



General Assembly

**Substitute Bill No. 242**

February Session, 2024



**AN ACT CONCERNING THE OFFICE OF HEALTH STRATEGY'S  
RECOMMENDATIONS REGARDING THE ALL-PAYER CLAIMS  
DATABASE.**

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

1 Section 1. Subsections (f) to (i), inclusive, of section 19a-127k of the  
2 general statutes are repealed and the following is substituted in lieu  
3 thereof (*Effective October 1, 2024*):

4 (f) [Notwithstanding the provisions of section 19a-755a, and to] To  
5 the full extent permitted by 45 CFR 164.514(e), the Office of Health  
6 Strategy shall make data in the all-payer claims database available to  
7 hospitals for use in their community benefit programs and activities  
8 solely for the purposes of (1) preparing the hospital's community health  
9 needs assessment, (2) preparing and executing the hospital's  
10 implementation strategy, and (3) fulfilling community benefit program  
11 reporting, as described in subsections (c) to (e), inclusive, of this section.  
12 Any disclosure made by said office pursuant to this subsection of  
13 information other than health information shall be made in a manner to  
14 protect the confidentiality of such information as may be required by  
15 state or federal law.

16 [(g) A hospital shall not be responsible for limitations in its ability to  
17 fulfill community benefit program reporting requirements, as described

18 in subsections (c) to (e), inclusive, of this section, if the all-payer claims  
19 database data is not provided to such hospital, as required by subsection  
20 (f) of this section.]

21 [(h)] (g) On or before April 1, 2024, and annually thereafter, the  
22 executive director of the Office of Health Strategy shall develop a  
23 summary and analysis of the community benefit program reporting  
24 submitted by hospitals under this section during the previous calendar  
25 year and post such summary and analysis on its Internet web site and  
26 solicit stakeholder input through a public comment period. The Office  
27 of Health Strategy shall use such reporting and stakeholder input to:

28 (1) Identify additional stakeholders that may be engaged to address  
29 identified community health needs including, but not limited to, federal,  
30 state and municipal entities, nonhospital private sector health care  
31 providers and private sector entities that are not health care providers,  
32 including community-based organizations, insurers and charitable  
33 organizations;

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

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

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

41 [(i)] (h) Each for-profit entity licensed as an acute care general  
42 hospital shall submit community benefit program reporting consistent  
43 with the reporting schedules of subsections (c) to (e), inclusive, of this  
44 section, and reasonably similar to what would be included on such  
45 hospital's federal filings to the Internal Revenue Service, where  
46 applicable.

47 Sec. 2. Section 19a-755a of the general statutes is repealed and the

48 following is substituted in lieu thereof (*Effective October 1, 2024*):

49 (a) As used in this section:

50 (1) "All-payer claims database" means a database that receives and  
51 stores data from a reporting entity relating to (A) medical insurance  
52 claims, dental insurance claims, pharmacy claims and other insurance  
53 claims information from enrollment and eligibility files, and (B) on and  
54 after June 30, 2026, nonclaims data of the preceding calendar year,  
55 including, but not limited to, alternative payment models, including,  
56 but not limited to, care management, shared savings, quality payments  
57 and bonuses, pharmacy rebates and other price concessions paid by  
58 pharmacy benefit management and drug manufacturers to a health  
59 insurance payer and information technology or electronic medical  
60 record investments information.

61 (2) (A) "Reporting entity" means:

62 (i) An insurer, as described in section 38a-1, licensed to do health  
63 insurance business in this state;

64 (ii) A health care center, as defined in section 38a-175;

65 (iii) An insurer or health care center that provides coverage under  
66 Part C or Part D of Title XVIII of the Social Security Act, as amended  
67 from time to time, to residents of this state;

68 (iv) A third-party administrator, as defined in section 38a-720;

69 (v) A pharmacy benefits manager, as defined in section 38a-479aaa;

70 (vi) A hospital service corporation, as defined in section 38a-199;

71 (vii) A nonprofit medical service corporation, as defined in section  
72 38a-214;

73 (viii) A fraternal benefit society, as described in section 38a-595, that  
74 transacts health insurance business in this state;

75 (ix) A dental plan organization, as defined in section 38a-577;

76 (x) A preferred provider network, as defined in section 38a-479aa;  
77 and

78 (xi) Any other person that administers health care claims and  
79 payments pursuant to a contract or agreement or is required by statute  
80 to administer such claims and payments.

81 (B) "Reporting entity" does not include an employee welfare benefit  
82 plan, as defined in the federal Employee Retirement Income Security  
83 Act of 1974, as amended from time to time, that is also a trust established  
84 pursuant to collective bargaining subject to the federal Labor  
85 Management Relations Act.

86 (3) "Medicaid data" means the Medicaid provider registry, health  
87 claims data and Medicaid recipient data maintained by the Department  
88 of Social Services.

89 (4) "CHIP data" means the provider registry, health claims data and  
90 recipient data maintained by the Department of Social Services to  
91 administer the Children's Health Insurance Program.

92 (b) (1) There is established an all-payer claims database program. The  
93 Office of Health Strategy shall: (A) Oversee the planning,  
94 implementation and administration of the all-payer claims database  
95 program for the purpose of collecting, assessing and reporting health  
96 care information relating to safety, quality, cost-effectiveness, access and  
97 efficiency for all levels of health care; (B) ensure that data received is  
98 securely collected, compiled and stored in accordance with state and  
99 federal law; (C) conduct audits of data submitted by reporting entities  
100 in order to verify its accuracy; and (D) in consultation with the Health  
101 Information Technology Advisory Council established under section  
102 17b-59f, as amended by this act, maintain written procedures for the  
103 administration of such all-payer claims database. Any such written  
104 procedures shall include (i) reporting requirements for reporting  
105 entities, including, after receiving recommendations from the All-Payer

106 Claims Database Advisory Group pursuant to section 17b-59f, as  
107 amended by this act, reporting requirements relating to nonclaims data  
108 to be reported by reporting entities not later than June 30, 2026, and  
109 annually thereafter, and (ii) requirements for providing notice to a  
110 reporting entity regarding any alleged failure on the part of such  
111 reporting entity to comply with such reporting requirements.

112 (2) The executive director of the Office of Health Strategy shall seek  
113 funding from the federal government, other public sources and other  
114 private sources to cover costs associated with the planning,  
115 implementation and administration of the all-payer claims database  
116 program.

117 (3) (A) Upon the adoption of reporting requirements as set forth in  
118 subdivision (1) of this subsection, a reporting entity shall report health  
119 care information for inclusion in the all-payer claims database in a form  
120 and manner prescribed by the executive director of the Office of Health  
121 Strategy. The executive director may, after notice and hearing, impose a  
122 civil penalty on any reporting entity that fails to report health care  
123 information as prescribed. Such civil penalty shall not exceed one  
124 thousand dollars per day for each day of violation and shall not be  
125 imposed as a cost for the purpose of rate determination or  
126 reimbursement by a third-party payer.

127 (B) The executive director of the Office of Health Strategy may  
128 provide the name of any reporting entity on which such penalty has  
129 been imposed to the Insurance Commissioner. After consultation with  
130 said executive director, the commissioner may request the Attorney  
131 General to bring an action in the superior court for the judicial district  
132 of Hartford to recover any penalty imposed pursuant to subparagraph  
133 (A) of this subdivision.

134 (4) The Commissioner of Social Services shall submit Medicaid and  
135 CHIP data to the executive director of the Office of Health Strategy for  
136 inclusion in the all-payer claims database only for purposes related to  
137 administration of the State Medicaid and CHIP Plans, in accordance

138 with 42 CFR 431.301 to 42 CFR 431.306, inclusive.

139 (5) The executive director of the Office of Health Strategy shall: (A)  
140 Utilize data in the all-payer claims database to provide health care  
141 consumers in the state with information concerning the cost and quality  
142 of health care services for the purpose of allowing such consumers to  
143 make economically sound and medically appropriate health care  
144 decisions; and (B) make data in the all-payer claims database available  
145 to any state agency, insurer, employer, health care provider, consumer  
146 of health care services or researcher for the purpose of allowing such  
147 person or entity to review such data as it relates to health care  
148 utilization, costs or quality of health care services. If health information,  
149 as defined in 45 CFR 160.103, as amended from time to time, is permitted  
150 to be disclosed under the Health Insurance Portability and  
151 Accountability Act of 1996, P.L. 104-191, as amended from time to time,  
152 or regulations adopted thereunder, any disclosure thereof made  
153 pursuant to this subdivision shall have identifiers removed, as set forth  
154 in 45 CFR 164.514, as amended from time to time. Any disclosure made  
155 pursuant to this subdivision of information other than health  
156 information shall be made in a manner to protect the confidentiality of  
157 such other information as required by state and federal law. The  
158 executive director of the Office of Health Strategy may set a fee to be  
159 charged to each person or entity requesting access to data stored in the  
160 all-payer claims database.

161 (6) The executive director of the Office of Health Strategy may (A) in  
162 consultation with the All-Payer Claims Database Advisory Group set  
163 forth in section 17b-59f, as amended by this act, enter into a contract with  
164 a person or entity to plan, implement or administer the all-payer claims  
165 database program, (B) enter into a contract or take any action that is  
166 necessary to obtain data that is the same data required to be submitted  
167 by reporting entities under Medicare Part A or Part B, (C) enter into a  
168 contract for the collection, management or analysis of data received  
169 from reporting entities, and (D) in accordance with subdivision (4) of  
170 this subsection, enter into a contract or take any action that is necessary  
171 to obtain Medicaid and CHIP data. Any such contract for the collection,

172 management or analysis of such data shall expressly prohibit the  
173 disclosure of such data for purposes other than the purposes described  
174 in this subsection.

175 (c) Unless otherwise specified, nothing in this section and no action  
176 taken by the executive director of the Office of Health Strategy pursuant  
177 to this section or section 19a-755b shall be construed to preempt,  
178 supersede or affect the authority of the Insurance Commissioner to  
179 regulate the business of insurance in the state.

180 Sec. 3. Subsection (e) of section 17b-59f of the general statutes is  
181 repealed and the following is substituted in lieu thereof (*Effective October*  
182 *1, 2024*):

183 (e) (1) The council shall establish a working group to be known as the  
184 All-Payer Claims Database Advisory Group. Said group shall include,  
185 but need not be limited to, (A) the Secretary of the Office of Policy and  
186 Management, the Comptroller, the Commissioners of Public Health,  
187 Social Services and Mental Health and Addiction Services, the Insurance  
188 Commissioner, the Healthcare Advocate and the Chief Information  
189 Officer, or their designees; (B) a representative of the Connecticut State  
190 Medical Society; and (C) representatives of health insurance companies,  
191 health insurance purchasers, hospitals, consumer advocates and health  
192 care providers. The health information technology officer may appoint  
193 additional members to said group.

194 (2) The All-Payer Claims Database Advisory Group shall develop a  
195 plan to implement a state-wide multipayer data initiative to enhance the  
196 state's use of health care data from multiple sources to increase  
197 efficiency, enhance outcomes and improve the understanding of health  
198 care expenditures in the public and private sectors.

199 (3) The All-Payer Claims Database Advisory Group shall develop  
200 recommendations for reporting requirements relating to the reporting  
201 of nonclaims data to the executive director of the Office of Health  
202 Strategy for inclusion in the all-payer claims database pursuant to the  
203 provisions of section 19a-755a, as amended by this act. On or before

204 February 1, 2025, the All-Payer Claims Database Advisory Group shall  
205 submit such recommendations to the executive director of the Office of  
206 Health Strategy.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2024</i>	19a-127k(f) to (i)
Sec. 2	<i>October 1, 2024</i>	19a-755a
Sec. 3	<i>October 1, 2024</i>	17b-59f(e)

**PH**      *Joint Favorable Subst.*