



General Assembly

February Session, 2014

Raised Bill No. 208

LCO No. 924



Referred to Committee on GENERAL LAW

Introduced by:
(GL)

AN ACT CONCERNING PHARMACY REWARDS PROGRAMS AND PROTECTED HEALTH INFORMATION.

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

1 Section 1. (NEW) (*Effective July 1, 2014*) (a) For purposes of this
2 section, "pharmacy rewards program" means a promotional
3 arrangement under which a retailer provides a consumer with store
4 credits, discounts or other tangible benefits in exchange for the
5 consumer filling drug prescriptions through such retailer or its
6 affiliate.

7 (b) Prior to enrolling a consumer in a pharmacy rewards program, a
8 retailer shall provide the consumer with a plain language summary of
9 the terms and conditions of such program. Such summary shall be in
10 writing and shall include, if a HIPAA authorization is required to
11 participate in the program, a disclosure statement that contains
12 conspicuous notice, in bold font, of what a HIPAA authorization is and
13 that explains that once a HIPAA authorization is signed, the
14 consumer's personal health information may no longer be protected by
15 federal and state privacy laws.

16 (c) If the consumer is required to sign a HIPAA authorization to
17 participate in the program, the retailer shall include information on the
18 enrollment form, at the point of HIPAA authorization, that states: (1)
19 The specific uses or disclosures the HIPAA authorization allows, (2)
20 whether personal health information obtained by the retailer will be
21 disclosed to third parties and, if so disclosed, shall include a disclosure
22 statement that such information will not be protected by federal or
23 state privacy laws, (3) which, if any, third parties will have access to
24 the consumer's protected health information, (4) instructions on how to
25 revoke the authorization, and (5) that the consumer is entitled to a
26 copy of the authorization once signed.

27 (d) The terms "HIPAA", "Health Insurance Portability and
28 Accountability Act of 1996", "HIPAA authorization", "personal health
29 information", "Privacy Rule", "privacy law" and "marketing purposes"
30 shall be defined in promotional materials, in the summary required
31 pursuant to subsection (b) of this section, and on the enrollment form
32 at the point of HIPAA authorization, if such terms are used in such
33 materials, summary, or enrollment form.

34 (d) A violation of subsection (b), (c) or (d) of this section shall be
35 deemed an unfair or deceptive act or practice in the conduct of trade or
36 commerce under subsection (a) of section 42-110b of the general
37 statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2014</i>	New section

Statement of Purpose:

To protect consumers by requiring greater disclosure regarding pharmacy rewards programs.

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