



General Assembly

Substitute Bill No. 476

February Session, 2022



**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 Section 19a-127k of the general statutes is repealed and the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, [in accordance with
21 guidelines established pursuant to subsection (c) of this section;

22 (2) "Managed care organization" has the same meaning as provided
23 in section 38a-478;] regardless of whether a member of any such
24 population is a patient of such hospital;

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

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

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

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

45 [(3)] (7) "Hospital" [has the same meaning as provided in section 19a-
46 490.] means a nonprofit entity licensed as a hospital pursuant to chapter

47 368v that is required to annually file Internal Revenue Service form 990.
48 "Hospital" includes a for-profit entity licensed as an acute care general
49 hospital;

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

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

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

73 [(c) A managed care organization or hospital may develop
74 community benefit guidelines intended to promote preventive care and
75 to improve the health status for working families and populations at
76 risk, whether or not those individuals are enrollees of the managed care
77 plan or patients of the hospital. The guidelines shall focus on the
78 following principles:

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

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

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

94 (4) Developing its program based upon an assessment of the health
95 care needs and resources of the targeted populations, particularly low
96 and middle-income, medically underserved populations and barriers to
97 accessing health care, including, but not limited to, cultural, linguistic
98 and physical barriers to accessible health care, lack of information on
99 available sources of health care coverage and services, and the benefits
100 of preventive health care. The program shall consider the health care
101 needs of a broad spectrum of age groups and health conditions.]

102 (c) Each hospital shall submit its community health needs assessment
103 to the Office of Health Strategy not later than thirty days after the date
104 on which such assessment is made available to the public pursuant to
105 26 CFR 1.501(r)-(3)(b), provided the executive director of the Office of
106 Health Strategy, or the executive director's designee, may grant an
107 extension of time to a hospital for the filing of such assessment. Such
108 submission shall contain the following:

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

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

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

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

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

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

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

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

132 (2) Additional documentation of the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

184 (2) Additional documentation of the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

291 (4) Inform the state-wide health care facilities and services plan

292 established pursuant to section 19a-634.

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

300 (i) Each for-profit entity licensed as an acute care general hospital
301 shall submit community benefit program reporting consistent with the
302 reporting schedules of subsections (c) to (e), inclusive, of this section,
303 and reasonably similar to what would be included on such hospital's
304 federal filings to the Internal Revenue Service, where applicable.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2023	19a-127k

Statement of Legislative Commissioners:

The provisions of Subsec. (i) were redrafted for accuracy and consistency with other provisions of the bill.

PH *Joint Favorable Subst.*