



General Assembly

February Session, 2022

**Raised Bill No. 476**

LCO No. 3854



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 Section 19a-127k of the general statutes is repealed and the  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 January 1, 2023*):

3 (a) As used in this section:

4 (1) "Community benefit partners" means federal, state and municipal  
5 government entities and private sector entities, including, but not  
6 limited to, faith-based organizations, businesses, educational and  
7 academic organizations, health care organizations, health departments,  
8 philanthropic organizations, organizations specializing in housing  
9 justice, planning and land use organizations, public safety  
10 organizations, transportation organizations and tribal organizations,  
11 that, in partnership with hospitals, play an essential role with respect to  
12 the policy, system, program and financing solutions necessary to  
13 achieve community benefit program goals;

14     [(1)] (2) "Community [benefits] benefit program" means any  
15 voluntary program or activity to promote preventive health care,  
16 protect health and safety, improve health equity and reduce health  
17 disparities, reduce the cost and economic burden of poor health and [to]  
18 improve the health status for [working families and] all populations [at  
19 risk in the communities] within the geographic service areas of a  
20 [managed care organization or a] hospital, regardless of whether a  
21 member of any such population is a patient of such hospital; [in  
22 accordance with guidelines established pursuant to subsection (c) of this  
23 section;

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

26     (3) "Community benefit program reporting" means the community  
27 health needs assessment, implementation strategy and annual report  
28 submitted by a hospital to the Office of Health Strategy pursuant to the  
29 provisions of this section;

30     (4) "Community health needs assessment" means a written  
31 assessment, as described in 26 CFR 1.501(r)-(3);

32     (5) "Health disparities" means health differences that are closely  
33 linked with social or economic disadvantages that adversely affect one  
34 or more groups of people who have experienced greater systemic social  
35 or economic obstacles to health or a safe environment based on race or  
36 ethnicity, religion, socioeconomic status, gender, age, mental health,  
37 cognitive, sensory or physical disability, sexual orientation, gender  
38 identity, geographic location or other characteristics historically linked  
39 to discrimination or exclusion;

40     (6) "Health equity" means that every person has a fair and just  
41 opportunity to be as healthy as possible, which encompasses removing  
42 obstacles to health, such as poverty, racism and the adverse  
43 consequences of poverty and racism, including, but not limited to, a lack  
44 of equitable opportunities, access to good jobs with fair pay, quality  
45 education and housing, safe environments and health care;

46 [(3)] (7) "Hospital" [has the same meaning as provided in section 19a-  
47 490.] means a nonprofit entity licensed as a hospital pursuant to chapter  
48 368v that is required to annually file Internal Revenue Service form 990.  
49 "Hospital" includes a for-profit entity licensed as an acute care general  
50 hospital;

51 (8) "Implementation strategy" means a written plan, as described in  
52 26 CFR 1.501(r)-(3), that is adopted by an authorized body of a hospital  
53 and documents how such hospital intends to address the needs  
54 identified in the community health needs assessment; and

55 (9) "Meaningful participation" means that (A) residents of a hospital's  
56 community, including, but not limited to, residents of such community  
57 that experience the greatest health disparities, have an appropriate  
58 opportunity to participate in such hospital's planning and decisions, (B)  
59 community participation influences a hospital's planning, and (C)  
60 participants receive information from a hospital about how their input  
61 was or was not used by such hospital.

62 (b) [On or before January 1, 2005, and biennially thereafter, each  
63 managed care organization and] On and after January 1, 2023, each  
64 hospital shall submit community benefit program reporting to the  
65 [Healthcare Advocate, or the Healthcare Advocate's designee, a report  
66 on whether the managed care organization or hospital has in place a  
67 community benefits program. If a managed care organization or  
68 hospital elects to develop a community benefits program, the report  
69 required by this subsection shall comply with the reporting  
70 requirements of subsection (d) of this section] Office of Health Strategy,  
71 or to a designee selected by the executive director of the Office of Health  
72 Strategy, in the form and manner described in subsections (c) to (e),  
73 inclusive, of this section.

74 [(c) A managed care organization or hospital may develop  
75 community benefit guidelines intended to promote preventive care and  
76 to improve the health status for working families and populations at  
77 risk, whether or not those individuals are enrollees of the managed care

78 plan or patients of the hospital. The guidelines shall focus on the  
79 following principles:

80 (1) Adoption and publication of a community benefits policy  
81 statement setting forth the organization's or hospital's commitment to a  
82 formal community benefits program;

83 (2) The responsibility for overseeing the development and  
84 implementation of the community benefits program, the resources to be  
85 allocated and the administrative mechanisms for the regular evaluation  
86 of the program;

87 (3) Seeking assistance and meaningful participation from the  
88 communities within the organization's or hospital's geographic service  
89 areas in developing and implementing the program and in defining the  
90 targeted populations and the specific health care needs it should  
91 address. In doing so, the governing body or management of the  
92 organization or hospital shall give priority to the public health needs  
93 outlined in the most recent version of the state health plan prepared by  
94 the Department of Public Health pursuant to section 19a-7; and

95 (4) Developing its program based upon an assessment of the health  
96 care needs and resources of the targeted populations, particularly low  
97 and middle-income, medically underserved populations and barriers to  
98 accessing health care, including, but not limited to, cultural, linguistic  
99 and physical barriers to accessible health care, lack of information on  
100 available sources of health care coverage and services, and the benefits  
101 of preventive health care. The program shall consider the health care  
102 needs of a broad spectrum of age groups and health conditions.] (c) Each  
103 hospital shall submit its community health needs assessment to the  
104 Office of Health Strategy not later than thirty days after the date on  
105 which such assessment is made available to the public pursuant to 26  
106 CFR 1.501(r)-(3)(b), provided the executive director of the Office of  
107 Health Strategy, or the executive director's designee, may grant an  
108 extension of time to a hospital for the filing of such assessment. Such  
109 submission shall contain the following:

110 (1) Consistent with the requirements set forth in 26 CFR 1.501(r)-  
111 (3)(b)(6)(i), and as included in a hospital's federal filing submitted to the  
112 Internal Revenue Service:

113 (A) A definition of the community served by the hospital and a  
114 description of how the community was determined;

115 (B) A description of the process and methods used to conduct the  
116 community health needs assessment;

117 (C) A description of how the hospital solicited and took into account  
118 input received from persons who represent the broad interests of the  
119 community it serves;

120 (D) A prioritized description of the significant health needs of the  
121 community identified through the community health needs assessment,  
122 and a description of the process and criteria used in identifying certain  
123 health needs as significant and prioritizing those significant health  
124 needs;

125 (E) A description of the resources potentially available to address the  
126 significant health needs identified through the community health needs  
127 assessment;

128 (F) An evaluation of the impact of any actions that were taken, since  
129 the hospital finished conducting its immediately preceding community  
130 health needs assessment, to address the significant health needs  
131 identified in the hospital's prior community health needs assessment;  
132 and

133 (2) Additional documentation of the following:

134 (A) The names of the individuals responsible for developing the  
135 community health needs assessment;

136 (B) The demographics of the population within the geographic  
137 service area of the hospital and, to the extent feasible, a detailed  
138 description of the health disparities, health risks, insurance status,

139 service utilization patterns and health care costs within such geographic  
140 service area;

141 (C) A description of the health status and health disparities affecting  
142 the population within the geographic service area of the hospital,  
143 including, but not limited to, the health status and health disparities  
144 affecting a representative spectrum of age, racial and ethnic groups,  
145 incomes and medically underserved populations;

146 (D) A description of the meaningful participation afforded to  
147 community benefit partners and diverse community members in  
148 assessing community health needs, priorities and target populations;

149 (E) A description of the barriers to achieving or maintaining health  
150 and to accessing health care, including, but not limited to, social,  
151 economic and environmental barriers, lack of access to or availability of  
152 sources of health care coverage and services and a lack of access to and  
153 availability of prevention and health promotion services and support;

154 (F) Recommendations regarding the role that the state and other  
155 community benefit partners could play in removing the barriers  
156 described in subparagraph (E) of this subdivision and enabling effective  
157 solutions; and

158 (G) Any additional information, data or disclosures that the hospital  
159 voluntarily chooses to include as may be relevant to its community  
160 benefit program.

161 (d) Each hospital shall submit its implementation strategy to the  
162 Office of Health Strategy not later than thirty days after the date on  
163 which such implementation strategy is adopted pursuant to 26 CFR  
164 1.501(r)-(3)(c), provided the executive director of the Office of Health  
165 Strategy, or the executive director's designee, may grant an extension to  
166 a hospital for the filing of such implementation strategy. Such  
167 submission shall contain the following:

168 (1) Consistent with the requirements set forth in 26 CFR 1.501(r)-

169 (3)(b)(6)(i), and as included in a hospital's federal filing submitted to the  
170 Internal Revenue Service:

171 (A) With respect to each significant health need identified through  
172 the community health needs assessment, either (i) a description of how  
173 the hospital plans to address the health need, or (ii) identification of the  
174 health need as one which the hospital does not intend to address;

175 (B) For significant health needs described in subparagraph (A)(i) of  
176 this subdivision, (i) a description of the actions that the hospital intends  
177 to take to address the health need and the anticipated impact of such  
178 actions, (ii) identification of the resources that the hospital plans to  
179 commit to address the health need, and (iii) a description of any planned  
180 collaboration between the hospital and other facilities or organizations  
181 to address the health need;

182 (C) For significant health needs identified in subparagraph (A)(ii) of  
183 this subdivision, an explanation of why the hospital does not intend to  
184 address such health need; and

185 (2) Additional documentation of the following:

186 (A) The names of the individuals responsible for developing the  
187 implementation strategy;

188 (B) A description of the meaningful participation afforded to  
189 community benefit partners and diverse community members;

190 (C) A description of the community health needs and health  
191 disparities that were prioritized in developing the implementation  
192 strategy with consideration given to the most recent version of the state  
193 health plan prepared by the Department of Public Health pursuant to  
194 section 19a-7;

195 (D) Reference-citing evidence, if available, that shows how the  
196 implementation strategy is intended to address the corresponding  
197 health need or reduction in health disparity;

198 (E) A description of the planned methods for the ongoing evaluation  
199 of proposed actions and corresponding process or outcome measures  
200 intended for use in assessing progress or impact;

201 (F) A description of how the hospital solicited commentary on the  
202 implementation strategy from the communities within such hospital's  
203 geographic service area and revisions to such strategy based on such  
204 commentary; and

205 (G) Any other information that the hospital voluntarily chooses to  
206 include as may be relevant to its implementation strategy, including, but  
207 not limited to, data, disclosures, expected or planned resource outlay,  
208 investments or commitments, including, but not limited to, staff,  
209 financial or in-kind commitments.

210 [(d) Each managed care organization and each hospital that chooses  
211 to participate in developing a community benefits program shall  
212 include in the biennial report required by subsection (b) of this section  
213 the status of the program, if any, that the organization or hospital  
214 established. If the managed care organization or hospital has chosen to  
215 participate in a community benefits program, the report shall include  
216 the following components: (1) The community benefits policy statement  
217 of the managed care organization or hospital; (2) the mechanism by  
218 which community participation is solicited and incorporated in the  
219 community benefits program; (3) identification of community health  
220 needs that were considered in developing and implementing the  
221 community benefits program; (4) a narrative description of the  
222 community benefits, community services, and preventive health  
223 education provided or proposed, which may include measurements  
224 related to the number of people served and health status outcomes; (5)  
225 measures taken to evaluate the results of the community benefits  
226 program and proposed revisions to the program; (6) to the extent  
227 feasible, a community benefits budget and a good faith effort to measure  
228 expenditures and administrative costs associated with the community  
229 benefits program, including both cash and in-kind commitments; and  
230 (7) a summary of the extent to which the managed care organization or



231 hospital has developed and met the guidelines listed in subsection (c) of  
232 this section. Each managed care organization and each hospital shall  
233 make a copy of the report available, upon request, to any member of the  
234 public.]

235 (e) On or before October 1, 2023, and annually thereafter, each  
236 hospital shall submit to the Office of Health Strategy a status report on  
237 such hospital's community benefit program, provided the executive  
238 director of the Office of Health Strategy, or the executive director's  
239 designee, may grant an extension to a hospital for the filing of such  
240 report. Such report shall include the following:

241 (1) A description of major updates regarding community health  
242 needs, priorities and target populations, if any;

243 (2) A description of progress made regarding the hospital's actions in  
244 support of its implementation strategy;

245 (3) A description of any major changes to the proposed  
246 implementation strategy and associated hospital actions; and

247 (4) A description of financial resources and other resources allocated  
248 or expended that supported the actions taken in support of the hospital's  
249 implementation strategy.

250 (f) Notwithstanding the provisions of section 19a-755a, and to the full  
251 extent permitted by 45 CFR 164.514(e), the Office of Health Strategy  
252 shall make data in the all-payer claims database available to hospitals  
253 for use in their community benefit programs and activities solely for the  
254 purposes of (1) preparing the hospital's community health needs  
255 assessment, (2) preparing and executing the hospital's implementation  
256 strategy, and (3) fulfilling community benefit program reporting, as  
257 described in subsections (c) to (e), inclusive, of this section. Any  
258 disclosure made by said office pursuant to this subsection of  
259 information other than health information shall be made in a manner to  
260 protect the confidentiality of such information as may be required by  
261 state or federal law.

262 (g) A hospital shall not be responsible for limitations in its ability to  
263 fulfill community benefit program reporting requirements, as described  
264 in subsections (c) to (e), inclusive, of this section, if the all-payer claims  
265 database data is not provided to such hospital, as required by subsection  
266 (f) of this section.

267 [(e) The Healthcare Advocate, or the Healthcare Advocate's designee,  
268 shall, within available appropriations,] (h) On or before April 1, 2024,  
269 and annually thereafter, the executive director of the Office of Health  
270 Strategy shall develop a summary and analysis of the community  
271 benefits program [reports] reporting submitted by [managed care  
272 organizations and] hospitals under this section [and shall review such  
273 reports for adherence to the guidelines set forth in subsection (c) of this  
274 section. Not later than October 1, 2005, and biennially thereafter, the  
275 Healthcare Advocate, or the Healthcare Advocate's designee, shall  
276 make such summary and analysis available to the public upon request.]  
277 during the previous calendar year and post such summary and analysis  
278 on its Internet web site and solicit stakeholder input through a public  
279 comment period. The Office of Health Strategy shall use such reporting  
280 and stakeholder input to:

281 (1) Identify additional stakeholders that may be engaged to address  
282 identified community health needs including, but not limited to, federal,  
283 state and municipal entities, nonhospital private sector health care  
284 providers and private sector entities that are not health care providers,  
285 including community-based organizations, insurers and charitable  
286 organizations;

287 (2) Determine how each identified stakeholder could assist in  
288 addressing identified community health needs or augmenting solutions  
289 or approaches reported in the implementation strategies;

290 (3) Determine whether to make recommendations to the Department  
291 of Public Health in the development of its state health plan; and

292 (4) Inform the state-wide health care facilities and services plan  
293 established pursuant to section 19a-634.

294 [(f) The Healthcare Advocate may, after notice and opportunity for a  
295 hearing, in accordance with chapter 54, impose a civil penalty on any  
296 managed care organization or hospital that fails to submit the report  
297 required pursuant to this section by the date specified in subsection (b)  
298 of this section. Such penalty shall be not more than fifty dollars a day  
299 for each day after the required submittal date that such report is not  
300 submitted.]

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>January 1, 2023</i>	19a-127k
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**Statement of Purpose:**

To make various revisions to community benefit 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.]*