

## OFFICE OF FISCAL ANALYSIS

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sHB-5001

AN ACT CONCERNING CHILDREN'S MENTAL HEALTH.

As Amended by House "A" (LCO 5592)

House Calendar No.: 261

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### ***OFA Fiscal Note***

***State Impact:*** See Below

***Municipal Impact:*** See Below

### ***Explanation***

**Section 6** requires the Department of Public Health (DPH), within available appropriations, to establish a need-based program to waive application costs and licensure fees for certain mental or behavioral health care providers who provide mental and behavioral health services to children. It allows the department to accept private donations for the program. It is not known how many people would be eligible for this need-based program. It is estimated that over 30,000 licenses (application and license transactions) were issued to professionals who serve the mental or behavioral health needs of children in 2021. Depending on the number of program participants, the waiving of application and license fees could result in a significant revenue loss to DPH. In addition, DPH would need a Fiscal Administrative Officer at a cost of approximately \$78,000 to manage this new program.

**Section 8** is estimated to cost the Department of Children and Families (DCF) \$75,000 to expand the existing Mobile Crisis data repository to include an interactive component to allow Mobile Crisis providers access to performance dashboards, utilizations, and statistical trends. This reflects the annual cost to cover training and on-going

system maintenance.

**Section 9** establishes a pilot program in Waterbury that allows a federally qualified health center to administer intensive outpatient services for adolescents with mental or behavioral health issues. This program is to be administered by DCF, in consultation with the Department of Social Services (DSS). The pilot program must serve no less than 144 adolescents per year for at least five years. DCF would incur significant costs to financially support the establishment and/or on-going operation of this pilot program.

**Section 10** expands DCF's regional mental and behavioral health consultation and care coordination program by requiring it to provide 1) specified services to the primary care providers' pediatric patients and 2) patient care coordination and transitional services for mental health care to the primary care providers. Under specific conditions the program must provide up to three follow-up telehealth or in-person appointments with a mental health or behavioral health care provider. Costs can range from \$900,000 to \$1.4 million annually depending on the number of youths and families obtaining mental or behavioral health care services.

**Section 11** requires the Office of the Healthcare Advocate (OHA) to designate an OHA employee to perform certain functions and has no fiscal impact.

**Sections 13 and 14** create two new grant programs for FY 23 - FY 25 to be administered by the State Department of Education (SDE): (1) grants to local and regional boards of education for the purpose of hiring additional school mental health specialists and (2) grants to local and regional boards of education along with operators of youth camps and other summer programs for the delivery of mental health services to students.

This will result in an additional cost to the state as SDE does not have funding available to award these grants. The scope of the cost would be dependent upon the number of grant awards and the amount per

award. The costs are anticipated to be significant and exceed \$1 million annually.

Additionally, SDE would require one full-time and one part-time grant manager to administer the programs, resulting in annual personnel costs of \$140,000 in FY 23, with corresponding annual fringe benefit costs of approximately \$56,742. SDE would also require information technology (IT) upgrades to collect and report on data associated with each grant program. It is anticipated that these costs would be up to \$100,000 in FY 23 but would be one-time in nature. The ongoing annual maintenance costs associated with the grant programs would be minimal.

The grant, personnel, and IT maintenance costs associated with the grant programs would be incurred annually, as long as the program continues to function. The amendment requires SDE to make a determination regarding whether to continue the programs beyond FY 25.

Any grant received by a local or regional board of education results in a revenue gain in FY 23 through FY 25. The amount of the revenue gain will be equal to the grant received by each local and regional board of education. To the extent that a grant is used to pay for additional mental health staff or services, costs will increase by the amount of the grant.

**Section 15** creates a new grant program to be administered by the Office of Higher Education (OHE) to provide grants in FY 23 - FY 25 to public and independent institutions of higher education, for the delivery of mental health services to students on campus.

This will result in an additional cost to the state as OHE does not have funding available to award these grants. The scope of the cost would be dependent upon the number of grant awards and the amount per award. The costs are anticipated to be significant and exceed \$1 million annually.

Additionally, OHE would require one full-time grant manager to administer the program, resulting in an annual personnel cost of \$90,000 in FY 23, with corresponding annual fringe benefit costs of approximately \$36,477. OHE would also require IT upgrades to collect and report on data associated with the grant program. It is anticipated that these costs would be up to \$75,000 in FY 23 but would be one-time in nature. The ongoing annual maintenance costs associated with the grant program would be minimal.

The costs associated with the grant program would be incurred annually, as long as the program continues to function. The amendment requires OHE to make a determination regarding whether to continue the program beyond FY 25.

The amendment also results in a revenue gain in FY 23 through FY 25 to either or both of the Board of Regents and the University of Connecticut, as the grant program is required to include public institutions of higher education. The amount of the revenue gain will be equal to the grant received by each institution. To the extent that a grant is used to pay for additional mental health services, costs will increase by the amount of the grant.

**Sections 16 - 21 and 35** allow local and regional boards of education to offer various trauma training to staff and to participate in a peer-to-peer mental health program. It is assumed that local and regional boards of education would participate only if they had the staff and resources necessary to do so, as these provisions are not mandated. The amendment also makes various procedural changes that do not result in a fiscal impact.

**Sections 22 - 24 and 26** make various changes to the Department of Emergency Services and Public Protection (DESPP) emergency telecommunications plans and expand the size of certain commissions and advisory boards resulting in no fiscal impact to the state.

**Section 25** establishes the 9-8-8 Suicide Prevention and Mental Health Crisis Lifeline Fund as a separate, nonlapsing account in the

General Fund, to be administered by the Department of Mental Health and Addiction Services (DMHAS). DMHAS must use any funding specified for the Fund to support suicide prevention services provided through the National Suicide Prevention Lifeline, including the effective routing of calls and related response services by personnel. DMHAS must report annually to the Appropriations, Public Health, Human Services, and Children's Committees on the deposits and expenditures of the Fund.

**Section 27** requires DMHAS to develop, by January 2024, a mechanism to track mental health, behavioral health and substance use disorder services provided in response to calls made to the 9-8-8. DMHAS may incur related costs depending on the level of detail required for such tracking.

**Sections 29 and 30** require the constituent units to include the National Suicide Prevention Lifeline phone number on each new student identification card once the lifeline is operational in this state for a year. This requirement has no fiscal impact as it is expected the constituent units can adjust the printing of new student identification cards without an additional cost.

**Section 31** allows a mental health facility seeking to increase licensed bed capacity to do so without applying for a certificate of need. This may result in a minimal revenue loss to the state.

**Section 32** establishes a Mental Health and Behavioral Health Treatment Fund as a separate, nonlapsing account in the General Fund. This fund must be used by DCF to assist families with the cost of obtaining a prescribed drug or treatment due to a mental or behavioral health condition. DCF may accept federal funds or private grants or gifts to support the fund. The potential costs associated with this grant funded program are indeterminate and would be based on participation levels and the parameters of the program. Depending on the number of participants in the program DCF may require additional staff or contract with a private entity to manage this program.

**Section 34 - 36** require DCF, in collaboration with SDE, to make a peer-to-peer mental health support program available to: (1) local or regional boards of education, (2) local and district health departments, (3) youth service bureaus, (4) municipal social service agencies, and (5) other DCF-approved youth-serving organizations. The design, integration, training, and expansion to 12 school districts is estimated to cost \$150,000 annually.

**Section 37** requires DCF to establish a program to provide in-home services to parents and guardians of children with behavioral health needs to provide them respite from caregiving. Under this provision, DCF must administer the program through service contracts with providers of such services or through direct subsidies to the caregivers to enable them to purchase such services.

DCF currently provides Respite Care Services through its existing Care Coordination service model. DCF currently maintains capacity for 270 respite slots per year with a per slot cost of \$1,667.

**Section 38** requires DPH to establish and administer a child and adolescent psychiatrist grant program to provide incentive grants to employers of child and adolescent psychiatrists for retaining and hiring new child psychiatrists. DPH does not have a separate licensure category for psychiatry, as they are licensed as physicians. There are 22,294 Connecticut licensed physicians; 2,689 of which report a specialty in psychiatry. DPH would require a Fiscal Administrative Officer at a cost of approximately \$78,000 to manage the grant program.

It is not known how many people would be eligible for this grant program and the amendment is silent on the amount of the incentive grant award. For illustrative purposes, if 5% of the 2,689 who report a specialty in psychiatry participated in an incentive grant program and the incentive award ranged from \$5,000 to \$50,000 the program costs would range from \$670,000 - \$6,700,000.

**Section 39** results in a cost to DMHAS to design and implement, by January 1, 2023, a multiyear, state-wide advertising campaign

promoting the availability of all mental health, behavioral health and substance use disorder services in the state. DMHAS will incur associated costs of at least \$250,000 and up to \$2 million depending on the final scope and implementation of the new media campaign.

**Section 40** expands DCF's current parent and caregiver peer-to-peer support program to those not covered by HUSKY Health or individual or group insurance policies. Costs for this modification could be significant and would depend on the number of children and families served.

**Sections 41 - 44, 47, 48, 52 - 56** change the criteria for which health insurance policies must provide coverage in certain circumstances and results in a cost to the state to defray costs of providing these benefits on the Exchange. This will also result in a cost to fully insured municipalities. The sections are anticipated to expand coverage under the Exchange and fully insured municipal plans in certain circumstances. There is a cost to fully insured municipalities due to expanding coverage criteria for the included diagnostic treatments and procedures, to the extent that their policies are not currently in accordance with the provisions of the sections. The cost to include any associated benefits not currently covered will be reflected in plan premiums for plan years in future years. Premiums will increase based on the projected utilization of benefits, as determined by plan actuaries. The sections will also result in a cost to the state pursuant to the Affordable Care Act to the extent the benefits are not currently covered under the Exchange's benchmark plan. Federal law requires the state to defray the cost of any such additional mandated benefits for all plans sold in the Exchange, by reimbursing the carrier or the insured for the excess coverage. Absent further federal guidance, state mandated benefits enacted after December 31, 2011 cannot be considered part of the essential health benefits required under federal law, unless they are already part of the benchmark plan.

**Section 45** requires DPH to establish an incentive program to encourage doctoral degree psychologists to serve at least one semester

long clerkship at a facility licensed by DCF. The incentive program would have participants pay a licensure fee every two years instead of annually for the first four years of licensure. There were 208 psychologist license applications in 2021, generating fee revenue of \$117,500. While it is not known how many of these 208 psychologist applicants have completed a semester long clerkship at a facility licensed by DCF, this program is anticipated to result in a minimal licensure fee revenue loss to DPH.

**Section 57** requires the Office of Health Strategy (OHS) to study the rates at which Connecticut health carriers and third-party administrators (TPAs) reimburse health care providers for physical, mental, and behavioral health benefits and report to the Insurance and Real Estate and Public Health committees by January 1, 2023.

**Section 58** requires OHS, in consultation with the insurance commissioner, to study whether payment parity exists between (1) behavioral and mental health services providers and other medical services providers in both HUSKY Health and the private insurance market and (2) behavioral and mental health services providers in HUSKY Health compared to the private market.

OHS does not have the staff or expertise to conduct these studies within existing resources. OHS will need to contract with a consultant, at an estimated one-time cost of \$500,000, to complete the two studies.

**Section 60** results in a significant cost to the Department of Economic and Community Development (DECD) to administer and fund grants to a Youth Services Corps program. The total cost of grants will be determined by the number of participants enrolled in the program. DECD will also incur a cost of \$65,711 for a 0.5 FTE position to administer the program and grant funds.

The amendment requires DECD to provide grants to eligible municipalities to establish a local Youth Service Corps program. Under the amendment, the grants are \$10,000 per youth participant plus 15% additional for administrative expenses. The program is available only to



municipalities with priority school districts.<sup>1</sup>

For illustrative purposes, if 100 youths in total participate in the program in one year, the total grants funded would be \$1 million in grants plus \$150,000 in program administration expenses.<sup>2</sup>

DECD will require a part-time 0.5 FTE Community Development specialist position at an annual cost of approximately \$65,711 (\$46,760 for salary and \$18,952 for fringe benefits) to administer applications and grant awards for this program. The grants will be available only to those municipalities with priority districts.

**Section 61** requires each municipality selected to receive a Youth Services Corp grant to operate, establish, or demonstrate a plan to establish a local Youth Service Corps program. It is anticipated that the grants awarded under Section 60 will fully support the cost to those municipalities to establish the program.

**Section 65** expands eligibility for victim compensation from the Judicial Department Office of Victim Services to include victims of an incident of child abuse or neglect that is substantiated by DCF and results in a potential cost to the Criminal Injuries Compensation Fund (CICF). Victims can be awarded between \$5,000 - \$15,000 to help pay for certain expenses not covered by insurance, workers' compensation, or other types of financial resources. In FY 21, awards from the CICF totaled approximately \$1.8 million.

**Section 68** establishes a child and adolescent psychiatry working group to develop a plan to increase the number of psychiatry residency and child and adolescent psychiatry placements. This has no fiscal impact as PA 17-236 prohibits transportation allowances for task force members. This provision also applies to working groups and councils.

**Section 69** allows DPH, within available resources, to provide

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<sup>1</sup> The 2021 priority school district list includes fifteen municipalities.

<sup>2</sup> The City of Harford launched the [Mayor's Youth Service Corp](#) in 2016 and since its establishment has provided services to 750 youth participants in the program.

\$150,000 for a grant-in-aid to a children's hospital for purposes of coordinating a mental and behavioral health training and consultation program from January 1, 2023 to January 1, 2025.

**Section 70** establishes a Behavioral and Mental Health Policy and Oversight Committee. This committee must evaluate the availability and efficacy of prevention, early intervention, and mental health treatment services and options for children from birth to eighteen. This provision has no fiscal impact.

**Sections 71 to 73** require health carriers to use language that 1) has been approved by OHA and 2) is prominently displayed, in certain correspondence with covered persons, which does not result in a fiscal impact. OHA has the expertise and capacity to approve such language prior to January 1, 2023.

The amendment makes various technical, conforming and other changes that have no fiscal impact.

House "A" strikes the original bill and its associated fiscal impact, thus becoming the bill with the above referenced fiscal impact.

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.