

Legislative History for Connecticut Act

PA 14-197

SB208

House	6959-6962	4
Senate	968-971, 989-990	6
General Law	431-432, 433, 435, 436, <u>437-439</u>	8
		18

Those absent and not voting 6

DEPUTY SPEAKER GODFREY:

The bill, as amended, is passed.

Representative Aresimowicz.

REP. ARESIMOWICZ (30th):

Thank you very much, Mr. Speaker.

Mr. Speaker, I move that we immediately transmit to the Senate any items waiting further action.

DEPUTY SPEAKER GODFREY:

Without objection, so ordered.

Representative Aresimowicz, I understand we have another Consent Calendar.

REP. ARESIMOWICZ (30th):

Thank you very much, Mr. Speaker.

We are. We are about to list off the bills that will be included in our second Consent Calendar for the evening, sir.

DEPUTY SPEAKER GODFREY:

Proceed, sir.

REP. ARESIMOWICZ (30th):

Thank you very much, Mr. Speaker.

I move -- I'd to add the following to the Consent Calendar. Calendar 426, Calendar 308, Calendar 438, Calendar 488 --

SB 281

SB 19

SB 182

SB 330

DEPUTY SPEAKER GODFREY:

Whoa, whoa, whoa.

REP. ARESIMOWICZ (30th):

I apologize, Mr. Speaker. The first number was
427.

DEPUTY SPEAKER GODFREY:

So 427, thank you, sir. Proceed.

REP. ARESIMOWICZ (30th):

Calendar 476, as amended by Senate "A"; Calendar
445, Calendar 514, Calendar 505, as amended by Senate
"A"; Calendar 455, Calendar 456, as amended by Senate
"A"; Calendar 322, Calendar 536, as amended by Senate
"A" and Senate "B"; Calendar 430, Calendar 520, as
amended by Senate "A" and Senate "B"; Calendar 538, as
amended by Senate "A"; Calendar 424, as amended by
Senate "A"; Calendar 439, as amended by Senate "A";
Calendar 482, as amended by Senate "A"; Calendar 325,
as amended by Senate "A."

Calendar 526, as amended by Senate "A"; Calendar
509, as amended by Senate "A"; Calendar 532, Calendar
502, as amended by Senate "A"; Calendar 421, as
amended by Senate "A"; Calendar 431, as amended by
Senate "A"; and Calendar 539, as amended by Senate
"A."

- SB 194
- SB 402
- SB 324
- SB 45
- SB 221
- SB 257
- SB 201
- SB 389
- SB 418
- SB 438
- SB 427
- SB 260
- SB 208
- SB 424
- SB 241
- SB 14
- SB 106
- SB 322
- SB 410
- SB 217
- SB 477
- SB 429

DEPUTY SPEAKER GODFREY:

Is there objection to any of these items being placed on the Consent Calendar? If not, Representative Aresimowicz, would you like to move passage of the Consent Calendar?

REP. ARESIMOWICZ (30th):

Mr. Speaker, I want to remove Calendar 539.

SB429

DEPUTY SPEAKER GODFREY:

Please remove Calendar 539, Mr. Clerk.

REP. ARESIMOWICZ (30th):

Mr. Speaker, I move passage of the bills on the second Consent Calendar of the day.

DEPUTY SPEAKER GODFREY:

The question is on passage of the items on Consent Calendar Number 2.

Staff and guests please come to the well of the House. Members take your seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll.

The House of Representatives is voting by roll on the second Consent Calendar of the day, House Consent 2. Please report to the Chamber immediately.

DEPUTY SPEAKER GODFREY:

Have all the members voted? Have all the members
voted?

If all the members have voted, the machine will
be locked.

The Clerk will take a tally.

And the Clerk will announce the tally.

THE CLERK:

Consent Calendar Number 2.

Total Number Voting 147

Necessary for Passage 74

Those voting Yea 147

Those voting Nay 0

Those absent and not voting 4

DEPUTY SPEAKER GODFREY:

The items on the Consent Calendar are passed.

(Speaker Sharkey in the Chair.)

SPEAKER SHARKEY:

The House will please come back to order.

Will the Clerk please call Emergency Certified
Bill 5597.

THE CLERK:

S - 671

**CONNECTICUT
GENERAL ASSEMBLY
SENATE**

**PROCEEDINGS
2014**

**VOL. 57
PART 3
703 – 1013**

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SENATE

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April 22, 2014

Mr. Clerk. Sorry, wait a minute. There was an objection? No, there's no objection, just waving. Okay. Hi. It's good to see you also, Senator.

Mr. Clerk.

THE CLERK:

Also on page 37, Calendar 157, Senate Bill Number 208, AN ACT CONCERNING PHARMACY REWARDS PROGRAMS AND PROTECTED HEALTH INFORMATION, favorable report of the Committee on General Law. There are amendments.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Hello, Madam President. I move acceptance of the Joint Committee's favorable report and passage of the bill.

THE CHAIR:

The motion is on acceptance and passage. Will you remark, sir?

SENATOR DOYLE:

Yes, Madam President. The Clerk has an amendment, LCO Number 3393. May the Clerk please call and I be allowed to summarize.

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO Number 3393, Senate "A" offered by Senator Doyle.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

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Yes, Madam President. I first move adoption of the amendment.

THE CHAIR:

The motion is on adoption. Will you remark, sir?

SENATOR DOYLE:

Yes, thank you, Madam President.

This amendment is a strike all amendment -- strike everything amendment I should say which, of course, supersedes the file copy. It perfects the file copy. What the purpose of the amendment and the underlying bill deals with is many of us are aware, I'm a participant, probably many others of the Chamber and our consumers -- our constituents are members of the -- the chain pharmacies have reward programs. And what they are basically is you sign up with them through their kind of -- they call them reward programs and they give you points towards discounts towards future purchases, future gifts, future coupons, and the like. I'm sure many are aware of it.

A concern was raised in the General Law Committee concerning when you sign up for them, some of our constituents may be unaware that they're waving their HIPAA rights when they're doing so. And, of course, in this day and age we're all aware of what HIPAA is, but HIPAA is the federal statute concerning the privacy of one's medical records. So the purpose of this amendment, which will be become the bill if it's passed, basically requires the marketers or the participants or the people that offer these reward programs to provide plain language a summary of their program which really gives information to our consumers detailing that basically what they're doing with their HIPAA rights. If they're asking you to waive it, you have to be made aware of it in boldface type.

It's key is it's really just -- it's not prohibiting the programs, but it's making the consumers aware of what -- if they opt in and become a participant, what they can be giving up. In other words, are they

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giving up their -- their HIPAA rights in the sense that some of their medical records could be forwarded on to other business entities, they can use it to market -- market the consumer applicant. So I think it's a fair bill, it's a good piece of legislation that will provide information and knowledge to the consumer and urge the circle to approve this amendment.

Thank you, Madam President.

THE CHAIR:

Thank you. Will you remark?

Senator Witkos.

SENATOR WITKOS:

Thank you, Madam President.

I rise in support of the amendment also and I would urge all those that maybe watching on CTN to contact your local pharmacy, if you have one, and ask them if you have a rewards card program that you do not want unless you wish to waive your HIPAA rights. I couldn't imagine when this bill was before us in the General Law Committee that there was such a thing that when you signed up for a rewards program at your pharmacy that you actually somewhere in the small print you said go ahead and you can market my prescription medications that I'm getting from you to people that may want to use it for whatever purposes, to sell me more things or for advertisement, et cetera.

And the possibility is that they have your telephone number, they have your email address. Some people say how do I get on these spam email addresses, well this is one way that that happens. And so I think this bill will go -- goes the distance to advocate for more disclosure for consumers while they are just really picking up their medication and making sure -- to better themselves, that they're aware that, hey, this particular pharmacy and your particular rewards program sells my information. And, you know, make sure that you right on there that unless you want to,

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you don't want that to happen to you. So I wholeheartedly support the amended bill.

Thank you, Madam President.

THE CHAIR:

Thank you. Will you remark? Will you remark?

If not, I'll try your minds on the amendment Senate "A". All those in favor, please say aye.

SENATORS: Aye.

THE CHAIR:

Opposed?

Senate "A" passes.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Thank you, Madam President.

I move this bill to the Consent Calendar.

THE CHAIR:

Seeing no objection, so ordered, sir.

Mr. Clerk.

THE CLERK:

Also on page 37, Calendar 158, Substitute for Senate Bill Number 209, AN ACT PROHIBITING UNSOLICITED COMMERCIAL TEXT MESSAGES AND INCREASING PENALTIES FOR VIOLATIONS OF THE DO NOT CALL REGISTRY, favorable report of the Committee on General Law. There are amendments.

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Excuse me, Madam President.

THE CHAIR:

Senator Looney.

SENATOR LOONEY:

Yes, thank you, Madam President.

I apologize for the interruption. Before moving to that bill, if the Clerk would call the items on the Consent Calendar so that we might move to a vote on the first Consent Calendar.

THE CHAIR:

Absolutely.

Mr. Clerk, will you please call the Consent Calendar.

THE CLERK:

On today's first Consent Calendar, page 4, Calendar 413, House Joint Resolution Number 73, page 6, Calendar 142, Senate Bill Number 324, on page 7, Calendar 176, Senate Bill 267, on page 10, Calendar 228, Senate Bill Number 299, and on page 21, Calendar 375, Senate Bill 323, page 23, Calendar 389, Senate Bill 52, on page 36, Calendar 139, Senate Bill 252, page 37, Calendar 154, Senate Bill 83, page 37 again, Calendar 157, Senate Bill 208, and also on page 37, Calendar 158, Senate Bill 209.

THE CHAIR:

Mr. Clerk, did you miss page 36, Calendar 139?

THE CLERK:

No, I got it.

THE CHAIR:

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You got it. Thank you very much, sorry. At this time, Mr. Clerk, will you call for a roll call vote on the first Consent Calendar, the machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate. Immediate roll call on Consent Calendar Number One has been ordered in the Senate.

THE CHAIR:

If all members have voted, if all members have voted, the machine will be closed. Mr. Clerk, will you please call the tally.

THE CLERK:

On today's first Consent Calendar.

Total Number Voting	35
Necessary for Adoption	18
Those voting Yea	35
Those voting Nay	0
Those absent and not voting	1

THE CHAIR:

The Consent Calendar passes.

Mr. Clerk, I think we go back to the roll call vote -- I mean the vote on --

THE CLERK:

Calendar page 14, Calendar 311, Substitute for Senate Bill Number 332, AN ACT AMENDING THE CHARTER OF THE METROPOLITAN DISTRICT IN HARTFORD COUNTY, favorable report of the Committee on Planning and Development.

THE CHAIR:

Senator Osten, let's try this again.

SENATOR OSTEN:

**JOINT
STANDING
COMMITTEE
HEARINGS**

**GENERAL
LAW
PART 1
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**2014
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Real Possibilities

Testimony of AARP CT
 In Support of Senate Bills #207, #208 and #209
 February 25, 2014
 General Law Committee

AARP CT supports Senate Bills 207, 208 and 209 and recommends additions and considerations to strengthen consumer protections in each bill.

S.B. No. 207 (RAISED) AN ACT REQUIRING HOME IMPROVEMENT CONTRACTORS AND SALESMEN TO OBTAIN AND DISPLAY IDENTIFICATION BADGES. AARP recommends the following additions to be included for all types of door to door sales people, including third party energy suppliers:

- All companies must issue an identification badge to employees or agents that interact with consumers in door to door sales or public events. The badge must:
 - Accurately identify the company, its trade name and logo.
 - Display the agent's photograph
 - Display the agent's full name
 - Be prominently displayed.
 - Display a customer-service phone number for the company.

S.B. No. 208 (RAISED) AN ACT CONCERNING PHARMACY REWARDS PROGRAMS AND PROTECTED HEALTH INFORMATION. AARP recommends the following taken into consideration when developing the final language for S.B. 208.

AARP opposes the use or disclosure of an individual's health information without prior consent except for: public health reporting, as required by law—A court order must be required of law enforcement agencies seeking access to personal health information; ensuring the financial integrity of publicly funded health programs (provided that personal identifiers have been removed whenever possible); research and quality assessment and improvement (provided that personal identifiers have been removed whenever possible); and health care interventions, including disease management programs and chronic care coordination.

AARP supports policies that prohibit the use of patients' clinical information for marketing purposes without the individuals' express written consent or opt-in authorization; require the types of communication constituting "marketing" to be clearly delineated—Criteria to define this term include whether information is directly related to ongoing treatment regimens, whether it concerns new products, and whether a covered entity is receiving

any remuneration for giving information to consumers; and ensure the right of consumers to have their names removed from marketing lists.

S.B. No. 209 (RAISED) AN ACT PROHIBITING UNSOLICITED COMMERCIAL TEXT MESSAGES AND INCREASING PENALTIES FOR VIOLATIONS OF THE DO NOT CALL REGISTRY. AARP recommends the following taken into consideration when developing the final language for S.B. 208:

Civil and criminal penalties should be imposed for violations of telemarketing laws, including prison terms for those who knowingly and willfully deceive consumers. These penalties should be assessed based on the degree of fraud committed, regardless of the actual dollar amount lost.

Appropriate investigation and enforcement tools should be available to regulators, including one-party consent for electronic monitoring, to combat telemarketing fraud.

Consumers who place their name on a federal or state do-not-call registry should be protected from wireless phone charges triggered by telemarketing calls including for text messages.

Telemarketers should be prohibited from blocking caller ID.

ConnPIRG

Standing Up
To Powerful Interests

Testimony of Abraham Scarr, Director
Connecticut Public Interest Research Group (ConnPIRG)

In support of

Proposed Senate Bill No. 207 :

An Act Requiring Home Improvement Contractors and Salesmen to Obtain and Display Identification Badges,
and No. 208:

An Act Concerning Pharmacy Rewards Programs and Protected Health Information,
and No. 209:

An Act Prohibiting Unsolicited Commercial Text Messages and Increasing Penalties for Violations of the Do Not Call Registry.

Chairperson Doyle, Chairperson Baram and Members of the Committee: My name is Abe Scarr and I am the Director of the Connecticut Public Interest Research Group (ConnPIRG). Thank you for the opportunity to submit written testimony today in support of Proposed Senate Bills No. 207, 208, and 209.

ConnPIRG is a non-profit, non-partisan consumer group. Our consumer program works to alert the public to hidden dangers and scams and to ban anti-consumer practices and unsafe products.

207: An Act Requiring Home Improvement Contractors and Salesmen to Obtain and Display Identification Badges

Home improvement contractors and salesmen are already required to obtain a certificate of registration with the Commissioner of Consumer Protection. This bill would require contractors and salesman to obtain and display a photo-identification badge when performing or attempting to sell home improvement services. The commissioner may charge a reasonable fee no greater than \$30 to issue a badge.

Unfortunately, some unscrupulous contractors take advantage of consumers. This simple reform will help good actors in the industry by doing more to root out scams and fraud. The fee is a reasonable expense for this protection.

208: An Act Concerning Pharmacy Rewards Programs and Protected Health Information

Data is currency in today's marketplace and, as we have recently witnessed, vast amounts of consumer data is at risk when companies do not take necessary steps to protect the consumer data they aggregate. Unfortunately, many consumers unwittingly sign away more access to their personal information than they realize in exchange for promotions and rewards programs.

Medical and Health information is particularly important to protect. This bill would increase consumer protections when signing up for pharmacy rewards programs by requiring that pharmacies give consumers plain language explanations of the terms and conditions of the program. If participating in the program requires HIPPA Authorization, the pharmacy must disclose that the consumer's personal

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State of Connecticut
SENATOR DONALD E. WILLIAMS, JR.
Twenty-ninth District
President Pro Tempore

Testimony before the General Law Committee
Donald E. Williams, Jr.

February 25, 2014

- | | |
|---|---|
| In Support of <u>Senate Bill 207</u> | <i>AA Requiring Home Improvement Contractors and Salesmen to Obtain and Display Identification Badges</i> |
| In Support of <u>Senate Bill 208</u> | <i>AAC Pharmacy Rewards Programs and Protected Health Information</i> |
| In Support of <u>Senate Bill 209</u> | <i>AA Prohibiting Unsolicited Commercial Text Messages and Increasing Penalties for Violations of the Do Not Call Registry</i> |
| In Support of <u>House Bill 5259</u> | <i>AAC The Use of Debit Cards for Gasoline Purchases</i> |

Senator Doyle, Representative Baram, distinguished members of the General Law Committee, I appear before you today in support of SB 207, SB 208, SB 209 and HB 5259.

Senate Bill 207, AA Requiring Home Improvement Contractors and Salesmen to Obtain and Display Identification Badges will protect consumers as well as home improvement contractors who play by the rules and register properly with the state Department of Consumer Protection. ID badges will ensure that, if anything should go wrong on a project, the contractor can be tracked down using the state registration number issued by DCP. Some people unlawfully provide services in the state without proper registration, as required by law. This puts those contractors who play by the rules at a disadvantage.

This problem was highlighted in the wake of recent severe weather events, when some contractors engaged in deceptive practices in order to provide home improvement services to overwhelmed homeowners. Sometimes, "storm chaser" or "fly-by-night" contractors from out of state offer their services at high prices without having proper state registration and with no way for a consumer to verify their credentials. Because these workers travel the country looking for work after natural disasters, they move on quickly and are nearly impossible to track down if a project is incomplete or has a problem.



This bill, similar to a law passed in New Jersey, would require a DCP-issued identification badge to be worn at all times while on the job or while soliciting services. The badge will have a picture, the name of the business, the DCP registration number, and the DCP eLicensing website address where credentials can be verified.

Senate Bill 208, AAC Pharmacy Rewards Programs and Protected Health Information will help protect consumers' health privacy. Several large pharmacies now offer prescription drug discount programs which can be attractive to consumers such as seniors facing high prescription drug costs. Most consumers don't realize that when they sign up for these programs they are often unknowingly signing away their privacy rights to their entire medical record, allowing the pharmacy access to a customer's health history and the right to sell a customer's personal health information for marketing and other purposes.

This proposal would ensure that if a customer chooses to participate in these discount programs, they understand what they are signing away when they do so. It will require pharmacies to clearly define in layman's terms - on webpages and other promotional materials - the privacy rights a consumer is giving away by enrolling in the program. It will also require larger typeface and greater prominence of these terms on pharmacy websites and other promotional materials prior to the check-off box for final enrollment in the program.

Senate Bill 209, AA Prohibiting Unsolicited Commercial Text Messages and Increasing Penalties for Violations of the Do Not Call Registry will reduce unwanted, unsolicited phone intrusions which are on the rise. Many consumers are targets of phone scams and there is currently little incentive for businesses to comply with the law. Our proposals tighten up loopholes in the current law and increase penalties for violators. This bill will raise the stakes of non-compliance by markedly increasing penalties. It will prohibit text messaging in the state's Do Not Call law, and it will also increase consumers' awareness of how and where to make complaints of violations by displaying complaint procedures on phone bills.

House Bill 5259, AAC The Use of Debit Cards for Gasoline Purchases will increase transparency for consumers at the gas pump. Many gas retailers offer a discounted price for payment with cash versus credit cards. Retailers that do offer a cash discount often do not make it clear to consumers whether the use of a debit card is treated by the retailer as a cash or credit purchase. Some consumers may assume that when they are using their debit cards, that they are using cash, and are therefore getting the discounted cash price for the gasoline. In fact, many gas stations treat debit cards as credit cards, under the theory that debit card transactions result in fees, albeit lower than credit card fees. When this practice is not made clear to consumers before they initiate the purchase, some consumers are unknowingly being charged a higher price per gallon.

This bill would place in statute a requirement that the policy regarding debit cards be clearly posted on the gas pump of stations that offer cash discounts. The bill would not dictate what policy the station has to adopt, just that consumers be informed so they can make their own decisions.

CONNECTICUT ASSOCIATION OF COMMUNITY PHARMACIES, INC.

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TESTIMONY OF CARRIE RAND-ANASTASIADES
SB 208 AN ACT CONCERNING PHARMACY REWARDS PROGRAMS AND
PROTECTED HEALTH INFORMATION

Good Morning Senator Doyle and Representative Baram My name is Carrie Rand-Anastasiades and I am the Executive Director of the Connecticut Association of Community Pharmacies. We represent chain pharmacies around the State such as Walgreens, Rite-Aid, Stop & Shop, and PriceChopper to name a few. I am here today to testify on SB 208 An Act Concerning Pharmacy Rewards Programs and Protected Health Information.

Most chain stores do have rewards programs that offer benefits to individual consumers Some are tied to the prescriptions they fill and others are rewards for dollars spent on other consumables in the store. We feel that the majority of this bill is already covered under HIPAA and unnecessary We currently have to provide disclosures about about what HIPAA is as well as the specific uses or disclosures that the authorization allows. We are required under HIPAA to notify if personal health information will be disclosed to a 3rd party and which 3rd parties have access to that information. In addition there are currently instructions on how to revoke authorization and it is required that we supply the consumer a copy of the authorized form.

In reading the bill carefully, section (b) seems to state that once a HIPAA authorization is signed, personal health information may not always be protected by federal and state privacy laws. It is our understanding even though a HIPAA authorization is signed, personal health information is **always** protected by federal privacy laws.

If pharmacies are not complying with HIPAA, we feel that they should be dealt with individually There are currently mechanisms to administer and enforce the law as it is currently on the books.

Pharmacies try their best to help patients and explain the programs they are about to enter into. Although we are not opposed to giving a plain language description of the program going forward, we do have some concerns regarding the penalties that could ensue if this step is somehow forgotten. We would like to work with the committee to construct a bill that would be beneficial for all parties involved. Thank you for your consideration.

BIG Y FOODS, INC • GENOA HEALTHCARE • PRICE CHOPPER • RITE AID
THE STOP & SHOP SUPERMARKET COMPANY •
WAL-MART • WALGREEN COMPANY •
NATIONAL ASSOCIATION OF CHAIN DRUG STORES



Office of the
Healthcare
Advocate
STATE OF CONNECTICUT

**Testimony of Victoria Veltri
State Healthcare Advocate
Before the General Law Committee
In Support of SB 208
February 25, 2014**

Good afternoon, Representative Baram, Senator Doyle, Senator Witkos, Representative Carter, and members of the General Law Committee. For the record, I am Vicki Veltri, State Healthcare Advocate with the Office Healthcare Advocate ("OHA") OHA is an independent state agency with a three-fold mission: assuring managed care consumers have access to medically necessary healthcare; educating consumers about their rights and responsibilities under health insurance plans; and, informing you of problems consumers are facing in accessing care and proposing solutions to those problems.

Senate Bill 208 represents an important measure in the preservation of consumer privacy. As the cost of healthcare is increasingly shifted to the consumer, the potential savings inherent in many of the pharmacy rewards programs will become ever more attractive to consumers.

It is important that consumers receive complete and detailed notice of their HIPAA rights and the intended or potential uses of their personal health information. The concept of informed consent requires that consumers have the opportunity to fully understand what they are agreeing to in return for the benefits of the pharmacy reward program SB 208's requirement that retailers provide enrollees with this notice is central to the continued protection of consumer privacy

The concept of adequate notice could be enhanced further by requiring retailers to include what

information is being provided and to whom, as well as how the retailer may utilize the information in conjunction with pharmaceutical or research companies. The notice should also be in plain language that and contain an introductory section that clearly summarizes the consumer's rights, potential uses of the information and consequences of enrolling in the rewards program.

Thank you for providing me the opportunity to deliver OHA's testimony today. If you have any questions concerning my testimony, please feel free to contact me at victoria.veltri@ct.gov