



General Assembly

January Session, 2001

Raised Bill No. 7015

LCO No. 4988

Referred to Committee on Judiciary

Introduced by:
(JUD)

**AN ACT CONCERNING A PILOT PROGRAM TO IMPROVE THE
PURCHASE OF HUMAN SERVICES FROM NONPROFIT
BUSINESSES.**

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

1 Section 1. (NEW) (a) The Office of Policy and Management shall
2 establish a five-year pilot program to determine the effectiveness of a
3 new approach to the purchase of human services by state agencies
4 from nonprofit private providers.

5 (b) The Secretary of the Office of Policy and Management shall
6 select not less than ten per cent of existing private nonprofit providers
7 of human services that contract the Department of Correction to
8 participate in such pilot program. In selecting such providers, the
9 secretary shall consider the following criteria: (1) The financial stability
10 of the provider; (2) the length of time the provider has contracted with
11 the state; (3) the likelihood that the provider's contracts will be
12 renewed; and (4) the quality of services rendered by the provider as
13 measured by objective standards. In order to participate in such pilot
14 program, a provider is required to agree to participate in writing.

15 (c) The pilot program shall include the following elements: (1) The
16 duration of each contract shall be for a five-year period unless
17 otherwise cancelled by the state for cause in accordance with existing
18 applicable contract provisions; (2) the preparation by the applicable
19 state agency of a thorough description of the services to be purchased,
20 the outcomes to be achieved and the methods used to measure the
21 outcomes; (3) the determination by the provider of the actual cost of
22 providing such services; (4) the agreement by the state to pay such
23 costs, without any deductions, offsets or any form of cost settlement;
24 (5) the monitoring of the delivery of the services in accordance with
25 existing applicable contract provision; (6) the notification of the
26 provider by the applicable state agency of any deficiencies in the
27 delivery of services under the contract together with an opportunity to
28 correct such deficiencies; and (7) an annual increase in the total cost of
29 such contracts by a percentage that exceeds the greater of the
30 percentage increase in personal income or the percentage increase in
31 inflation, as defined in section 2-33a of the general statutes.

32 (d) With the exception of the elements enumerated in subsection (c)
33 of this section, all other provisions of existing contracts between the
34 state and private nonprofit providers of human services shall remain
35 in full force and effect during the duration of the pilot program
36 established by this section.

37 Sec. 2. (NEW) (a) The Secretary of the Office of Policy and
38 Management shall designate a purchase of service manager to operate
39 and oversee the pilot program established pursuant to section 1 of this
40 act.

41 (b) The Secretary of the Office of Policy and Management shall
42 annually, for the duration of the pilot program, report to the joint
43 standing committee of the General Assembly having cognizance of
44 matters relating to government administration, on the progress and
45 effectiveness of the pilot program.

46 Sec. 3. This act shall take effect from its passage.

Statement of Purpose:

To provide that the Office of Policy and Management shall establish a five-year pilot program to determine the effectiveness of a new approach to the purchase of human services by state agencies from nonprofit private providers.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]