



General Assembly

January Session, 2011

Raised Bill No. 6305

LCO No. 3104

03104_____PH_

Referred to Committee on Public Health

Introduced by:
(PH)

AN ACT CONCERNING IMPLEMENTATION OF THE SUSTINET PLAN.

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

1 Section 1. (NEW) (*Effective from passage*) It is declared that, for the
2 benefit of the people of the state, the increase of their welfare and
3 prosperity and the improvement of their health and living conditions,
4 it is essential that this and future generations be given the fullest
5 opportunity to obtain health care that is universal, continuous,
6 affordable, sustainable, and that enhances health and well-being by
7 promoting access to high-quality health care that is effective, efficient,
8 safe, timely, patient-centered and equitable and therefore the SustiNet
9 Plan and its governing authority are established herein.

10 Sec. 2. (NEW) (*Effective from passage*) As used in sections 1 to 6,
11 inclusive, of this act, section 17b-261 of the general statutes, as
12 amended by this act, section 8 of this act, section 17b-90 of the general
13 statutes, as amended by this act, sections 10 to 18, inclusive, of this act,
14 section 19a-750 of the general statutes, as amended by this act, section
15 21 of this act, section 1-79 of the general statutes, as amended by this
16 act, section 1-120 of the general statutes, as amended by this act, and

17 sections 1-124 and 1-125 of the general statutes, as amended by this act:

18 (1) "Authority" or "SustiNet Authority", unless the context otherwise
19 requires, means the SustiNet Plan Authority established pursuant to
20 section 3 of this act;

21 (2) "Affordable Care Act" means the Patient Protection and
22 Affordable Care Act, P.L. 111-148, as amended from time to time;

23 (3) "Board of directors" or "board" means the board of directors for
24 the SustiNet Plan Authority, established pursuant to section 3 of this
25 act;

26 (4) "Exchange" means a health insurance exchange established for
27 the state pursuant to the provisions of Section 1311 of the Affordable
28 Care Act;

29 (5) "Health Care Cost Containment Committee" means the
30 committee established pursuant to the ratified agreement between the
31 state and State Employees' Bargaining Agent Coalition pursuant to
32 subsection (f) of section 5-278 of the general statutes;

33 (6) "Municipal-related employee" means any employee of a
34 municipal-related employer;

35 (7) "Municipal-related employer" means any property management
36 business, food service business or school transportation business that
37 is a party to a contract with a nonstate public employer;

38 (8) "Nonprofit employee" means any employee of a nonprofit
39 employer;

40 (9) "Nonprofit employer" means a nonprofit corporation, as defined
41 in subparagraph (B) of subdivision (7) of subsection (i) of section 5-259
42 of the general statutes;

43 (10) "Nonstate public employee" means any employee or elected
44 officer of a nonstate public employer;

45 (11) "Nonstate public employer" means a municipality or other
46 political subdivision of the state, including a board of education, quasi-
47 public agency or public library;

48 (12) "Northeast states" means the Northeast states, as defined by the
49 United States Census Bureau;

50 (13) "Patient-centered medical home" has the same meaning as set
51 forth in Section 3502 of the Affordable Care Act;

52 (14) "Small employer employee" means any employee of a small
53 employer;

54 (15) "Small employer" means an employer that is qualified to
55 purchase group coverage through a health insurance exchange
56 established in this state pursuant to the Affordable Care Act and any
57 person, firm, corporation, limited liability company, partnership or
58 association actively engaged in business or self-employed for at least
59 three consecutive months that, on at least fifty per cent of its working
60 days during the preceding twelve months, employed no more than
61 fifty employees, the majority of whom were employed within this
62 state. "Small employer" does not include a nonstate public employer.
63 In determining the number of eligible employees, companies that are
64 affiliates, as defined in section 33-840 of the general statutes, or that are
65 eligible to file a combined tax return under chapter 208 of the general
66 statutes, shall be considered one employer;

67 (16) "State employee plan" or "state plan" means a self-insured
68 group health care benefits plan established under subsection (m) of
69 section 5-259 of the general statutes; and

70 (17) "SustiNet Plan" or "plan", unless the context otherwise requires,
71 means a health insurance program that consists of multiple,
72 coordinated individual health insurance plans that provide or offer,
73 over a phased-in period of time, health insurance products to state
74 employees, Medicaid enrollees, HUSKY Plan, Part A and Part B

75 enrollees, HUSKY Plus enrollees, municipalities, municipal-related
76 employers, nonprofit employers, small employers, other employers
77 and individuals in the state and which, with respect to all health plans
78 offered, implements innovative, cost-controlling mechanisms and
79 measures to improve the quality of health care services and improve
80 the health of Sustinet Plan enrollees.

81 Sec. 3. (NEW) (*Effective from passage*) (a) There is hereby established
82 and created a body politic and corporate, constituting a public
83 instrumentality and political subdivision of the state of Connecticut
84 established and created for the performance of an essential public and
85 governmental function, to be known as the Sustinet Plan Authority.
86 The Sustinet Plan Authority is empowered to carry out the purposes
87 of the Sustinet Plan, which are hereby determined to be public
88 purposes for which public funds may be expended. The authority shall
89 not be construed to be a department, institution or agency of the state.

90 (b) The powers of the authority shall be vested in and exercised by a
91 board of directors, which shall consist of fifteen directors, appointed
92 on or before September 1, 2011, as follows: The Comptroller, or the
93 Comptroller's designee, and the Commissioner of Social Services, or
94 the commissioner's designee, shall serve as ex-officio voting members
95 of the board; three appointed by the Governor, one of whom shall be a
96 primary care physician, one of whom shall be knowledgeable and
97 experienced in measuring health care quality and one of whom shall
98 have expertise in health care administration; two appointed by the
99 president pro tempore of the Senate, one of whom shall be a
100 representative of hospitals and one of whom shall be a Sustinet Plan
101 member; two appointed by the speaker of the House of
102 Representatives, one of whom shall be a small employer and one of
103 whom shall be a Sustinet Plan member; one appointed by the majority
104 leader of the Senate, who shall be a representative of organized labor;
105 one appointed by the majority leader of the House of Representatives,
106 who shall represent a nonprofit health care center; one appointed by
107 the minority leader of the Senate, who shall be an oral health care

108 provider; and one appointed by the minority leader of the House of
109 Representatives, who shall be a mental health advocate. Thereafter, the
110 thirteen board of directors appointed in accordance with the
111 provisions of this subsection shall, by majority vote, appoint two
112 additional directors to the board. Any person previously appointed to
113 the SustiNet Health Partnership board of directors may be appointed
114 to the board of directors as provided for in this subsection.

115 (c) Commencing on September 1, 2011, the three directors initially
116 appointed by the Governor and the two directors initially appointed
117 pursuant to a vote of the board shall serve a term of four years. The
118 four directors initially appointed by the speaker of the House of
119 Representatives and the president pro tempore of the Senate shall
120 serve a term of three years. The four directors initially appointed by
121 the majority and minority leaders of the House of Representatives and
122 the majority and minority leaders of the Senate shall serve a term of
123 two years. Thereafter, all members shall be appointed for a term of
124 four years commencing on September first of the year of the
125 appointment. Each director shall serve at the pleasure of his or her
126 appointing authority but no longer than the term of office of the
127 appointing authority or until the director's successor is appointed and
128 qualified, whichever is longer, but in no case may a director serve for
129 longer than three months after the term of his or her appointing
130 authority.

131 (d) To qualify as a member of the board of directors of the authority,
132 each director of the SustiNet Plan Authority before entering upon his
133 or her duties shall take and subscribe the oath or affirmation required
134 by article XI, section 1, of the State Constitution. A record of each such
135 oath shall be filed in the office of the Secretary of the State. Meetings of
136 the board of directors shall be held at such times as shall be specified
137 in the bylaws adopted by the board and at such other time or times as
138 the chairperson deems necessary.

139 (e) There shall be two chairpersons of the board selected from the

140 fifteen members, one of whom shall be appointed by the Governor,
141 and one of whom shall be appointed jointly by the president pro
142 tempore of the Senate and the speaker of the House of Representatives.
143 The chairpersons shall be appointed with the advice and consent of
144 both houses of the General Assembly. The board shall annually elect
145 two of its members to serve as vice chairpersons.

146 (f) Appointed directors may not designate a representative to
147 perform in their absence their respective duties under this section and
148 sections 4, 11, 17, 18 and 21 of this act. Any appointed director who
149 fails to attend three consecutive meetings of the board or who fails to
150 attend fifty per cent of all meetings of the board held during any
151 calendar year shall be deemed to have resigned from the board. Any
152 appointed director may be removed by his or her appointing authority
153 for misfeasance, malfeasance or willful neglect of duty as determined
154 in the sole discretion of the appointing authority. Any appointing
155 authority shall fill any vacancy for the unexpired term of a director
156 appointed by such authority and said director may be reappointed for
157 a full term and subsequent terms. In the event that an appointing
158 authority fails to make an initial appointment to the board or an
159 appointment to fill a board vacancy within ninety days of the date of
160 the vacancy, the appointed directors, by majority vote, shall make such
161 appointment to the board.

162 (g) Nine directors of the authority shall constitute a quorum for the
163 transaction of any business or the exercise of any power of the
164 authority. For the transaction of any business or the exercise of any
165 power of the authority, the authority may act by a majority of the
166 directors present at any meeting at which a quorum is in attendance.
167 No vacancy in the membership of the board of directors shall impair
168 the right of such directors to exercise all the rights and perform all the
169 duties of the board. Any action taken by the board under the
170 provisions of this section and sections 4, 11, 17, 18 and 21 of this act
171 may be authorized by resolution approved by a majority of the
172 directors present at any regular or special meeting, which resolution

173 shall take effect immediately and need not be published or posted.

174 (h) The board of directors shall receive no compensation for the
175 performance of their official duties, except that each director shall be
176 entitled to reimbursement for such director's actual and necessary
177 expenses incurred during the performance of such director's official
178 duties.

179 (i) The board may delegate to three or more directors such board
180 powers and duties as it may deem necessary and proper. The board
181 shall establish such committees, subcommittees or other entities as it
182 deems necessary to further the purposes of the authority, including,
183 but not limited to, a finance committee.

184 (j) Notwithstanding any provision of the general statutes, it shall not
185 be or constitute a conflict of interest for a director, officer or employee
186 of an institution or business entity, including a health care institution,
187 or for any person having a financial interest in such an institution, to
188 serve as a member of the board of directors of the authority; provided
189 such director, officer, employee or person shall abstain from
190 deliberation, action and vote by the board under sections 4, 7, 11, 17, 18
191 and 21 of this act, in specific respect to the institution or business entity
192 of which such member is a director, officer or employee or in which
193 such director has a financial interest.

194 (k) Each member of the board of directors of the authority shall
195 execute a surety bond in the penal sum of fifty thousand dollars, or, in
196 lieu thereof, the chairpersons of the board shall execute a blanket
197 position bond covering each member of the board of directors and the
198 executive director and the employees of the authority, each surety
199 bond to be conditioned upon the faithful performance of the duties of
200 the office or offices covered, to be executed by a surety company
201 authorized to transact business in this state as surety and to be
202 approved by the Attorney General and filed in the office of the
203 Secretary of the State. The cost of each such bond shall be paid by the
204 authority.

205 (l) The board shall adopt written procedures, in accordance with the
206 provisions of section 1-121 of the general statutes, for: (1) Adopting an
207 annual budget and plan of operations, including a requirement of
208 board approval before the budget or plan may take effect; (2) hiring,
209 dismissing, promoting and compensating employees of the authority,
210 including an affirmative action policy and a requirement of approval
211 by the board or by the executive director of the authority, acting in
212 accordance with the directives of the board, before a position may be
213 created or a vacancy filled; (3) acquiring real and personal property
214 and personal services, including a requirement of board approval for
215 any nonbudgeted expenditure in excess of five thousand dollars; (4)
216 contracting for financial, legal, and other professional services,
217 including a requirement that the authority solicit proposals at least
218 once every three years for each such service which it uses; and (5) the
219 use of surplus funds to the extent authorized under any provision of
220 the general statutes.

221 (m) The chairpersons of the board, in consultation with the board,
222 shall appoint an executive director of the authority. The executive
223 director of the authority shall not be a member of the board. The
224 executive director of the authority shall serve at the pleasure of the
225 board and receive such compensation as shall be fixed by the board.

226 (n) The executive director shall supervise the administrative affairs
227 and technical activities of the SustiNet Plan Authority in accordance
228 with the directives of the board. The executive director shall be exempt
229 from the classified service. The executive director shall attend all board
230 meetings and keep a record of the proceedings of the authority and
231 shall be custodian of all books, documents, and papers filed with the
232 authority and of the minute book or journal of the authority and of its
233 official seal. The executive director may give certificates under the
234 official seal of the authority to the effect that such copies are true
235 copies, and all persons dealing with the authority may rely upon such
236 certificates.

237 (o) The authority shall continue as long as it shall have legal
238 authority to exist pursuant to the general statutes and until its
239 existence is terminated by law. Upon the termination of the existence
240 of the authority, all its rights and properties shall pass to and be vested
241 in the state of Connecticut.

242 (p) The provisions of chapter 12 of the general statutes shall apply to
243 any officer, director, designee or employee appointed as a member,
244 director or officer of the authority.

245 (q) The authority shall be subject to chapter 14 of the general
246 statutes, except that the following items shall be exempt from said
247 chapter and not subject to disclosure: (1) The names and applications
248 of Sustinet Plan enrollees; (2) health information of any Sustinet Plan
249 applicant or enrollee; (3) information relating to provider negotiations
250 and provider compensation arrangements, provided information
251 relating to Medicaid, HUSKY Plan, Part A and Part B, HUSKY Plus
252 and the Charter Oak Health Plan shall be subject to disclosure under
253 chapter 14 of the general statutes; and (4) information exchanged
254 between the authority and the Departments of Social Services and
255 Public Health, the Insurance Department, the Comptroller and any
256 other relevant state agency pursuant to confidentiality agreements
257 entered into pursuant to the provisions of section 10 of this act.

258 Sec. 4. (NEW) (*Effective from passage*) (a) There is established the
259 Sustinet Plan Consumer Advisory Board. The advisory board shall
260 consist of seven Sustinet Plan consumers, who shall represent the
261 different populations served by the Sustinet Plan. Initially, the
262 advisory board shall consist of two chairpersons, appointed by the
263 chairpersons of the Sustinet Plan Authority board of directors, who
264 shall each serve a one-year term, but who may be reappointed as
265 chairpersons upon the expiration of the one-year term. The advisory
266 board chairpersons shall, not later than thirty days after being
267 appointed, establish procedures for appointing an additional five
268 consumers to the advisory board, who shall serve on a staggered term

269 basis and thereafter be appointed by the advisory board chairpersons.
270 Subsequent to the initial appointment of the advisory board,
271 consumers seeking to serve as successor board members shall be
272 selected to serve on the board by a majority vote of the existing
273 advisory board members. The advisory board shall develop, approve
274 and implement a board member selection process in accordance with
275 the provisions of this section. Not more than two members of the
276 advisory board may be professional consumer advocates.

277 (b) The advisory board shall be responsible for issuing consumer
278 impact statements which describe the general effects on consumers of
279 major actions, as determined by such board, taken by the Sustinet Plan
280 Authority board of directors. The advisory board shall prepare
281 consumer impact statements that shall accompany the publication of
282 decisions made by the board of directors concerning the Sustinet Plan.
283 The advisory board shall advise the Sustinet Plan Authority board of
284 directors on issues relating to Sustinet Plan consumers. The authority
285 may make staff available to assist advisory board meetings.

286 Sec. 5. (NEW) (*Effective from passage*) (a) The purposes of the
287 Sustinet Plan Authority shall be to promote access to high-quality
288 health care that is effective, efficient, safe, timely, patient-centered and
289 equitable, and for such purposes the authority is authorized and
290 empowered to:

291 (1) Have perpetual succession as a body politic and corporate and to
292 adopt bylaws for the regulation of its affairs and the conduct of its
293 business;

294 (2) Adopt an official seal and alter the same at pleasure;

295 (3) Maintain an office at such place or places as it may designate;

296 (4) Sue and be sued in its own name, and plead and be impleaded;

297 (5) Employ such assistants, agents and other employees as may be
298 necessary or desirable, and engage consultants, actuaries, attorneys

299 and appraisers as may be necessary or desirable to carry out its
300 purposes in accordance with sections 3 to 6, inclusive, of this act,
301 section 8 of this act, section 17b-90 of the general statutes, as amended
302 by this act, and sections 10 to 18, inclusive, of this act;

303 (6) Make and enter into all contracts and agreements necessary,
304 incidental or consistent with the purpose of sections 3 to 6, inclusive, of
305 this act, section 8 of this act, section 17b-90 of the general statutes, as
306 amended by this act, and sections 10 to 18, inclusive, of this act,
307 including, but not limited to, the ability to contract with one or more
308 insurers or other entities for administrative purposes, to perform such
309 services that include, but are not limited to, claims processing,
310 credentialing of providers, utilization management, care management,
311 disease management, and customer service, provided any such
312 contract shall require the insurer or other entity to charge such entity's
313 lowest available rate for such services;

314 (7) Solicit bids from individual providers and provider
315 organizations and to arrange with insurers and others for access to
316 existing or new provider networks, and take such other steps to
317 provide all SustiNet Plan members with access to timely, high-quality
318 health care throughout the state and, in appropriate cases, health care
319 that is outside the state's borders;

320 (8) Enter agreements with any state agency to carry out the
321 purposes of sections 3 to 6, inclusive, of this act, section 8 of this act,
322 section 17b-90 of the general statutes, as amended by this act, and
323 sections 10 to 18, inclusive, of this act;

324 (9) Accept from the state financial assistance, revenues or the right
325 to receive revenues with respect to any program under the supervision
326 of the authority;

327 (10) Solicit, receive and accept aid, grants or contributions from any
328 source of money, property, labor or other things of value, to be held,
329 used and applied to carry out the purposes of sections 3 to 6, inclusive,

330 of this act, section 8 of this act, section 17b-90 of the general statutes, as
331 amended by this act, and sections 10 to 18, inclusive, of this act, subject
332 to such conditions upon which such aid, grants and contributions may
333 be made, including, but not limited to, gifts or grants from any
334 philanthropic organization, department, agency or instrumentality of
335 the United States or this state;

336 (11) Acquire, lease, purchase, own, manage, hold and dispose of real
337 property, and lease, convey or deal in or enter into agreements with
338 respect to such property on any terms necessary or incidental to the
339 carrying out of these purposes; provided, all such acquisitions of real
340 property for the authority's own use with amounts appropriated by
341 the state to the authority or with the proceeds of bonds supported by
342 the full faith and credit of the state shall be subject to the approval of
343 the Secretary of the Office of Policy and Management and the
344 provisions of section 4b-23 of the general statutes;

345 (12) Procure insurance against any liability or loss in connection
346 with its property and other assets, in such amounts and from such
347 insurers as it deems desirable;

348 (13) Purchase reinsurance or stop loss coverage, to set aside
349 reserves, or to take other prudent steps that avoid excess exposure to
350 risk in the authority's administration of health insurance plans;

351 (13) Account for and audit funds of the authority and funds of any
352 recipients of funds from the authority;

353 (14) Establish Sustinet health care plans in accordance with the
354 provisions of sections 3 to 6, inclusive, of this act, section 17b-261 of the
355 general statutes, as amended by this act, section 8 of this act, section
356 17b-90 of the general statutes, as amended by this act, and sections 10
357 to 18, inclusive, of this act;

358 (15) Commission surveys of consumers, employers and providers
359 on issues related to health care and health care coverage; and

360 (16) Do all acts and things necessary or convenient to carry out the
361 purposes of the authority.

362 (b) In addition to the powers vested with the authority pursuant to
363 subsection (a) of this section, the authority shall:

364 (1) Set payment methods for licensed health care providers that
365 reflect evolving research and experience both within the state and
366 outside the state, promote access to health care and patient health,
367 prevent unnecessary health care spending and ensure fair
368 compensation to cover the reasonable cost of furnishing necessary care;

369 (2) Facilitate joint contracting efforts on behalf of state agencies
370 wherever possible to achieve administrative savings, including, but
371 not limited to, by facilitating joint negotiation of any administrative
372 service organization contract to provide services to state employees,
373 Medicaid and HUSKY Plan, Part A and Part B, HUSKY Plus and
374 Charter Oak Health Plan enrollees, provided any such joint
375 administrative service organization contract shall not be effective until
376 the State Employee's Bargaining Agent Coalition has provided written
377 consent to the Comptroller that said coalition agrees to incorporate the
378 terms of any change into its collective bargaining agreement;

379 (3) Ensure that any agreement or contract entered into with an
380 administrative service organization to serve any Sustinet Plan
381 population does not contain payment mechanisms that provide an
382 inherent incentive to deny care;

383 (4) Negotiate on behalf of providers participating in the Sustinet
384 Plan to obtain discounted prices for vaccines and other health care
385 goods and services;

386 (5) Establish and maintain an Internet web site that provides for
387 timely posting of all public notices issued by the authority and such
388 other information as the authority deems relevant in educating the
389 public about the Sustinet Plan; and

390 (6) Make optimum use of opportunities created by the federal
391 government for securing new and increased federal funding,
392 including, but not limited to, increased reimbursement revenues.

393 Sec. 6. (NEW) (*Effective from passage*) (a) On and after January 1,
394 2012, the state employee plan, administered in accordance with the
395 provisions of section 5-259 of the general statutes, and the medical
396 assistance programs administered by the Department of Social
397 Services, in accordance with the provisions of chapter 319v of the
398 general statutes, including, the Medicaid program, HUSKY Plan, Part
399 A and Part B, HUSKY Plus programs, the Charter Oak Health Plan,
400 and the basic health plan described in section 17b-261 of the general
401 statutes, as amended by this act, shall also be known as SustiNet Plans.
402 All SustiNet Plan members shall be provided with member
403 identification cards that have an identical design. SustiNet Plan
404 membership categories may be identified by discreet designations on
405 the member identification cards in a format prescribed by the SustiNet
406 Plan Authority.

407 (1) HUSKY Plan, Part A coverage, provided in accordance with the
408 provisions of sections 17b-261, as amended by this act, 17b-277 and
409 17b-306 to 17b-307, inclusive, of the general statutes, shall also be
410 known as SustiNet A.

411 (2) HUSKY Plan, Part B coverage, provided in accordance with the
412 provisions of sections 17b-290 to 17b-307, inclusive, of the general
413 statutes, shall also be known as SustiNet B.

414 (3) HUSKY Plus program coverage, provided in accordance with the
415 provisions of section 17b-294a of the general statutes, shall also be
416 known as SustiNet C.

417 (4) Medicaid coverage, provided in accordance with the provisions
418 of chapter 319v of the general statutes, shall also be known as SustiNet
419 D.

420 (5) State employee health plan coverage, provided in accordance
421 with the provisions of section 5-259 of the general statutes, shall also be
422 known as Sustinet E.

423 (6) Charter Oak Health Plan coverage, provided in accordance with
424 the provisions of section 17b-311 of the general statutes, shall also be
425 known as Sustinet F.

426 (7) The health plan offered by the Sustinet Plan Authority pursuant
427 to subsection (g) of this section and section 16 of this act shall be
428 known as Sustinet G.

429 (b) Notwithstanding any provision of the general statutes, on and
430 after January 1, 2012, the state employee plan, administered in
431 accordance with the provisions of section 5-259 of the general statutes,
432 shall be part of the Sustinet Plan and shall also be known as Sustinet
433 E. The Comptroller shall administer the state employee plan in
434 accordance with rules established by the Sustinet Plan Authority and
435 in accordance with terms for which written consent has been provided
436 as prescribed in subsection (c) of this section. The authority may
437 establish rules concerning benefits, cost-sharing, utilization
438 management, care coordination, disease management, evidence-based
439 best practices, health care delivery systems, health care pilot programs,
440 provider payment methods, provider network management, provider
441 credentialing and customer service. On and after January 1, 2012, the
442 Comptroller shall continue to procure health insurance in accordance
443 with (1) section 5-259 of the general statutes for state employees and
444 state retirees; and (2) direction from the authority, provided the
445 Comptroller may jointly negotiate agreements with other agencies for
446 services in accordance with sections 10 and 11 of this act. The
447 Comptroller shall continue to make deductions for state employees
448 and to enroll and disenroll employees and retirees and may administer
449 customer relations for such employees and retirees. The Health Care
450 Cost Containment Committee shall continue to advise the Office of the
451 Comptroller on issues relating to state employee health care.

452 (c) No change in the terms of the state employee health insurance
453 plan shall be effective until the State Employees' Bargaining Agent
454 Coalition has provided written consent to the Comptroller that said
455 coalition agrees to incorporate the terms of any change into its
456 collective bargaining agreement.

457 (d) Notwithstanding any provision of the general statutes and to the
458 extent permitted by federal law, on and after January 1, 2012, the
459 Department of Social Services, which shall remain as the single state
460 agency administering the Medicaid program, HUSKY Plan, Part A and
461 Part B, HUSKY Plus programs and the Charter Oak Health Plan, shall
462 immediately implement rules established by the SustiNet Plan
463 Authority concerning the administration of such programs, including,
464 but not limited to, rules concerning utilization management, health
465 care coordination, disease management, evidence-based best practices,
466 health care delivery systems, provider payment methods, provider
467 network management, provider credentialing, pilot programs and
468 customer services. The department shall immediately seek any federal
469 approval necessary to implement any rules established by the
470 authority. The SustiNet Plan Authority shall not be permitted to
471 establish or amend requirements relating to the Medicaid program,
472 HUSKY Plan, Part A and Part B, HUSKY Plus programs or Charter
473 Oak Health Plan with respect to enrollment, eligibility, cost-sharing,
474 administrative appeal rights, and provider auditing; requirements
475 concerning such matters shall continue to be administered by the
476 department in accordance with applicable statutory requirements.
477 Notwithstanding any provision of the general statutes, on and after
478 January 1, 2012, the Commissioner of Social Services may jointly
479 negotiate agreements with other state agencies for services in
480 accordance with sections 10 and 11 of this act.

481 (e) The Commissioner of Social Services shall exercise the
482 commissioner's authority to cancel any existing contract with a
483 managed care organization so that effective January 1, 2012, no such
484 contract shall be in existence. The Commissioner of Social Services

485 shall take such action as the commissioner deems necessary to ensure
486 that an administrative services organization shall serve as a successor
487 entity in assuming all responsibilities assigned to a managed care
488 organization pursuant to a contract with the Department of Social
489 Services.

490 (f) Notwithstanding the provisions of title 38a of the general
491 statutes, on and after July 1, 2011, the Comptroller shall offer coverage
492 under the state employee plan to nonstate public employers and their
493 retirees, if applicable, in accordance with section 14 of this act,
494 provided the Comptroller receives an application from such nonstate
495 public employer and the application is approved in accordance with
496 section 14 of this act. The Comptroller shall not offer coverage under
497 the state employee plan pursuant to this subsection until the State
498 Employees' Bargaining Agent Coalition has provided written consent
499 to the Comptroller that said coalition agrees to incorporate the terms of
500 such coverage into its collective bargaining agreement.

501 (g) (1) At the earliest feasible date, on and after January 1, 2012,
502 notwithstanding the provisions of title 38a of the general statutes, the
503 authority, as feasible, shall offer coverage under a new, independent
504 coverage group, known as "SustiNet G", to employees and retirees of
505 the following employer categories who request such coverage and
506 whose application is approved in accordance with section 16 of this
507 act: (A) Nonstate public employers, (B) municipal-related employers,
508 (C) small employers, and (D) nonprofit employers. SustiNet G shall be
509 a part of the SustiNet Plan but shall be separate from the state
510 employee coverage group. Nothing in this subdivision shall require
511 the authority to simultaneously offer coverage to all employer
512 categories described in this subdivision. The authority may offer
513 coverage pursuant to this subdivision to different employer categories
514 on a staggered basis.

515 (2) On and after January 1, 2014, the authority shall provide
516 coverage to individuals and employers in Connecticut through

517 Sustinet G. The authority may, in conformance with the Affordable
518 Care Act, as soon as feasible, seek to define small employers as those
519 including fewer than one hundred employees.

520 (3) The authority shall offer coverage pursuant to subdivisions (1)
521 and (2) of this subsection on any exchange established in accordance
522 with the provisions of the Affordable Care Act and outside of any such
523 exchange including through insurance agents and brokers.

524 Sec. 7. Subsection (a) of section 17b-261 of the general statutes is
525 repealed and the following is substituted in lieu thereof (*Effective from*
526 *passage*):

527 (a) Medical assistance shall be provided for any otherwise eligible
528 person whose income, including any available support from legally
529 liable relatives and the income of the person's spouse or dependent
530 child, is not more than one hundred forty-three per cent, pending
531 approval of a federal waiver applied for pursuant to subsection (e) of
532 this section, of the benefit amount paid to a person with no income
533 under the temporary family assistance program in the appropriate
534 region of residence and if such person is an institutionalized
535 individual as defined in Section 1917(c) of the Social Security Act, 42
536 USC 1396p(c), and has not made an assignment or transfer or other
537 disposition of property for less than fair market value for the purpose
538 of establishing eligibility for benefits or assistance under this section.
539 Any such disposition shall be treated in accordance with Section
540 1917(c) of the Social Security Act, 42 USC 1396p(c). Any disposition of
541 property made on behalf of an applicant or recipient or the spouse of
542 an applicant or recipient by a guardian, conservator, person
543 authorized to make such disposition pursuant to a power of attorney
544 or other person so authorized by law shall be attributed to such
545 applicant, recipient or spouse. A disposition of property ordered by a
546 court shall be evaluated in accordance with the standards applied to
547 any other such disposition for the purpose of determining eligibility.
548 The commissioner shall establish the standards for eligibility for

549 medical assistance at one hundred forty-three per cent of the benefit
550 amount paid to a family unit of equal size with no income under the
551 temporary family assistance program in the appropriate region of
552 residence. Except as provided in section 17b-277, the medical
553 assistance program shall provide coverage to persons under the age of
554 nineteen with family income up to one hundred eighty-five per cent of
555 the federal poverty level without an asset limit and to persons under
556 the age of nineteen and their parents and needy caretaker relatives,
557 who qualify for coverage under Section 1931 of the Social Security Act,
558 with family income up to one hundred eighty-five per cent of the
559 federal poverty level without an asset limit. Such levels shall be based
560 on the regional differences in such benefit amount, if applicable, unless
561 such levels based on regional differences are not in conformance with
562 federal law. Any income in excess of the applicable amounts shall be
563 applied as may be required by said federal law, and assistance shall be
564 granted for the balance of the cost of authorized medical assistance.
565 The Commissioner of Social Services shall provide applicants for
566 assistance under this section, at the time of application, with a written
567 statement advising them of (1) the effect of an assignment or transfer
568 or other disposition of property on eligibility for benefits or assistance,
569 (2) the effect that having income that exceeds the limits prescribed in
570 this subsection will have with respect to program eligibility, and (3)
571 the availability of, and eligibility for, services provided by the
572 Nurturing Families Network established pursuant to section 17b-751b.
573 Persons who are determined ineligible for assistance pursuant to this
574 section shall be provided a written statement notifying such persons of
575 their ineligibility and advising such persons of the availability of
576 HUSKY Plan, Part B health insurance benefits. On and after January 1,
577 2014, medical assistance shall be provided to childless adults and
578 parents and needy caretaker relatives who qualify for coverage under
579 Section 1931 of the Social Security Act, with family income up to one
580 hundred thirty-three per cent of the federal poverty level, without an
581 asset test and as determined in accordance with the provisions of the
582 Affordable Care Act. On and after January 1, 2014, the Commissioner

583 of Social Services shall establish a basic health plan in accordance with
584 the Affordable Care Act. On and after January 1, 2014, all individuals
585 with family income up to two hundred per cent of the federal poverty
586 level, as determined in accordance with the Affordable Care Act, and
587 who are ineligible for medical assistance pursuant to Title XIX of the
588 Social Security Act, shall be eligible for medical assistance under a
589 basic health plan. Medical assistance provided through the basic health
590 plan shall include all benefits, limits on cost-sharing and other
591 consumer safeguards that apply to medical assistance provided in
592 accordance with Title XIX of the Social Security Act. Individuals
593 enrolled in the basic health plan shall include parents with incomes
594 above one hundred thirty-three per cent of the federal poverty level, as
595 determined under the Affordable Care Act, who would otherwise
596 qualify for HUSKY Plan, Part A and individuals described in section
597 17b-257b. To the extent that federal funds received pursuant to the
598 basic health plan exceed the cost of medical assistance that would
599 otherwise be provided to such enrollees pursuant to Title XIX of the
600 Social Security Act, the excess of such federal funds shall be used to
601 increase reimbursement rates for providers serving individuals
602 receiving benefits pursuant to this section. The Commissioner of Social
603 Services shall take all necessary actions to maximize federal funding
604 received in connection with the establishment of a basic health plan.

605 Sec. 8. (NEW) (*Effective from passage*) There is established an account
606 to be known as the "basic health plan account" which shall be a
607 separate, nonlapsing account within the General Fund. The account
608 shall contain any moneys required by law to be deposited in the
609 account. Moneys in the account shall be expended by Sustinet Plan
610 Authority for the purposes of operating a basic health plan in
611 conformance with Section 1331 of the Affordable Care Act.

612 Sec. 9. Subsection (b) of section 17b-90 of the general statutes is
613 repealed and the following is substituted in lieu thereof (*Effective from*
614 *passage*):

615 (b) No person shall, except for purposes directly connected with the
616 administration of programs of the Department of Social Services and in
617 accordance with the regulations of the commissioner, solicit, disclose,
618 receive or make use of, or authorize, knowingly permit, participate in
619 or acquiesce in the use of, any list of the names of, or any information
620 concerning, persons applying for or receiving assistance from the
621 Department of Social Services or persons participating in a program
622 administered by said department, directly or indirectly derived from
623 the records, papers, files or communications of the state or its
624 subdivisions or agencies, or acquired in the course of the performance
625 of official duties. The Commissioner of Social Services shall disclose (1)
626 to any authorized representative of the Labor Commissioner such
627 information directly related to unemployment compensation,
628 administered pursuant to chapter 567 or information necessary for
629 implementation of sections 17b-688b, 17b-688c and 17b-688h and
630 section 122 of public act 97-2 of the June 18 special session, (2) to any
631 authorized representative of the Commissioner of Mental Health and
632 Addiction Services any information necessary for the implementation
633 and operation of the basic needs supplement program or for the
634 management of and payment for behavioral health services for
635 applicants for and recipients of state-administered general assistance,
636 (3) to any authorized representative of the Commissioner of
637 Administrative Services, or the Commissioner of Public Safety such
638 information as the state Commissioner of Social Services determines is
639 directly related to and necessary for the Department of Administrative
640 Services or the Department of Public Safety for purposes of performing
641 their functions of collecting social services recoveries and
642 overpayments or amounts due as support in social services cases,
643 investigating social services fraud or locating absent parents of public
644 assistance recipients, (4) to any authorized representative of the
645 Commissioner of Children and Families necessary information
646 concerning a child or the immediate family of a child receiving services
647 from the Department of Social Services, including safety net services, if
648 the Commissioner of Children and Families or the Commissioner of

649 Social Services has determined that imminent danger to such child's
650 health, safety or welfare exists to target the services of the family
651 services programs administered by the Department of Children and
652 Families, (5) to a town official or other contractor or authorized
653 representative of the Labor Commissioner such information
654 concerning an applicant for or a recipient of financial or medical
655 assistance under state-administered general assistance deemed
656 necessary by said commissioners to carry out their respective
657 responsibilities to serve such persons under the programs
658 administered by the Labor Department that are designed to serve
659 applicants for or recipients of state-administered general assistance, (6)
660 to any authorized representative of the Commissioner of Mental
661 Health and Addiction Services any information necessary for the
662 purposes of the behavioral health managed care program established
663 by section 17a-453, (7) to any authorized representative of the
664 Commissioner of Public Health any information necessary to carry out
665 his or her respective responsibilities under programs that regulate
666 child day care services or youth camps, [or] (8) to a health insurance
667 provider, in IV-D support cases, as defined in section 46b-231,
668 information concerning a child and the custodial parent of such child
669 that is necessary to enroll such child in a health insurance plan
670 available through such provider when the noncustodial parent of such
671 child is under court order to provide health insurance coverage but is
672 unable to provide such information, provided the Commissioner of
673 Social Services determines, after providing prior notice of the
674 disclosure to such custodial parent and an opportunity for such parent
675 to object, that such disclosure is in the best interests of the child, or (9)
676 to any authorized representative of the Sustinet Plan Authority such
677 information as may be necessary to carry out the purposes of the
678 authority. No such representative shall disclose any information
679 obtained pursuant to this section, except as specified in this section.
680 Any applicant for assistance provided through said department shall
681 be notified that, if and when such applicant receives benefits, the
682 department will be providing law enforcement officials with the

683 address of such applicant upon the request of any such official
684 pursuant to section 17b-16a.

685 Sec. 10. (NEW) (*Effective from passage*) The SustiNet Authority may
686 enter confidentiality agreements with the Departments of Social
687 Services and Public Health, the Insurance Department, the
688 Comptroller and any other relevant state agency that conform with the
689 Health Insurance Portability and Accountability Act of 1996, P.L. 104-
690 191 (HIPAA), as from time to time amended, to obtain necessary
691 information regarding SustiNet Plan members. Any such information
692 shall not be subject to chapter 14 of the general statutes.

693 Sec. 11. (NEW) (*Effective from passage*) (a) The SustiNet Plan shall be
694 administered to slow the growth of health care costs, improve the
695 quality of health care services and improve members' health outcomes.
696 To the extent consistent with applicable collective bargaining
697 agreements and the requirements of federal law, the authority may
698 modify and supplement the delivery system and payment reforms
699 described in this section based on evolving evidence.

700 (b) The authority may work in cooperation with other public and
701 private entities to implement multi-payor initiatives that promote the
702 use of promising delivery system and payment reforms. In the context
703 of such cooperative work, the authority may work with any convener
704 authority established pursuant to the Affordable Care Act.

705 (c) In furtherance of the objectives set forth in subsection (a) of this
706 section, the SustiNet Plan Authority shall:

707 (1) Strongly encourage the use of patient-centered medical care by
708 implementing both primary care case management and patient-
709 centered medical homes for all SustiNet Plan members. Working in
710 coordination with other public and private entities as appropriate, the
711 authority shall develop provider capacity to function within these
712 patient-centered models of care. The authority may make or facilitate
713 grants and loans that (A) assist providers in transitioning to a primary

714 care case management system and patient-centered medical home
715 system, including, where appropriate obtaining certification as a
716 patient-centered medical home; (B) provide technical assistance and
717 training for community teams certified or sponsored by the authority;
718 and (C) establish regional pilot programs. Any service delivery plan
719 established pursuant to this subdivision shall include provider
720 eligibility criteria that shall be met by any provider seeking to qualify
721 for reimbursement under a primary care case management system or
722 as a patient-centered medical home. A provider serving as a patient-
723 centered medical home in accordance with the provisions of this
724 subdivision shall provide services that include (i) assisting plan
725 members to safeguard and improve their own health by: (I) Advising
726 plan members with chronic health conditions of methods to monitor
727 and manage their own conditions; (II) working with plan members to
728 set and accomplish goals related to exercise, nutrition, use of tobacco
729 and other addictive substances, sleep and other behaviors that directly
730 affect such member's health; (III) implementing best practices to ensure
731 that plan members understand medical instructions and are able to
732 follow such directions; and (IV) providing translation services and
733 using culturally competent communication strategies in appropriate
734 cases; (ii) providing care coordination that includes: (I) Managing
735 transitions between home and the hospital; (II) proactive monitoring
736 that ensures that a plan member receives all recommended primary
737 and preventive care services; (III) the provision of basic mental health
738 care, including screening for depression, with referral relationships in
739 place for those plan members who require additional assistance; (IV)
740 strategies to address stresses that arise in the workplace, home, school
741 and the community, including coordination with and referrals to
742 available employee assistance programs; (V) referrals, in appropriate
743 cases, to nonmedical services such as housing and nutrition programs,
744 domestic violence resources and other support groups; and (VI) for a
745 plan member with complex health conditions that involve receiving
746 care from multiple providers, ensuring that such providers share
747 information about the plan member, as appropriate, and pursue a

748 single, integrated treatment plan on behalf of the plan member; and
749 (iii) providing readily accessible, twenty-four-hour consultative
750 services by telephone, secure electronic mail or quickly scheduled
751 office appointments for purposes that include reducing the need for
752 hospital emergency room visits;

753 (2) Establish provider payment mechanisms to encourage payment
754 for quality care and greater access to providers, including multi-payer
755 pilot programs, value-based purchasing pilot programs, bundled
756 payments, global payments, increasing and decreasing Medicaid
757 reimbursement for specific services or other innovations. Such
758 payment mechanisms may involve alternatives to utilization of fee-for-
759 service payments. To the extent warranted by available evidence, the
760 authority shall, not later than July 1, 2012, establish goals for increasing
761 the percentage of Sustinet expenditures made under alternative
762 payment methodologies. The authority shall develop methods to
763 measure the success of each alternative payment method;

764 (3) Provide community-based preventive care services, including,
765 but not limited to, immunizations, simple tests and health care
766 screenings at locations such as job sites, schools or other community
767 locations. The authority shall develop care standards applicable to the
768 providers of such services;

769 (4) Require that the Sustinet Plan be subject to the health insurance
770 mandates provided in chapter 700c of the general statutes;

771 (5) Develop recommendations for public education and outreach
772 campaigns to ensure that state residents are informed about the
773 Sustinet Plan and are encouraged to enroll in the plan. Such public
774 education and outreach campaign shall utilize community-based
775 organizations and shall include a focus on targeting populations that
776 are underserved by the health care delivery system. The public
777 education and outreach campaign shall be based on evidence of the
778 cost and effectiveness of similar efforts in this state and elsewhere.
779 Such campaign shall incorporate an ongoing evaluation of its

780 effectiveness, with corresponding changes in strategy, as needed;

781 (6) Work with other organizations within the state to minimize the
782 cost to providers of optimizing health information technology. The
783 authority shall take advantage of available federal resources while
784 leveraging the combined purchasing power of the state's health care
785 providers to obtain goods and services of lower cost and higher value.
786 Such efforts shall ensure that privacy and data security are fully
787 protected by all Sustinet Plan member data systems, including, but not
788 limited to, compliance with applicable federal requirements;

789 (7) Periodically review the authority's coverage of preventive care
790 based on the most current and reliable evidence available, including
791 results of Sustinet Plan prevention initiatives;

792 (8) Implement multi-year action plans to achieve measurable
793 objectives in areas such as the effective prevention and management of
794 chronic illness, reducing racial and ethnic disparities involving health
795 care and health outcomes, and reducing the number of state residents
796 without insurance. The authority should monitor the accomplishment
797 of such objectives and modify action plans as necessary;

798 (9) Within available appropriations, develop and implement
799 systematic policies and procedures that are used to identify, qualify for
800 subsidies, enroll and retain in coverage otherwise uninsured
801 individuals. Such policies and procedures may be developed and
802 implemented in collaboration with the Departments of Social Services
803 and Revenue Services, the Labor Department, the Comptroller, the
804 state's health insurance exchange and other local, state and federal
805 agencies, as well as individual health care providers, hospitals,
806 community health centers and other nongovernmental organizations,
807 as the authority deems appropriate;

808 (10) Establish a pay-for-performance system to reward health care
809 providers for improvements in health care quality and safety,
810 reductions in racial and ethnic disparities in health care access,

811 utilization, quality of care and health outcomes. Such pay-for-
812 performance systems may reward health care providers for (A)
813 making improvements as well as for meeting benchmarks, (B) having
814 an effective plan in place for preventing illness and improving health
815 status, and (C) caring for patients with the most complex and least
816 well-controlled conditions;

817 (11) Establish procedures concerning the use of preferred drug lists
818 and formularies;

819 (12) Establish procedures that prevent adverse selection;

820 (13) Pursue opportunities to negotiate discounts on vaccines or
821 other goods and services for SustiNet Plan providers; and

822 (14) Comply with the provisions of chapter 699a of the general
823 statutes concerning the preparation of consumer documents in plain
824 language.

825 (d) With respect to SustiNet G, the authority shall offer a variety of
826 SustiNet G plans to be sold on and off a health insurance exchange
827 developed for the state that offer a variety of benefits, out-of-pocket
828 costs and provider network arrangements, with each plan providing
829 comprehensive, commercial-style benefits, including vision, dental
830 care and parity of coverage for physical and mental health conditions.
831 Such plans shall include, to the extent feasible, patient-centered
832 medical homes, integration of physical and behavioral health care, and
833 emphasis on prevention that includes encouraging individual
834 responsibility for controllable health risks and other design features.

835 (e) In furtherance of the objectives set forth in subsection (a) of this
836 section, the SustiNet Plan Authority board of directors shall:

837 (1) Establish a standing committee that shall provide advice on
838 health information technology and establish a long-range plan to
839 optimize quality health care for plan members through the use of
840 health information technology, which plan shall encourage all SustiNet

841 Plan providers to use interoperable electronic health records to
842 document and manage care;

843 (2) Establish one or more standing committees to address methods
844 to prevent and control chronic illnesses and significant health risks,
845 including diabetes, hypertension, tobacco use and obesity. Each
846 committee shall recommend methods to measure the quality of health
847 care providers' performance and improvement of the plan member's
848 health. Each committee shall recommend methods to measure and
849 reduce racial and ethnic disparities concerning access to and the
850 provision of quality health care services;

851 (3) Establish a standing committee that shall develop
852 recommendations to (A) simplify procedures and paperwork for
853 providers, including, but not limited to, provider enrollment in the
854 Sustinet Plan, claims filing and utilization review procedures, and (B)
855 resolve systemic provider issues;

856 (4) Establish a standing committee that shall advise the board on
857 methods to attract primary care physicians, specialists and nurses to
858 the Sustinet Plan; and

859 (5) Implement policies and procedures to encourage the use of
860 evidence-based medicine. Such policies and procedures shall include
861 establishing a committee of clinicians to review and recommend for
862 adoption by the board, clinical care guidelines for the treatment of
863 particular diseases that are promulgated by national or international
864 authorities, after consultation with representatives of Sustinet Plan
865 providers and consumers. Any system that the board may adopt,
866 which rewards providers for meeting such guidelines, shall provide
867 mechanisms for documenting reasons to depart from such guidelines,
868 including, but not limited to, reasons related to an individual patient's
869 clinical condition.

870 Sec. 12. (NEW) (*Effective from passage*) (a) There is established an
871 account to be known as the "Sustinet account" which shall be a

872 separate, nonlapsing account within the General Fund. The account
873 shall contain any moneys required by law to be deposited in the
874 account. All Sustinet Plan premiums received pursuant to sections 14
875 and 16 of this act and all public or private funds provided to the
876 Sustinet Plan Authority shall be placed into the Sustinet account. The
877 Comptroller may make expenditures from the account at the direction
878 of the Sustinet Plan executive director.

879 (b) On or before January 1, 2012, the Sustinet Plan Authority's
880 executive director shall hire a consultant to determine existing state
881 expenditures on health care funding for each of the categories of
882 Sustinet Plan coverage. The executive director shall determine an
883 appropriate projection for normal health care cost increases for each
884 coverage group. If, after two years of Sustinet Plan operations, the
885 executive director can demonstrate to the satisfaction of the Secretary
886 of the Office of Policy and Management that the Sustinet Plan has
887 reduced overall per capita spending on enrolled coverage groups, the
888 amount of any such agreed to savings shall be placed into the Sustinet
889 account and may be used by the authority to make grants to providers
890 or increase provider rates in accordance with the provisions of sections
891 5, 7 and 11 of this act.

892 Sec. 13. (NEW) (*Effective from passage*) Notwithstanding any
893 provision of the general statutes, a health care provider who provides
894 health care services to a Sustinet Plan member shall not be liable for
895 any injury to a plan member that occurs during the provision of a
896 service by such provider, provided such injury was proximately
897 caused by the provider's appropriate compliance with clinical care
898 guidelines approved by the Sustinet Plan Authority in accordance
899 with the provisions of section 11 of this act.

900 Sec. 14. (NEW) (*Effective from passage*) (a) With respect to nonstate
901 public employers seeking coverage in the state employee plan, which
902 nonstate public employers are provided coverage in accordance with
903 section 6 of this act:

904 (1) On and after July 1, 2011, the Comptroller shall offer
905 participation in the state employee plan for not less than two-year
906 intervals. An employer may apply for renewal prior to the expiration
907 of each interval.

908 (2) The Comptroller shall develop procedures by which:

909 (A) Such employers may apply to participate in the appropriate
910 plan, including procedures for nonstate public employers that are
911 currently self-insured and procedures for nonstate public employers
912 that are currently fully-insured; and

913 (B) Employers receiving coverage for their employees pursuant to
914 the state plan may (i) apply for renewal, or (ii) withdraw from such
915 coverage, including, but not limited to, the terms and conditions under
916 which such employers may withdraw prior to the expiration of the
917 interval and the procedure by which any premium payments such
918 employers may be entitled to shall be refunded. Any such procedures
919 shall provide that nonstate public employees covered by collective
920 bargaining shall withdraw from such coverage in accordance with
921 chapters 113 and 166 of the general statutes.

922 (b) The initial open enrollment for nonstate public employers
923 participating in the state employee plan shall be for coverage
924 beginning January 1, 2012. Thereafter, open enrollment for nonstate
925 public employers shall be for coverage periods beginning July first or
926 such other date as may be determined by the Comptroller.

927 (c) Nothing in this section and section 6 of this act shall require the
928 Comptroller to offer coverage to every employer seeking coverage
929 under this section and section 6 of this act from every plan offered
930 under the state employee plan.

931 (d) The Comptroller shall create applications for coverage for the
932 state employee plan. Such applications shall require a nonstate public
933 employer to disclose whether such employer will offer any other

934 health plan to the employees who are offered the state plan.

935 (e) No employee shall be enrolled in the state plan if such employee
936 is covered through such employee's employer by health insurance
937 plans or insurance arrangements issued to or in accordance with a
938 trust established pursuant to collective bargaining subject to the
939 federal Labor Management Relations Act.

940 (f) If the Comptroller determines that granting coverage to a
941 nonstate public employer under the state employee plan will affect
942 such plan's status as a governmental plan under the Employee
943 Retirement Income Security Act of 1974, as amended from time to
944 time, the Comptroller shall not grant coverage to such employer and
945 shall stop accepting applications for coverage from nonstate public
946 employers. The Comptroller shall resume accepting applications for
947 coverage under the state employee plan from such employers if the
948 Comptroller determines that granting coverage to such employers will
949 not affect such plan's status as a governmental plan under the
950 Employee Retirement Income Security Act of 1974, as amended from
951 time to time. The Comptroller shall make a public announcement of
952 the Comptroller's decision to stop or resume accepting applications for
953 coverage under the state employee plan.

954 (g) Nonstate public employers may join the state employee plan in
955 accordance with the provisions of this subsection.

956 (1) Notwithstanding any provision of the general statutes, initial
957 participation in the state employee plan by a nonstate public employer
958 shall be a permissive subject of collective bargaining and shall be
959 subject to binding interest arbitration only if the collective bargaining
960 agent and the employer mutually agree to bargain over such initial
961 participation. Such mutual agreement shall be in writing and signed by
962 authorized representatives of the collective bargaining agent and the
963 employer. Continuation in the state employee plan, after initial
964 participation, shall be a mandatory subject of bargaining and shall be
965 subject to binding interest arbitration in accordance with the same

966 procedures and standards that apply to any other mandatory subject
967 of bargaining pursuant to chapters 68, 113 and 166 of the general
968 statutes. For purposes of this section, a board of education and a
969 municipality shall be considered separate employers and shall submit
970 separate applications.

971 (2) (A) If a nonstate public employer submits an application in
972 accordance with this subsection for all of its employees, the
973 Comptroller shall accept such application for the next open enrollment.
974 The Comptroller shall provide written notification to such employer of
975 such acceptance and the date on which such coverage shall begin.

976 (B) If a nonstate public employer submits an application for less
977 than all of its employees, or indicates in the application that the
978 nonstate public employer will offer other health plans to employees
979 who are offered the state health plan, the Comptroller shall forward
980 such application to a health care actuary not later than five business
981 days after receiving such application. Such actuary may, not later than
982 sixty days after receiving such application, certify to the Comptroller
983 that the application will shift a significantly disproportional part of
984 such employer's employees' medical risks to the state employee plan,
985 and shall provide, in writing, the specific reasons for its finding,
986 including a summary of all information relied upon in making such a
987 finding. If the Comptroller receives such certification, the Comptroller
988 shall not provide coverage to such employer and shall provide written
989 notification and the specific reasons for such denial to such employer
990 and the Health Care Cost Containment Committee. If the Comptroller
991 does not receive such certification, the Comptroller shall accept such
992 application for the next open enrollment. The Comptroller shall
993 provide written notification to the nonstate public employer of such
994 acceptance and the date on which such coverage shall begin.

995 (C) The Comptroller shall consult with a health care actuary who
996 shall develop actuarial standards to be used to assess the shift in
997 medical risks of a nonstate public employer's employees to the state

998 employee plan. The Comptroller shall present such standards to the
999 Health Care Cost Containment Committee for its review and
1000 evaluation prior to the use of such standards.

1001 (D) If a nonstate public employer included less than all of its
1002 employees in its application for coverage because of (i) the decision by
1003 individual employees to decline coverage from their employer for
1004 themselves or their dependents, or (ii) the employer's decision not to
1005 offer coverage to temporary, part-time or durational employees, the
1006 Comptroller shall not forward such employer's application to a health
1007 care actuary.

1008 (h) Nonstate employers eligible to seek coverage for their employees
1009 under the state employee plan, pursuant to this section and section 6 of
1010 this act, may seek such coverage for their retirees in accordance with
1011 this section. Premium payments for such coverage shall be remitted by
1012 the nonstate employer to the Comptroller in accordance with the
1013 provisions of this section.

1014 (i) (1) If a nonstate public employer seeks coverage for all of such
1015 employer's retirees in accordance with this section and all of such
1016 employer's employees as provided for in subsection (g) of this section,
1017 the Comptroller shall accept such application for the next open
1018 enrollment. The Comptroller shall provide written notification to such
1019 nonstate public employer of such acceptance and the date on which
1020 such coverage shall begin.

1021 (2) If a nonstate public employer seeks coverage for less than all of
1022 such employer's retirees, regardless of whether the employer is seeking
1023 coverage for all of such employer's active employees, the Comptroller
1024 shall forward such application to a health care actuary not later than
1025 five business days after receiving such application. Such actuary may,
1026 not later than sixty days after receiving such application, certify to the
1027 Comptroller that, with respect to such retirees, the application will
1028 shift a significantly disproportional part of an employer's retirees'
1029 medical risks to the state employee plan and shall provide in writing

1030 the specific reasons for its finding, including a summary of all
1031 information relied upon in making such a finding. If the Comptroller
1032 receives such certification, the Comptroller shall not provide coverage
1033 to such employer for such employer's retirees and the Comptroller,
1034 with respect to an application for state employee plan benefits, shall
1035 provide written notification and the specific reasons for such denial to
1036 such employer and the Health Care Cost Containment Committee, as
1037 defined in section 2 of this act, in the case of a rejected application for
1038 coverage under the state employee plan. If the Comptroller does not
1039 receive such certification, the Comptroller shall accept such application
1040 for the next open enrollment. The Comptroller or authority, as the case
1041 may be, shall provide written notification to such nonstate public
1042 employer of such acceptance and the date on which such coverage
1043 shall begin.

1044 (3) The Comptroller shall consult with a health care actuary who
1045 shall develop actuarial standards to be used to assess the shift in
1046 medical risks of a nonstate public employer's retirees to the state
1047 employee plan. The Comptroller shall present such standards to the
1048 Health Care Cost Containment Committee for its review and
1049 evaluation prior to the use of such standards.

1050 (4) If a nonstate public employer included less than all of its retirees
1051 in its application for coverage because of (A) the decision by individual
1052 retirees to decline health benefits or health insurance coverage from
1053 their employer for themselves or their dependents, or (B) the retiree's
1054 enrollment in Medicare, the Comptroller shall not forward such
1055 employer's application to a health care actuary.

1056 (5) Nothing in this subsection shall diminish any right to retiree
1057 health insurance pursuant to a collective bargaining agreement or any
1058 other provision of the general statutes.

1059 (j) All premiums paid by employers, employees and retirees
1060 pursuant to this section shall be deposited into the Sustinet account
1061 established pursuant to section 12 of this act.

1062 (k) Premium payments for the state employee plan shall be remitted
1063 by the employer to the Comptroller and shall be the same as those paid
1064 by the state, inclusive of any premiums paid by state employees and
1065 retired state employees, if applicable, except as otherwise provided in
1066 this section. The Comptroller may charge each nonstate public
1067 employer participating in the state plan an administrative fee
1068 calculated on a per member, per month basis. In addition, the
1069 Comptroller may charge a fluctuating reserves fee in an amount which
1070 the Comptroller deems necessary to ensure adequate claims reserves.

1071 (l) Each nonstate public employer shall pay monthly the amount
1072 determined by the Comptroller pursuant to this section for coverage of
1073 its employees or its employees and retirees, as appropriate. A nonstate
1074 employer may require each covered employee to contribute a portion
1075 of the cost of such employee's coverage under the plan, subject to any
1076 collective bargaining obligation applicable to such employer.

1077 (m) If any payment due by a nonstate public employer under this
1078 section is not submitted to the appropriate entity by the tenth day after
1079 the date such payment is due, interest to be paid by such employer
1080 shall be added, retroactive to the date such payment was due, at the
1081 prevailing rate of interest as determined by the appropriate entity.

1082 (1) If a nonstate public employer fails to make premium payments
1083 as required by this section, the Comptroller may direct the State
1084 Treasurer, or any other officer of the state who is the custodian of any
1085 moneys made available by grant, allocation or appropriation payable
1086 to such nonstate public employer, to withhold the payment of such
1087 moneys until the amount of the premium or interest due has been paid
1088 to the Comptroller, or until the State Treasurer or such custodial officer
1089 determines that arrangements have been made, to the satisfaction of
1090 the State Treasurer, for the payment of such premium and interest.
1091 Such moneys shall not be withheld if such withholding will adversely
1092 affect the receipt of any federal grant or aid in connection with such
1093 moneys.

1094 (2) If no grant, allocation or appropriation is payable to such
1095 nonstate public employer or is not withheld, pursuant to subdivision
1096 (1) of this subsection, the Comptroller may terminate participation in
1097 the state employee plan by a nonstate public employer on the basis of
1098 nonpayment of premium, provided not less than ten days' advance
1099 notice is given to such employer. The nonstate public employer may
1100 continue the coverage and avoid the effect of the termination by
1101 remitting payment in full at any time prior to the effective date of
1102 termination.

1103 (3) The Comptroller may request the Attorney General to bring an
1104 action in the superior court for the judicial district of Hartford to
1105 recover any premium and interest costs or equitable relief from a
1106 terminated nonstate public employer.

1107 (n) The Comptroller may adopt regulations, in accordance with
1108 chapter 54 of the general statutes, to establish the procedures and
1109 criteria for any reviews or evaluations performed by the Health Care
1110 Cost Containment Committee pursuant to this section.

1111 (o) The Sustinet Plan Authority may adopt procedures necessary to
1112 carry out the provisions of this section in accordance with section 1-121
1113 of the general statutes.

1114 (p) The state employee plan shall not be deemed an unauthorized
1115 insurer, as defined in section 38a-1 of the general statutes, or a multiple
1116 employer welfare arrangement, as defined in Section 3 of the
1117 Employee Retirement Income Security Act of 1974, as amended from
1118 time to time.

1119 Sec. 15. (NEW) (*Effective from passage*) There is established a
1120 Nonstate Public Health Care Advisory Committee. The committee
1121 shall make advisory recommendations to the Health Care Cost
1122 Containment Committee, as defined in section 2 of this act, concerning
1123 health care coverage for nonstate public employees. The advisory
1124 committee shall consist of nonstate public employers and employees

1125 participating in the state plan and shall include the following members
1126 appointed by the Comptroller: (1) Three municipal employer
1127 representatives, one of whom represents towns with populations of
1128 one hundred thousand or more, one of whom represents towns with
1129 populations of at least twenty thousand but under one hundred
1130 thousand, and one of whom represents towns with populations under
1131 twenty thousand; (2) three municipal employee representatives, one of
1132 whom represents employees in towns with populations of one
1133 hundred thousand or more, one of whom represents employees in
1134 towns with populations of at least twenty thousand but under one
1135 hundred thousand, and one of whom represents employees in towns
1136 with populations under twenty thousand; (3) three board of education
1137 employers, one of whom represents towns with populations of one
1138 hundred thousand or more, one of whom represents towns with
1139 populations of at least twenty thousand but under one hundred
1140 thousand, and one of whom represents towns with populations under
1141 twenty thousand; and (4) three board of education employee
1142 representatives, one of whom represents towns with populations of
1143 one hundred thousand or more, one of whom represents towns with
1144 populations of at least twenty thousand but under one hundred
1145 thousand, and one of whom represents towns with populations under
1146 twenty thousand.

1147 Sec. 16. (NEW) (*Effective from passage*) (a) With respect to nonstate
1148 public employers, municipal-related employers, nonprofit employers
1149 and small employers, which are provided coverage in accordance with
1150 section 6 of this act under Sustinet G:

1151 (1) On and after January 1, 2012, the Sustinet Plan Authority shall
1152 offer participation in Sustinet G for not less than two-year intervals.
1153 An employer may apply for renewal prior to the expiration of each
1154 interval.

1155 (2) The authority shall develop procedures by which:

1156 (A) Such employers may apply to participate in the plan, including

1157 procedures for nonstate public employers that are currently self-
1158 insured and procedures for nonstate public employers that are
1159 currently fully-insured; and

1160 (B) Employers receiving coverage for their employees pursuant to
1161 Sustinet G may (i) apply for renewal, or (ii) withdraw from such
1162 coverage, including, but not limited to, the terms and conditions under
1163 which such employers may withdraw prior to the expiration of the
1164 interval and the procedure by which any premium payments such
1165 employers may be entitled to shall be refunded. Any such procedures
1166 shall provide that nonstate public employees covered by collective
1167 bargaining shall withdraw from such coverage in accordance with
1168 chapters 113 and 166 of the general statutes.

1169 (b) (1) The initial open enrollment for nonstate public employers
1170 participating in Sustinet G shall be for coverage beginning January 1,
1171 2012. Thereafter, open enrollment for nonstate public employers shall
1172 be for coverage periods beginning July first.

1173 (2) The initial open enrollment for municipal-related employers,
1174 small employers and nonprofit employers participating in Sustinet G
1175 shall be for coverage periods beginning January first and July first
1176 beginning no sooner than January 1, 2012.

1177 (c) Nothing in this section and section 6 of this act shall require the
1178 authority to offer coverage to every employer seeking coverage under
1179 this section and section 6 of this act from every plan offered under
1180 Sustinet G.

1181 (d) The authority shall create applications for coverage for the
1182 members it serves. An application for participation in the Sustinet G
1183 shall require an employer to disclose whether the employer will offer
1184 any other health plan to the employees who are offered the state plan.

1185 (e) No employee shall be enrolled in Sustinet G if such employee is
1186 covered through such employee's employer by health insurance plans

1187 or insurance arrangements issued to or in accordance with a trust
1188 established pursuant to collective bargaining subject to the federal
1189 Labor Management Relations Act.

1190 (f) If the authority determines that granting coverage to an
1191 employer under Sustinet G will affect such plan's status as a
1192 governmental plan under the Employee Retirement Income Security
1193 Act of 1974, as amended from time to time, the Comptroller shall not
1194 grant coverage to such employer and shall stop accepting applications
1195 for coverage from employers. The authority shall resume accepting
1196 applications for coverage under Sustinet G from such employers if the
1197 authority determines that granting coverage to such employers will
1198 not affect such plan's status as a governmental plan under the
1199 Employee Retirement Income Security Act of 1974, as amended from
1200 time to time. The authority shall make a public announcement of its
1201 decision to stop or resume accepting applications for coverage under
1202 Sustinet G.

1203 (g) Employers may join Sustinet G in accordance with this
1204 subsection.

1205 (1) Notwithstanding any provision of the general statutes, initial
1206 participation in Sustinet G by a nonstate public employer shall be a
1207 permissive subject of collective bargaining and shall be subject to
1208 binding interest arbitration only if the collective bargaining agent and
1209 the employer mutually agree to bargain over such initial participation.
1210 Such mutual agreement shall be in writing and signed by authorized
1211 representatives of the collective bargaining agent and the employer.
1212 Continuation in Sustinet G, after initial participation, shall be a
1213 mandatory subject of bargaining and shall be subject to binding
1214 interest arbitration in accordance with the same procedures and
1215 standards that apply to any other mandatory subject of bargaining
1216 pursuant to chapters 68, 113 and 166 of the general statutes. For
1217 purposes of this section, a board of education and a municipality shall
1218 be considered separate employers and shall submit separate

1219 applications.

1220 (2) (A) If an employer submits an application in accordance with
1221 this subsection for all of its employees, the authority shall accept such
1222 application for the next open enrollment. The authority shall provide
1223 written notification to such employer of such acceptance and the date
1224 on which such coverage shall begin.

1225 (B) If an employer submits an application for less than all of its
1226 employees, or indicates in the application the employer will offer other
1227 health plans to employees who are offered Sustinet G, the authority
1228 shall forward such application to a health care actuary not later than
1229 five business days after receiving such application. Such actuary may,
1230 not later than sixty days after receiving such application, certify to the
1231 authority that the application will shift a significantly disproportional
1232 part of such employer's employees' medical risks to Sustinet G, and
1233 shall provide, in writing, the specific reasons for its finding, including
1234 a summary of all information relied upon in making such a finding. If
1235 the authority receives such certification, the authority shall not provide
1236 coverage to such employer and shall provide written notification and
1237 the specific reasons for such denial to such employer. If the authority
1238 does not receive such certification, the authority shall accept such
1239 application for the next open enrollment. The authority shall provide
1240 written notification to such employer of such acceptance and the date
1241 on which such coverage shall begin.

1242 (C) The authority shall consult with a health care actuary who shall
1243 develop actuarial standards to be used to assess the shift in medical
1244 risks of an employer's employees to Sustinet G.

1245 (D) If an employer included less than all of its employees in its
1246 application for coverage because of (i) the decision by individual
1247 employees to decline coverage from their employer for themselves or
1248 their dependents, or (ii) the employer's decision not to offer coverage
1249 to temporary, part-time or durational employees, the authority, as the
1250 case may be, shall not forward such employer's application to a health

1251 care actuary.

1252 (h) Employers eligible to seek coverage for their employees under
1253 Sustinet G may seek such coverage for their retirees in accordance
1254 with this section. Premium payments for such coverage shall be
1255 remitted by the employer to the authority in accordance with this act.

1256 (i) (1) If an employer seeks coverage for all of such employer's
1257 retirees, in accordance with this section, and such employer's
1258 employees, as provided in subsection (g) of this section, the authority
1259 shall accept such application for the next open enrollment. The
1260 authority shall provide written notification to such employer of such
1261 acceptance and the date on which such coverage shall begin.

1262 (2) If an employer seeks coverage for less than all of such employer's
1263 retirees, regardless of whether the employer is seeking coverage for all
1264 of such employer's active employees, the authority shall forward such
1265 application to a health care actuary not later than five business days
1266 after receiving such application. Such actuary may, not later than sixty
1267 days after receiving such application, certify to the authority that, with
1268 respect to such retirees, the application will shift a significantly
1269 disproportional part of an employer's retirees' medical risks to
1270 Sustinet G, and shall provide, in writing, the specific reasons for its
1271 finding, including a summary of all information relied upon in making
1272 such a finding. If the authority receives such certification, the authority
1273 shall not provide coverage to such employer for such employer's
1274 retirees. If the authority does not receive such certification, the
1275 authority shall accept such application for the next open enrollment.
1276 The authority shall provide written notification to such employer of
1277 such acceptance and the date on which such coverage shall begin.

1278 (3) The authority shall consult with a health care actuary who shall
1279 develop actuarial standards to be used to assess the shift in medical
1280 risks of an employer's retirees to Sustinet G.

1281 (4) If an employer included less than all of its retirees in its

1282 application for coverage because of (A) the decision by individual
1283 retirees to decline health benefits or health insurance coverage from
1284 their employer for themselves or their dependents, or (B) the retiree's
1285 enrollment in Medicare, the authority shall not forward such
1286 employer's application to a health care actuary.

1287 (5) Nothing in this subsection shall diminish any right to retiree
1288 health insurance pursuant to a collective bargaining agreement or any
1289 other provision of the general statutes.

1290 (j) All premiums paid by employers, employees and retirees
1291 pursuant to this section shall be deposited into the Sustinet account
1292 established pursuant to section 12 of this act.

1293 (k) Premium payments for Sustinet G shall be remitted by the
1294 employer to the authority and shall be the amount set by the authority.
1295 The authority may charge each employer participating in Sustinet G
1296 an administrative fee calculated on a per member, per month basis. In
1297 addition, the authority may charge a fluctuating reserves fee in an
1298 amount which the authority deems necessary to ensure adequate
1299 claims reserves.

1300 (l) The authority may adjust premium rates for small employers to
1301 reflect one or more of the characteristics set forth in subparagraph (A)
1302 of subdivision (5) of section 38a-567 of the general statutes.

1303 (m) Each employer shall pay monthly the amount determined by
1304 the authority pursuant to this section for coverage of its employees or
1305 its employees and retirees, as appropriate. An employer may require
1306 each covered employee to contribute a portion of the cost of such
1307 employee's coverage under the plan, subject to any collective
1308 bargaining obligation applicable to such employer.

1309 (n) If any payment due by an employer under this section is not
1310 submitted to the authority by the tenth day after the date such
1311 payment is due, interest to be paid by such employer shall be added,

1312 retroactive to the date such payment was due, at the prevailing rate of
1313 interest as determined by the appropriate entity.

1314 (1) The authority may terminate participation in Sustinet G by the
1315 employer on the basis of nonpayment of premium, provided not less
1316 than ten days' advance notice is given to such employer. The employer
1317 may continue the coverage and avoid the effect of the termination by
1318 remitting payment in full at any time prior to the effective date of
1319 termination.

1320 (2) (A) If an employer fails to make premium payments as required
1321 by this section, the authority may direct the State Treasurer, or any
1322 other officer of the state who is the custodian of any moneys made
1323 available by grant, allocation or appropriation payable to such
1324 nonstate public employer, to withhold the payment of such moneys
1325 until the amount of the premium or interest due has been paid to the
1326 authority, or until the State Treasurer or such custodial officer
1327 determines that arrangements have been made, to the satisfaction of
1328 the State Treasurer, for the payment of such premium and interest.
1329 Such moneys shall not be withheld if such withholding will adversely
1330 affect the receipt of any federal grant or aid in connection with such
1331 moneys.

1332 (B) If no grant, allocation or appropriation is payable to such
1333 employer or is not withheld, pursuant to subparagraph (A) of this
1334 subdivision, the authority may terminate participation in Sustinet G
1335 by a nonstate public employer on the basis of nonpayment of
1336 premium, provided not less than ten days' advance notice is given to
1337 such employer. The employer may continue the coverage and avoid
1338 the effect of the termination by remitting payment in full at any time
1339 prior to the effective date of termination.

1340 (o) The authority may request the Attorney General to bring an
1341 action in the superior court for the judicial district of Hartford to
1342 recover any premium and interest costs or equitable relief from a
1343 terminated employer.

1344 (p) SustiNet G shall not be deemed an unauthorized insurer, as
1345 defined in section 38a-1 of the general statutes, or a multiple employer
1346 welfare arrangement, as defined in Section 3 of the Employee
1347 Retirement Income Security Act of 1974, as amended from time to
1348 time.

1349 (q) On and after January 1, 2014, any provision of this section that is
1350 in conflict with the Affordable Care Act, as implemented by the health
1351 insurance exchange serving the state, shall not apply to the sale of
1352 SustiNet Plan coverage to employers through such exchange.

1353 Sec. 17. (NEW) (*Effective from passage*) (a) The SustiNet Plan
1354 Authority shall establish benefits for all SustiNet plans offered on and
1355 off the exchange, which shall be approved by the board of directors,
1356 provided no change to the benefits for state employees shall be
1357 effective until the State Employees' Bargaining Agent Coalition has
1358 provided its written consent to incorporate such change into its
1359 agreement with the state. There shall be no change to the benefits of
1360 Medicaid, HUSKY Plan, Part A and Part B, HUSKY Plus or Charter
1361 Oak Health Plan enrollees unless such change is in conformance with
1362 the provisions of the general statutes and federal law.

1363 (b) SustiNet Plan benefits shall include the health insurance
1364 mandates provided in chapter 700c of the general statutes.

1365 (c) SustiNet plans that are to be sold on the exchange shall be
1366 designed to at least meet any benefit requirements to sell insurance on
1367 any exchange developed in accordance with the Affordable Care Act.
1368 SustiNet Plan benefits shall include, but not be limited to, mental
1369 health benefits that are equal to physical health benefits, vision care
1370 and dental care coverage that shall be comparable in scope to the
1371 median coverage provided by large employers in the Northeast states,
1372 provided, in defining large employers, the authority shall give
1373 consideration to the capacity of available data to yield, without
1374 substantial expense, reliable estimates of median dental coverage
1375 offered by such employers. The authority shall take steps necessary to

1376 promote the cessation of smoking.

1377 (d) The authority shall review and update benefits not less than
1378 every two years and shall base benefit changes on medical evidence
1379 and scientific literature.

1380 Sec. 18. (NEW) (*Effective from passage*) (a) The SustiNet Plan
1381 Authority shall establish cost-sharing requirements, which may
1382 include deductible, copayments, and coinsurance, for all SustiNet
1383 Plans, except SustiNet A, B, C and D. Any cost-sharing requirements
1384 established by the authority shall first be approved by the SustiNet
1385 board of directors. No change to the cost-sharing requirements for
1386 state employees shall be effective until the State Employees' Bargaining
1387 Agent Coalition has provided its written consent to incorporate such
1388 change into its agreement with the state. Notwithstanding the
1389 provisions of this subsection, Medicaid, HUSKY Plan, Part A and Part
1390 B, HUSKY Plus and Charter Oak Health Plan cost-sharing provisions
1391 shall be established by the authority but instead shall be established
1392 pursuant to the general statutes. Cost-sharing requirements may vary
1393 depending on the type of provider. Under the SustiNet Plan, there
1394 shall be no copayments for preventive care, well-baby and well-child
1395 visits, prenatal care, annual physical exams, immunizations or health
1396 screenings.

1397 (b) Cost-sharing requirements established by the authority pursuant
1398 to subsection (a) of this section shall be in conformance with the cost-
1399 sharing requirements established by the Affordable Care Act.

1400 (c) SustiNet Plan providers shall be subject to the provisions of
1401 section 20-7f of the general statutes and shall be prohibited from
1402 balance billing SustiNet Plan members.

1403 Sec. 19. Subdivision (1) of subsection (c) of section 19a-750 of the
1404 general statutes is repealed and the following is substituted in lieu
1405 thereof (*Effective from passage*):

1406 (c) (1) The Health Information Technology Exchange of Connecticut
1407 shall be managed by a board of directors. The board shall consist of the
1408 following members: The Lieutenant Governor, or his or her designee;
1409 the Commissioners of Public Health, Social Services and Consumer
1410 Protection, or their designees; the Chief Information Officer of the
1411 Department of Information Technology, or his or her designee; the
1412 executive director of the Sustinet Plan Authority, or his or her
1413 designee; three appointed by the Governor, one of whom shall be a
1414 representative of a medical research organization, one of whom shall
1415 be an insurer or representative of a health plan and one of whom shall
1416 be an attorney with background and experience in the field of privacy,
1417 health data security or patient rights; three appointed by the president
1418 pro tempore of the Senate, one of whom shall have background and
1419 experience with a private sector health information exchange or health
1420 information technology entity, one of whom shall have expertise in
1421 public health and one of whom shall be a physician licensed under
1422 chapter 370 who works in a practice of not more than ten physicians
1423 and who is not employed by a hospital, health network, health plan,
1424 health system, academic institution or university; three appointed by
1425 the speaker of the House of Representatives, one of whom shall be a
1426 representative of hospitals, an integrated delivery network or a
1427 hospital association, one of whom shall have expertise with federally
1428 qualified health centers and one of whom shall be a consumer or
1429 consumer advocate; one appointed by the majority leader of the
1430 Senate, who shall be a primary care physician whose practice utilizes
1431 electronic health records; one appointed by the majority leader of the
1432 House of Representatives, who shall be a consumer or consumer
1433 advocate; one appointed by the minority leader of the Senate, who
1434 shall be a pharmacist or a health care provider utilizing electronic
1435 health information exchange; and one appointed by the minority
1436 leader of the House of Representatives, who shall be a large employer
1437 or a representative of a business group. The Secretary of the Office of
1438 Policy and Management and the Healthcare Advocate, or their
1439 designees, shall be ex-officio, nonvoting members of the board. The

1440 Commissioner of Public Health, or his or her designee, shall serve as
1441 the chairperson of the board.

1442 Sec. 20. Subsection (k) of section 1-91 of the general statutes is
1443 repealed and the following is substituted in lieu thereof (*Effective from*
1444 *passage*):

1445 (k) "Lobbying" means communicating directly or soliciting others to
1446 communicate with any official or his staff in the legislative or executive
1447 branch of government or in a quasi-public agency, for the purpose of
1448 influencing any legislative or administrative action except that the
1449 term "lobbying" does not include (1) communications by or on behalf
1450 of a party to, or an intervenor in, a contested case, as described in
1451 regulations adopted by the commission in accordance with the
1452 provisions of chapter 54, before an executive agency or a quasi-public
1453 agency, as defined in section 1-79, (2) communications by a
1454 representative of a vendor or by an employee of the registered client
1455 lobbyist which representative or employee acts as a salesperson and
1456 does not otherwise engage in lobbying regarding any administrative
1457 action, (3) communications by an attorney made while engaging in the
1458 practice of law and regarding any matter other than legislative action
1459 as defined in subsection (j) of this section or the proposal, drafting,
1460 development, consideration, amendment, adoption or repeal of any
1461 rule or regulation, [or] (4) other communications exempted by
1462 regulations adopted by the commission in accordance with the
1463 provisions of chapter 54, or (5) the donation of funds for the
1464 furtherance of state work by an entity organized under Section
1465 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent
1466 corresponding internal revenue code of the United States, as from time
1467 to time amended, to a state agency, board or commission.

1468 Sec. 21. (NEW) (*Effective from passage*) The board of directors of the
1469 SustiNet Plan Authority shall submit to the joint standing committee of
1470 the General Assembly having cognizance of matters relating to
1471 appropriations, public health, human services and insurance and real

1472 estate a copy of each audit of the authority conducted by an
1473 independent auditing firm, not later than seven days after the audit is
1474 received by said board of directors.

1475 Sec. 22. (NEW) (*Effective from passage*) The Comptroller is authorized
1476 to serve as a convener authority for health care institutions, facilities
1477 and providers in the state. The Comptroller shall comply with all
1478 applicable federal law and regulations in the exercise of such
1479 authority. The Comptroller shall implement policies and procedures
1480 necessary to administer the provisions of this section while in the
1481 process of adopting such policies and procedures as regulations,
1482 provided the Comptroller prints notice of the intent to adopt the
1483 regulations in the Connecticut Law Journal not later than twenty days
1484 after the date of implementation of such policies and procedures.
1485 Policies and procedures implemented pursuant to this section shall be
1486 valid until the time final regulations are adopted.

1487 Sec. 23. Subsection (l) of section 1-79 of the general statutes is
1488 repealed and the following is substituted in lieu thereof (*Effective from*
1489 *passage*):

1490 (l) "Quasi-public agency" means the Connecticut Development
1491 Authority, Connecticut Innovations, Incorporated, Connecticut Health
1492 and Education Facilities Authority, Connecticut Higher Education
1493 Supplemental Loan Authority, Connecticut Housing Finance
1494 Authority, Connecticut Housing Authority, Connecticut Resources
1495 Recovery Authority, Lower Fairfield County Convention Center
1496 Authority, Capital City Economic Development Authority,
1497 Connecticut Lottery Corporation, [and] Health Information
1498 Technology Exchange of Connecticut and SustiNet Plan Authority.

1499 Sec. 24. Section 1-120 of the general statutes is repealed and the
1500 following is substituted in lieu thereof (*Effective from passage*):

1501 As used in sections 1-120 to 1-123, inclusive:

1502 (1) "Quasi-public agency" means the Connecticut Development
1503 Authority, Connecticut Innovations, Incorporated, Connecticut Health
1504 and Educational Facilities Authority, Connecticut Higher Education
1505 Supplemental Loan Authority, Connecticut Housing Finance
1506 Authority, Connecticut Housing Authority, Connecticut Resources
1507 Recovery Authority, Capital City Economic Development Authority,
1508 Connecticut Lottery Corporation, [and] Health Information
1509 Technology Exchange of Connecticut and SustiNet Plan Authority.

1510 (2) "Procedure" means each statement, by a quasi-public agency, of
1511 general applicability, without regard to its designation, that
1512 implements, interprets or prescribes law or policy, or describes the
1513 organization or procedure of any such agency. The term includes the
1514 amendment or repeal of a prior regulation, but does not include,
1515 unless otherwise provided by any provision of the general statutes, (A)
1516 statements concerning only the internal management of any agency
1517 and not affecting procedures available to the public and (B) intra-
1518 agency memoranda.

1519 (3) "Proposed procedure" means a proposal by a quasi-public
1520 agency under the provisions of section 1-121 for a new procedure or
1521 for a change in, addition to or repeal of an existing procedure.

1522 Sec. 25. Section 1-124 of the general statutes is repealed and the
1523 following is substituted in lieu thereof (*Effective from passage*):

1524 (a) The Connecticut Development Authority, the Connecticut
1525 Health and Educational Facilities Authority, the Connecticut Higher
1526 Education Supplemental Loan Authority, the Connecticut Housing
1527 Finance Authority, the Connecticut Housing Authority, the
1528 Connecticut Resources Recovery Authority, the Health Information
1529 Technology Exchange of Connecticut, [and] the Capital City Economic
1530 Development Authority and the SustiNet Plan Authority shall not
1531 borrow any money or issue any bonds or notes which are guaranteed
1532 by the state of Connecticut or for which there is a capital reserve fund
1533 of any kind which is in any way contributed to or guaranteed by the

1534 state of Connecticut until and unless such borrowing or issuance is
1535 approved by the State Treasurer or the Deputy State Treasurer
1536 appointed pursuant to section 3-12. The approval of the State Treasurer
1537 or said deputy shall be based on documentation provided by the
1538 authority that it has sufficient revenues to (1) pay the principal of and
1539 interest on the bonds and notes issued, (2) establish, increase and
1540 maintain any reserves deemed by the authority to be advisable to
1541 secure the payment of the principal of and interest on such bonds and
1542 notes, (3) pay the cost of maintaining, servicing and properly insuring
1543 the purpose for which the proceeds of the bonds and notes have been
1544 issued, if applicable, and (4) pay such other costs as may be required.

1545 (b) To the extent the Connecticut Development Authority,
1546 Connecticut Innovations, Incorporated, Connecticut Higher Education
1547 Supplemental Loan Authority, Connecticut Housing Finance
1548 Authority, Connecticut Housing Authority, Connecticut Resources
1549 Recovery Authority, Connecticut Health and Educational Facilities
1550 Authority, [the] Health Information Technology Exchange of
1551 Connecticut, [or the] Capital City Economic Development Authority or
1552 SustiNet Plan Authority is permitted by statute and determines to
1553 exercise any power to moderate interest rate fluctuations or enter into
1554 any investment or program of investment or contract respecting
1555 interest rates, currency, cash flow or other similar agreement,
1556 including, but not limited to, interest rate or currency swap
1557 agreements, the effect of which is to subject a capital reserve fund
1558 which is in any way contributed to or guaranteed by the state of
1559 Connecticut, to potential liability, such determination shall not be
1560 effective until and unless the State Treasurer or his or her deputy
1561 appointed pursuant to section 3-12 has approved such agreement or
1562 agreements. The approval of the State Treasurer or his or her deputy
1563 shall be based on documentation provided by the authority that it has
1564 sufficient revenues to meet the financial obligations associated with the
1565 agreement or agreements.

1566 Sec. 26. Section 1-125 of the general statutes is repealed and the

1567 following is substituted in lieu thereof (*Effective from passage*):

1568 The directors, officers and employees of the Connecticut
1569 Development Authority, Connecticut Innovations, Incorporated,
1570 Connecticut Higher Education Supplemental Loan Authority,
1571 Connecticut Housing Finance Authority, Connecticut Housing
1572 Authority, Connecticut Resources Recovery Authority, including ad
1573 hoc members of the Connecticut Resources Recovery Authority,
1574 Connecticut Health and Educational Facilities Authority, Capital City
1575 Economic Development Authority, [the] Health Information
1576 Technology Exchange of Connecticut, SustiNet Plan Authority and
1577 Connecticut Lottery Corporation and any person executing the bonds
1578 or notes of the agency shall not be liable personally on such bonds or
1579 notes or be subject to any personal liability or accountability by reason
1580 of the issuance thereof, nor shall any director or employee of the
1581 agency, including ad hoc members of the Connecticut Resources
1582 Recovery Authority, be personally liable for damage or injury, not
1583 wanton, reckless, wilful or malicious, caused in the performance of his
1584 or her duties and within the scope of his or her employment or
1585 appointment as such director, officer or employee, including ad hoc
1586 members of the Connecticut Resources Recovery Authority. The
1587 agency shall protect, save harmless and indemnify its directors,
1588 officers or employees, including ad hoc members of the Connecticut
1589 Resources Recovery Authority, from financial loss and expense,
1590 including legal fees and costs, if any, arising out of any claim, demand,
1591 suit or judgment by reason of alleged negligence or alleged
1592 deprivation of any person's civil rights or any other act or omission
1593 resulting in damage or injury, if the director, officer or employee,
1594 including ad hoc members of the Connecticut Resources Recovery
1595 Authority, is found to have been acting in the discharge of his or her
1596 duties or within the scope of his or her employment and such act or
1597 omission is found not to have been wanton, reckless, wilful or
1598 malicious.

1599 Sec. 27. Sections 19a-710 to 19a-723, inclusive, of the general statutes

1600 are repealed. (Effective from passage)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	17b-261(a)
Sec. 8	<i>from passage</i>	New section
Sec. 9	<i>from passage</i>	17b-90(b)
Sec. 10	<i>from passage</i>	New section
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>from passage</i>	New section
Sec. 13	<i>from passage</i>	New section
Sec. 14	<i>from passage</i>	New section
Sec. 15	<i>from passage</i>	New section
Sec. 16	<i>from passage</i>	New section
Sec. 17	<i>from passage</i>	New section
Sec. 18	<i>from passage</i>	New section
Sec. 19	<i>from passage</i>	19a-750(c)(1)
Sec. 20	<i>from passage</i>	1-91(k)
Sec. 21	<i>from passage</i>	New section
Sec. 22	<i>from passage</i>	New section
Sec. 23	<i>from passage</i>	1-79(l)
Sec. 24	<i>from passage</i>	1-120
Sec. 25	<i>from passage</i>	1-124
Sec. 26	<i>from passage</i>	1-125
Sec. 27	<i>from passage</i>	Repealer section

Statement of Purpose:

To implement the Sustinet Plan.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]