



PA 19-127—sSB 945
Human Services Committee

**AN ACT CONCERNING THE INNOVATION INCENTIVE PROGRAM
FOR NONPROFIT PROVIDERS OF HUMAN SERVICES**

SUMMARY: This act requires the Office of Policy and Management (OPM) secretary to establish a pilot program to provide incentives to qualifying nonprofit human service providers that realize savings in the state-contracted services they deliver. Under the act, the pilot program must (1) allow participating providers to keep a portion of any savings they realize from the contracted service cost as long as they meet their contractual requirements and (2) prohibit future state contracts for the same type of service from being reduced solely on savings achieved under the pilot. Prior law authorized the OPM secretary to establish a program with similar features, but one had not been implemented.

Under prior law, eligible providers must (1) have state contracts of \$1 million or less and (2) provide direct services to up to 150 people enrolled in state-funded assistance programs in specific geographic regions of the state. The act removes these criteria and instead limits eligibility to eight nonprofit human service providers with state contracts in the following amounts (two from each tier): (1) \$50 million or more, (2) at least \$20 million but less than \$50 million, (3) at least \$5 million but less than \$20 million, and (4) less than \$5 million.

EFFECTIVE DATE: July 1, 2019