OLR Bill Analysis

sHB 6978 (as amended by House "A")

AN ACT CONCERNING THE DEPARTMENT OF PUBLIC HEALTH'S RECOMMENDATIONS REGARDING VARIOUS REVISIONS TO THE PUBLIC HEALTH STATUTES.

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Allows retired physicians to renew or reinstate their licenses, for a reduced fee compared to standard physician licensure; requires DPH to adopt regulations on related matters, such as setting appropriate restrictions on retired physicians' scope of practice; under certain conditions, exempts physicians from having to maintain malpractice insurance when providing volunteer behavioral health services at a nonprofit clinic

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SUMMARY

This bill makes various changes in Department of Public Health (DPH)-related statutes and programs, as described in the section-by-section analysis below.

*House Amendment "A" allows the Rare Disease Advisory Council to enter into agreements as needed to distribute or use funds from grants, gifts, or similar sources. It also adds provisions on (1) emergency department diversion notices, (2) retired or volunteer physicians, (3) chief medical officers and chief nursing officers, (4) bulk water haulers, (5) sewage systems, and (6) public water systems.

EFFECTIVE DATE: Various, see below.

§ 1 — RARE DISEASE ADVISORY COUNCIL

Allows the Rare Disease Advisory Council to (1) apply for and accept grants and other funds from various sources to carry out its responsibilities and (2) enter into contracts or agreements as needed to distribute or use these funds

The bill allows the Rare Disease Advisory Council to apply for and accept grants, gifts, bequests (i.e. distributions through a will),

sponsorships, and in-kind donations of funds from various sources to carry out its responsibilities. These sources include federal and interstate agencies, private firms, individuals, and foundations. The bill also allows the council, under any established procedures, to enter into contracts or agreements as may be needed to distribute or use money, services, or property in line with any required conditions of a grant, gift, bequests, sponsorship, or donation.

By law, the council must advise and make recommendations to DPH and other state agencies on the needs of residents living with rare diseases and their caregivers. The council is within DPH for administrative purposes only.

EFFECTIVE DATE: Upon passage

§§ 2-4 — MATERNAL MORTALITY REVIEW PROGRAM AND REVIEW COMMITTEES

Allows DPH to use information it obtains for the Maternal Mortality Review Program, and findings of the Maternal Mortality Review Committee, to improve the accuracy of vital statistics data

Under existing law, all information DPH obtains for the Maternal Mortality Review Program, including personal information from medical records, must be kept confidential and used solely for specified purposes (e.g., medical or scientific research). The same is true for findings of DPH's Maternal Mortality Review Committee.

The bill allows DPH to use information it obtains for the Maternal Mortality Review Program, and findings of the Maternal Mortality Review Committee, to improve the accuracy of vital statistics data. In practice, this allows DPH to share this information and findings with its Vital Records Office's Surveillance Analysis and Reporting Unit, which tracks data on causes of death.

By law, DPH's Maternal Mortality Review Program identifies maternal deaths in Connecticut and reviews related medical records and other relevant data. The department's Maternal Mortality Review Committee conducts comprehensive, multidisciplinary reviews of maternal deaths to identify associated factors and make

recommendations to reduce these deaths.

EFFECTIVE DATE: July 1, 2025

§ 5 — INSPECTIONS AND LICENSE RENEWALS

Allows DPH to renew licenses for additional types of facilities without performing an inspection if the facility is federally certified under Medicare or Medicaid (which requires its own inspection)

Current law allows DPH to waive the required inspection for a hospital or home health care or home health aide agency applying for license renewal if the entity has been federally certified under Medicare or Medicaid within the prior year. (The federal recertification process requires an inspection, which in practice is done by DPH.) The bill instead requires these entities to be federally certified when they apply for license renewal in order to receive the waiver.

The bill also generally expands this provision by allowing DPH to waive the required inspection for other DPH-licensed institutions (such as hospice facilities and outpatient surgical facilities), except for nursing homes, that are federally certified when they apply for license renewal.

By law, most DPH-licensed health care institutions must renew their licenses every two years.

EFFECTIVE DATE: October 1, 2025

§ 6 — DPH DISBURSEMENT OF FUNDS

Specifically allows DPH to enter into contracts or agreements as needed to distribute or use funds received from gifts, grants, or contracts

The bill specifically allows the DPH commissioner, under any established procedures, to enter into contracts or agreements as may be needed to distribute or use money, services, or property in line with any required conditions of a gift, grant, or contract.

EFFECTIVE DATE: Upon passage

§ 7 — BOARD OF EXAMINERS FOR NURSING

Allows the Board of Examiners for Nursing to hold contested case hearings before hearing officers as well as board members

The bill specifically allows the state Board of Examiners for Nursing to hold contested case hearings before hearing officers, not just board members.

By law, the board has jurisdiction to hear charges that a nurse failed to conform to the profession's accepted standards. The board may take disciplinary action against a nurse after a hearing under the Uniform Administrative Procedure Act (UAPA) and DPH regulations.

EFFECTIVE DATE: Upon passage

§ 8 — DISCIPLINARY ACTION AGAINST HEALTH CARE INSTITUTIONS

Expands the grounds upon which DPH may take disciplinary action against health care institutions to include substantial failure to comply with the public health statutes generally

Under existing law, the DPH commissioner, after a hearing held under the UAPA, may impose a range of disciplinary actions against a licensed health care institution that substantially fails to comply with statutory requirements in the health care institutions chapter, the Public Health Code, or licensing regulations. The bill additionally allows the commissioner to take these actions if an institution substantially fails to comply with applicable requirements throughout the public health statutes generally (Title 19a of the Connecticut General Statutes). Title 19a includes requirements for health care institutions, or a subset of them, on various topics, such as reporting on opioid overdoses (by hospitals) or transferring an electronic copy of medical records within certain timeframes after a patient's request (by most institutions).

As under existing law, these disciplinary actions may include, among other things, (1) revoking or suspending a license; (2) placing a licensee on probationary status; (3) imposing a correction plan; or (4) assessing a civil penalty of up to $25,000.

EFFECTIVE DATE: Upon passage

§ 9 — TECHNICAL CHANGE

Corrects an inaccurate statutory reference

The bill makes a technical change by correcting an inaccurate

statutory reference.

EFFECTIVE DATE: Upon passage

§ 10 — EMERGENCY DEPARTMENT DIVERSION

Requires hospitals to notify DPH within two hours after they declare emergency department diversions

The bill requires a hospital, no later than two hours after declaring an emergency department diversion, to notify DPH and do so in a manner the commissioner sets. Under the bill, an "emergency department diversion" occurs when hospitals reroute incoming ambulances to other hospitals because they lack medical capability.

EFFECTIVE DATE: October 1, 2025

Background — Related Bill

HB 6976 (File 93), favorably reported by the Public Health Committee, requires (1) hospitals to notify DPH before declaring an emergency department diversion and (2) DPH to set requirements for hospitals when they declare these diversions.

§§ 11-14 — RETIRED OR VOLUNTEER PHYSICIANS

Allows retired physicians to renew or reinstate their licenses, for a reduced fee compared to standard physician licensure; requires DPH to adopt regulations on related matters, such as setting appropriate restrictions on retired physicians' scope of practice; under certain conditions, exempts physicians from having to maintain malpractice insurance when providing volunteer behavioral health services at a nonprofit clinic

Starting January 1, 2026, the bill allows retired physicians to renew their licenses, at a reduced fee of 10% of the class I professional services fee or $95, whichever is greater. (The class I fee is $565; the annual renewal fee for physician licenses is $575.) DPH must indicate on the license that the physician is retired. The bill requires the DPH commissioner to adopt regulations (1) defining "retired from the profession" for this purpose; (2) establishing procedures for retired physicians to return to active employment; and (3) setting appropriate restrictions on retired physicians' scope of practice, including restricting the license to providing unpaid volunteer services.

The bill also allows retired physicians whose licenses have become

void due to nonrenewal to apply for reinstatement, for the same reduced fee as described above. (The existing reinstatement fee is $565.) It requires the DPH commissioner to adopt regulations on similar matters as noted above.

Lastly, the bill exempts physicians from having to maintain malpractice insurance when providing volunteer behavioral health services at a nonprofit clinic that provides free services and maintains its own insurance in specified amounts.

EFFECTIVE DATE: October 1, 2025

Regulations on Reinstated Physician Licenses (§ 13)

Under the bill, DPH's regulations on license reinstatement for retired physicians must (1) define "retired from the profession" for physicians and (2) include eligibility requirements consistent with existing law and application procedures. Existing law allows DPH to deny applications for license reinstatement on various grounds, such as that the applicant failed to comply with laws and regulations governing the profession.

The bill also allows the commissioner to impose any conditions or restrictions upon a reinstated physician's scope of practice, including conditions or restrictions relating to volunteer services.

Malpractice Insurance Exemption (§ 14)

Existing law generally requires physicians who provide direct patient care to carry medical malpractice insurance of at least $500,000 per person, per occurrence with an aggregate of at least $1.5 million. But the law provides an exemption, under certain conditions, for volunteer physicians providing primary care services at a free clinic. The bill extends this exemption to volunteer physicians providing behavioral health care services at these clinics.

For the exemption to apply, the physician must be providing these services, for no compensation, at a DPH-licensed, tax-exempt clinic that (1) does not charge for its services; (2) maintains the $500,000/$1.5 million malpractice coverage required by law for each 40 hours (or fractional amount) of service these physicians provide; (3) carries

additional malpractice coverage in these amounts on behalf of itself and its employees; and (4) maintains total malpractice coverage of at least $1 million per occurrence and $3 million in total. A physician covered by the exemption must still maintain legally required malpractice coverage when providing services in any other situation.

Under existing law, a physician who permanently retires from practice having maintained the malpractice coverage required by law and then solely provides free services at a tax-exempt clinic does not lose the right to unlimited additional extended reporting period coverage (that is, coverage for claims made after the policy's expiration, sometimes referred to as "tail coverage").

Background — Related Bill

sHB 6979 (File 116), §§ 1-4, favorably reported by the Public Health and Finance, Revenue and Bonding committees, has similar provisions on retired or volunteer physicians.

§ 15 — CHIEF MEDICAL AND NURSING OFFICERS

Requires hospitals' chief medical officers and chief nursing officers to be licensed in their respective professions in Connecticut

Starting October 1, 2025, the bill requires chief medical officers and chief nursing officers employed by hospitals to be licensed in Connecticut under the medical or nursing practice acts, respectively.

EFFECTIVE DATE: Upon passage

§ 16 — BULK WATER HAULERS

Makes a clarifying change regarding bulk water haulers' license renewals

The bill makes a missing conforming change to clarify that bulk water haulers renew their licenses every two years in the anniversary month of their initial license.

EFFECTIVE DATE: Upon passage

Background — Related Bill

sHB 6977 (File 313), § 1, favorably reported by the Public Health Committee, has an identical provision on bulk water haulers.

§§ 17 & 18 — ON-SITE SEWAGE TREATMENT SYSTEMS

Expands DPH's authority to regulate alternative on-site sewage treatment systems and requires DPH to amend regulations accordingly; authorizes the commissioner to implement policies and procedures while in the process of adopting regulations on alternative on-site and subsurface sewage systems

The bill expands DPH's authority over alternative on-site sewage treatment systems to include those with a daily capacity of up to 10,000 gallons, instead of up to 5,000 gallons as under current law. It requires the department to amend its regulations to establish and define discharge categories for these systems and set minimum requirements for them.

The bill also authorizes the commissioner to (1) implement policies and procedures while in the process of adopting regulations for alternative on-site and subsurface sewage systems under its jurisdiction (i.e. certain small community sewerage systems and household and small commercial subsurface sewage disposal systems) and (2) issue and update technical standards on the alternative systems (it requires her to do this for subsurface sewage systems).

EFFECTIVE DATE: July 1, 2025

Regulatory Authority

PA 23-207 transferred regulatory authority from the Department of Energy and Environmental Protection to DPH over small community sewerage systems and household and small commercial subsurface sewage disposal systems with daily capacities of up to 10,000 gallons.

The bill further expands DPH's authority to include alternative on-site sewage treatment systems with a daily capacity of up to 10,000 gallons, instead of up to 5,000 gallons as under current law. It requires the department to amend its existing regulations to establish and define discharge categories for these systems and establish minimum requirements for them, including procedures for issuing a permit or approval for a system by the commissioner, a local health director, or licensed sanitarian. It also eliminates the requirement that the commissioner do so within available appropriations.

By law, an alternative on-site sewage treatment system is a sewage treatment system that uses a treatment method other than a subsurface sewage disposal system and involves a discharge to groundwater.

Policies and Procedures

The bill allows the DPH commissioner to implement policies and procedures for alternative on-site sewage treatment systems, small community sewage systems, and household and small commercial subsurface sewage disposal systems while in the process of adopting them as regulations. She must publish notice of her intent to adopt regulations on the e-Regulations System within 20 days after implementing the policies and procedures, which are valid until the adoption of final regulations.

Technical Standards

The bill requires the DPH commissioner to issue and update technical standards for designing, installing, engineering, and operating on-site sewage disposal systems under the department's jurisdiction. (These technical standards are not considered state regulations.)

It allows, but does not require, the commissioner to do this for alternative on-site sewage disposal systems.

Background — Related Bill

sHB 6977 (File 313), §§ 2 & 3, favorably reported by the Public Health Committee, has identical provisions on these sewage treatment systems.

§ 19 — NEW PUBLIC WATER SYSTEMS

Updates the statutory process for reviewing and approving new public water systems to reflect current practice, generally requiring DPH to adopt regulations with requirements for (1) an application and approval process; (2) location restrictions and construction; (3) water quality testing, monitoring, and treatment; and (4) related inspections and investigations

The bill updates DPH's review and approval process for new public water systems to reflect current practice. As under existing law, it prohibits building, expanding, or using a public water system that provides drinking water without DPH's approval. And it continues to require DPH to approve and issue permits for these systems within

available appropriations.

The bill applies this approval process to public water systems or their lessees, or individuals, partnerships, associations, corporations, municipalities, or other entities. (Currently, the process specifically applies to systems owned or used by water companies.) A "public water system" is a private, municipal, or regional utility supplying water to 15 or more service connections or 25 or more people.

As under current law, no prior review or approval is needed for distribution water main installations if they are constructed according to sound engineering standards and all applicable laws and regulations. The bill also does not apply to private or semiprivate wells.

EFFECTIVE DATE: Upon passage

Public Water System Plan

As under current law, applicants must submit to DPH a proposed public water system plan before the department may approve the system's construction, expansion, or use.

At a minimum, the plan must include the (1) location of the system and any disposal system or other pollution on the property where the system is located, (2) proposed sanitary radius in state regulations, (3) system's potential effects on nearby water supply sources, and (4) documentation showing the applicant's ownership or control of the system and proposed sanitary radius.

Additional Document

Under the bill, if DPH determines through an investigation or inspection, or by submitted documentation that the applicant does not own or control the proposed sanitary radius of the well, the department must require the applicant to submit additional documentation that adequately shows the alternative methods the applicant will use to ensure the water supply source will be adequate and pure in the long-term.

Plan Review and Approval

When reviewing a public water system plan or application, the bill allows DPH to conduct an investigation and inspection to determine the applicant's compliance with the bill's and existing law's requirements and related regulations.

The bill requires an approved water system to be used, constructed, or expanded according to the approval DPH issued unless the department gives prior written approval for any changes.

Regulations

Existing law allows DPH to adopt regulations to implement the review and approval of new public water systems. The bill requires the regulations to include the following:

1. procedures and requirements for approving a system's construction, expansion, or use;

2. requirements for submitting applications, including their content and procedures;

3. DPH inspections before and after an application is submitted or approved;

4. water quality testing, monitoring, and treatment methods to ensure adequate and pure drinking water;

5. requirements for constructing the systems;

6. location restrictions for the systems and minimum setback requirements for disposal sources or other pollution sources; and

7. any other necessary requirements to ensure the adequacy and purity of the water system's drinking water.

Background — Related Bill

sHB 6977 (File 313), § 4, favorably reported by the Public Health Committee, has similar provisions on DPH's process to review and approve public water systems.

COMMITTEE ACTION

Public Health Committee

Joint Favorable
Yea 24 Nay 8 (03/05/2025)