a lead provider with primary responsibility for the member's care. In appropriate cases, as determined by the board, (1) a specialist may serve as a medical home and (2) a patient's medical home may temporarily be with a health care provider who is overseeing the patient's care for the duration of a temporary medical condition, including pregnancy.

The committee must make recommendations on the medical home provider's responsibilities. These include that (1) each medical home provider be given a list of all medical home functions and (2) if a provider does not wish to perform certain functions outside core medical home functions in his or her office, the provider must arrange for other qualified entities or individuals to perform these functions in a way that integrates them into the medical home's clinical practice.

These other entities or individuals must be certified by the board based on the quality, safety, and efficiency of the service they provide. At the medical home provider's request, the board must make all arrangements required for a qualified entity or individual to perform any medical home function (not just non-core functions) the core

provider does not assume.

Reimbursement

The committee must make recommendations concerning payment for medical home functions including that (1) all of the bill's medical home functions are reimbursable under the Sustinet Plan; (2) in setting payment levels for those functions that are not normally reimbursed by commercial insurers, payment cover the full cost of services; and (3) rate-setting mechanisms can include using Medicare rate-setting methods or setting a monthly case management fee.

The committee must make recommendations that specialty referrals include prior consultation between the specialist and the medical home to determine whether the referral is medically necessary. If so, the consultation must identify any tests or procedures that must be done or arranged by the medical home, before the specialty visit, to promote economic efficiencies. The bill requires the Sustinet Plan to reimburse the medical home and specialist for time spent on consultations.

§ 7 — HEALTH CARE PROVIDER COMMITTEE; CLINICAL CARE AND SAFETY GUIDELINES

The bill requires the board to establish a health care provider committee to develop clinical care and safety guidelines for use by Sustinet providers. The committee must choose from existing nationally and internationally recognized care guidelines. It must continually assess the quality of evidence, the relevant costs, and the risks and benefits of treatments. It must forward its recommendations to the board. The committee must have provider and consumer members.

Under the bill, the committee must make recommendations that participating Sustinet providers receive confidential reports comparing their practice patterns with their peers. The report must include opportunities for continuing education.

The committee must make recommendations on quality of care standards for particular medical conditions. Such standards may

reflect outcomes over the entire care cycle for each health care condition, adjusted for patient risk and general consistency of care with approved guidelines and other factors. The committee must recommend that providers who meet or exceed the standards for a particular condition be publicly recognized and made known to Sustinet members, including those who have been diagnosed with that particular medical condition.

The committee must recommend procedures requiring hospitals and their staffs, physicians, nurse practitioners, and other participating providers to periodically conduct quality of care reviews and develop quality of care improvement plans. Such reviews must identify potential problems manifesting as adverse events or events that could have resulted in negative patient outcomes. As appropriate, they must incorporate confidential consultation with peers and colleagues, opportunities for continuing medical education, and other interventions and supports to improve performance. To the maximum extent permissible, the reviews must incorporate existing peer review mechanisms. The committee's recommendations must include that any review conducted be subject to the law's protections concerning peer review (CGS § 19a-17b).

The board, in consultation with the committee, must develop safety standards for implementation in hospitals. The board must establish procedures to monitor and impose sanctions to ensure compliance with the standards. It may also establish performance incentives to encourage hospitals to exceed such safety standards.

The committee must make recommendations concerning the authority providing participating providers with information about prescription drugs, medical devices, and other goods and services used in health care delivery. This information can address emerging trends involving the use of goods and services that the authority judges are less than optimally cost effective. The committee must make recommendations on providing free samples of generic or other prescription drugs to participating providers. And the committee must

recommend policies and procedures to encourage participating providers to furnish Sustinet members with appropriate evidence-based health care.

§ 8 — PREVENTIVE HEALTH CARE AND COMMUNITY-BASED PREVENTIVE HEALTH INFRASTRUCTURE

The bill requires the board of directors to establish a preventive health care committee that uses evolving medical research to make recommendations to improve health outcomes for members (presumably Sustinet members) in areas of nutrition, physical exercise, tobacco use, addictive substances, and sleep, taking into account programs already underway in the state. The committee must include providers, consumers, and others chosen by the board. These recommendations may be targeted to special member populations where they are most likely to benefit members' health. They can include behavioral components and financial incentives for participants. Beginning July 1, 2010, the committee must annually submit its recommendations to the board.

The board must recommend that the Sustinet plans sold to employers or individuals cover community-based preventive care services that can be administered safely in community settings. Examples of these services are immunizations, simple tests, and health care screenings; and examples of locations are workplaces, schools, or other community locations. The board must recommend that community-based preventive care providers must use the patient's electronic health record to confirm that the service has not been provided before and is not contraindicated. They must furnish test results or documentation of the service to the patient's medical home or primary care provider.

§ 9 — ENROLLMENT OF VARIOUS GROUPS IN SUSTINET

Nonstate Public Employers; State Employees, Retirees and Dependents; Nonprofits; and Small Businesses

The board may develop recommendations that ensure that, beginning July 1, 2012, nonstate public employers are offered the

benefits of the Sustinet Plan. The bill defines “nonstate public employer” as a municipality or other political subdivision of the state, including a board of education, quasi-public agency, or public library. The board may develop recommendations that permit the comptroller to offer the Sustinet Plan benefits to state employees, retirees, and their dependents (no date is specified in the bill for doing this). No changes in health care benefits can be implemented concerning plans administered according to the state employee health plan unless they are negotiated and agreed to by the state and the coalition committee (SEBAC) through the collective bargaining process.

Also under the bill, the board must develop recommendations that ensure that beginning July 1, 2012, employees of nonprofit organizations and small businesses are offered Sustinet Plan membership.

HUSKY PLAN Part A and B Beneficiaries

The board must develop recommendations to ensure that the HUSKY Plan Part A and Part B, Medicaid, and state-administered general assistance (SAGA) programs participate in the Sustinet Plan. These recommendations must also ensure that HUSKY Plan Part A and B benefits are extended, to the extent permitted by federal law, to adults with income at or below 300% of FPL.

Those Not Offered Employee Sponsored Insurance (ESI)

The bill requires the board to make recommendations to ensure that state residents not offered employer sponsored insurance (ESI) and who do not qualify for HUSKY Part A and B, Medicaid, or SAGA can enroll in Sustinet beginning July 1, 2012. These recommendations must ensure that premium variation based on member characteristics does not exceed in total amount or in consideration of individual health risk, the variation permitted for a small employer carrier.

Those Offered Unaffordable or Inadequate ESI

The board must make recommendations to provide an option for enrollment in Sustinet to state residents who are offered ESI whose

household income is 400% of FPL or less. The board may make recommendations for establishing (1) a procedure for those individuals who demonstrate eligibility to enroll in Sustinet according to this provision and (2) a way to collect payments from employers whose employees would have received ESI, but instead enroll in Sustinet.

§ 10 — OFFERING SUSTINET TO EMPLOYERS THROUGH EXISTING CHANNELS

The bill requires the board to make recommendations concerning (1) use of various ways to sell Sustinet to employers, including public and private purchasing pools, agents, and brokers; (2) offering multi-year contracts to employers that have predictable premiums; (3) policies and procedures to ensure that employers can easily and conveniently purchase Sustinet plan coverage for their workers and dependents including participation requirements, timing of enrollment, open enrollment, enrollment length, and other matters deemed appropriate by the board; (4) policies and procedures to prevent adverse selection. (“adverse selection,” in this context, means purchase of Sustinet Plan coverage by employers with unusually high-cost employees and dependents under circumstances where premium payments do not fully cover the probable claims costs of the employer’s enrollees); (5) availability of Sustinet Plan coverage for small employers on and after July 1, 2012 with premiums based on member characteristics as permitted for small employer carriers; (6) availability of Sustinet plan coverage for larger employers with premiums to prevent adverse selection, taking into account past claims experience, changes in characteristics of covered employees and dependents since the most recent time period covered by claims data, and other board-approved factors; and (7) the availability of a standard benefits package that cannot be any less comprehensive than the model benefits packages established by the bill (see § 12).

§ 11 — INFORMATION CLEARINGHOUSE

Under the bill, the board must recommend the establishment of an independent information clearinghouse to provide employers, individual consumers, and the general public with information about

the care covered by the Sustinet Plan and by private health plans. The Office of the Healthcare Advocate (OHA) is responsible for establishing the clearinghouse and contracting with an independent research organization to operate it.

The clearinghouse must develop data specifications that show comprehensive information about quality of care, health outcomes for particular health conditions, access to care, patient satisfaction, adequacy of provider networks, and other performance and value information. OHA must develop the specifications in consultation with the board and private insurers.

The board must recommend that the Sustinet Plan and health insurers must submit data to the clearinghouse, the latter as a licensing condition. Self-insured group plans may provide data voluntarily; dissemination of any information such a plan provides is limited, based on negotiations between the clearinghouse and the plan.

The clearinghouse must make its information public and update it annually. It must avoid disseminating information that identifies individual patients or providers. To the extent possible, it must also, adjust outcomes based on patient risk levels.

The clearinghouse must collect data based on each plan's provision of services over continuous 12-month periods. The clearinghouse must make public all information required by this section, subject to the limitations described above, no later than August 1, 2013, with updated information provided annually each August.

§ 12 — MODEL BENEFITS PACKAGES

The bill requires OHA, within available appropriations, to develop model benefit packages that contribute the greatest possible amount of health benefit for enrollees, based on evolving medical and scientific evidence, for the premium cost typical of private, employer-sponsored insurance in the Northeast. By December 1, 2010, and then biennially, the office must report to the board on the updated model benefit

package.

After receiving these models, the board may modify the standard benefit package if it believes an adjustment would either yield better health outcomes for the same expenditure of funds, or provide additional health benefits or reduced cost-sharing for particular groups that justify an increase in net costs. Any modification of the standard benefit package by the board must ensure compliance with statutory coverage mandates and utilization review requirements.

OHA must recommend guidelines for an incentive system to recognize employers who provide employees with benefits that are equivalent to or better than the model benefit packages.

By December 1, 2012, OHA must report on these guidelines and recommendations to the governor, comptroller, and the Public Health, Labor and Public Employees, and Appropriations committees.

§ 13 — PUBLIC EDUCATION AND OUTREACH CAMPAIGNS

The bill requires the board to develop recommendations for education and outreach campaigns to inform the public of Sustinet's availability and encourage enrollment. These campaigns must use community-based organizations to reach underserved populations. They must be based on evidence of the cost and effectiveness of similar efforts in this state and elsewhere. The board must continuously evaluate their effectiveness and change strategy as needed.

§ 14 — IDENTIFICATION OF THE UNINSURED

The board, in collaboration with state and municipal agencies, must, within available appropriations, develop and implement recommendations to identify uninsured individuals. Such recommendations may include:

1. the Department of Revenue Services modifying state income tax forms to ask taxpayers to identify existing health coverage for each household member;

2. the Department of Labor modifying its unemployment insurance claims forms to request information about health insurance status for applicants and their dependents; and
3. hospitals, community health centers, and other health care providers identifying uninsured individuals who seek health care and transmitting such information to the board.

§ 15 — IDENTIFYING UNINSURED CHILDREN

The bill directs the Department of Social Services and education commissioners to consult with the board in their existing obligation to jointly establish procedures for sharing data from the National School Lunch Program to identify income eligible children for enrollment in or HUSKY A and B. And it permits these procedures to cover enrollment in the SustiNet Plan.

§ 16 — OBESITY TASK FORCE

The bill creates a task force to study childhood and adult obesity. It must examine evidence-based strategies for preventing and reducing obesity and develop a comprehensive plan that will result in a reduction in obesity.

The task force includes the following members:

1. a representative of a consumer group with expertise in childhood and adult obesity, appointed by the House speaker;
2. two academic experts in childhood and adult obesity, one each appointed by the Senate president pro tempore and the governor;
3. two representatives of the business community with expertise in the subject, one each appointed by the House majority and minority leaders; and
4. two health care practitioners with expertise on the topic, one each appointed by the Senate majority and minority leaders.

These members, except for the governor's appointee, may be members of the General Assembly.

The commissioners of public health, social services, and economic and community development and a representative of the SustiNet board are *ex-officio*, non-voting members. Appointments must be made within 30 days after the effective date of this provision, and the first meeting must be held within the same time frame. Vacancies are filled by the appointing authority. The members appointed by the House speaker and the Senate president *pro tempore* serve as chairpersons. The first meeting must be held within 30 days after the bill's passage. The Public Health Committee staff serves as the task force's administrative staff.

By July 1, 2010, the task force must report to the Public Health, Human Services, and Appropriations committees. The task force terminates when the report is submitted or January 1, 2011, whichever is later.

§ 17 — TOBACCO USE TASK FORCE

The bill establishes a task force to study tobacco use by children and adults. It must examine evidence-based strategies for preventing and reducing tobacco use and developing a comprehensive plan to reduce in tobacco use. Its members are as follows:

1. a representative of a consumer group with expertise in tobacco use by children and adults, appointed by the House speaker;
2. two academic experts in the field, one each appointed by the Senate president *pro tempore* and the governor;
3. two representatives of the business community with expertise on the topic, one each appointed by the House majority and minority leaders; and
4. two health care practitioners with expertise in the field, one each appointed by the Senate majority and minority leaders.

These task force members may be legislators, except for the governor's appointee.

The commissioners of public health, social services, and economic and community development and a representative of the Sustinet board are ex-officio, non-voting members. Appointments must be made, vacancies filled, and meetings held as described for the obesity task force. The chairpersons are the members appointed by the House speaker and the Senate president pro tempore.

By July 1, 2010, the task force must report to the Public Health, Human Services, and Appropriations committees. It terminates when it submits the report or January 1, 2011, whichever is later. The Public Health Committee staff serves as administrative staff.

§ 18 — HEALTH CARE WORKFORCE TASK FORCE

The bill establishes a task force to study the state's health care workforce. It must develop a comprehensive plan for preventing and remedying state-wide, regional, and local shortages of necessary medical personnel. Its members are as follows:

1. a representative of a consumer group with expertise in health care, appointed by the House speaker;
2. one academic expert on health care workforce, appointed by the Senate president pro tempore;
3. one academic expert in health care, appointed by the governor;
4. two representatives of the business community with expertise in health care, one each appointed by the House majority and minority leaders; and
5. two health care practitioners, one each appointed by the Senate majority and minority leaders.

The commissioners of public health, social services, and economic and community development, the president of UConn, the chancellors

of the Connecticut State University System and the regional Community-Technical Colleges, and a representative of the Sustinet board are ex-officio, non-voting members. Members, except for the governor's appointee, can be members of the General Assembly. Appointments must be made, vacancies filled, and meetings held as described above for the previous two task forces. The chairs are the members appointed by the House speaker and the Senate president.

The Public Health Committee staff serves as administrative staff for the task force. The task force must report by July 1, 2010 to the Public Health, Human Services, and Appropriations committees. The task force terminates as described above.

BACKGROUND

Legislative History

The House referred the bill (File 615) to the Insurance and Real Estate Committee on May 5. That committee reported out a substitute bill on May 6 (File 920) that makes numerous changes to the original file. The substitute creates the 14-member Sustinet Health Partnership Board of Directors instead of a nine-member Sustinet Authority. It also directs the board to make legislative recommendations on the design and implementation of the Sustinet Plan, rather than providing those details as in the original file. The substitute eliminates a number of provisions in the original bill including the creation of a "Sustinet Account," a "shared responsibility" requirement for certain employers and employees involving payments to the account, automatic enrollment, eligibility redetermination, evaluation of outcomes and policy changes, reporting requirements, indemnification of Sustinet Authority personnel and officers, and certain definitions.

COMMITTEE ACTION

Public Health Committee

Joint Favorable Substitute

Yea 22 Nay 8 (03/26/2009)

Human Services Committee

Joint Favorable

Yea 13 Nay 6 (04/22/2009)

Labor and Public Employees Committee

Joint Favorable

Yea 8 Nay 3 (04/29/2009)

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 13 Nay 4 (05/06/2009)