



House of Representatives

General Assembly

File No. 778

January Session, 2013

Substitute House Bill No. 6354

House of Representatives, May 9, 2013

The Committee on Appropriations reported through REP. WALKER of the 93rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET
RECOMMENDATIONS CONCERNING GENERAL GOVERNMENT.***

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

1 Section 1. Section 38a-1080 of the general statutes is repealed and
2 the following is substituted in lieu thereof (*Effective from passage*):

3 For purposes of sections 38a-1080 to 38a-1090, inclusive, as amended
4 by this act, and section 9 of this act:

5 (1) "Board" means the board of directors of the Connecticut Health
6 Insurance Exchange;

7 (2) "Commissioner" means the Insurance Commissioner;

8 (3) "Exchange" means the Connecticut Health Insurance Exchange
9 established pursuant to section 38a-1081, as amended by this act;

10 (4) "Affordable Care Act" means the Patient Protection and
11 Affordable Care Act, P.L. 111-148, as amended by the Health Care and

12 Education Reconciliation Act, P.L. 111-152, as both may be amended
13 from time to time, and regulations adopted thereunder;

14 (5) (A) "Health benefit plan" means an insurance policy or contract
15 offered, delivered, issued for delivery, renewed, amended or
16 continued in the state by a health carrier to provide, deliver, pay for or
17 reimburse any of the costs of health care services.

18 (B) "Health benefit plan" does not include:

19 (i) Coverage of the type specified in subdivisions (5), (6), (7), (8), (9),
20 (14), (15) and (16) of section 38a-469 or any combination thereof;

21 (ii) Coverage issued as a supplement to liability insurance;

22 (iii) Liability insurance, including general liability insurance and
23 automobile liability insurance;

24 (iv) Workers' compensation insurance;

25 (v) Automobile medical payment insurance;

26 (vi) Credit insurance;

27 (vii) Coverage for on-site medical clinics; or

28 (viii) Other similar insurance coverage specified in regulations
29 issued pursuant to the Health Insurance Portability and Accountability
30 Act of 1996, P.L. 104-191, as amended from time to time, under which
31 benefits for health care services are secondary or incidental to other
32 insurance benefits.

33 (C) "Health benefit plan" does not include the following benefits if
34 they are provided under a separate insurance policy, certificate or
35 contract or are otherwise not an integral part of the plan:

36 (i) Limited scope dental or vision benefits;

37 (ii) Benefits for long-term care, nursing home care, home health
38 care, community-based care or any combination thereof; or

39 (iii) Other similar, limited benefits specified in regulations issued
40 pursuant to the Health Insurance Portability and Accountability Act of
41 1996, P.L. 104-191, as amended from time to time;

42 (iv) Other supplemental coverage, similar to coverage of the type
43 specified in subdivisions (9) and (14) of section 38a-469, provided
44 under a group health plan.

45 (D) "Health benefit plan" does not include coverage of the type
46 specified in subdivisions (3) and (13) of section 38a-469 or other fixed
47 indemnity insurance if (i) such coverage is provided under a separate
48 insurance policy, certificate or contract, (ii) there is no coordination
49 between the provision of the benefits and any exclusion of benefits
50 under any group health plan maintained by the same plan sponsor,
51 and (iii) the benefits are paid with respect to an event without regard
52 to whether benefits were also provided under any group health plan
53 maintained by the same plan sponsor;

54 (6) "Health care services" has the same meaning as provided in
55 section 38a-478;

56 (7) "Health carrier" means an insurance company, fraternal benefit
57 society, hospital service corporation, medical service corporation
58 health care center or other entity subject to the insurance laws and
59 regulations of the state or the jurisdiction of the commissioner that
60 contracts or offers to contract to provide, deliver, pay for or reimburse
61 any of the costs of health care services;

62 (8) "Internal Revenue Code" means the Internal Revenue Code of
63 1986, or any subsequent corresponding internal revenue code of the
64 United States, as amended from time to time;

65 (9) "Person" has the same meaning as provided in section 38a-1;

66 (10) "Qualified dental plan" means a limited scope dental plan that
67 has been certified in accordance with subsection (e) of section 38a-1086;

68 (11) "Qualified employer" has the same meaning as provided in

69 Section 1312 of the Affordable Care Act;

70 (12) "Qualified health plan" means a health benefit plan that has in
71 effect a certification that the plan meets the criteria for certification
72 described in Section 1311(c) of the Affordable Care Act and section
73 38a-1086;

74 (13) "Qualified individual" has the same meaning as provided in
75 Section 1312 of the Affordable Care Act;

76 (14) "Secretary" means the Secretary of the United States
77 Department of Health and Human Services;

78 (15) "Small employer" has the same meaning as provided in section
79 38a-564.

80 Sec. 2. Section 38a-1081 of the general statutes is repealed and the
81 following is substituted in lieu thereof (*Effective from passage*):

82 (a) There is hereby created as a body politic and corporate,
83 constituting a public instrumentality and political subdivision of the
84 state created for the performance of an essential public and
85 governmental function, to be known as the Connecticut Health
86 Insurance Exchange. The Connecticut Health Insurance Exchange shall
87 not be construed to be a department, institution or agency of the state.
88 The exchange shall serve both qualified individuals and qualified
89 employers.

90 (b) (1) (A) The powers of the exchange shall be vested in and
91 exercised by a board of directors, which, until the effective date of this
92 section, shall consist of twelve voting members. The appointment of
93 the initial board members shall be as follows:

94 [(A)] (i) The Governor shall appoint two board members, one of
95 whom shall have expertise in the area of individual health insurance
96 coverage and shall serve for a term of three years and one of whom
97 shall have expertise in issues relating to small employer health
98 insurance coverage and shall serve for a term of two years;

99 [(B)] (ii) The president pro tempore of the Senate shall appoint one
100 board member who shall have expertise in the area of health care
101 finance and shall serve for a term of four years;

102 [(C)] (iii) The speaker of the House of Representatives shall appoint
103 one board member who shall have expertise in the area of health care
104 benefits plan administration and shall serve for a term of four years;

105 [(D)] (iv) The majority leader of the Senate shall appoint one board
106 member who shall have expertise in the health care delivery systems
107 and shall serve for a term of two years;

108 [(E)] (v) The majority leader of the House of Representatives shall
109 appoint one board member who shall have expertise in the area of
110 health care economics and shall serve for a term of two years;

111 [(F)] (vi) The minority leader of the Senate shall appoint one board
112 member who shall have expertise in health care access issues faced by
113 self-employed individuals and shall serve for a term of three years;

114 [(G)] (vii) The minority leader of the House of Representatives shall
115 appoint one board member who shall have expertise concerning
116 barriers to individual health care coverage and shall serve for a term of
117 two years;

118 [(H)] (viii) The Commissioner of Social Services, the Special Advisor
119 to the Governor on Healthcare Reform, the Secretary of the Office of
120 Policy and Management and the Healthcare Advocate, or their
121 designees, who shall serve as ex-officio voting board members; and

122 [(I)] (ix) The Insurance Commissioner and the Commissioner of
123 Public Health, or their designees, who shall serve as ex-officio
124 nonvoting board members.

125 (B) On and after the effective date of this section, the board of
126 directors shall consist of eleven voting members and three nonvoting
127 members as follows: (i) The board members appointed pursuant to
128 subparagraphs (A)(i) to (A)(vii), inclusive, of this subdivision; (ii) the

129 Commissioner of Social Services, the Secretary of the Office of Policy
130 and Management and the Healthcare Advocate, or their designees,
131 who shall serve as ex-officio, voting board members; and (iii) the
132 Insurance Commissioner and the Commissioners of Public Health and
133 Mental Health and Addiction Services, or their designees, who shall
134 serve as ex-officio, nonvoting board members. The provisions of this
135 subparagraph shall not affect the terms of the board members set forth
136 in subparagraphs (A)(i) to (A)(vii), inclusive, of this subdivision.

137 (2) (A) No board member shall be employed by, a consultant to, a
138 member of the board of directors of, affiliated with or otherwise a
139 representative of (i) an insurer, (ii) an insurance producer or broker,
140 (iii) a health care provider, or (iv) a health care facility or health or
141 medical clinic while serving on the board of the exchange. For
142 purposes of this subdivision, "health care provider" means any person
143 that is licensed in this state, or operates or owns a facility or institution
144 in this state, to provide health care or health care professional services
145 in this state, or an officer, employee or agent thereof acting in the
146 course and scope of such officer's, employee's or agent's employment.

147 (B) No board member shall be a member of, a member of the board
148 of, a consultant to or an employee of a trade association of (i) insurers,
149 (ii) insurance producers or brokers, (iii) health care providers, or (iv)
150 health care facilities or health or medical clinics while serving on the
151 board of the exchange.

152 (C) No board member shall be a health care provider unless such
153 member receives no compensation for rendering services as a health
154 care provider and does not have an ownership interest in a
155 professional health care practice.

156 (c) (1) All initial appointments shall be made not later than July 1,
157 2011. Following the expiration of such initial terms, subsequent board
158 member terms shall be for four years. Any vacancy shall be filled by
159 the appointing authority for the balance of the unexpired term. If an
160 appointing authority fails to make an initial appointment, or an
161 appointment to fill a vacancy within ninety days of the date of such

162 vacancy, the appointed board members may make such appointment
163 by a majority vote. Any board member previously appointed to the
164 board or appointed to fill a vacancy may be reappointed in accordance
165 with this section. Any board member may be removed for misfeasance,
166 malfeasance or wilful neglect of duty at the sole direction of the
167 appointing authority.

168 (2) As a condition of qualifying as a member of the board of
169 directors, each appointee shall, before entering upon such member's
170 duties, take and subscribe the oath or affirmation required under
171 section 1 of article eleventh of the Constitution of the state. A record of
172 each such oath shall be filed in the office of the Secretary of the State.

173 (3) Appointed board members may not designate a representative to
174 perform in their absence their respective duties under sections 38a-
175 1080 to 38a-1090, inclusive, as amended by this act, and section 9 of
176 this act. The Governor shall select a chairperson from among the board
177 members and the board members shall annually elect a vice-
178 chairperson. [The chairperson shall schedule the first meeting of the
179 board, which shall be held not later than August 1, 2011.] Meetings of
180 the board of directors shall be held at such times as shall be specified
181 in the bylaws adopted by the board and at such other time or times as
182 the chairperson deems necessary. Any board member who fails to
183 attend more than fifty per cent of all meetings held during any
184 calendar year shall be deemed to have resigned from the board.

185 (4) [Seven] Six board members shall constitute a quorum for the
186 transaction of any business or the exercise of any power of the
187 exchange. For the transaction of any business or the exercise of any
188 power of the exchange, the exchange may act by a majority of the
189 board members present at any meeting at which a quorum is in
190 attendance. No vacancy in the membership of the board of directors
191 shall impair the right of such board members to exercise all the rights
192 and perform all the duties of the board. Except as otherwise provided,
193 any action taken by the board under the provisions of sections 38a-
194 1080 to 38a-1090, inclusive, as amended by this act, and section 9 of

195 this act may be authorized by resolution approved by a majority of the
196 board members present at any regular or special meeting, which
197 resolution shall take effect immediately unless otherwise provided in
198 the resolution.

199 (5) Board members shall receive no compensation for their services
200 but shall receive actual and necessary expenses incurred in the
201 performance of their official duties.

202 (6) Subject to the provisions of subdivision (2) of subsection (b) of
203 this section, board members may engage in private employment or in a
204 profession or business, subject to any applicable laws, rules and
205 regulations of the state or federal government regarding official ethics
206 or conflicts of interest.

207 (7) Notwithstanding any provision of the general statutes, it shall
208 not constitute a conflict of interest for a trustee, director, partner or
209 officer of any person, firm or corporation, or any individual having a
210 financial interest in a person, firm or corporation, to serve as a board
211 member of the exchange, provided such trustee, director, partner,
212 officer or individual shall abstain from deliberation, action or vote by
213 the exchange in specific request to such person, firm or corporation.

214 (8) Each board member shall execute a surety bond in the penal sum
215 of fifty thousand dollars, or, in lieu thereof, the chairperson of the
216 board shall execute a blanket position bond covering each board
217 member, the chief executive officer and the employees of the exchange,
218 each surety bond to be conditioned upon the faithful performance of
219 the duties of the office or offices covered, to be executed by a surety
220 company authorized to transact business in this state as surety and to
221 be approved by the Attorney General and filed in the office of the
222 Secretary of the State. The cost of each such bond shall be paid by the
223 exchange.

224 (9) No board member of the exchange shall, for one year after the
225 end of such member's service on the board, accept employment with
226 any health carrier that offers a qualified health benefit plan through

227 the exchange.

228 (d) (1) With respect to the initial appointment of a chief executive
229 officer of the exchange, the board of directors shall nominate three
230 candidates to the Governor, who shall make a selection from such
231 nominations. After such initial appointment, the board shall select and
232 appoint subsequent chief executive officers.

233 (2) The chief executive officer shall be responsible for administering
234 the exchange's programs and activities in accordance with the policies
235 and objectives established by the board. The chief executive officer (A)
236 may employ such other employees as shall be designated by the board
237 of directors, and (B) shall attend all meetings of the board, keep a
238 record of all proceedings and maintain and be custodian of all records,
239 books, documents and papers filed with or compiled by the exchange.

240 (e) (1) (A) No employee of the exchange shall be employed by, a
241 consultant to, a member of the board of directors of, affiliated with or
242 otherwise a representative of (i) an insurer, (ii) an insurance producer
243 or broker, (iii) a health care provider, or (iv) a health care facility or
244 health or medical clinic while serving on the staff of the exchange. For
245 purposes of this subdivision, "health care provider" means any person
246 that is licensed in this state, or operates or owns a facility or institution
247 in this state, to provide health care or health care professional services
248 in this state, or an officer, employee or agent thereof acting in the
249 course and scope of such officer's, employee's or agent's employment.

250 (B) No employee of the exchange shall be a member of, a member of
251 the board of, a consultant to or an employee of a trade association of (i)
252 insurers, (ii) insurance producers or brokers, (iii) health care providers,
253 or (iv) health care facilities or health or medical clinics while serving
254 on the staff of the exchange.

255 (C) No employee of the exchange shall be a health care provider
256 unless (i) (I) such employee receives no compensation for rendering
257 services as a health care provider, or (II) the chief executive officer
258 approves the hiring of such provider as an employee on the basis that

259 such provider fills an area of need of expertise for the exchange, and
260 (ii) such employee does not have an ownership interest in a
261 professional health care practice.

262 (2) No employee of the exchange shall, for one year after
263 terminating employment with the exchange, accept employment with
264 any health carrier that offers a qualified health benefit plan through
265 the exchange.

266 (3) Any employee of the exchange whose primary purpose is to
267 assist individuals or small employers in selecting health insurance
268 plans offered on the exchange to purchase shall be licensed as an
269 insurance producer under chapter 701a not later than eighteen months
270 after such employee begins employment with the exchange.

271 (4) Any employee of the exchange may enroll in a group
272 hospitalization and medical and surgical insurance plan under
273 subsection (a) of section 5-259, provided the exchange reimburses the
274 appropriate state agencies for all costs incurred by such enrollment.

275 (f) The board may consult with such parties, public or private, as it
276 deems desirable or necessary in exercising its duties under sections
277 38a-1080 to 38a-1090, inclusive, as amended by this act, and section 9 of
278 this act.

279 (g) The board may create such advisory committees as it deems
280 necessary to provide input on issues that may include, but are not
281 limited to, customer service needs and insurance producer concerns.

282 Sec. 3. Subsection (a) of section 38a-1082 of the general statutes is
283 repealed and the following is substituted in lieu thereof (*Effective from*
284 *passage*):

285 (a) The board of directors of the exchange shall adopt written
286 procedures, in accordance with the provisions of section 1-121, for: (1)
287 Adopting an annual budget and plan of operations, including a
288 requirement of board approval before the budget or plan may take
289 effect; (2) hiring, dismissing, promoting and compensating employees

290 of the exchange, including an affirmative action policy and a
291 requirement of board approval before a position may be created or a
292 vacancy filled; (3) acquiring real and personal property and personal
293 services, including a requirement of board approval for any
294 nonbudgeted expenditure in excess of five thousand dollars; (4)
295 contracting for financial, legal, bond underwriting and other
296 professional services, including a requirement that the exchange solicit
297 proposals at least once every three years for each such service [which]
298 that it uses; (5) issuing and retiring bonds, bond anticipation notes and
299 other obligations of the authority; (6) establishing requirements for
300 certification of qualified health plans that include, but are not limited
301 to, minimum standards for marketing practices, network adequacy,
302 essential community providers in underserved areas, accreditation,
303 quality improvement, uniform enrollment forms and descriptions of
304 coverage, and quality measures for health benefit plan performance;
305 [and] (7) implementing the provisions of sections 38a-1080 to 38a-1090,
306 inclusive, as amended by this act, or other provisions of the general
307 statutes. Any such written procedures adopted pursuant to this
308 subdivision [(7) of this subsection] shall not conflict with or prevent
309 the application of regulations promulgated by the Secretary under the
310 Affordable Care Act; (8) implementing and administering the all-payer
311 claims database program established pursuant to section 9 of this act.
312 Any such written procedures adopted pursuant to this subdivision
313 shall include reporting requirements for reporting entities, as defined
314 in section 9 of this act; and (9) providing notice to a reporting entity, as
315 defined in section 9 of this act, of, and the rules of practice for a
316 hearing process for, such reporting entity's alleged failure to comply
317 with reporting requirements.

318 Sec. 4. Section 38a-1083 of the general statutes is repealed and the
319 following is substituted in lieu thereof (*Effective from passage*):

320 (a) For purposes of sections 38a-1080 to 38a-1090, inclusive, as
321 amended by this act, and section 9 of this act, "purposes of the
322 exchange" means the purposes of the exchange expressed in and
323 pursuant to this section, which are hereby determined to be public

324 purposes for which public funds may be expended. The powers
325 enumerated in this section shall be interpreted broadly to effectuate
326 the purposes of the exchange and shall not be construed as a limitation
327 of powers.

328 (b) The goals of the exchange shall be to reduce the number of
329 individuals without health insurance in this state and assist
330 individuals and small employers in the procurement of health
331 insurance by, among other services, offering easily comparable and
332 understandable information about health insurance options.

333 (c) The exchange is authorized and empowered to:

334 (1) Have perpetual successions as a body politic and corporate and
335 to adopt bylaws for the regulation of its affairs and the conduct of its
336 business;

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

338 (3) Maintain an office in the state at such place or places as it may
339 designate;

340 (4) Employ such assistants, agents, managers and other employees
341 as may be necessary or desirable;

342 (5) Acquire, lease, purchase, own, manage, hold and dispose of real
343 and personal property, and lease, convey or deal in or enter into
344 agreements with respect to such property on any terms necessary or
345 incidental to the carrying out of these purposes, provided all such
346 acquisitions of real property for the exchange's own use with amounts
347 appropriated by this state to the exchange or with the proceeds of
348 bonds supported by the full faith and credit of this state shall be
349 subject to the approval of the Secretary of the Office of Policy and
350 Management and the provisions of section 4b-23;

351 (6) Receive and accept, from any source, aid or contributions,
352 including money, property, labor and other things of value;

353 (7) Charge assessments or user fees to health carriers that are
354 capable of offering a qualified health plan through the exchange or
355 otherwise generate funding necessary to support the operations of the
356 exchange;

357 (8) Procure insurance against loss in connection with its property
358 and other assets in such amounts and from such insurers as it deems
359 desirable;

360 (9) Invest any funds not needed for immediate use or disbursement
361 in obligations issued or guaranteed by the United States of America or
362 the state and in obligations that are legal investments for savings banks
363 in the state;

364 (10) Issue bonds, bond anticipation notes and other obligations of
365 the exchange for any of its corporate purposes, and to fund or refund
366 the same and provide for the rights of the holders thereof, and to
367 secure the same by pledge of revenues, notes and mortgages of others;

368 (11) Borrow money for the purpose of obtaining working capital;

369 (12) Account for and audit funds of the exchange and any recipients
370 of funds from the exchange;

371 (13) Make and enter into any contract or agreement necessary or
372 incidental to the performance of its duties and execution of its powers.
373 The contracts entered into by the exchange shall not be subject to the
374 approval of any other state department, office or agency, provided
375 copies of all contracts of the exchange shall be maintained by the
376 exchange as public records, subject to the proprietary rights of any
377 party to the contract;

378 (14) To the extent permitted under its contract with other persons,
379 consent to any termination, modification, forgiveness or other change
380 of any term of any contractual right, payment, royalty, contract or
381 agreement of any kind to which the exchange is a party;

382 (15) Award grants to [Navigators as described in subdivision (19) of

383 section 38a-1084 and in accordance with section 38a-1087] trained and
384 certified individuals and institutions that will assist individuals,
385 families and small employers and their employees in enrolling in
386 appropriate coverage through the exchange. Applications for grants
387 from the exchange shall be made on a form prescribed by the board;

388 (16) Limit the number of plans offered, and use selective criteria in
389 determining which plans to offer, through the exchange, provided
390 individuals and employers have an adequate number and selection of
391 choices;

392 (17) Evaluate jointly with the Sustinet Health Care Cabinet the
393 feasibility of implementing a basic health program option as set forth
394 in Section 1331 of the Affordable Care Act;

395 (18) Sue and be sued, plead and be impleaded;

396 (19) Adopt regular procedures that are not in conflict with other
397 provisions of the general statutes, for exercising the power of the
398 exchange; [and]

399 (20) Do all acts and things necessary and convenient to carry out the
400 purposes of the exchange, provided such acts or things shall not
401 conflict with the provisions of the Affordable Care Act, regulations
402 adopted thereunder or federal guidance issued pursuant to the
403 Affordable Care Act; [.] and

404 (21) In accordance with the provisions of section 9 of this act,
405 impose a civil penalty on a reporting entity that fails to comply with
406 reporting requirements for the all-payer claims database program
407 established under section 9 of this act.

408 Sec. 5. Section 38a-1084 of the general statutes is repealed and the
409 following is substituted in lieu thereof (*Effective from passage*):

410 The exchange shall:

411 (1) Administer the exchange for both qualified individuals and

412 qualified employers;

413 (2) Commission surveys of individuals, small employers and health
414 care providers on issues related to health care and health care
415 coverage;

416 (3) Implement procedures for the certification, recertification and
417 decertification, consistent with guidelines developed by the Secretary
418 under Section 1311(c) of the Affordable Care Act, and section 38a-1086,
419 of health benefit plans as qualified health plans;

420 (4) Provide for the operation of a toll-free telephone hotline to
421 respond to requests for assistance;

422 (5) Provide for enrollment periods, as provided under Section
423 1311(c)(6) of the Affordable Care Act;

424 (6) Maintain an Internet web site through which enrollees and
425 prospective enrollees of qualified health plans may obtain
426 standardized comparative information on such plans including, but
427 not limited to, the enrollee satisfaction survey information under
428 Section 1311(c)(4) of the Affordable Care Act and any other
429 information or tools to assist enrollees and prospective enrollees
430 evaluate qualified health plans offered through the exchange;

431 (7) Publish the average costs of licensing, regulatory fees and any
432 other payments required by the exchange and the administrative costs
433 of the exchange, including information on monies lost to waste, fraud
434 and abuse, on an Internet web site to educate individuals on such
435 costs;

436 (8) [Assign] On or before the open enrollment period for plan year
437 2017, assign a rating to each qualified health plan offered through the
438 exchange in accordance with the criteria developed by the Secretary
439 under Section 1311(c)(3) of the Affordable Care Act, and determine
440 each qualified health plan's level of coverage in accordance with
441 regulations issued by the Secretary under Section 1302(d)(2)(A) of the
442 Affordable Care Act;

443 (9) Use a standardized format for presenting health benefit options
444 in the exchange, including the use of the uniform outline of coverage
445 established under Section 2715 of the Public Health Service Act, 42
446 USC 300gg-15, as amended from time to time;

447 (10) Inform individuals, in accordance with Section 1413 of the
448 Affordable Care Act, of eligibility requirements for the Medicaid
449 program under Title XIX of the Social Security Act, as amended from
450 time to time, the Children's Health Insurance Program (CHIP) under
451 Title XXI of the Social Security Act, as amended from time to time, or
452 any applicable state or local public program, and enroll an individual
453 in such program if the exchange determines, through screening of the
454 application by the exchange, that such individual is eligible for any
455 such program;

456 (11) Collaborate with the Department of Social Services, to the
457 extent possible, to allow an enrollee who loses premium tax credit
458 eligibility under Section 36B of the Internal Revenue Code and is
459 eligible for HUSKY Plan, Part A or any other state or local public
460 program, to remain enrolled in a qualified health plan;

461 (12) Establish and make available by electronic means a calculator to
462 determine the actual cost of coverage after application of any premium
463 tax credit under Section 36B of the Internal Revenue Code and any
464 cost-sharing reduction under Section 1402 of the Affordable Care Act;

465 (13) Establish a program for small employers through which
466 qualified employers may access coverage for their employees and that
467 shall enable any qualified employer to specify a level of coverage so
468 that any of its employees may enroll in any qualified health plan
469 offered through the exchange at the specified level of coverage;

470 (14) Offer enrollees and small employers the option of having the
471 exchange collect and administer premiums, including through
472 allocation of premiums among the various insurers and qualified
473 health plans chosen by individual employers;

474 (15) Grant a certification, subject to Section 1411 of the Affordable
475 Care Act, attesting that, for purposes of the individual responsibility
476 penalty under Section 5000A of the Internal Revenue Code, an
477 individual is exempt from the individual responsibility requirement or
478 from the penalty imposed by said Section 5000A because:

479 (A) There is no affordable qualified health plan available through
480 the exchange, or the individual's employer, covering the individual; or

481 (B) The individual meets the requirements for any other such
482 exemption from the individual responsibility requirement or penalty;

483 (16) Provide to the Secretary of the Treasury of the United States the
484 following:

485 (A) A list of the individuals granted a certification under
486 subdivision (15) of this section, including the name and taxpayer
487 identification number of each individual;

488 (B) The name and taxpayer identification number of each individual
489 who was an employee of an employer but who was determined to be
490 eligible for the premium tax credit under Section 36B of the Internal
491 Revenue Code because:

492 (i) The employer did not provide minimum essential health benefits
493 coverage; or

494 (ii) The employer provided the minimum essential coverage but it
495 was determined under Section 36B(c)(2)(C) of the Internal Revenue
496 Code to be unaffordable to the employee or not provide the required
497 minimum actuarial value; and

498 (C) The name and taxpayer identification number of:

499 (i) Each individual who notifies the exchange under Section
500 1411(b)(4) of the Affordable Care Act that such individual has changed
501 employers; and

502 (ii) Each individual who ceases coverage under a qualified health

503 plan during a plan year and the effective date of that cessation;

504 (17) Provide to each employer the name of each employee, as
505 described in subparagraph (B) of subdivision (16) of this section, of the
506 employer who ceases coverage under a qualified health plan during a
507 plan year and the effective date of the cessation;

508 (18) Perform duties required of, or delegated to, the exchange by the
509 Secretary or the Secretary of the Treasury of the United States related
510 to determining eligibility for premium tax credits, reduced cost-
511 sharing or individual responsibility requirement exemptions;

512 (19) Select entities qualified to serve as Navigators in accordance
513 with Section 1311(i) of the Affordable Care Act and award grants to
514 enable Navigators to:

515 (A) Conduct public education activities to raise awareness of the
516 availability of qualified health plans;

517 (B) Distribute fair and impartial information concerning enrollment
518 in qualified health plans and the availability of premium tax credits
519 under Section 36B of the Internal Revenue Code and cost-sharing
520 reductions under Section 1402 of the Affordable Care Act;

521 (C) Facilitate enrollment in qualified health plans;

522 (D) Provide referrals to the Office of the Healthcare Advocate or
523 health insurance ombudsman established under Section 2793 of the
524 Public Health Service Act, 42 USC 300gg-93, as amended from time to
525 time, or any other appropriate state agency or agencies, for any
526 enrollee with a grievance, complaint or question regarding the
527 enrollee's health benefit plan, coverage or a determination under that
528 plan or coverage; and

529 (E) Provide information in a manner that is culturally and
530 linguistically appropriate to the needs of the population being served
531 by the exchange;

532 (20) Review the rate of premium growth within and outside the
533 exchange and consider such information in developing
534 recommendations on whether to continue limiting qualified employer
535 status to small employers;

536 (21) Credit the amount, in accordance with Section 10108 of the
537 Affordable Care Act, of any free choice voucher to the monthly
538 premium of the plan in which a qualified employee is enrolled and
539 collect the amount credited from the offering employer;

540 (22) Consult with stakeholders relevant to carrying out the activities
541 required under sections 38a-1080 to 38a-1090, inclusive, as amended by
542 this act, including, but not limited to:

543 (A) Individuals who are knowledgeable about the health care
544 system, have background or experience in making informed decisions
545 regarding health, medical and scientific matters and are enrollees in
546 qualified health plans;

547 (B) Individuals and entities with experience in facilitating
548 enrollment in qualified health plans;

549 (C) Representatives of small employers and self-employed
550 individuals;

551 (D) The Department of Social Services; and

552 (E) Advocates for enrolling hard-to-reach populations;

553 (23) Meet the following financial integrity requirements:

554 (A) Keep an accurate accounting of all activities, receipts and
555 expenditures and annually submit to the Secretary, the Governor, the
556 Insurance Commissioner and the General Assembly a report
557 concerning such accountings;

558 (B) Fully cooperate with any investigation conducted by the
559 Secretary pursuant to the Secretary's authority under the Affordable
560 Care Act and allow the Secretary, in coordination with the Inspector

561 General of the United States Department of Health and Human
562 Services, to:

563 (i) Investigate the affairs of the exchange;

564 (ii) Examine the properties and records of the exchange; and

565 (iii) Require periodic reports in relation to the activities undertaken
566 by the exchange; and

567 (C) Not use any funds in carrying out its activities under sections
568 38a-1080 to 38a-1089, inclusive, as amended by this act, and section 9 of
569 this act that are intended for the administrative and operational
570 expenses of the exchange, for staff retreats, promotional giveaways,
571 excessive executive compensation or promotion of federal or state
572 legislative and regulatory modifications;

573 (24) Seek to include the most comprehensive health benefit plans
574 that offer high quality benefits at the most affordable price in the
575 exchange; [and]

576 (25) Report at least annually to the General Assembly on the effect
577 of adverse selection on the operations of the exchange and make
578 legislative recommendations, if necessary, to reduce the negative
579 impact from any such adverse selection on the sustainability of the
580 exchange, including recommendations to ensure that regulation of
581 insurers and health benefit plans are similar for qualified health plans
582 offered through the exchange and health benefit plans offered outside
583 the exchange. The exchange shall evaluate whether adverse selection is
584 occurring with respect to health benefit plans that are grandfathered
585 under the Affordable Care Act, self-insured plans, plans sold through
586 the exchange and plans sold outside the exchange; [.] and

587 (26) Seek funding for and oversee the planning, implementation and
588 development of policies and procedures for the administration of the
589 all-payer claims database program established under section 9 of this
590 act.

591 Sec. 6. Subsection (a) of section 38a-1088 of the general statutes is
592 repealed and the following is substituted in lieu thereof (*Effective from*
593 *passage*):

594 (a) The state of Connecticut does hereby pledge to, and agree with,
595 any person with whom the exchange may enter into contracts
596 pursuant to the provisions of sections 38a-1080 to 38a-1090, inclusive,
597 as amended by this act, and section 9 of this act that the state will not
598 limit or alter the rights hereby vested in the exchange until such
599 contracts and the obligations thereunder are fully met and performed
600 on the part of the exchange, except that nothing in this subsection shall
601 preclude such limitation or alteration if adequate provision shall be
602 made by law for the protection of such persons entering into contracts
603 with the exchange.

604 Sec. 7. Subsection (a) of section 38a-1089 of the general statutes is
605 repealed and the following is substituted in lieu thereof (*Effective from*
606 *passage*):

607 (a) Not later than January 1, 2012, and annually thereafter until
608 January 1, 2014, the chief executive officer of the exchange shall report,
609 in accordance with section 11-4a, to the Governor and the General
610 Assembly on a plan, and any revisions or amendments to such plan, to
611 establish a health insurance exchange in the state. Such report shall
612 address:

613 (1) Whether to establish two separate exchanges, one for the
614 individual health insurance market and one for the small employer
615 health insurance market, or to establish a single exchange;

616 (2) Whether to merge the individual and small employer health
617 insurance markets;

618 (3) Whether to revise the definition of "small employer" from not
619 more than fifty employees to not more than one hundred employees;

620 (4) Whether to allow large employers to participate in the exchange
621 beginning in 2017;

622 (5) Whether to require qualified health plans to provide the essential
623 health benefits package, as described in Section 1302(a) of the
624 Affordable Care Act, or include additional state mandated benefits;

625 (6) Whether to list dental benefits separately on the exchange's
626 Internet web site where a qualified health plan includes dental
627 benefits;

628 (7) The relationship of the exchange to insurance producers;

629 (8) The capacity of the exchange to award Navigator grants
630 pursuant to section 38a-1087;

631 (9) Ways to ensure that the exchange is financially sustainable by
632 2015, as required by the Affordable Care Act including, but not limited
633 to, assessments or user fees charged to carriers; [and]

634 (10) Methods to independently evaluate consumers' experience,
635 including, but not limited to, hiring consultants to act as secret
636 shoppers; [.] and

637 (11) The status of the implementation and administration of the all-
638 payer claims database program established under section 9 of this act.

639 Sec. 8. Section 38a-1090 of the general statutes is repealed and the
640 following is substituted in lieu thereof (*Effective from passage*):

641 (a) The exchange shall continue as long as it shall have legal
642 authority to exist pursuant to the general statutes and until its
643 existence is terminated by law. Upon the termination of the existence
644 of the exchange, all its rights and properties shall pass to and be vested
645 in the state of Connecticut.

646 (b) The exchange shall be subject to the Freedom of Information Act,
647 as defined in section 1-200, except that: [the]

648 (1) The following information under sections 38a-1081 to 38a-1089,
649 inclusive, as amended by this act, shall not be subject to disclosure
650 under section 1-210: [(1)] (A) The names and applications of

651 individuals and employers seeking coverage through the exchange;
652 [(2)] (B) individuals' health information; and [(3)] (C) information
653 exchanged between the exchange and the [(A)] (i) Departments of
654 Social Services, Public Health and Revenue Services, [(B)] (ii) Insurance
655 Department, [(C)] (iii) office of the Comptroller, or [(D)] (iv) any other
656 state agency that is subject to confidentiality agreements under
657 contracts entered into with the exchange; [.] and

658 (2) (A) Any disclosures made pursuant to subdivision (4) of
659 subsection (b) of section 9 of this act of health information, as defined
660 in 45 CFR 160.103, as amended from time to time, provided such
661 health information is permitted to be disclosed under the Health
662 Insurance Portability and Accountability Act of 1996, P.L. 104-191, as
663 amended from time to time, or regulations adopted thereunder, shall
664 have identifiers removed, as set forth in 45 CFR 164.514, as amended
665 from time to time; and

666 (B) Any disclosures made pursuant to subdivision (4) of subsection
667 (b) of section 9 of this act of information other than health information
668 shall be made in a manner to protect the confidentiality of such other
669 information as required by state and federal law.

670 (c) Unless expressly specified, nothing in this section or sections 38a-
671 1080 to 38a-1089, inclusive, and no action taken by the exchange
672 pursuant to said sections shall be construed to preempt, supersede or
673 affect the authority of the commissioner to regulate the business of
674 insurance in the state. All health carriers offering qualified health plans
675 in the state shall comply with all applicable health insurance laws of
676 the state and regulations adopted and orders issued by the
677 commissioner.

678 Sec. 9. (NEW) (*Effective from passage*) (a) As used in this section:

679 (1) "All-payer claims database" means a database that receives and
680 stores data from a reporting entity relating to medical insurance
681 claims, dental insurance claims, pharmacy claims and other insurance
682 claims information from enrollment and eligibility files; and

683 (2) (A) "Reporting entity" means:

684 (i) An insurer, as described in section 38a-1 of the general statutes,
685 licensed to do health insurance business in this state;

686 (ii) A health care center, as defined in section 38a-175 of the general
687 statutes;

688 (iii) An insurer or health care center that provides coverage under
689 Part C or Part D of Title XVIII of the Social Security Act, as amended
690 from time to time, to residents of this state;

691 (iv) A third-party administrator, as defined in section 38a-720 of the
692 general statutes;

693 (v) A pharmacy benefits manager, as defined in section 38a-479aaa
694 of the general statutes;

695 (vi) A hospital service corporation, as defined in section 38a-199 of
696 the general statutes;

697 (vii) A nonprofit medical service corporation, as defined in section
698 38a-214 of the general statutes;

699 (viii) A fraternal benefit society, as described in section 38a-595 of
700 the general statutes, that transacts health insurance business in this
701 state;

702 (ix) A dental plan organization, as defined in section 38a-577 of the
703 general statutes;

704 (x) A preferred provider network, as defined in section 38a-479aa of
705 the general statutes; and

706 (xi) Any other person that administers health care claims and
707 payments pursuant to a contract or agreement or is required by statute
708 to administer such claims and payments.

709 (B) "Reporting entity" does not include an employee welfare benefit

710 plan, as defined in the federal Employee Retirement Income Security
711 Act of 1974, as amended from time to time, that is also a trust
712 established pursuant to collective bargaining subject to the federal
713 Labor Management Relations Act.

714 (b) (1) There is established an all-payer claims database program.
715 The exchange shall: (A) Oversee the planning, implementation and
716 administration of the all-payer claims database program for the
717 purpose of collecting, assessing and reporting health care information
718 relating to safety, quality, cost-effectiveness, access and efficiency for
719 all levels of health care; (B) ensure that data received from reporting
720 entities is securely collected, compiled and stored in accordance with
721 state and federal law; and (C) conduct audits of data submitted by
722 reporting entities in order to verify its accuracy.

723 (2) The exchange shall seek funding from the federal government,
724 other public sources and other private sources to cover costs associated
725 with the planning, implementation and administration of the all-payer
726 claims database program.

727 (3) (A) Upon the adoption of reporting requirements as set forth in
728 section 38a-1082 of the general statutes, as amended by this act, a
729 reporting entity shall report health care information for inclusion in
730 the all-payer claims database in a form and manner prescribed by the
731 exchange. The exchange may, after notice and hearing, impose a civil
732 penalty on any reporting entity that fails to report health care
733 information as prescribed. Such civil penalty shall not exceed one
734 thousand dollars per day for each day of violation and shall not be
735 imposed as a cost for the purpose of rate determination or
736 reimbursement by a third-party payer.

737 (B) The chief executive officer may provide the name of any
738 reporting entity on which such penalty has been imposed to the
739 commissioner. After consultation with said officer, the commissioner
740 may request the Attorney General to bring an action in the superior
741 court for the judicial district of Hartford to recover any penalty
742 imposed pursuant to subparagraph (A) of this subdivision.

743 (4) The exchange shall: (A) Utilize data in the all-payer claims
744 database to provide health care consumers in the state with
745 information concerning the cost and quality of health care services that
746 allows such consumers to make economically sound and medically
747 appropriate health care decisions; and (B) make data in the all-payer
748 claims database available to any state agency, insurer, employer,
749 health care provider, consumer of health care services or researcher for
750 the purpose of allowing such person or entity to review such data as it
751 relates to health care utilization, costs or quality of health care services.
752 Such disclosure shall be made in accordance with subdivision (2) of
753 subsection (b) of section 38a-1090 of the general statutes, as amended
754 by this act. The exchange may set a fee to be charged to each person or
755 entity requesting access to data stored in the all-payer claims database.

756 (5) The exchange may (A) in consultation with the All-Payer Claims
757 Database Advisory Group set forth in subsection (c) of this section,
758 enter into a contract with a person or entity to plan, implement or
759 administer the all-payer claims database program, (B) enter into a
760 contract or take any action that is necessary to obtain fee-for-service
761 health claims data under the state medical assistance program or
762 Medicare Part A or Part B, and (C) enter into a contract for the
763 collection, management or analysis of data received from reporting
764 entities. Any such contract for the collection, management or analysis
765 of such data shall expressly prohibit the disclosure of such data for
766 purposes other than the purposes described in this subdivision.

767 (c) (1) There is established a working group to be known as the All-
768 Payer Claims Database Advisory Group. Any member of the working
769 group, as of June 30, 2013, shall continue to serve as a member of said
770 group. Said group shall include, but not be limited to, the Secretary of
771 the Office of Policy and Management, the Comptroller, the
772 Commissioners of Public Health, Social Services and Mental Health
773 and Addiction Services, the Insurance Commissioner, the Healthcare
774 Advocate, the Chief Information Officer, a representative of the
775 Connecticut State Medical Society, representatives of health insurance
776 companies, health insurance purchasers, hospitals, consumer

777 advocates and health care providers. The chief executive officer of the
778 exchange, in concurrence with the chairperson of the exchange, may
779 appoint additional members to said group.

780 (2) The All-Payer Claims Database Advisory Group shall develop a
781 plan to implement a state-wide multipayer data initiative to enhance
782 the state's use of health care data from multiple sources to increase
783 efficiency, enhance outcomes and improve the understanding of health
784 care expenditures in the public and private sectors.

785 Sec. 10. Section 19a-725 of the general statutes is repealed and the
786 following is substituted in lieu thereof (*Effective from passage*):

787 (a) There is established within the office of the Lieutenant Governor,
788 the SustiNet Health Care Cabinet for the purpose of advising the
789 Governor [and the Office of Health Reform and Innovation] on the
790 matters set forth in subsection (c) of this section.

791 (b) (1) The SustiNet Health Care Cabinet shall consist of the
792 following members who shall be appointed on or before August 1,
793 2011: (A) Five appointed by the Governor, two of whom may represent
794 the health care industry and shall serve for terms of four years, one of
795 whom shall represent community health centers and shall serve for a
796 term of three years, one of whom shall represent insurance producers
797 and shall serve for a term of three years and one of whom shall be an
798 at-large appointment and shall serve for a term of three years; (B) one
799 appointed by the president pro tempore of the Senate, who shall be an
800 oral health specialist engaged in active practice and shall serve for a
801 term of four years; (C) one appointed by the majority leader of the
802 Senate, who shall represent labor and shall serve for a term of three
803 years; (D) one appointed by the minority leader of the Senate, who
804 shall be an advanced practice registered nurse engaged in active
805 practice and shall serve for a term of two years; (E) one appointed by
806 the speaker of the House of Representatives, who shall be a consumer
807 advocate and shall serve for a term of four years; (F) one appointed by
808 the majority leader of the House of Representatives, who shall be a
809 primary care physician engaged in active practice and shall serve for a

810 term of four years; (G) one appointed by the minority leader of the
811 House of Representatives, who shall represent the health information
812 technology industry and shall serve for a term of three years; (H) five
813 appointed jointly by the chairpersons of the SustiNet Health
814 Partnership board of directors, one of whom shall represent faith
815 communities, one of whom shall represent small businesses, one of
816 whom shall represent the home health care industry, one of whom
817 shall represent hospitals, and one of whom shall be an at-large
818 appointment, all of whom shall serve for terms of five years; (I) the
819 Lieutenant Governor; (J) the Secretary of the Office of Policy and
820 Management, or the secretary's designee; the Comptroller, or the
821 Comptroller's designee; the [Special Advisor to the Governor on
822 Healthcare Reform, or the special advisor's designee] chief executive
823 officer of the Connecticut Health Insurance Exchange, or said officer's
824 designee; the Commissioners of Social Services and Public Health, or
825 their designees; and the Healthcare Advocate, or the Healthcare
826 Advocate's designee, all of whom shall serve as ex-officio voting
827 members; and (K) the Commissioners of Children and Families,
828 Developmental Services and Mental Health and Addiction Services,
829 and the Insurance Commissioner, or their designees, and the nonprofit
830 liaison to the Governor, or the nonprofit liaison's designee, all of whom
831 shall serve as ex-officio nonvoting members.

832 (2) Following the expiration of initial cabinet member terms,
833 subsequent cabinet terms shall be for four years, commencing on
834 August first of the year of the appointment. If an appointing authority
835 fails to make an initial appointment to the cabinet or an appointment
836 to fill a cabinet vacancy within ninety days of the date of such vacancy,
837 the appointed cabinet members shall, by majority vote, make such
838 appointment to the cabinet.

839 (3) Upon the expiration of the initial terms of the five cabinet
840 members appointed by SustiNet Health Partnership board of directors,
841 five successor cabinet members shall be appointed as follows: (A) One
842 appointed by the Governor; (B) one appointed by the president pro
843 tempore of the Senate; (C) one appointed by the speaker of the House

844 of Representatives; and (D) two appointed by majority vote of the
845 appointed board members. Successor board members appointed
846 pursuant to this subdivision shall be at-large appointments.

847 (4) The Lieutenant Governor shall serve as the chairperson of the
848 SustiNet Health Care Cabinet. The Lieutenant Governor shall schedule
849 the first meeting of the SustiNet Health Care Cabinet, which meeting
850 shall be held not later than September 1, 2011.

851 (c) The SustiNet Health Care Cabinet shall advise the Governor [and
852 the Office of Health Reform and Innovation] regarding the
853 development of an integrated health care system for Connecticut and
854 shall:

855 (1) Evaluate the means of ensuring an adequate health care
856 workforce in the state;

857 (2) Jointly evaluate, with the chief executive officer of the
858 Connecticut Health Insurance Exchange, the feasibility of
859 implementing a basic health program option as set forth in Section
860 1331 of the Affordable Care Act;

861 (3) Identify short and long-range opportunities, issues and gaps
862 created by the enactment of federal health care reform;

863 (4) [Coordinate with the Office of Health Reform and Innovation
864 concerning] Review the effectiveness of delivery system reforms and
865 other efforts to control health care costs, including, but not limited to,
866 reforms and efforts implemented by state agencies; and

867 [(5) (A) Develop a business plan to be provided to the Governor and
868 the Office of Health Reform and Innovation that takes into account
869 feasibility and risk assessments conducted pursuant to subsection (h)
870 of section 19a-724 and evaluates private or public mechanisms that will
871 provide adequate health insurance products commencing on January
872 1, 2014, including, but not limited to, for-profit and nonprofit
873 organizations, insurance cooperatives and self-insurance, and (B)
874 submit appropriate implementation recommendations for the

875 Governor's consideration; and]

876 [(6)] (5) Advise the Governor on matters relating to: (A) The design,
877 implementation, actionable objectives and evaluation of state and
878 federal health care policies, priorities and objectives relating to the
879 state's efforts to improve access to health care, and (B) the quality of
880 such care and the affordability and sustainability of the state's health
881 care system.

882 (d) The SustiNet Health Care Cabinet may convene working groups,
883 which include volunteer health care experts, to make
884 recommendations concerning the development and implementation of
885 service delivery and health care provider payment reforms, including
886 multipayer initiatives, medical homes, electronic health records and
887 evidenced-based health care quality improvement.

888 (e) The office of the Lieutenant Governor and the Office of the
889 Healthcare Advocate shall provide support staff to the SustiNet Health
890 Care Cabinet.

891 Sec. 11. Section 14 of public act 11-53 is repealed and the following is
892 substituted in lieu thereof (*Effective from passage*):

893 (a) The [Office of Health Reform and Innovation, in consultation
894 with the] board of directors of the Connecticut Health Insurance
895 Exchange and the joint standing committees of the General Assembly
896 having cognizance of matters relating to appropriations and the
897 budgets of state agencies and insurance, shall prepare an analysis of
898 the cost impact on the state and a cost-benefit analysis of the essential
899 health benefits package, as described in Section 1302(a) of the Patient
900 Protection and Affordable Care Act, P. L. 111-148, as amended from
901 time to time, and coverage requirements under chapter 700c of the
902 general statutes. Such analysis shall consider regulations issued by the
903 Secretary of the United States Department of Health and Human
904 Services pursuant to Section 1311 of the Patient Protection and
905 Affordable Care Act, P. L. 111-148, as amended from time to time, and
906 any applicable health benefit review report performed by the

907 Insurance Department pursuant to section 38a-21 of the general
908 statutes.

909 (b) Not later than sixty days after said secretary publishes the
910 essential health benefits required under Section 1302 of the Patient
911 Protection and Affordable Care Act, P. L. 111-148, as amended from
912 time to time, [the Office of Health Reform and Innovation shall submit
913 such analysis to the Governor,] the board of directors of the
914 Connecticut Health Insurance Exchange shall submit such analysis to
915 the Governor and the joint standing committees of the General
916 Assembly having cognizance of matters relating to appropriations and
917 the budgets of state agencies and insurance.

918 Sec. 12. Subsection (d) of section 3-123ddd of the general statutes is
919 repealed and the following is substituted in lieu thereof (*Effective from*
920 *passage*):

921 (d) Nothing in sections 3-123aaa to 3-123hhh, inclusive, as amended
922 by this act, 19a-654, [19a-724, 19a-724a,] 19a-725, 38a-513f, [or] 38a-513g
923 or section 9 of this act shall diminish any right to retiree health
924 insurance pursuant to a collective bargaining agreement or any other
925 provision of the general statutes.

926 Sec. 13. Subsection (b) of section 3-123hhh of the general statutes is
927 repealed and the following is substituted in lieu thereof (*Effective from*
928 *passage*):

929 (b) Nothing in this section or sections 3-123aaa to 3-123ggg,
930 inclusive, 19a-654, [19a-724, 19a-724a,] 19a-725, 38a-513f, [or] 38a-513g
931 or section 9 of this act shall modify the state employee plan in any way
932 without the written consent of the State Employees Bargaining Agent
933 Coalition and the Secretary of the Office of Policy and Management.

934 Sec. 14. Section 22a-471 of the general statutes is repealed and the
935 following is substituted in lieu thereof (*Effective July 1, 2013*):

936 (a) (1) If the [commissioner] Commissioner of Energy and
937 Environmental Protection determines that pollution of the

938 groundwaters has occurred or can reasonably be expected to occur and
939 the Commissioner of Public Health determines that the extent of
940 pollution creates or can reasonably be expected to create an
941 unacceptable risk of injury to the health or safety of persons using such
942 groundwaters as a public or private source of water for drinking or
943 other personal or domestic uses, the Commissioner of Energy and
944 Environmental Protection [shall, within available appropriations,
945 arrange for the short-term provision of potable drinking water to those
946 residential buildings and elementary and secondary schools affected
947 by such pollution until either he issues an order pursuant to this
948 section requiring the provision of such short-term supply and the
949 recipient complies with such order or a long-term supply of potable
950 drinking water has been provided, whichever is earlier. In determining
951 if pollution creates an unacceptable risk of injury, the Commissioner of
952 Public Health shall balance all relevant and substantive facts and
953 inferences and shall not be limited to a consideration of available
954 statistical analysis but shall consider all of the evidence presented and
955 any factor related to human health risks. The commissioner] may issue
956 an order to the person or municipality responsible for such pollution
957 requiring that potable drinking water be provided to all persons
958 affected by such pollution. In determining if pollution creates an
959 unacceptable risk of injury, the Commissioner of Public Health shall
960 balance all relevant and substantive facts and inferences and shall not
961 be limited to a consideration of available statistical analysis but shall
962 consider all of the evidence presented and any factor related to human
963 health risks. If the [commissioner] Commissioner of Energy and
964 Environmental Protection finds that more than one person or
965 municipality is responsible for such pollution, [he] the commissioner
966 shall attempt to apportion responsibility if [he] the commissioner
967 determines that apportionment is appropriate. If [he] the
968 commissioner does not apportion responsibility, all persons and
969 municipalities responsible for the pollution of the groundwaters shall
970 be jointly and severally responsible for the providing of potable
971 drinking water to persons affected by such pollution. If the
972 commissioner determines that the state or an agency or department of

973 the state is responsible in whole or in part for the pollution of the
974 groundwaters, such agency or department shall prepare or arrange for
975 the preparation of an engineering report and shall provide or arrange
976 for the provision of a long-term potable drinking water supply. If the
977 commissioner is unable to determine the person or municipality
978 responsible or if [he] the commissioner determines that the responsible
979 persons have no assets other than land, buildings, business machinery
980 or livestock and are unable to secure a loan at a reasonable rate of
981 interest to provide potable drinking water, [he] the commissioner may
982 prepare or arrange for the preparation of an engineering report and
983 provide or arrange for the provision of a long-term potable drinking
984 water supply or [he] the commissioner may issue an order to the
985 municipality wherein groundwaters unusable for potable drinking
986 water are located requiring that short-term provision of potable
987 drinking water be made to those existing residential buildings and
988 elementary and secondary schools affected by such pollution and that
989 long-term provision of potable drinking water be made to all persons
990 affected by such pollution. For purposes of this section, "residential
991 building" means any house, apartment, trailer, mobile manufactured
992 home or other structure occupied by individuals as a dwelling, except
993 a non-owner-occupied hotel or motel or a correctional institution.

994 (2) Any order issued pursuant to this section may require the
995 provision of potable drinking water in such quantities as the
996 commissioner determines are necessary for drinking and other
997 personal and domestic uses and may require the maintenance and
998 monitoring of potable water supply facilities for any period which the
999 commissioner determines is necessary. In making such determinations,
1000 the commissioner shall consider the short-term and long-term needs
1001 for potable drinking water and the health and safety of those persons
1002 whose water supply is unusable. Any order may require the
1003 submission of an engineering report which shall be subject to the
1004 approval of the commissioner and the Commissioner of Public Health
1005 and include, but not be limited to, a description in detail of the
1006 problem, area and population affected by pollution of the
1007 groundwaters; the expected duration of and extent of the pollution;

1008 alternate solutions including relative cost of construction or
1009 installation, operation and maintenance; design criteria on all alternate
1010 solutions; and any other information which the commissioner deems
1011 necessary. Upon review of such report, the commissioner and the
1012 Commissioner of Public Health shall consider the nature of the
1013 pollution, the expected duration and extent of the pollution, the health
1014 and safety of the persons affected, the initial and ongoing cost-
1015 effectiveness and reliability of each alternative and any other factors
1016 which they deem relevant, and shall approve a system or method to
1017 provide potable drinking water pursuant to the order. Each order shall
1018 include a time schedule for the accomplishment of the steps leading to
1019 the provision of potable drinking water. Notwithstanding the fact that
1020 a responsible party has been or may be identified or a request for a
1021 hearing on or a pending appeal from an order issued pursuant to this
1022 section, when pollution of the groundwaters has occurred or may
1023 reasonably be expected to occur, the commissioner may prepare or
1024 arrange for the preparation of an engineering report as described in
1025 this subdivision and may provide or arrange for the provision of a
1026 long-term potable drinking water supply. In any case where the state
1027 or an agency or department of the state is responsible in whole or in
1028 part for the pollution of the groundwaters, such agency or department
1029 shall prepare or arrange for the preparation of an engineering report
1030 and shall provide or arrange for the provision of a long-term potable
1031 drinking water supply, and if the state is not the sole responsible party,
1032 the commissioner shall seek reimbursement under subdivision (4) of
1033 subsection (b) of this section for the costs of such report and for the
1034 provision of potable water. The cost of the report and of the provision
1035 of a long-term potable drinking water supply, as funds allow, shall be
1036 paid from the proceeds of any bonds authorized for the provision of
1037 potable drinking water.

1038 (3) The provisions of this section shall not affect the rights of any
1039 municipality to institute suit to recover all damages, expenses and
1040 costs incurred by the municipality from any responsible party,
1041 including, but not limited to, the costs specified in subparagraph (B)(i)
1042 and (ii) of subdivision (4) of subsection (b) of this section and, in the

1043 case of any municipality which is not responsible for the pollution of
1044 the groundwaters, the additional amounts specified in subparagraph
1045 (B)(iii) and (iv) of subdivision (4) of subsection (b) of this section.

1046 (4) No provision of this section shall limit the liability of any person
1047 who or municipality which renders the groundwaters unusable for
1048 potable drinking water from a suit for damages by a person who or
1049 municipality which relied on said groundwaters for potable drinking
1050 water prior to the determination by the commissioner that the
1051 groundwaters are polluted.

1052 (5) The commissioner may issue any order pursuant to this section if
1053 the pollution of the groundwaters occurred before or after July 1, 1982.

1054 (6) The commissioner may at any time require further action by any
1055 person to whom or municipality to which an order is issued pursuant
1056 to this section if [he] the commissioner determines that such action is
1057 necessary to protect the health and safety of those persons whose
1058 water supply was rendered unusable.

1059 (b) (1) (A) Any municipality not responsible for the pollution of the
1060 groundwaters which is ordered to provide potable drinking water in
1061 accordance with subsection (a) of this section may apply to the
1062 commissioner for a grant as provided by this subsection. Except as
1063 provided in subparagraph (C) of subdivision (1) of this subsection and
1064 in subdivision (2) of this subsection, the commissioner shall make
1065 grants for the short-term provision of potable drinking water and the
1066 construction or installation of individual wells or individual water
1067 treatment systems, including, but not limited to, carbon absorption
1068 filters and shall make grants for other capital improvements for the
1069 long-term provision of potable drinking water from any bond
1070 authorization established for that purpose.

1071 (B) The amount distributed to a municipality shall, as funds allow,
1072 equal one hundred per cent of the cost of short-term provision of
1073 potable drinking water, one hundred per cent of the cost of the
1074 engineering report required by this section, one hundred per cent of

1075 the cost of capital improvements for the most cost-effective long-term
1076 method of providing potable drinking water as determined by the
1077 commissioner and the Commissioner of Public Health upon
1078 consideration of such engineering report, and one hundred per cent of
1079 the cost during the first five years of installation of monitoring and
1080 maintaining individual water treatment systems and monitoring
1081 drinking water wells located in an area where the commissioner
1082 determines that pollution of the groundwater is reasonably likely to
1083 occur. No state funds shall be distributed to a municipality for the cost
1084 of operating or maintaining any potable water supply facilities other
1085 than as specified in this subsection.

1086 (C) Notwithstanding any provision of this subsection to the
1087 contrary, the commissioner may advance to a municipality, from the
1088 proceeds of any bonds authorized for the provision of potable drinking
1089 water, any percentage of the cost of short-term and long-term
1090 provision of potable drinking water which he deems necessary.

1091 (2) (A) If the commissioner is unable to determine the person or
1092 municipality responsible for rendering the groundwaters unusable for
1093 potable drinking water or if [he] the commissioner determines that the
1094 responsible persons have no assets other than land, buildings, business
1095 machinery or livestock and are unable to secure a loan at a reasonable
1096 rate of interest to provide potable drinking water, a water company
1097 which has less than ten thousand customers and which owns,
1098 maintains, operates, manages, controls or employs a water supply well
1099 which is rendered unusable for potable drinking water, may apply to
1100 the commissioner for a grant from funds established pursuant to
1101 section 22a-451 or from the proceeds of any bonds authorized for the
1102 provision of potable drinking water. If, upon review of the engineering
1103 report required by this subsection to be submitted with an application
1104 for such a grant, the commissioner determines that a grant to a water
1105 company from available appropriations or from the proceeds of any
1106 bonds authorized for the provision of potable drinking water is
1107 appropriate, [he] the commissioner may make such a grant in
1108 accordance with regulations adopted by [him] the commissioner

1109 pursuant to subsection (e) of this section.

1110 (B) The total amount distributed to a water company pursuant to
1111 this subsection shall, as funds allow, equal fifty per cent of the cost of
1112 the engineering report required by this subsection and fifty per cent of
1113 the cost of the most cost-effective long-term method of rendering the
1114 water supply in question usable for potable drinking water, as
1115 determined by the commissioner and the Commissioner of Public
1116 Health upon consideration of the required engineering report.

1117 (C) For purposes of this section, "water company" and "customer"
1118 shall have the same meaning as specified in section 25-32a.

1119 (D) Any water company applying for a grant pursuant to this
1120 section shall prepare or have prepared an engineering report which
1121 shall be subject to the approval of the commissioner and the
1122 Commissioner of Public Health and include, but not be limited to, a
1123 description in detail of the problem, area and population affected by
1124 pollution of the groundwaters; alternate solutions including relative
1125 cost of construction or installation, operation and maintenance; design
1126 criteria on all alternate solutions and any other information the
1127 commissioner deems necessary.

1128 (3) (A) If a municipality or water company receives funding from a
1129 private source, a federal grant or another state grant for any cost for
1130 which a grant may be awarded pursuant to this section, the grant
1131 under this section shall equal the specified percentage of the costs
1132 specified in this subsection minus the amount of the other funding.

1133 (B) If a municipality or water company receives a grant under this
1134 section and is compensated by a person who or municipality which is
1135 responsible for rendering the groundwaters unusable for potable
1136 drinking water, the municipality or water company shall reimburse
1137 the account from which the funds were made available for the grant as
1138 follows: If the compensation from the responsible party equals or
1139 exceeds the costs toward which the grant was to be applied, the
1140 municipality or water company shall reimburse the total amount of the

1141 grant; if the compensation is less than the cost toward which the grant
1142 was to be applied, the municipality or water company shall reimburse
1143 a percentage of the compensation equal to the percentage of such costs
1144 paid by the grant.

1145 (4) (A) Notwithstanding any request for a hearing or a pending
1146 appeal therefrom, if a person or municipality responsible for pollution
1147 of the groundwaters fails to comply with an order of the commissioner
1148 issued pursuant to this section, the municipality wherein such
1149 pollution is located may, after giving written notice of its intent to the
1150 commissioner and the responsible person or municipality, undertake
1151 the actions required by the order and seek reimbursement for the cost
1152 of such actions from the responsible person or municipality. If at any
1153 time after receipt of such a notice, the responsible party intends to
1154 comply with a step of the order which the municipality has not yet
1155 completed, the responsible party may do so with the written approval
1156 of the commissioner and municipality, provided the actions which the
1157 responsible party takes are consistent with those taken by the
1158 municipality.

1159 (B) The commissioner may order any person or municipality
1160 responsible for pollution of the groundwaters to reimburse the state, a
1161 water company, and any municipality which is not responsible for
1162 pollution but received an order pursuant to this section or which did
1163 not receive such an order but voluntarily provided potable drinking
1164 water, for (i) the expenses each incurred in providing potable drinking
1165 water to any person affected by such pollution, provided the required
1166 reimbursement for such expenses shall not exceed the actual cost of
1167 short-term provision of potable drinking water and an amount equal
1168 to the reasonable cost of planning and implementing the most cost-
1169 effective long-term method of providing potable drinking water as
1170 determined by the commissioner and the Commissioner of Public
1171 Health; (ii) costs for recovering such reimbursement; (iii) interest on
1172 the expenses specified in (i) at a rate of ten per cent a year from the
1173 date such expenses were paid; and (iv) reasonable attorney's fees. The
1174 commissioner may request the Attorney General to bring a civil action

1175 to recover any costs or expenses incurred by the commissioner
1176 pursuant to this subsection provided no such action may be brought
1177 later than ten years after the date of discovery of the pollution of
1178 public or private sources of water for drinking or other personal or
1179 domestic use.

1180 (C) If a municipality fails to recover all expenses specified in
1181 subparagraph (B)(i) of subdivision (4) of this subsection from the
1182 responsible party, the municipality may apply to the commissioner for
1183 a grant in accordance with this subsection, provided the total amount
1184 of funds received from the commissioner and the responsible party
1185 shall not exceed the amounts specified in subparagraph (B) of
1186 subdivision (1) of subsection (b) of this section.

1187 (5) For purposes of this section except subdivision (3) of subsection
1188 (a) and subparagraph (B)(ii) of subdivision (4) of this subsection, "cost"
1189 includes only those costs which the commissioner determines are
1190 necessary and reasonable, including, but not limited to, the cost of
1191 plans and specifications, construction or installation and supervision
1192 thereof.

1193 (6) If any grant application is pending on June 7, 1994, and is
1194 approved by the commissioner, the percentage of costs to be paid by
1195 the grant shall be determined in accordance with this section. Any
1196 order pending on May 31, 1985, shall be construed in accordance with
1197 this section.

1198 (7) Any person who or municipality which provides potable
1199 drinking water pursuant to this section may, with the approval of the
1200 commissioner, construct or install facilities beyond the areas included
1201 in the order or facilities which are more costly than those which are
1202 determined to be most cost-effective, provided any request for a grant
1203 or reimbursement shall be limited to the amounts specified in this
1204 section.

1205 (c) Any order issued under the provisions of this section shall be
1206 subject to the rights of any aggrieved person or municipality to a

1207 hearing before the commissioner as provided in section 22a-436, and
1208 appeal from the final determination of the commissioner to the
1209 Superior Court as provided in section 22a-437. The request for a
1210 hearing or pending appeal therefrom shall not constitute a condition
1211 which shall stay the commissioner from requesting that an injunction
1212 under the provisions of section 22a-6 or 22a-435, or a civil action to
1213 recover a forfeiture under the provisions of section 22a-438, be initiated
1214 by the Attorney General. The court shall issue an injunction requiring
1215 the recipient of the order to take the steps required by the order for
1216 short-term and long-term provision of potable drinking water unless
1217 such court determines that the issuance of the order was arbitrary.
1218 Notwithstanding any provision of the general statutes, a court shall
1219 not grant a stay from any order issued pursuant to this section on the
1220 grounds that an administrative appeal is pending. If it is thereafter
1221 determined by the Superior Court as the result of an appeal under the
1222 provisions of section 22a-437 that the commissioner acted arbitrarily,
1223 unreasonably or contrary to law in requiring a person or municipality
1224 to comply with an order the commissioner shall reimburse the person
1225 or municipality for the total costs which have been incurred from the
1226 funds established under section 22a-446.

1227 (d) The commissioner shall not issue an order to any person
1228 pursuant to this section if the sole basis for the order is that such
1229 person is the owner of the land from which the source of pollution or
1230 potential source of pollution emanates.

1231 (e) The commissioner may, in accordance with chapter 54, adopt
1232 such regulations as [he] the commissioner deems necessary to carry
1233 out the provisions of this section, and shall adopt regulations for the
1234 provision of grants pursuant to this section which shall include criteria
1235 for eligibility for funds.

1236 (f) (1) Notwithstanding the provisions of subsection (a) of this
1237 section, if the commissioner determines that a person whose actions
1238 have caused or can reasonably be expected to cause pollution of the
1239 groundwaters by the application of a pesticide (A) has properly

1240 applied the pesticide or arranged for a pesticide application which was
1241 properly performed, (B) was engaged in agriculture at the time the
1242 pesticide was applied and used the pesticide solely in the production
1243 of agricultural commodities, (C) has agreed to implement the plans
1244 specified in subdivision (2) of this subsection, and (D) maintained the
1245 records of the application of the pesticide as required by section 22a-58
1246 and the records and plan identified in section 22a-471a, the
1247 commissioner shall not issue an order under subsection (a) of this
1248 section to the person engaged in agriculture, but may issue an order
1249 under said subsection (a) to another responsible person, including, but
1250 not limited to, the producer of the pesticide, requiring the short-term
1251 and long-term provision of potable drinking water in accordance with
1252 said subsection (a). The commissioner shall not issue an order under
1253 said subsection (a) to a person engaged in agriculture who did not
1254 maintain the records identified under section 22a-471a if said
1255 commissioner finds such records are not relevant to a determination of
1256 the party responsible for pollution of the groundwaters. If the
1257 commissioner is unable to determine the responsible person, [he] the
1258 commissioner may issue such order to the municipality wherein
1259 groundwaters unusable for potable drinking water are located.

1260 (2) If the commissioner determines that a person engaged in
1261 agriculture has caused or can reasonably be expected to cause
1262 pollution of the groundwaters by pesticides, [he] the commissioner
1263 may cause such person to submit to the commissioner and, upon
1264 approval by the commissioner, implement a plan to minimize the
1265 potential for groundwater contamination from the storage, handling
1266 and disposal of pesticides at the locations where such person engaged
1267 in agriculture.

1268 (3) For the purposes of this subsection, a pesticide is properly
1269 applied if at the time of the application the pesticide was licensed by or
1270 registered with the state and federal government and was applied in a
1271 manner consistent with (A) the labeling of the pesticide, as defined in
1272 section 22a-47, (B) applicable state and federal statutes and regulations
1273 at the time of the application, (C) any approvals or recommendations

1274 of the federal, state or local government, including any limitations,
1275 warnings or conditions of such approvals or recommendations, and
1276 (D) generally accepted agricultural management practices at the time
1277 of application, considering any special geological, hydrological or soil
1278 conditions of which the farmer was aware or reasonably should have
1279 been aware.

1280 (4) Any municipality which receives an order pursuant to
1281 subdivision (1) of this subsection shall be eligible for a grant from the
1282 state in accordance with subparagraph (1) of subsection (b) of this
1283 section.

1284 (5) The provisions of this subsection shall apply to pollution of the
1285 groundwaters by pesticides discovered on or after May 26, 1988. All
1286 orders issued pursuant to this section by the commissioner prior to
1287 May 26, 1988, shall remain in effect unless the orders are otherwise
1288 revoked, amended or modified by said commissioner.

1289 (6) Nothing in this subsection, section 22a-471a or section 22a-471b
1290 shall affect or limit any right of action of an individual against any
1291 person engaged in agriculture for injury to person or property
1292 resulting from the use of a pesticide.

1293 (7) For purposes of this subsection, "pesticide" shall have the same
1294 meaning as specified in section 22a-47.

1295 Sec. 15. Section 12-170d of the general statutes is repealed and the
1296 following is substituted in lieu thereof (*Effective July 1, 2013*):

1297 (a) Beginning with the calendar year 1973 and for each calendar
1298 year thereafter any renter of real property, or of a mobile
1299 manufactured home, as defined in section 12-63a, which he occupies as
1300 his home, who meets the qualifications set forth in this section, shall be
1301 entitled to receive in the following year in the form of direct payment
1302 from the state, a grant in refund of utility and rent bills actually paid
1303 by or for him on such real property or mobile manufactured home to
1304 the extent set forth in section 12-170e. Such grant by the state shall be

1305 made upon receipt by the state of a certificate of grant with a copy of
1306 the application therefor attached, as provided in section 12-170f,
1307 provided such application shall be made within one year from the
1308 close of the calendar year for which the grant is requested. If the rental
1309 quarters are occupied by more than one person, it shall be assumed for
1310 the purposes of this section and sections 12-170e and 12-170f that each
1311 of such persons pays his proportionate share of the rental and utility
1312 expenses levied thereon and grants shall be calculated on that portion
1313 of utility and rent bills paid that are applicable to the person making
1314 application for grant under said sections. For purposes of this section
1315 and said sections 12-170e and 12-170f a husband and wife shall
1316 constitute one tenant, and a resident of cooperative housing shall be a
1317 renter. To qualify for such payment by the state, the renter shall meet
1318 qualification requirements in accordance with each of the following
1319 subdivisions: (1) (A) At the close of the calendar year for which a grant
1320 is claimed be sixty-five years of age or over, or his spouse who is
1321 residing with him shall be sixty-five years of age or over, at the close of
1322 such year, or be fifty years of age or over and the surviving spouse of a
1323 renter who at the time of his death had qualified and was entitled to
1324 tax relief under this chapter, provided such spouse was domiciled with
1325 such renter at the time of his death or (B) at the close of the calendar
1326 year for which a grant is claimed be under age sixty-five and eligible in
1327 accordance with applicable federal regulations, to receive permanent
1328 total disability benefits under Social Security, or if he has not been
1329 engaged in employment covered by Social Security and accordingly
1330 has not qualified for benefits thereunder but has become qualified for
1331 permanent total disability benefits under any federal, state or local
1332 government retirement or disability plan, including the Railroad
1333 Retirement Act and any government-related teacher's retirement plan,
1334 determined by the Secretary of the Office of Policy and Management to
1335 contain requirements in respect to qualification for such permanent
1336 total disability benefits which are comparable to such requirements
1337 under Social Security; (2) shall reside within this state and shall have
1338 resided within this state for at least one year or his spouse who is
1339 domiciled with him shall have resided within this state for at least one

1340 year and shall reside within this state at the time of filing the claim and
1341 shall have resided within this state for the period for which claim is
1342 made; (3) shall have taxable and nontaxable income, the total of which
1343 shall hereinafter be called "qualifying income", during the calendar
1344 year preceding the filing of his claim in an amount of not more than
1345 twenty thousand dollars, jointly with spouse, if married, and not more
1346 than sixteen thousand two hundred dollars if unmarried, provided
1347 such maximum amounts of qualifying income shall be subject to
1348 adjustment in accordance with subdivision (2) of subsection (a) of
1349 section 12-170e, and provided the amount of any Medicaid payments
1350 made on behalf of the renter or the spouse of the renter shall not
1351 constitute income; and (4) shall not have received financial aid or
1352 subsidy from federal, state, county or municipal funds, excluding
1353 Social Security receipts, emergency energy assistance under any state
1354 program, emergency energy assistance under any federal program,
1355 emergency energy assistance under any local program, payments
1356 received under the federal Supplemental Security Income Program,
1357 payments derived from previous employment, veterans and veterans
1358 disability benefits and subsidized housing accommodations, during
1359 the calendar year for which a grant is claimed, for payment, directly or
1360 indirectly, of rent, electricity, gas, water and fuel applicable to the
1361 rented residence. Notwithstanding the provisions of subdivision (4) of
1362 this subsection, a renter who receives cash assistance from the
1363 Department of Social Services in the calendar year prior to that in
1364 which such renter files an application for a grant may be entitled to
1365 receive such grant provided the amount of the cash assistance received
1366 shall be deducted from the amount of such grant and the difference
1367 between the amount of the cash assistance and the amount of the grant
1368 is equal to or greater than ten dollars. Funds attributable to such
1369 reductions shall be transferred annually from the appropriation to the
1370 Office of Policy and Management, for tax relief for elderly renters, to
1371 the Department of Social Services, to the appropriate accounts,
1372 following the issuance of such grants. Notwithstanding the provisions
1373 of subsection (b) of section 12-170aa, the owner of a mobile
1374 manufactured home may elect to receive benefits under section

1375 12-170e in lieu of benefits under said section 12-170aa.

1376 (b) For purposes of determining qualifying income under subsection
1377 (a) of this section with respect to a married renter who submits an
1378 application for a grant in accordance with sections 12-170d to 12-170g,
1379 inclusive, the Social Security income of the spouse of such renter shall
1380 not be included in the qualifying income of such renter, for purposes
1381 of determining eligibility for benefits under said sections, if such
1382 spouse is a resident of a health care or nursing home facility in this
1383 state receiving payment related to such spouse under the Title XIX
1384 Medicaid program. An applicant who is legally separated pursuant to
1385 the provisions of section 46b-40, as of the thirty-first day of December
1386 preceding the date on which such person files an application for a
1387 grant in accordance with sections 12-170d to 12-170g, inclusive, may
1388 apply as an unmarried person and shall be regarded as such for
1389 purposes of determining qualifying income under subsection (a) of this
1390 section.

1391 (c) Effective July 1, 2013, no new applicants shall be entitled to
1392 receive grants under the program described in subsection (a) of this
1393 section, except that if a married applicant has applied for such grant
1394 before said date, such applicant's spouse shall also remain eligible for
1395 such grant.

1396 Sec. 16. (*Effective July 1, 2013*) Notwithstanding the provisions of
1397 section 165 of public act 11-61, as amended by section 11 of public act
1398 11-1 of the June special session, no unclassified officer or employee
1399 whose salary grade is included in the executive pay plan established
1400 by the Commissioner of Administrative Services shall receive an
1401 increase in salary for the fiscal years beginning July 1, 2013, and July 1,
1402 2014, except as provided in section 37 of public act 12-1 of the
1403 December special session.

1404 Sec. 17. Section 4 of public act 12-166 is repealed. (*Effective from*
1405 *passage*)

1406 Sec. 18. Sections 19a-724, 19a-724a and 19a-724b of the general

1407 statutes are repealed. (Effective from passage)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	38a-1080
Sec. 2	<i>from passage</i>	38a-1081
Sec. 3	<i>from passage</i>	38a-1082(a)
Sec. 4	<i>from passage</i>	38a-1083
Sec. 5	<i>from passage</i>	38a-1084
Sec. 6	<i>from passage</i>	38a-1088(a)
Sec. 7	<i>from passage</i>	38a-1089(a)
Sec. 8	<i>from passage</i>	38a-1090
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>from passage</i>	19a-725
Sec. 11	<i>from passage</i>	PA 11-53Section 14
Sec. 12	<i>from passage</i>	3-123ddd(d)
Sec. 13	<i>from passage</i>	3-123hhh(b)
Sec. 14	<i>July 1, 2013</i>	22a-471
Sec. 15	<i>July 1, 2013</i>	12-170d
Sec. 16	<i>July 1, 2013</i>	New section
Sec. 17	<i>from passage</i>	Repealer section
Sec. 18	<i>from passage</i>	Repealer section

Statement of Legislative Commissioners:

In section 2, subsections (b)(1)(A)(ix) and (b)(1)(B) were redrafted for accuracy and clarity; in section 4(c)(15), "to enroll" was changed to "in enrolling" for accuracy; and in sections 12 and 13, the closing bracket after "19-725," was moved to after "19a-724a," for accuracy.

APP Joint Favorable Subst.

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

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 14 \$	FY 15 \$
Various	GF - See Below	See Below	See Below

Municipal Impact: None

Explanation

The bill makes various changes which result in the fiscal impact described below.

Sections 1 and 3 - 9 establish the all-payers claims database in the Connecticut Health Insurance Exchange and make other various technical and conforming changes which do not result in a fiscal impact to the state. The exchange is a quasi-public agency which does not currently receive funding from the state. The bill requires the exchange to seek funding from the federal government, and other public and private sources to cover the cost of the database.

Section 2 makes changes to the Connecticut Health Insurance Exchange Board of Directors which does not result in a fiscal impact.

Sections 10 and 11 remove references to the Office of Health Reform and Innovation which do not result in a fiscal impact.

Sections 12 and 13 make technical and conforming changes which do not result in a fiscal impact.

Section 14 results in a savings of \$200,000 in FY 14 and \$205,800 in FY 15 to the Department of Energy and Environmental Protection (DEEP) as it no longer requires the agency to provide potable water to

residences and elementary and secondary schools under certain conditions. Savings of \$200,000 in FY 14 and \$205,800 in FY 15 identified in the bill are included in sHB 6350, the FY 14 and FY 15 budget bill, as favorably reported by the Appropriations Committee.

Section 15 closes the Renters' Rebate Program to new applicants, except for spouses of current participants. sHB 6350, the FY 14 and FY 15 budget bill, as favorably reported by the Appropriations Committee, reduces the Renters' Rebate Program by \$2,028,781 in FY 14 and \$3,843,774 in FY 15 to reflect the elimination of funding for new applicants.

Section 16 reduces various agencies funding by an estimated \$1.1 million in FY 14 and \$2.4 million in FY 15 to reflect the elimination of salary increases for appointed officials. Savings of \$1.1 million in FY 14 and \$2.4 million in FY 15 identified in the bill are included in sHB 6350, the FY 14 and FY 15 budget bill, as favorably reported by the Appropriations Committee.

Section 17 repeals section 4 of PA 12-166 which does not result in a fiscal impact. This section relates to the All-Payers Claims Database Advisory Group which is eliminated in section 18.

Section 18 repeals CGS Section 19a-724, which established the Office of Health Reform and Innovation. Approximately \$213,830 in FY 14 and \$227,848 in FY 15 of the savings identified in the bill from eliminating this office are included in sHB 6350, the FY 14 and FY 15 budget bill, as favorably reported by the Appropriations Committee. CGS Section 19a-724a is repealed; this eliminates the All-Payer Claims Advisory Group and does not result in a fiscal impact. Lastly, CGS Section 19a-724b eliminates the all-payer claims database established in the Office of Health Reform and Innovation and does not result in a fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would

continue into the future subject to inflation.

OFA Bill Analysis**sHB 6354*****AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET
RECOMMENDATIONS CONCERNING GENERAL GOVERNMENT.*****SUMMARY:**

The bill makes the following changes to programs administered by the Connecticut Health Insurance Exchange and various state agencies:

Sections 1 and 3- 8 make various changes to the responsibilities of the Connecticut Health Insurance Exchange, many related to the all-payers claims database established in Section 9. Specifically, 1) the exchange board of directors must adopt procedures for implementing and administering the database, 2) permits the exchange to award grants to certain individuals and entities to assist consumers in enrolling in insurance through the exchange, 3) permits the exchange to impose a civil penalty on reporting entities who fail to report information for the database, 3) imposes a deadline for assigning a rating to qualified health plans offered through the exchange, 4) requires the exchange to seek federal, and other public and private sources of funding to cover the costs of the database, and 5) requires the annual report of the exchange to include a status update on the all-payers claims database.

Section 2 makes changes to the Connecticut Health Insurance Exchange Board of Directors. Specifically, 1) the number of voting members on the board is reduced from 12 to 11, 2) the Commissioner of the Department of Mental Health and Addiction Services is added as a non-voting member, and 3) six as opposed to seven members constitutes a quorum.

Section 9 establishes the all-payers claims database in the Connecticut Health Insurance Exchange. The exchange is required to seek federal, and other public and private sources of funding to cover the costs of the database. The exchange may charge a fee to entities who request information contained in the database.

Sections 10 and 11 remove references to the Office of Health Reform and Innovation which is eliminated in Section 18.

Sections 12 and 13 make technical and conforming changes.

Section 14 eliminates the requirement that the Department of Energy and Environmental Protection (DEEP) must provide potable water to residences and elementary and secondary schools under certain conditions.

Section 15 closes the Renters' Rebate Program to new applicants as of July 1, 2013, except for spouses of current participants. The program is administered by the Office of Policy and Management for renters who are elderly or totally disabled, and whose incomes do not exceed certain limits.

Section 16 eliminates salary increases for appointed officials in FY 14 and FY 15.

Section 17 repeals section 4 of PA 12-166 which established the All-Payers Claims Database Advisory Group.

Section 18 repeals the following sections of statute: 1) Section 19a-724, which established the Office of Health Reform and Innovation, 2) Section 19a-724a which established the All-Payer Claims Advisory Group and 3) Section 19a-724b which established the all-payers claims database in the Office of Health Reform and Innovation.

EFFECTIVE DATE: Sections 1 - 13, 17, 18 effective from passage; Sections 14 - 16 effective as of July 1, 2013.

COMMITTEE ACTION

Appropriations Committee

Joint Favorable Substitute

Yea 41 Nay 11 (04/22/2013)