AN ACT CONCERNING PUBLIC OPTIONS FOR HEALTH CARE IN CONNECTICUT.

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

Section 1. (NEW) (Effective July 1, 2020) For the purposes of this section and sections 2 to 5, inclusive, of this act:

(1) "Account" means the ConnectHealth Trust Account established under section 4 of this act.

(2) "Advisory council" means the ConnectHealth Advisory Council established under section 3 of this act.

(3) "Affordable Care Act" means the Patient Protection and Affordable Care Act, P.L. 111-148, as amended by the Health Care and Education Reconciliation Act, P.L. 111-152, as both may be amended from time to time, and regulations adopted thereunder.

(4) "ConnectHealth Plan" means the health benefit plan designed and made available to individuals in this state as part of the program.

(5) "Essential health benefits" means benefits that are essential health
benefits within the meaning of (A) the Affordable Care Act, or (B) section 38a-492q or 38a-518q of the general statutes.

(6) "Exchange" means the Connecticut Health Insurance Exchange established under section 38a-1081 of the general statutes.

(7) "Health benefit plan" has the same meaning as provided in section 38a-1080 of the general statutes.

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

(9) "Medical loss ratio" means the ratio, expressed as a percentage, of incurred claims to earned premiums for the prior calendar year for the ConnectHealth Plan, provided, for purposes of this subdivision, claims shall be limited to medical expenses for services and supplies provided to enrollees in the ConnectHealth Plan and shall not include expenses for stop-loss coverage, reinsurance, enrollee educational programs or other cost containment programs or features.

(10) "Program" means the ConnectHealth Program established by the Comptroller pursuant to section 2 of this act.

(11) "Qualified health plan" has the same meaning as provided in section 38a-1080 of the general statutes.

(12) "Third-party administrator" has the same meaning as provided in section 38a-720 of the general statutes.

Sec. 2. (NEW) (Effective July 1, 2020) (a) The Comptroller shall, within available appropriations and in consultation with the advisory council and the Office of Health Strategy, establish a program to be known as the "ConnectHealth Program". The purpose of the program shall be to offer high-quality, low-cost health insurance coverage to enrollees in this state under a ConnectHealth Plan. Under the program, the Comptroller, in consultation with the advisory council and the Office of Health Strategy, shall:
(1) Establish enrollment criteria for the ConnectHealth Plan;

(2) Design and offer the ConnectHealth Plan, which shall, at a minimum: (A) Be made available to prospective enrollees in this state not later than January 1, 2022; (B) provide coverage for essential health benefits; (C) provide a level of covered benefits that meets or exceeds the level of covered benefits provided under qualified health plans; (D) impose premiums, deductibles and enrollee cost-sharing in amounts that do not exceed the amounts imposed under qualified health plans; (E) include an affordability scale for premiums, deductibles and enrollee cost-sharing that varies according to an enrollee's household income; and (F) have a medical loss ratio of not less than ninety per cent;

(3) Determine whether to offer the ConnectHealth Plan through the exchange as a qualified health plan;

(4) Subject to the provisions of subsection (c) of this section: (A) Establish a schedule of payments and reimbursement rates for the ConnectHealth Plan; (B) provide, within available appropriations, state-financed cost-sharing subsidies to enrollees in the ConnectHealth Plan who do not qualify for cost-sharing subsidies under the Affordable Care Act; and (C) seek a waiver from the United States Department of the Treasury or the United States Department of Health and Human Services, as applicable, pursuant to Section 1332 of the Affordable Care Act;

(5) Use any data submitted to the all-payer claims database program established under section 19a-755a of the general statutes to evaluate, on an ongoing basis, the impact of the ConnectHealth Plan on: (A) Individuals in this state; (B) health care providers and health care facilities in this state; and (C) the individual and group health insurance markets in this state; and

(6) Implement a competitive process to select, and enter into a contract with, one or more third-party administrators to administer the ConnectHealth Plan, and permit such third-party administrator or third-party administrators to directly receive individual premiums and
federal premium tax credits in accordance with all applicable provisions of the Affordable Care Act and the Internal Revenue Code.

(b) The Comptroller may, in the Comptroller's discretion and within available appropriations, engage the services of such third-party actuaries, professionals and specialists that the Comptroller deems necessary to assist the Comptroller in performing the Comptroller's duties under subsection (a) of this section.

(c) (1) Not later than March 1, 2021, the Comptroller, in consultation with the advisory council and the Office of Health Strategy, shall submit, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to insurance:

(A) A plan to make the ConnectHealth Plan available to prospective enrollees in this state not later than January 1, 2022;

(B) Strategies to ensure that health care providers and health care facilities in this state participate in the ConnectHealth Plan;

(C) An analysis of the likely impact of the ConnectHealth Plan on the individual and group health insurance markets in this state;

(D) A proposed schedule of the initial payments and reimbursement rates for the ConnectHealth Plan;

(E) A proposal to implement state-financed cost-sharing subsidies for enrollees in the ConnectHealth Plan who do not qualify for cost-sharing subsidies under the Affordable Care Act, which proposal shall include, but not be limited to, (i) eligibility criteria for enrollees to receive such subsidies, (ii) the recommended amount or amounts of such subsidies, and (iii) a plan to administer and disburse such subsidies; and

(F) A proposed application for a waiver from the United States Department of the Treasury or the United States Department of Health and Human Services, as applicable, pursuant to Section 1332 of the Affordable Care Act.
(2) If the committee does not act within sixty days after receiving a submittal under subdivision (1) of this subsection, each proposal described in subparagraphs (D) to (F), inclusive, of said subdivision shall be deemed to be denied by the committee.

Sec. 3. (NEW) (Effective July 1, 2020) (a) (1) There is established the ConnectHealth Advisory Council. The council shall consist of ten members, as follows:

(A) Two appointed by the speaker of the House of Representatives, one of whom shall represent the interests of hospitals in this state and one of whom shall represent the interests of community-based health care providers in this state;

(B) Two appointed by the president pro tempore of the Senate, one of whom shall represent the interests of consumers in this state and one of whom shall represent the interests of nurses practicing in this state;

(C) One appointed by the majority leader of the House of Representatives, who shall represent the interests of patients in this state;

(D) One appointed by the majority leader of the Senate, who shall have expertise in health policy;

(E) Two appointed by the minority leader of the House of Representatives, one of whom shall represent the interests of health insurers offering individual health insurance policies in this state and one of whom shall represent the interests of physicians practicing in this state; and

(F) Two appointed by the minority leader of the Senate, one of whom shall represent the interests of health insurers offering small group health insurance policies in this state and one of whom shall represent the interests of insurance producers licensed in this state.

(2) The members of the advisory council shall select a chairperson from the membership of the advisory council, and the advisory council
may establish rules governing the advisory council's internal procedures.

(3) The Governor, Lieutenant Governor, Comptroller, Secretary of the Office of Policy and Management, Insurance Commissioner and Commissioner of Social Services shall serve as ex-officio, nonvoting members of the advisory council.

(b) Initial appointments to the advisory council shall be made on or before October 1, 2020. If an appointing authority fails to appoint an advisory council member on or before October 1, 2020, the president pro tempore of the Senate and the speaker of the House of Representatives shall jointly appoint an advisory council member who meets the required specifications on behalf of such appointing authority and such advisory council member shall serve for the duration of the initial term for such advisory council member. The presence of not less than six advisory council members shall constitute a quorum for the transaction of business. The initial term for advisory council members appointed by the minority leader of the House of Representatives and the minority leader of the Senate shall be three years. The initial term for advisory council members appointed by the majority leader of the House of Representatives and the majority leader of the Senate shall be four years. The initial term for the advisory council members appointed by the speaker of the House of Representatives and the president pro tempore of the Senate shall be five years. Terms pursuant to this subsection shall expire on June thirtieth in accordance with the provisions of this subsection. Any vacancy shall be filled by the appointing authority for the balance of the unexpired term. Not later than thirty days prior to the expiration of a term as provided for in this subsection, the appointing authority may reappoint the current advisory council member or shall appoint a new member to the advisory council. Other than an initial term, an advisory council member shall serve for a term of five years and until a successor advisory council member is appointed. Each member of the advisory council shall be eligible for reappointment. Any member of the advisory council may be removed by the appropriate appointing authority for misfeasance, malfeasance or wilful neglect of
(c) The advisory council shall advise the Comptroller and the Office of Health Strategy on matters concerning the program and the ConnectHealth Plan, including, but not limited to:

(1) Implementation of the ConnectHealth Plan;

(2) Affordability of the ConnectHealth Plan;

(3) Marketing of the ConnectHealth Plan to prospective enrollees;

(4) Outreach to prospective enrollees and enrollees in the ConnectHealth Plan; and

(5) Periodic evaluations of the ConnectHealth Plan.

(d) The advisory council shall not be construed to be a department, institution or agency of this state. The staff of the joint standing committee of the General Assembly having cognizance of matters relating to insurance shall provide administrative support to the advisory council.

Sec. 4. (NEW) (Effective July 1, 2020) There is established an account to be known as the "ConnectHealth Trust Account", which shall be a separate, nonlapsing account within the General Fund. The account shall contain all moneys required by law to be deposited in the account. Investment earnings from any moneys in the account shall be credited to the account and shall become part of the assets of the account. Any balance remaining in the account at the end of any fiscal year shall be carried forward in the account for the fiscal year next succeeding. The moneys in the account shall be allocated to the Comptroller for the purposes of lowering the cost of the ConnectHealth Plan and providing state-financed cost-sharing subsidies to enrollees in such plan who do not qualify for cost-sharing subsidies under the Affordable Care Act.

Sec. 5. (NEW) (Effective July 1, 2020) The Comptroller may adopt regulations, in accordance with chapter 54 of the general statutes, to
implement the provisions of sections 1 to 4, inclusive, of this act.

Sec. 6. Section 3-123rrr of the 2020 supplement to the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2020):

As used in this section, section 7 of this act and sections 3-123sss to 3-123vvv, inclusive, as amended by this act, and section 3-123xxx:

(1) "Health Care Cost Containment Committee" means the committee established in accordance with the ratified agreement between the state and the State Employees Bargaining Agent Coalition pursuant to subsection (f) of section 5-278.

(2) "Health enhancement program" means the program established in accordance with the provisions of the Revised State Employees Bargaining Agent Coalition agreement, approved by the General Assembly on August 22, 2011, for state employees, as amended by stipulated agreements.

(3) "Multiemployer plan" has the same meaning as provided in Section 3 of the Employee Retirement Income Security Act of 1974, as amended from time to time;

[(2)] (4) "Nonstate public employee" means any employee or elected officer of a nonstate public employer.

[(3)] (5) "Nonstate public employer" means a municipality or other political subdivision of the state, including a board of education, quasi-public agency or public library. A municipality and a board of education may be considered separate employers.

(6) "Nonprofit employer" means a nonprofit, nonstock corporation, other than a nonstate public employer, that employs at least one employee on the first day that such employer receives coverage under a group hospitalization, medical, pharmacy and surgical insurance plan offered by the Comptroller pursuant to this part.
(7) "Small employer" means an employer, other than a nonstate public employer, that employed an average of at least one but not more than fifty employees on business days during the preceding calendar year, and employs at least one employee on the first day that such employer receives coverage under a group hospitalization, medical, pharmacy and surgical insurance plan offered by the Comptroller pursuant to this part.

[(4)] (8) "State employee plan" means the group hospitalization, medical, pharmacy and surgical insurance plan offered to state employees and retirees pursuant to section 5-259.

[(5) "Health enhancement program" means the program established in accordance with the provisions of the Revised State Employees Bargaining Agent Coalition agreement, approved by the General Assembly on August 22, 2011, for state employees, as may be amended by stipulated agreements.]

[(6)] (9) "Value-based insurance design" means health benefit designs that lower or remove financial barriers to essential, high-value clinical services.

[(7) "Health care coverage type" means the type of health care coverage offered by nonstate public employers, including, but not limited to, coverage for a nonstate public employee, nonstate public employee plus spouse and nonstate public employee plus family.]

Sec. 7. (NEW) (Effective July 1, 2020) (a) (1) Notwithstanding any provision of title 38a of the general statutes, the Comptroller shall offer to plan participants and beneficiaries in this state under a multiemployer plan, nonprofit employers and their employees and small employers and their employees coverage under the state employee plan or another group hospitalization, medical, pharmacy and surgical insurance plan developed by the Comptroller to provide coverage for plan participants and beneficiaries in this state under a multiemployer plan, nonprofit employers and their employees and small employers and their employees. Plan participants and
beneficiaries in this state under a multiemployer plan, nonprofit employers and their employees and small employers and their employees receiving coverage provided pursuant to this section shall be pooled with state employees and retirees under the state employee plan, provided the administrator of the multiemployer plan, the nonprofit employer or the small employer files an application with the Comptroller for coverage pursuant to this section and the Comptroller approves such application. The administrators of multiemployer plans, nonprofit employers or small employers shall remit to the Comptroller payments for coverage provided pursuant to this section. Such payments shall be equal to the payments paid by the state for state employees covered under the state employee plan, inclusive of any premiums paid by state employees pursuant to the state employee plan, except that premium payments may be adjusted to reflect the cost of health care in the geographic area in which the majority of a multiemployer plan's plan participants and beneficiaries, a nonprofit employer's employees or a small employer's employees work, differences from the benefits and networks provided to state employees, the demographic makeup of the multiemployer plan's plan participants and beneficiaries, nonprofit employer's employees or small employer's employees or as otherwise provided in this section. The Comptroller shall phase in the geographic adjustment established in this subsection over a two-year period for existing participants. Beginning on July 1, 2021, the Comptroller may charge each multiemployer plan, nonprofit employer and small employer participating in the state employee plan an administrative fee calculated on a per member, per month basis.

(2) Any group hospitalization, medical, pharmacy and surgical insurance plan developed by the Comptroller pursuant to subdivision (1) of this subsection shall (A) include the health enhancement program, (B) be consistent with value-based insurance design principles, and (C) be approved by the Health Care Cost Containment Committee prior to being offered to small employers and their employees.

(b) The Comptroller shall offer participation in each plan described in subsection (a) of this section for intervals lasting not less than three
The administrator of the multiemployer plan, nonprofit employer or small employer may apply for renewal of coverage prior to expiration of each interval.

(c) The Comptroller shall develop procedures by which administrators of multiemployer plans, nonprofit employers and small employers may initially apply for, renew and withdraw from coverage provided pursuant to this section, as well as rules of participation that the Comptroller, in the Comptroller's discretion, deems necessary.

(d) The Comptroller shall establish accounting procedures to track claims and premium payments paid by multiemployer plans, nonprofit employers and small employers receiving coverage provided pursuant to this section.

Sec. 8. Section 3-123vvv of the 2020 supplement to the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2020):

The Comptroller shall not offer coverage under the state employee plan pursuant to sections 3-123rrr to 3-123uuu, inclusive, as amended by this act, or section 7 of this act until the State Employees' Bargaining Agent Coalition has provided its consent to the clerks of both houses of the General Assembly to incorporate the terms of sections 3-123rrr to 3-123uuu, inclusive, as amended by this act, and section 7 of this act into its collective bargaining agreement.

Sec. 9. Section 17b-282b of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(a) Not later than July 1, 2004, and prior to the implementation of a state-wide dental plan that provides for the administration of the dental services portion of the department's medical assistance, the Commissioner of Social Services shall amend the federal waiver approved pursuant to Section 1915(b) of the Social Security Act. Such waiver amendment shall be submitted to the joint standing committees of the General Assembly having cognizance of matters relating to
human services and appropriations and the budgets of state agencies in accordance with the provisions of section 17b-8.

(b) (1) Not later than July 1, 2020, the Commissioner of Social Services shall seek to amend the federal waiver described in subsection (a) of this section to provide the state-wide dental plan, which provides for the administration of the dental services portion of the department's medical assistance, to:

(A) Enable each individual in this state who is insured under an individual health insurance policy or a group health insurance policy for a small employer, as defined in section 3-123rrr, as amended by this act, or a nonprofit employer, as defined in section 3-123rrr or who is a plan participant or beneficiary in this state under a multiemployer plan, as defined in Section 3 of the Employee Retirement Income Security Act of 1974, as amended from time to time, to receive coverage for the dental services portion of such medical assistance; and

(B) Enable the Commissioner of Social Services to prescribe premium and underwriting standards for the dental services portion of such medical assistance for individuals described in subparagraph (A) of this subdivision.

(2) Such waiver amendment shall be submitted to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies in accordance with the provisions of section 17b-8.

This act shall take effect as follows and shall amend the following sections:

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Statement of Purpose:
To: (1) Establish the ConnectHealth Program, the ConnectHealth Trust Account and the ConnectHealth Advisory Board; (2) require the Comptroller, in consultation with the ConnectHealth Advisory Board and the Office of Health Strategy, to establish the ConnectHealth Plan; (3) authorize the Comptroller to offer coverage to plan participants and beneficiaries in this state under a multiemployer plan, nonprofit employers and their employees, and small employers and their employees; and (4) require the Commissioner of Social Services to seek to amend the federal waiver for the state-wide dental plan that provides for the administration of the dental services portion of the department's medical assistance to expand coverage to include additional individuals in this state.

[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.]