



General Assembly

January Session, 2015

Committee Bill No. 812

LCO No. 5903



Referred to Committee on PUBLIC HEALTH

Introduced by:
(PH)

***AN ACT CONCERNING ELECTRONIC HEALTH RECORDS AND
HEALTH INFORMATION EXCHANGE.***

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

1 Section 1. (NEW) (*Effective from passage*) All patient health records,
2 including electronic health records, belong to the patient who is the
3 subject of the records and shall, to the fullest extent practicable, be
4 accessible to the patient and any authorized representative or health
5 care provider of the patient's choice regardless of such health care
6 provider's location or affiliation.

7 Sec. 2. (NEW) (*Effective from passage*) (a) For purposes of this section:

8 (1) "Health care provider" means any individual, corporation,
9 facility or institution licensed by this state to provide health care
10 services; and

11 (2) "Certified electronic health record system" means a health care
12 provider's health records system that meets the criteria for certification
13 by the federal Office of the National Coordinator for Health
14 Information Technology.

15 (b) There shall be established a State-wide Health Information
16 Exchange to empower health care consumers in making decisions
17 relating to their health care, promote patient-centered care, improve
18 the quality, safety and value of health care, reduce waste and
19 duplication of services and support clinical decision-making.

20 (c) The State-wide Health Information Exchange shall (1) allow real-
21 time, secure access to patient health information across all health care
22 provider settings; (2) provide patients with secure electronic access to
23 their health information; (3) allow voluntary participation by patients
24 at no cost to them; (4) meet all state and federal privacy and security
25 requirements; and (5) support public health reporting and academic
26 research.

27 (d) (1) The Commissioner of Public Health shall issue a request for
28 proposals to eligible nonprofit organizations for the development,
29 management and operation of the State-wide Health Information
30 Exchange.

31 (2) An eligible nonprofit organization responding to the request for
32 proposal shall: (A) Have experience in not less than one other state in
33 operating a state-wide health information exchange as an official state-
34 designated entity that (i) enables the seamless exchange of patient
35 health information among health care providers, health plans and
36 other authorized users without regard to geographic region, source of
37 payment or technology, (ii) includes, with proper consent, behavioral
38 health and substance abuse treatment information, (iii) supports
39 transitions of care and care coordination through real-time health care
40 provider alerts and access to clinical information, (iv) allows health
41 information to follow each patient, (v) allows patients to access and
42 manage their health data, and (vi) has demonstrated success in
43 reducing costs associated with preventable readmissions, duplicative
44 testing and medical errors; (B) be committed to, and demonstrate, a
45 high level of transparency in its governance, decision-making and
46 operations; and (C) have sufficient staff and appropriate expertise and

47 experience to carry out the administrative, operational and financial
48 responsibilities of the State-wide Health Information Exchange.

49 (e) Such request shall require: (1) Broad local governance that (A)
50 includes all stakeholders, including, but not limited to, hospitals,
51 physicians, behavioral health providers, long-term care providers,
52 health insurers, employers, patients and state officials, and (B) is
53 committed to the successful development and implementation of the
54 State-wide Health Information Exchange; (2) provision of a health
55 information exchange plan that (A) builds upon existing infrastructure
56 and is coordinated with existing programs, (B) ensures the privacy and
57 security of patient information at all levels and, at a minimum,
58 complies with all applicable state and federal privacy and security
59 laws, (C) focuses on efforts to maximize utility with minimal cost and
60 burden on stakeholders, (D) promotes the highest level of
61 interoperability and utilization of national information technology
62 standards, and (E) is consistent with the statewide health information
63 technology plan developed pursuant to section 19a-25d of the general
64 statutes; and (3) provision of a business plan that includes (A) a
65 collaborative process engaging all stakeholders in the development of
66 recommended funding streams sufficient to support the annual
67 operating expenses of the State-wide Health Information Exchange,
68 and (B) the development of services and products to support the long-
69 term sustainability of the State-wide Health Information Exchange.

70 (f) (1) Not later than six months after commencement of the
71 operation of the State-wide Health Information Exchange, each health
72 care provider with a certified electronic health record system shall
73 connect to, and participate in, the State-wide Health Information
74 Exchange.

75 (2) Not later than three years after commencement of the operation
76 of the State-wide Health Information Exchange, each health care
77 provider shall maintain a certified electronic health records system and
78 connect to, and participate in, the State-wide Health Information

79 Exchange.

80 Sec. 3. (*Effective July 1, 2015*) (a) For the purposes described in
81 subsection (b) of this section, the State Bond Commission shall have
82 the power from time to time to authorize the issuance of bonds of the
83 state in one or more series and in principal amounts not exceeding in
84 the aggregate fifty million dollars, provided fifteen million dollars of
85 said authorization shall be effective July 1, 2016, ten million dollars of
86 said authorization shall be effective July 1, 2017, and ten million
87 dollars shall be effective July 1, 2018.

88 (b) The proceeds of the sale of such bonds, to the extent of the
89 amount stated in subsection (a) of this section, shall be used by the
90 Department of Public Health for the development and maintenance of
91 the State-wide Health Information Exchange, established pursuant to
92 section 2 of this act, including the purchase of software and related
93 equipment.

94 (c) All provisions of section 3-20 of the general statutes, or the
95 exercise of any right or power granted thereby, that are not
96 inconsistent with the provisions of this section are hereby adopted and
97 shall apply to all bonds authorized by the State Bond Commission
98 pursuant to this section. Temporary notes in anticipation of the money
99 to be derived from the sale of any such bonds so authorized may be
100 issued in accordance with section 3-20 of the general statutes and from
101 time to time renewed. Such bonds shall mature at such time or times
102 not exceeding twenty years from their respective dates as may be
103 provided in or pursuant to the resolution or resolutions of the State
104 Bond Commission authorizing such bonds. None of such bonds shall
105 be authorized except upon a finding by the State Bond Commission
106 that there has been filed with it a request for such authorization that is
107 signed by or on behalf of the Secretary of the Office of Policy and
108 Management and states such terms and conditions as said commission,
109 in its discretion, may require. Such bonds issued pursuant to this
110 section shall be general obligations of the state and the full faith and

111 credit of the state of Connecticut are pledged for the payment of the
112 principal of and interest on such bonds as the same become due, and
113 accordingly and as part of the contract of the state with the holders of
114 such bonds, appropriation of all amounts necessary for punctual
115 payment of such principal and interest is hereby made, and the State
116 Treasurer shall pay such principal and interest as the same become
117 due.

118 Sec. 4. (NEW) (*Effective from passage*) There is established an account
119 to be known as the "State-wide Health Information Exchange account"
120 which shall be a separate, nonlapsing account within the General
121 Fund. The account shall contain any moneys required by law to be
122 deposited in the account. Moneys in the account shall be expended by
123 the Commissioner of Public Health for the purposes of the
124 development and maintenance of the State-wide Health Information
125 Exchange, established pursuant to section 2 of this act.

126 Sec. 5. (NEW) (*Effective from passage*) (a) For the purposes of this
127 section: (1) "Certified electronic health record system" means a health
128 care provider's health records system that meets the criteria for
129 certification by the federal Office of the National Coordinator for
130 Health Information Technology, (2) "hospital" has the same meaning as
131 provided in section 19a-490 of the general statutes, and (3) "health care
132 provider" means any individual, corporation, facility or institution
133 licensed by this state to provide health care services.

134 (b) Each hospital shall, as a condition of its license, (1) maintain a
135 certified electronic health records system, and (2) enable bidirectional
136 connectivity for the secure exchange of patient health records between
137 the hospital and other licensed health care providers that maintain a
138 certified electronic health records system that is technologically
139 capable of accepting such records, including at least the following: (A)
140 Laboratory and diagnostic tests; (B) radiological and other diagnostic
141 imaging; (C) continuity of care documents; (D) discharge notifications
142 and documents; and (E) patient care referrals.

143 (c) Each hospital shall implement the use of any hardware, software
144 or other functionality or program settings existing and available within
145 its electronic health records system that would support the exchange of
146 information as described in subsection (b) of this section.

147 (d) Except as required by federal law, no hospital shall (1) require
148 any health care provider to pay for any hardware, software or other
149 internal cost associated with the hospital's implementation or
150 maintenance of the hospital's electronic health records system, or (2)
151 charge any fee to connect to, or exchange information through, the
152 hospital's electronic health records system.

153 (e) To the extent the exchange of patient health records, as described
154 in subsection (b) of this section, requires the installation of an interface
155 or the purchase of additional software, information technology,
156 services or equipment, a hospital may donate such items, to the extent
157 authorized by federal law, to a health care provider. Such health care
158 provider may make a request for such donation in writing to the
159 hospital. The hospital shall respond, in writing, to such request not
160 later than thirty days after receipt of the request and submit a copy of
161 the health care provider's request and the hospital's response to the
162 request, not later than fifteen days after the date of such response, to
163 the Commissioner of Public Health and the Commissioner of
164 Consumer Protection. Any such donation shall be eligible for a tax
165 credit equal to the actual cost to the hospital of the donated items
166 against the tax imposed pursuant to chapter 211a of the general
167 statutes.

168 (f) It shall be an unfair trade practice pursuant to section 42-110b of
169 the general statutes for any hospital to (1) fail to take all reasonable
170 actions necessary to comply with subsections (b) and (c) of this section
171 or to otherwise unreasonably fail to facilitate the timely electronic
172 exchange of patient health information, or (2) take any action in
173 violation of subsection (d) of this section.

174 (g) If the Commissioner of Consumer Protection finds that a

175 hospital has intentionally violated the provisions of this section, the
176 commissioner shall forward such findings, to the Attorney General.
177 The Attorney General may investigate such complaint to determine
178 whether any action on the part of the hospital constitutes a violation of
179 the provisions of chapter 624 of the general statutes, to the extent such
180 action constitutes a restraint of trade or an attempt to monopolize or
181 otherwise result in a lessening of competition by dividing patients
182 among health care providers, inducing patients to refuse to obtain
183 services from certain health care providers or lessening competition
184 among health care providers.

185 Sec. 6. (NEW) (*Effective July 1, 2015, and applicable to income years*
186 *commencing on or after January 1, 2015*) (a) For the income years
187 commencing January 1, 2015, and ending December 31, 2020, there
188 shall be allowed as a credit against the tax imposed by section 12-263b
189 of the general statutes for items donated by a hospital to a health care
190 provider. The amount of credit allowed shall be equal to the actual cost
191 to a hospital of items donated to a health care provider, as described in
192 subsection (e) of section 5 of this act.

193 (b) The amount of credit allowed any taxpayer under this section for
194 any income year may not exceed the amount of tax due from such
195 taxpayer under section 12-263b of the general statutes with respect to
196 such income year.

197 Sec. 7. (NEW) (*Effective from passage and applicable to taxable or income*
198 *years, as appropriate, commencing on or after January 1, 2015*) (a) There
199 shall be allowed as a credit against the tax imposed by chapter 208,
200 211a or 229 of the general statutes for health care providers
201 implementing or upgrading an electronic health records system. The
202 amount of credit allowed shall be equal to the actual cost to health care
203 providers of the implementation of a certified electronic health records
204 system or upgrade of an existing health records system to a certified
205 electronic health records system. As used in this subsection, "certified
206 electronic health records system" means a health care provider's health

207 records system that meets the criteria for certification by the federal
 208 Office of the National Coordinator for Health Information Technology.

209 (b) The amount of credit allowed any taxpayer under this section for
 210 any income or taxable year, as appropriate, may not exceed the
 211 amount of tax due from such taxpayer under chapter 208, 211a or 229
 212 of the general statutes with respect to such income or taxable year, as
 213 appropriate.

214 (c) No credit shall be allowed pursuant to this section for income or
 215 taxable years, as appropriate, commencing on and after January 1,
 216 2021.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>July 1, 2015</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>July 1, 2015, and applicable to income years commencing on or after January 1, 2015</i>	New section
Sec. 7	<i>from passage and applicable to taxable or income years, as appropriate, commencing on or after January 1, 2015</i>	New section

Statement of Purpose:

To promote the state-wide implementation of electronic health records among all health care providers and establish a State-wide Health Information Exchange.

[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.]

Co-Sponsors: SEN. LOONEY, 11th Dist.; SEN. FASANO, 34th Dist.
REP. CONROY, 105th Dist.

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