OLR Bill Analysis HB 7227

AN ACT CONCERNING ELIGIBILITY FOR STATE CONTRACTING AND FEES CHARGED FOR HEALTH RECORDS.

SUMMARY

This bill generally limits how much a party who wants to enter into a state contract can charge a patient or the patient's attorney for copies of the patient's medical records. It caps these fees at the lesser of (1) the fees allowed under federal regulations or (2) \$250, plus first-class postage and certain reasonable costs, if applicable.

Under the bill, a party that does not comply with the bill's fee limits is ineligible to enter into a contract worth more than \$1,000 per year with a state agency. The bill correspondingly prohibits state agencies from executing such a contract on or after October 1, 2025, unless the principal or key personnel of the person, firm, or corporation bidding on or proposing the contract represents that they meet the bill's fee requirements.

EFFECTIVE DATE: October 1, 2025, with the provision requiring a representation on state contracts applicable to contracts entered into on or after that date.

LIMITS ON HEALTH RECORD FEES

For licensed health care providers or other parties in possession or control of a patient's health records, and who want to enter into a state contract, the bill caps the fees that may charge patients or their attorneys at the lesser of (1) the fees allowed under certain federal regulations or (2) \$250, plus first-class postage, if applicable, and reasonable costs for copies of imaging and certain other materials (i.e. tissue slides or blocks). The federal regulations generally allow a fee that includes only the cost of labor for copying the information requested and, as applicable, costs of supplies for creating the paper copy or electronic media, postage, and preparing an explanation or summary of the protected health information.

Under the bill, a "state contract" is an agreement or a combination or series of agreements between a state agency and a person, firm, or corporation, worth more than \$1,000 in a calendar or fiscal year, for (1) a project for the construction, alteration, or repair of a public building or public work; (2) services, such as consulting and professional services; (3) procuring supplies, materials, or equipment; (4) a lease; or (5) a licensing arrangement.

The bill makes any provider or party that chooses not to comply with its fee limits ineligible to enter into a state contract. The bill also specifies that it does not relieve a patient, or a patient's attorney or authorized representative, from a responsibility to pay reasonable charges for copies of health records.

BAN ON STATE CONTRACTS

The bill correspondingly prohibits state agencies from executing a state contract on or after October 1, 2025, unless it has representation from any principal or key personnel of the contracting entity (i.e. the person, firm, or corporation submitting a bid or proposal for the contract), that they and the contracting entity's agent are in compliance with the bill's fee requirements.

Under the bill, a "state agency" is any office, department, board, council, commission, institution, or other agency in the executive, legislative, or judicial branch.

The bill requires each state agency to include a notice about the bill's representation requirements in its bid specifications or requests for proposals for a state contract. Any bidder or proposer that does not agree to the representations must be rejected and the state agency must award the contract to the next highest ranked proposer or next lowest qualified bidder, or seek new bids or proposals.

Lastly, the bill requires the commissioners of public health and administrative services to enter into a memorandum of understanding on sharing information to enable the administrative services commissioner to verify a representation made under the bill's requirement.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Yea 13 Nay 6 (03/26/2025)