OFFICE OF FISCAL ANALYSIS

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sSB-2
AN ACT EXPANDING PRESCHOOL AND MENTAL AND BEHAVIORAL SERVICES FOR CHILDREN.
AMENDMENT

LCO No.: 5200
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OFA Fiscal Note

See Fiscal Note Details

The amendment strikes the language in the underlying bill and the associated fiscal impact.

Section 1 results in a cost to the Department of Mental Health and Addiction Services (DMHAS) of approximately $3 million annually associated with expanding mobile crisis services to be available 24/7.

Section 2 results in a cost to the Department of Children and Families (DCF) associated with establishing the Social Determinants of Mental Health Fund from which DCF will provide grants to assist families in covering the cost of mental health services and treatment for their children. The associated cost is dependent on available grant funding.

Sections 3 - 4 require the Department of Education (SDE) to establish mental health plans for student athletes. This would result in an additional state cost of approximately $63,239, annually. SDE does not currently have staff available to develop and assist local and regional board of education with mental health plans for student athletes, and would require one part-time consultant with an annual salary of approximately $45,000 and corresponding fringe benefits of $18,239 in order to meet the requirements contained within the amendment. Additionally, the amendment requires beginning in FY 24, local and regional boards of education to implement the provisions of the mental health plans. This could result in additional costs to local and regional schools associated with expanded mental health services to student athletes. The scope of the costs would be dependent upon the provisions of the plan, the size of the district, and the additional services provided to students.

Section 5 requires SDE to administer a "Pipeline for Connecticut's Future" program. This would result in an additional state cost of approximately $126,477, annually. SDE does not currently have staff available to administer the program and would require one full-time consultant with an annual salary of approximately $90,000 and corresponding fringe benefits of $36,477, in order to meet the requirements contained within the amendment.

Section 6 requires UConn to evaluate and report on the impact of social media and mobile phone use on students' mental health, which is anticipated to result in a total cost of up to $972,394 ($665,929 in FY 23 and $306,465 in FY 24). It is expected that carrying out the mandated research and report requires two professors with an average annual salary of $90,711, and two graduate students, each with a salary of $62,729. Anticipated personnel costs by year are: (1) $612,929 in FY 23 (wage costs of $306,879 and fringe benefits costs of $306,050), and (2) $306,465 in FY 24 for half-year costs, because the report is due January 1, 2024.[1] Other expenses totaling $53,000 in FY 23 are expected for travel costs, study participation incentives, equipment, and similar aspects of a research project.

These personnel and other costs may be funded by either the General Fund or other UConn revenues (e.g., tuition). If wage costs are funded through the General Fund, then the fringe benefits costs will be incurred

[1] The fringe benefit costs for employees funded out of other appropriated funds are budgeted within the fringe benefit account of those funds, as opposed to the fringe benefit accounts within the Office of the State Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes for other appropriated fund employees is **99.73%** of payroll in **FY 23**.

within the Office of the State Comptroller.

Section 7, which makes changes to family child care home staffing and enrollment, has no fiscal impact as it does not impact subsidy eligibility requirements.

Section 8 could result in a cost to local and regional boards of education to the extent they hire rather than designate an existing employee to serve as the district's family care coordinator.

Section 9 makes various procedural and policy changes regarding withholding recess as a form of student discipline, and is not anticipated to result in a fiscal impact.

Section. 10-11 establish a Get Outside and Play for Children's Mental Health Day and require exercises observing the day as designated by the Governor at both the State Capitol and in local and regional school districts. Various state agencies and school districts may incur minimal costs for engaging in the exercises designated by the Governor. The level of costs for affected agencies and municipalities will be dependent upon the location, nature, and size of exercises.

Section 12 results in a cost of approximately $5 million in FY 23 and FY 24 to the Office of Early Childhood (OEC) by requiring increased general administrative payments to Birth to Three providers for certain children.

Section 13 allows municipalities to abate up to 100% of property taxes due for any property or portion of property used as a child care center or child care group home.

The revenue loss to a municipality would vary based on the amount of property tax abated, but could be significant (in excess of $1 million) in a municipality with a high number of such taxable facilities. There are approximately 1,400 child care centers and 1,900 family day care homes licensed in the state. It is not known which of these facilities: 1) currently pay property taxes directly by virtue of owning the building they operate in, 2) pay property taxes indirectly through leases with commercial real estate owners, or 3) do not pay property taxes at all due to an association with a tax exempt organization, such as a religious institution or private university.

Section 16 prohibits DCF from using a child's Social Security Disability Benefits (SSDI) to reduce their cost of care, resulting in a revenue loss to DCF of approximately $1.6 million. The amendment could also result in increased personnel costs of approximately $200,000 (and associated fringe benefits costs of $81,000) associated with establishing and implementing a policy concerning the management and expenditure of such benefits.

Section 17 results in a cost to the Department of Public Health to administer a pilot grant program to expand behavioral health care offered to children by providers of pediatric care in private practices. Grant funds will support such providers with a fifty per cent match for costs associated with paying the salaries of licensed social workers providing counseling and other services to children receiving primary health care from such providers. The extent of the cost is dependent on available funding for such purpose.

Section 22 requires the Department of Revenue Services to study options for establishing a tax credit against the personal income tax for taxpayers with dependent children enrolled in child care and report its findings. This does not result in any fiscal impact to the state or municipalities as the agency can accomplish this requirement without the need for additional resources.

Section 24, which establishes a task force to study the comprehensive needs of children in the state, has no fiscal impact as PA 17-236 prohibits transportation allowances for task force members. The task force terminates by 1/1/23.

Section 25 results in a cost of approximately $1.6 million in FY 23 and $5.1 million in FY 24 to DSS by requiring Medicaid coverage for services provided by licensed master social workers working under the supervision of licensed psychologists or licensed clinical social workers.

Section 28 makes changes to DPH grant program for community-based providers of primary care services. While this requires that $1.6 million of appropriated funding be expended for loan repayment for physicians, this has no net fiscal impact as it does not change the total funding available to support the program.

Section 31 which prohibits hospitals from charging facility fees for telehealth services, would result in savings to the state employee and retiree health plans as well as municipalities, beginning in FY 22, to the degree such fees are currently charged.

The UConn Health Center's revenues are not impacted because it does not charge facility fees for telehealth services to commercial health plans or to Medicaid. The health center only does so to Medicare and Medicare Advantage plans, as permitted by federal regulations, and this practice is unaffected by the amendment.

Section 30 expands the definition of telehealth provider after July 1, 2024 while **Sections 32-40** generally extend temporarily established provisions related to the availability of telehealth services, until June 30, 2024, and make related conforming and technical changes. This includes the requirement that health insurance policies maintain coverage for services provided via telehealth to the same extent services are covered when provided in-person. The amendment also prohibits reduced reimbursement levels for services provided via telehealth, and not in person.

The amendment results in additional patient care revenues to the University of Connecticut Health Center, mainly in FY 24. This revenue gain occurs to the extent that: (1) patients who would otherwise forego in-person care instead choose to use telehealth services, (2) the amendment provides more favorable telehealth reimbursement terms for providers than exist in current contracts between UConn Health and health carriers, and (3) patients seek out more health care due to the relative ease of telehealth, for some. UConn Health has experienced a substantial increase in telehealth usage and revenues beginning in March 2020.

The amendment could preclude future savings to fully-insured municipalities to the extent their plans' coverage would otherwise differ from the coverage required by the amendment. The impact would be reflected in premium costs when policies are renewed. Pursuant to federal law self-insured plans are exempt from state health mandates.

The amendment also allows the certification of medical marijuana patients via telehealth and results in a potential revenue gain to the state to the extent additional licenses are issued. Initial and renewal medical marijuana licenses are assessed a $100 annual fee.

Sections 42 – 43 enter Connecticut into two interstate compacts, the Interstate Medical Licensure Compact and the Psychology Interjurisdictional Compact. The medical compact provides an expedited licensure process for physicians seeking to practice in multiple states (including by telehealth). The psychology compact provides a process authorizing psychologists to practice by (1) telehealth and (2) temporary in-person, face-to-face services across state boundaries, without the psychologist having to be licensed in each of the states. This is anticipated to result in a General Fund revenue gain of approximately $175,000 in FY 23 and $350,000 in FY 24 associated with initial licensing fees and renewal fees.

Section 44 results in a cost to OEC of approximately $160,000 (with associated fringe benefits of $65,000) to hire two full-time employees to provide technical assistance and business consulting services for providers of child care services.

Section 45 requires that any increased funding for Youth Services Bureaus (YSBs), above the FY 22 appropriation, be equally distributed among YSBs in FY 23.

Section 46 results in a cost to DPH of $80,000 (with associated fringe benefits of $32,400) to hire a health program associate for the Office of Emergency Medical Services to administer mobile integrated health care programs.

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