



Senate

General Assembly

File No. 22

February Session, 2010

Substitute Senate Bill No. 51

Senate, March 11, 2010

The Committee on Insurance and Real Estate reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING ELECTRONIC DATA STANDARDS FOR
MACHINE-READABLE MEDICAL BENEFITS IDENTIFICATION CARDS
AND SCANNING DEVICES.***

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

1 Section 1. Section 19a-25h of the 2010 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective October 1, 2010*):

4 (a) There is established a health information technology and
5 exchange advisory committee. The committee shall consist of twelve
6 members as follows: The Lieutenant Governor; three appointed by the
7 Governor, one of whom shall be a representative of a medical research
8 organization, one of whom shall be an insurer or representative of a
9 health plan, and one of whom shall be an attorney with background
10 and experience in the field of privacy, health data security or patient
11 rights; two appointed by the president pro tempore of the Senate, one
12 of whom shall have background and experience with a private sector
13 health information exchange or health information technology entity,

14 and one of whom shall have expertise in public health; two appointed
15 by the speaker of the House of Representatives, one of whom shall be a
16 representative of hospitals, an integrated delivery network or a
17 hospital association, and one of whom who shall have expertise with
18 federally qualified health centers; one appointed by the majority leader
19 of the Senate, who shall be a primary care physician whose practice
20 utilizes electronic health records; one appointed by the majority leader
21 of the House of Representatives, who shall be a consumer or consumer
22 advocate; one appointed by the minority leader of the Senate, who
23 shall have background and experience as a pharmacist or other health
24 care provider that utilizes electronic health information exchange; and
25 one appointed by the minority leader of the House of Representatives,
26 who shall be a large employer or a representative of a business group.
27 The Commissioners of Public Health, Social Services, Consumer
28 Protection and the Office of Health Care Access, the Chief Information
29 Officer, the Secretary of the Office of Policy and Management and the
30 Healthcare Advocate, or their designees, shall be ex-officio, nonvoting
31 members of the committee.

32 (b) All initial appointments to the committee shall be made on or
33 before October 1, 2009. The initial term for the committee members
34 appointed by the Governor shall be for four years. The initial term for
35 committee members appointed by the speaker of the House of
36 Representatives and the majority leader of the House of
37 Representatives shall be for three years. The initial term for committee
38 members appointed by the minority leader of the House of
39 Representatives and the minority leader of the Senate shall be for two
40 years. The initial term for the committee members appointed by the
41 president pro tempore of the Senate and the majority leader of the
42 Senate shall be for one year. Terms shall expire on September thirtieth
43 in accordance with the provisions of this subsection. Any vacancy shall
44 be filled by the appointing authority for the balance of the unexpired
45 term. Other than an initial term, a committee member shall serve for a
46 term of four years. No committee member, including initial committee
47 member may serve for more than two terms. Any member of the
48 committee may be removed by the appropriate appointing authority

49 for misfeasance, malfeasance or wilful neglect of duty.

50 (c) The committee shall select a chairperson from its membership
51 and the chairperson shall schedule the first meeting of the committee,
52 which shall be held no later than November 1, 2009.

53 (d) Any member appointed to the committee who fails to attend
54 three consecutive meetings or who fails to attend fifty per cent of all
55 meetings held during any calendar year shall be deemed to have
56 resigned from the committee.

57 (e) Notwithstanding any provision of the general statutes, it shall
58 not constitute a conflict of interest for a trustee, director, partner,
59 officer, stockholder, proprietor, counsel or employee of any eligible
60 institution, or for any other individual with a financial interest in an
61 eligible institution, to serve as a member of the committee. All
62 members shall be deemed public officials and shall adhere to the code
63 of ethics for public officials set forth in chapter 10. Members may
64 participate in the affairs of the committee with respect to the review or
65 consideration of grant-in-aid applications, including the approval or
66 disapproval of such applications, except that no member shall
67 participate in the affairs of the committee with respect to the review or
68 consideration of any grant-in-aid application filed by such member or
69 by an eligible institution in which such member has a financial interest,
70 or with whom such member engages in any business, employment,
71 transaction or professional activity.

72 (f) The health information technology and exchange advisory
73 committee shall: [advise]

74 (1) Advise the Commissioner of Public Health regarding
75 implementation of the health information technology plan. The
76 committee shall develop, in consultation with the Commissioner of
77 Public Health, [(1)] (A) appropriate protocols for health information
78 exchange, and [(2)] (B) electronic data standards to facilitate the
79 development of a state-wide, integrated electronic health information
80 system, as defined in subsection (a) of section 19a-25d, for use by

81 health care providers and institutions that are funded by the state.
82 Such electronic data standards shall [(A)] (i) include provisions
83 relating to security, privacy, data content, structures and format,
84 vocabulary, and transmission protocols, with such privacy standards
85 consistent with the requirements of section 19a-25g, as amended by
86 this act, [(B)] (ii) be compatible with any national data standards in
87 order to allow for interstate interoperability, as defined in subsection
88 (a) of section 19a-25d, [(C)] (iii) permit the collection of health
89 information in a standard electronic format, as defined in subsection
90 (a) of section 19a-25d, and [(D)] (iv) be compatible with the
91 requirements for an electronic health information system, as defined in
92 subsection (a) of section 19a-25d; and

93 (2) Develop, in consultation with the Insurance Commissioner and
94 the Commissioner of Public Health, electronic data standards to
95 facilitate the development of medical benefits identification cards with
96 machine-readable technology features or components and scanning
97 devices to access or read the medical benefits information contained on
98 such cards. Any such information shall be encoded or encrypted.

99 (g) The health information technology and exchange advisory
100 committee shall examine and identify specific ways to improve and
101 promote health information exchange and health information
102 technology in the state, including, but not limited to, identifying both
103 public and private funding sources for health information technology.
104 On and after November 1, 2009, the Commissioner of Public Health
105 shall submit any proposed application for private or federal funds that
106 are to be used for the development of health information exchange or
107 health information technology to the committee. Not later than twenty
108 days after the date the committee receives such proposed application
109 for private or federal funds, the committee shall advise the
110 commissioner, in writing, of any comments or recommended changes,
111 if any, that the committee believes should be made to such application.
112 Such comments and recommended changes shall be taken into
113 consideration by the commissioner in making any decisions regarding
114 the grants. In addition, the committee shall advise the commissioner

115 regarding the development and implementation of a health
116 information technology grant program which may, within available
117 funds, provide grants-in-aid to eligible institutions for the
118 advancement of health information exchange and health information
119 technology in this state. The commissioner shall offer at least one
120 member of the committee the opportunity to participate on any review
121 panel constituted to effectuate the provisions of this subsection.

122 (h) The Department of Public Health shall, within available funds,
123 provide administrative support to the committee and shall assist the
124 committee in all tasks, including, but not limited to, (1) developing the
125 application for the grants-in-aid authorized under subsection (g) of
126 this section, (2) reviewing such applications, (3) preparing and
127 executing any assistance agreements or other agreements in connection
128 with the awarding of such grants-in-aid, and (4) performing such other
129 administrative duties as the committee deems necessary. For purposes
130 of this subsection, the Commissioner of Public Health may, within
131 available funds, contract for administrative support for the committee
132 pursuant to section 4a-7a.

133 (i) Not later than February 1, 2010, and annually thereafter until
134 February 1, 2015, the Commissioner of Public Health and the health
135 information technology and exchange advisory committee shall report,
136 in accordance with section 11-4a, to the Governor and the General
137 Assembly on (1) any private or federal funds received during the
138 preceding quarter and, if applicable, how such funds were expended,
139 (2) the amount of grants-in-aid awarded to eligible institutions, (3) the
140 recipients of such grants-in-aid, and (4) the current status of health
141 information exchange and health information technology in the state.

142 (j) For purposes of this section, "eligible institution" means a
143 hospital, clinic, physician or other health care provider, laboratory or
144 public health agency that utilizes health information exchange or
145 health information technology.

146 Sec. 2. Section 19a-25g of the 2010 supplement to the general statutes
147 is repealed and the following is substituted in lieu thereof (*Effective*

148 *October 1, 2010*):

149 (a) On and after July 1, 2009, the Department of Public Health shall
150 be the lead health information exchange and health information
151 technology organization for the state. The department shall seek
152 private and federal funds, including funds made available pursuant to
153 the federal American Recovery and Reinvestment Act of 2009, for the
154 initial development of a state-wide health information exchange and
155 the development of the medical benefits identification cards and
156 scanning devices set forth in subsection (f) of section 19a-25h, as
157 amended by this act. Any private or federal funds received by the
158 department may be used for the purpose of establishing health
159 information technology pilot programs and the grant programs
160 described in section 19a-25h, as amended by this act.

161 (b) The department shall: (1) Facilitate the implementation and
162 periodic revisions of the health information technology plan after the
163 plan is initially submitted in accordance with the provisions of section
164 74 of public act 09-232, including the implementation of an integrated
165 state-wide electronic health information infrastructure for the sharing
166 of electronic health information among health care facilities, health
167 care professionals, public and private payors and patients, and (2)
168 develop standards and protocols for privacy in the sharing of
169 electronic health information. Such standards and protocols shall be no
170 less stringent than the "Standards for Privacy of Individually
171 Identifiable Health Information" established under the Health
172 Insurance Portability and Accountability Act of 1996, P.L. 104-191, as
173 amended from time to time, and contained in 45 CFR 160, 164. Such
174 standards and protocols shall require that individually identifiable
175 health information be secure and that access to such information be
176 traceable by an electronic audit trail.

177 Sec. 3. Section 19a-25e of the 2010 supplement to the general statutes
178 is repealed and the following is substituted in lieu thereof (*Effective*
179 *October 1, 2010*):

180 (a) The Department of Public Health and The University of

181 Connecticut Health Center may, within available appropriations,
 182 develop a Connecticut Health Information Network plan to securely
 183 integrate state health and social services data, consistent with state and
 184 federal privacy laws, within and across The University of Connecticut
 185 Health Center and the Departments of Public Health, Developmental
 186 Services and Children and Families. Data from other state agencies and
 187 medical benefits identification cards and scanning devices, as set forth
 188 in subsection (f) of section 19a-25h, as amended by this act, may be
 189 integrated into the network as funding permits and as permissible
 190 under federal law.

191 (b) The Department of Public Health and The Center for Public
 192 Health and Health Policy at The University of Connecticut Health
 193 Center shall collaborate with the Departments of Information
 194 Technology, Developmental Services, and Children and Families to
 195 develop the Connecticut Health Information Network plan.

196 (c) The plan shall: (1) Include research in and describe existing
 197 health and human services data; (2) inventory the various health and
 198 human services data aggregation initiatives currently underway; (3)
 199 include a framework and options for the implementation of a
 200 Connecticut Health Information Network, including query
 201 functionality to obtain aggregate data on key health indicators within
 202 the state; (4) identify and comply with confidentiality, security and
 203 privacy standards; and (5) include a detailed cost estimate for
 204 implementation and potential sources of funding.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2010	19a-25h
Sec. 2	October 1, 2010	19a-25g
Sec. 3	October 1, 2010	19a-25e

INS Joint Favorable Subst.

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:

Agency Affected	Fund-Effect	FY 11 \$	FY 12 \$
Public Health, Dept.	GF - Cost	50,000- 100,000	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires the Health Information Technology and Exchange Advisory Committee ("the Committee") to create electronic data standards to facilitate the development of medical benefit identification cards with machine-readable technology. A one-time cost of \$50,000 to \$100,000 would be incurred for an Information Technology consultant, with electronic data interchange expertise, to complete this task.

It should be noted that the Department of Public Health (DPH) is required, under CGS Sec. 19a-25h, to provide administrative support to this committee within available funds. No funds were appropriated to DPH for this purpose under PA 09-3 JSS (FY 10 - FY 11 Biennial Budget), nor are recommended in the Governor's Midterm Budget Adjustments. As such, the bill will likely result in one of four outcomes: (1) DPH will proceed with the development of electronic data standards on behalf of the Committee and require a deficiency appropriation in FY 10; (2) DPH will delay the development of these standards pending the approval of additional appropriations to meet this mandate in future fiscal years; (3) DPH will shift administrative resources from other departmental priorities to development of these standards, thereby impacting existing departmental programs; or (4)

DPH will not develop electronic data standards on behalf of the Committee.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sSB 51*****AN ACT CONCERNING ELECTRONIC DATA STANDARDS FOR MACHINE-READABLE MEDICAL BENEFITS IDENTIFICATION CARDS AND SCANNING DEVICES.*****SUMMARY:**

This bill amends PA 09-232, which designated the Department of Public Health (DPH) as the state's lead health information exchange organization and established a 12-member committee to advise DPH on implementing a state-wide health information technology plan. This bill also makes DPH the lead health information technology (HIT) organization for the state.

The bill expands the advisory committee's responsibilities by requiring it to develop electronic data standards for machine-readable medical benefits identification (ID) cards and scanning devices to read the information contained on the ID cards, which must be encoded or encrypted. The committee must develop the standards in consultation with the public health and insurance commissioners.

The bill requires the committee to examine and specify ways to promote HIT in Connecticut, including identifying funding sources for HIT. It requires DPH to seek private and federal funds for the development of the machine-readable medical benefits ID cards and scanning devices. Funds collected may be used for HIT pilot and grant programs.

By law, DPH and the UConn Health Center may, within available appropriations, develop a Connecticut Health Information Network to integrate state health and social services data. The bill permits data from machine-readable medical benefits ID cards and scanning devices to be integrated into the network as funding and federal law permits.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2010

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 14 Nay 5 (03/02/2010)