



**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 is established a State-wide Health Information Exchange  
16 to empower health care consumers in making decisions relating to  
17 their health care, promote patient-centered care, improve the quality,  
18 safety and value of health care, reduce waste and duplication of

19 services and support clinical decision-making.

20 (c) The State-wide Health Information Exchange shall: (1) Allow  
21 real-time, secure access to patient health information across all health  
22 care provider settings; (2) provide patients with secure electronic  
23 access to their health information; (3) allow voluntary participation by  
24 patients at no cost to them; (4) meet all state and federal privacy and  
25 security requirements; and (5) support public health reporting and  
26 academic 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, as provided in section 6 of this act.

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

**PH**      *Joint Favorable Subst. -LCO*

**JUD**      *Joint Favorable*