

OFFICE OF FISCAL ANALYSIS

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sHB-6634

AN ACT CONCERNING SITE OF SERVICE REIMBURSEMENTS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
UConn Health Ctr.	GF - Potential Revenue Loss	3.7 million	7.3 million

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill prohibits off-site hospital-based facilities in Connecticut from charging a facility fee, unless it is mutually agreed to in a contract between a health carrier and the hospital. This could result in a significant revenue loss to UConn Health Center beginning in FY 24.

UConn Health has six locations that would be prohibited from charging facility fees unless allowed by a mutually agreed contract. It is estimated that the six facilities collect fees totaling \$7.3 million annually.¹ Without contract terms allowing for a facility fee, UConn Health would be unable to collect these fees. The impact in FY 24 reflects a half-year's potential revenue loss due to the provision's effective date.

The Out Years

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

¹ Excluding facility fees from Medicare and Medicaid, which would continue to be exempted from facility fee limitations.