



General Assembly

**Amendment**

February Session, 2014

LCO No. 3426

**\*SB0001103426SR0\***

Offered by:  
SEN. KELLY, 21<sup>st</sup> Dist.

To: Subst. Senate Bill No. 11

File No. 8

Cal. No. 44

**"AN ACT CONCERNING THE DUTIES OF THE CONNECTICUT  
HEALTH INSURANCE EXCHANGE."**

1 In line 186, after "exchange" insert the following:

2 ", provided the exchange has, prior to beginning any such  
3 negotiations, adopted written procedures pursuant to section 38a-1082,  
4 as amended by this act, that establish standards for premium rates"

5 After the last section, add the following and renumber sections and  
6 internal references accordingly:

7 "Sec. 501. Section 38a-1082 of the 2014 supplement to the general  
8 statutes is repealed and the following is substituted in lieu thereof  
9 (*Effective from passage*):

10 (a) The board of directors of the exchange shall adopt written  
11 procedures, in accordance with the provisions of section 1-121, for: (1)  
12 Adopting an annual budget and plan of operations, including a  
13 requirement of board approval before the budget or plan may take

14 effect; (2) hiring, dismissing, promoting and compensating employees  
15 of the exchange, including an affirmative action policy and a  
16 requirement of board approval before a position may be created or a  
17 vacancy filled; (3) acquiring real and personal property and personal  
18 services, including a requirement of board approval for any  
19 nonbudgeted expenditure in excess of five thousand dollars; (4)  
20 contracting for financial, legal, bond underwriting and other  
21 professional services, including a requirement that the exchange solicit  
22 proposals at least once every three years for each such service that it  
23 uses; (5) issuing and retiring bonds, bond anticipation notes and other  
24 obligations of the authority; (6) establishing requirements for  
25 certification of qualified health plans that include, but are not limited  
26 to, minimum standards for marketing practices, network adequacy,  
27 essential community providers in underserved areas, accreditation,  
28 quality improvement, uniform enrollment forms and descriptions of  
29 coverage, and quality measures for health benefit plan performance;  
30 (7) prescribing standards to ensure that premium rates for qualified  
31 health plans shall not be excessive, inadequate or unfairly  
32 discriminatory; (8) implementing the provisions of sections 38a-1080 to  
33 38a-1090, inclusive, or other provisions of the general statutes. Any  
34 such written procedures adopted pursuant to this subdivision shall not  
35 conflict with or prevent the application of regulations promulgated by  
36 the Secretary under the Affordable Care Act; ~~[(8)]~~ (9) implementing  
37 and administering the all-payer claims database program established  
38 pursuant to section 38a-1091. Any such written procedures adopted  
39 pursuant to this subdivision shall include reporting requirements for  
40 reporting entities, as defined in section 38a-1091; and ~~[(9)]~~ (10)  
41 providing notice to a reporting entity, as defined in section 38a-1091,  
42 of, and the rules of practice for a hearing process for, such reporting  
43 entity's alleged failure to comply with reporting requirements.

44 (b) The board of directors of the exchange shall submit to the joint  
45 standing committee of the General Assembly having cognizance of  
46 matters relating to insurance a copy of each audit of the exchange  
47 conducted by an independent auditing firm, not later than seven days

48 after the audit is received by said board of directors."

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	<i>from passage</i>	38a-1082