

OFFICE OF FISCAL ANALYSIS

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sSB-989

AN ACT CONCERNING NONPROFIT PROVIDER RETENTION OF CONTRACT SAVINGS, COMMUNITY HEALTH WORKER MEDICAID REIMBURSEMENT AND STUDIES OF MEDICAID RATES OF REIMBURSEMENT, NURSING HOME TRANSPORTATION AND NURSING HOME WAITING LISTS.

As Amended by Senate "A" (LCO 8773), House "A" (LCO 10134)
House Calendar No.: 604
Senate Calendar No.: 326

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Social Services, Dept.	GF - Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

Section 1 of the bill requires the Department of Social Services (DSS) to conduct a two-part study of Medicaid rates of reimbursement, within available appropriations, resulting in a cost of approximately \$1 million in FY 24 and \$2 million in FY 25 to contract for the comprehensive study. The study must include (1) an examination of rates for physician specialists, dentists, and behavioral health providers, and (2) a review of the reimbursement system for all other aspects of the Medicaid program.

Section 2 requires state agencies that contract with a nonprofit private provider organization for health and human services to allow such nonprofit organization to retain any savings from a purchase of service contract at the end of each fiscal year, after meeting certain

requirements. This provision is not anticipated to result in a net fiscal impact to the state.

Section 3 eliminates an OPM incentive program for nonprofit human service providers, similar to the program established in Section 2.

Section 4 requires the Department of Social Services (DSS) to design and implement a program to provide Medicaid reimbursement to certified community health workers. This results in a cost to DSS, the extent of which depends on the Medicaid rates to be established and the utilization of services provided by community health workers.

Sections 5 - 6, which allow facilities to provide nonemergency transportation to residents in certain circumstances and establish a working group concerning nursing home waiting list requirements, have no fiscal impact to the state.

Senate "A" strikes the language in the underlying bill and the associated impact and results in a potential fiscal impact to the Connecticut Health and Educational Facilities Authority (CHEFA).

House "A" strikes the language in the bill as amended by Senate A, eliminating the associated impact to CHEFA, and results in the fiscal impact described above.

The Out Years

The annualized ongoing fiscal impact identified above related to Medicaid reimbursement to certified community health workers would continue into the future subject to Medicaid rates and service utilization. The cost for the study is not anticipated to be ongoing.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.