

Joint Committee on Health Care Financing 2025-2026 (194th) Bill Summary

<u>Bill Number:</u>	House, No. 1404
<u>Title:</u>	AN ACT TO IMPROVE PATIENT CARE THROUGH INTEGRATED ELECTRONIC HEALTH RECORDS
<u>Sponsor:</u>	Representative Daniel J. Ryan (Charlestown)
<u>Hearing Date:</u>	June 18, 2025
<u>Reporting Deadline:</u>	August 17, 2025
<u>Prior History:</u>	2023-24 (H1238): Ordered to a House Study
<u>Similar Matters:</u>	N/A

Current Law:

M.G.L. Chapter 4, § 7 cl. 26th defines “public record” as all materials, regardless of physical form or characteristics, made or received by any officer or employee of any agency, executive office, department, board, commission, bureau, division, or authority of the Commonwealth.

M.G.L. Chapter 35RR § 10 establishes the Health Information Technology Trust Fund for costs associated with the development, maintenance and administration of the Health Insurance Exchange/Integrated Eligibility System, incentive payments to eligible MassHealth health care providers for the adoption, implementation, upgrade or meaningful use of certified electronic health record technology.

M.G.L. Ch. 66 §10 governs the inspection and copies of public records, requests, written responses, extension of time, and fees relative to the freedom of information statute.

Chapter 93H of the General Laws provides regulations and procedures on safeguarding the personal information of MA residents.

Chapter 118I of the General Laws creates the Mass HIway, which requires certain healthcare organizations to connect to and use the HIway Direct Messaging System or another DirectTrust-accredited HISP to send Direct Messages.

Chapter 268A of the General Laws governs the conduct of public officials and state, municipal and county employees.

M.G.L. Chapter 268 § 4 governs prohibitions and exceptions for state employees and public officials from receiving gifts or other compensation in relation to their employment or official duties.

Public Law 104–191 is the federal Health Insurance Portability and Accountability Act of 1996 which requires the creation of national standards to protect sensitive patient health information from being disclosed without the patient's consent or knowledge.

Public Law 111-5 is the American Recovery and Reinvestment Act of 2009 which included measures to modernize the nation's energy and communication infrastructure.

Title 42 of the Code of Federal Regulations is a federal regulation that requires substance abuse disorder treatment providers to observe privacy and confidentiality restrictions with respect to patient records.

45 C.F.R. §§ 160 & 164 provide the first comprehensive Federal protection for the privacy of health information.

45 C.F.R. § 162 governs operating rules for health care claim status transactions; enrollment and disenrollment in a health plan transaction; and standards for enrollment and disenrollment in a health plan transaction.

Summary:

The proposed bill strikes the existing Chapter 118I of the General Laws and replaces it with a new chapter that establishes a statewide health information exchange (HIE) network. This new framework is designed to ensure the secure transmission of personal health records among health care entities and aligns with national standards for health data interoperability.

SECTION 1 adds several new definitions to Chapter 118I, including “Council,” “Electronic health record,” “Executive office,” “Health care entity,” “Health care provider,” “Health information exchange,” “Office of the National Coordinator” (ONC), “Payer,” “Provider organization,” and “Statewide health information exchange.”

SECTION 2 establishes the Health Information Technology Council (HITC) within the Executive Office of Health and Human Services (EOHHS). This council will consist of 21 members who will advise the executive office on the design, implementation, operation, and use of the statewide HIE. Appointed members will serve two-year terms without compensation and may be reappointed.

SECTION 3 directs EOHHS to develop, operate, support, or fund the statewide health information exchange among health care entities. This includes promoting interoperability and mandating the exchange of standardized health data. EOHHS is granted authority to carry out any activities necessary to fulfill its responsibilities under this chapter, including issuing regulations and adopting policies consistent with those of the federal ONC.

SECTION 4 gives all patients the right to secure electronic access to their personal health records.

SECTION 5 requires all health care entities in Massachusetts to participate in the statewide HIE and to implement fully interoperable electronic records systems necessary for participation. The executive office must issue regulations ensuring these systems comply with all applicable state and federal privacy laws, including HIPAA, the American Recovery and Reinvestment Act, and relevant sections of the Code of Federal Regulations.

SECTION 6 authorizes EOHHS to establish penalties for noncompliance by health care entities, with the option to waive penalties for good cause. Penalty funds will be deposited into the Health Information Technology Trust Fund.

SECTION 7 mandates that health care entities must comply with state disclosure and notice laws under Chapter 93H in cases of unauthorized access to individually identifiable patient health information.

SECTION 8 provides patients with the option to opt out of having their health data shared through HIE systems owned, operated, or contracted by the Commonwealth.

SECTION 9 instructs EOHHS to actively pursue and maximize all opportunities to qualify for federal financial participation in support of HIE initiatives.

SECTION 10 grants EOHHS the authority to collect participant fees from health care entities that use the HIE, with the funds directed to the Health Information Technology Trust Fund.

SECTION 11 requires the HITC to submit an annual report to the legislature by April 1 each year, detailing its activities and progress in implementing the statewide HIE, and offering recommendations for further legislative action.

SECTION 12 directs EOHHS to issue regulations assessing fair and reasonable fines or penalties for unauthorized access to or disclosure of identifiable patient health information.

SECTION 13 exempts cybersecurity-related documentation, including security audit reports submitted to EOHHS, from public disclosure under the Commonwealth’s public records laws.

Summary Prepared by the House Staff of the Joint Committee on Health Care Financing