



General Assembly

January Session, 2021

Raised Bill No. 6550

LCO No. 3931



Referred to Committee on PUBLIC HEALTH

Introduced by:
(PH)

**AN ACT CONCERNING THE OFFICE OF HEALTH STRATEGY'S
RECOMMENDATIONS REGARDING VARIOUS REVISIONS TO
COMMUNITY BENEFITS PROGRAMS ADMINISTERED BY
HOSPITALS.**

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

1 Section 1. Section 19a-127k of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) As used in this section:

4 (1) "Community benefits program" means any [voluntary] program
5 to promote preventive care, to reduce racial ethnic, linguistic and
6 cultural disparities in health and to improve the health status for
7 [working families and] all populations [at risk in the communities]
8 within the geographic service areas of [a managed care organization or]
9 a hospital in accordance with guidelines established pursuant to
10 subsection (c) of this section;

11 [(2) "Managed care organization" has the same meaning as provided
12 in section 38a-478;]

13 (2) "Community building" means activity that protects or improves a
14 community's health or safety and is eligible to be reported on the
15 Internal Revenue Service form 990;

16 (3) "Community health needs assessment" means a written
17 assessment, as described in 26 CFR 1.501(r)-(3) conducted by a hospital
18 that defines the community it serves, assesses the health needs of such
19 community, and solicits and takes into account persons that represent
20 the broad interests of the community;

21 [(3)] (4) "Hospital" has the same meaning as provided in section 19a-
22 490; and [.]

23 (5) "Implementation strategy" means a written plan required by 26
24 CFR 1.501(r)-(3) that addresses community health needs identified
25 through a community health needs assessment that (A) describes the
26 actions a hospital intends to take to address the health need and impact
27 of these actions, (B) identifies resources that the hospital plans to commit
28 to address such need, and (C) describes the planned collaboration
29 between the hospital and other facilities and organizations to address
30 such health need.

31 (b) On or before January 1, [2005] 2022, and [biennially] annually
32 thereafter, [each managed care organization and] each hospital shall
33 submit to the [Healthcare Advocate, or the Healthcare Advocate's]
34 Health Systems Planning Unit of the Office of Health Strategy, or to a
35 designee selected by the executive director of the Office of Health
36 Strategy, a report on [whether the managed care organization or
37 hospital has in place a] such hospital's community benefits program. [If
38 a managed care organization or hospital elects to develop a community
39 benefits program, the] The report required by this subsection shall
40 comply with the reporting requirements of subsection (d) of this section.

41 (c) [A managed care organization or] Each hospital [may] shall
42 develop community benefit guidelines intended to promote preventive
43 care, reduce racial, ethnic, linguistic and cultural disparities in health
44 and [to] improve the health status for [working families and] all

45 populations [at risk] within the geographic service areas of such
46 hospital, whether or not those individuals are [enrollees of the managed
47 care plan or] patients of the hospital. The guidelines shall focus on the
48 following principles:

49 (1) Adoption and publication of a community benefits policy
50 statement setting forth [the organization's or] such hospital's
51 commitment to a formal community benefits program;

52 (2) The responsibility for overseeing the development and
53 implementation of the community benefits program, the resources to be
54 allocated and the administrative mechanisms for the regular evaluation
55 of the program;

56 (3) Seeking assistance and meaningful participation from the
57 communities within [the organization's or] such hospital's geographic
58 service areas in developing and implementing the community benefits
59 program and a plan for meaningful community benefit and community
60 building investments, and in defining the targeted populations and the
61 specific health care needs [it] such hospital should address. In doing so,
62 the governing body or management of [the organization or] such
63 hospital shall give priority to (A) the public health needs outlined in the
64 most recent version of the state health plan prepared by the Department
65 of Public Health pursuant to section 19a-7, and (B) such hospital's
66 triennial community health needs assessment and implementation
67 strategy; and

68 (4) Developing its [program] implementation strategy based upon an
69 assessment of (A) the health care needs and resources of the targeted
70 populations, particularly a broad spectrum of age, racial and ethnic
71 groups, low and middle-income populations, and medically
72 underserved populations, and (B) barriers to accessing health care,
73 including, but not limited to, cultural, linguistic and physical barriers to
74 accessible health care, lack of information on available sources of health
75 care coverage and services, and the benefits of preventive health care.
76 [The program shall consider the health care needs of a broad spectrum

77 of age groups and health conditions] Each hospital shall solicit
78 commentary on its implementation strategy from the communities
79 within such hospital's geographic service area and consider revisions to
80 such strategy based on such commentary.

81 (d) Each [managed care organization and each] hospital [that chooses
82 to participate in developing a community benefits program] shall
83 include in the [biennial] annual report required by subsection (b) of this
84 section [the status of the program, if any, that the organization or
85 hospital established. If the managed care organization or hospital has
86 chosen to participate in a community benefits program, the report shall
87 include] the following components: (1) The community benefits policy
88 statement of [the managed care organization or] such hospital; (2) the
89 [mechanism] process by which community input and participation is
90 solicited and incorporated in the community benefits program; (3)
91 identification of community health needs that were [considered]
92 prioritized in developing [and implementing] the [community benefits
93 program] implementation strategy; (4) a narrative description of the
94 community benefits, community services, and preventive health
95 education provided or proposed, which may include measurements
96 related to the number of people served and health status outcomes; (5)
97 outcome measures [taken] used to evaluate the [results] impact of the
98 community benefits program and proposed revisions to the program;
99 (6) to the extent feasible, a community benefits budget and a good faith
100 effort to measure expenditures and administrative costs associated with
101 the community benefits program, including both cash and in-kind
102 commitments; [and] (7) a summary of the extent to which [the managed
103 care organization or] such hospital has developed and met the
104 guidelines listed in subsection (c) of this section; [. Each managed care
105 organization and each hospital] (8) for the prior taxable year, the
106 demographics of the population within the geographic service area of
107 such hospital; (9) the cost and description of each investment included
108 in the "Financial Assistance and Certain Other Community Benefits at
109 Cost", and the "Community Building Activities", sections of such
110 hospital's Internal Revenue Service form 990; (10) an explanation of how

111 each investment described in subdivision (9) of this subsection
112 addresses the needs identified in the hospital's triennial community
113 health needs assessment and implementation strategy; and (11) a
114 description of available evidence that shows how each investment
115 described in subdivision (9) of this subsection improves community
116 health outcomes. The Office of Health Strategy shall [make a copy of]
117 post the annual report [available, upon request, to any member of the
118 public] required by subsection (b) of this section on its Internet web site.

119 (e) (1) Not later than January 1, 2023, and biennially thereafter, the
120 Office of Health Strategy, or a designee selected by the executive
121 director of the Office of Health Strategy, shall establish a minimum
122 community benefit and community building spending threshold that
123 hospitals shall meet or exceed during the biennium. Such threshold shall
124 be based on objective data and criteria, including, but not limited to, the
125 following: (A) Historical and current expenditures on community
126 benefits by the hospital; (B) the community needs identified in the
127 hospital's triennial community health needs assessment; (C) the overall
128 financial position of the hospital based on audited financial statements
129 and other objective data; and (D) taxes and payments in lieu of taxes
130 paid by the hospital.

131 (2) The Office of Health Strategy shall consult with hospital
132 representatives, solicit and consider comments from the public and
133 consult with one or more individuals with expertise in health care
134 economics when establishing a community benefit and community
135 building spending threshold.

136 (3) The community benefit and community building spending
137 threshold established pursuant to this subsection shall include the
138 minimum proportion of community benefit spending that shall be
139 directed to addressing health disparities and social determinants of
140 health identified in the community health needs assessment during the
141 next biennium.

142 [(e)] (f) The [Healthcare Advocate, or the Healthcare Advocate's]

143 Office of Health Strategy, or a designee selected by the executive
144 director of the Office of Health Strategy, shall, within available
145 appropriations, develop a summary and analysis of the community
146 benefits program reports submitted by [managed care organizations
147 and] hospitals under this section and shall review such reports for
148 adherence to the guidelines set forth in subsection (c) of this section. Not
149 later than October 1, [2005] 2022, and [biennially] annually thereafter,
150 the [Healthcare Advocate, or the Healthcare Advocate's] Office of
151 Health Strategy, or a designee selected by the executive director of the
152 Office of Health Strategy, shall [make such summary and analysis
153 available to the public upon request] post such summary and analysis
154 on its Internet web site.

155 [(f)] (g) The [Healthcare Advocate] executive director of the Office of
156 Health Strategy, or the executive director's designee, may, after notice
157 and opportunity for a hearing, in accordance with chapter 54, impose a
158 civil penalty on any [managed care organization or] hospital that fails to
159 submit the report required pursuant to this section by the date specified
160 in subsection (b) of this section. Such penalty shall be not more than fifty
161 dollars a day for each day after the required submittal date that such
162 report is not submitted.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	19a-127k

Statement of Purpose:

To make various revisions to community benefits programs administered by hospitals.

[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.]