

Office of Health Strategy OHS49450

Permanent Full-Time Positions

Fund	Actual FY 19	Actual FY 20	Appropriation FY 21	Governor Recommended		Legislative	
				FY 22	FY 23	FY 22	FY 23
General Fund	23	23	23	30	30	30	30
Insurance Fund	9	10	10	10	10	10	10

Budget Summary

Account	Actual FY 19	Actual FY 20	Appropriation FY 21	Governor Recommended		Legislative	
				FY 22	FY 23	FY 22	FY 23
Personal Services	1,839,577	1,948,836	2,111,198	2,768,943	2,874,570	2,768,943	2,874,570
Other Expenses	27,924	59,608	38,042	13,042	13,042	13,042	13,042
Other Than Payments to Local Governments							
Covered Connecticut Program	-	-	-	-	-	8,000,000	15,600,000
Agency Total - General Fund	1,867,501	2,008,444	2,149,240	2,781,985	2,887,612	10,781,985	18,487,612
Other Current Expenses							
Personal Services	724,491	807,577	1,021,026	985,365	1,025,464	985,365	1,025,464
Other Expenses	1,439,416	2,100,953	2,136,767	8,311,961	8,311,961	8,311,961	8,311,961
Equipment	9,209	-	10,000	10,000	10,000	10,000	10,000
Agency Total - Insurance Fund	2,833,605	3,595,387	4,028,457	10,125,152	10,187,014	10,125,152	10,187,014
Total - Appropriated Funds	4,701,106	5,603,831	6,177,697	12,907,137	13,074,626	20,907,137	28,674,626
Additional Funds Available							
Federal & Other Restricted Act	-	12,250,777	-	-	-	-	-
Private Contributions & Other Restricted	-	31,458	-	-	-	-	-
Agency Grand Total	4,701,106	17,886,066	6,177,697	12,907,137	13,074,626	20,907,137	28,674,626

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 22	FY 23	FY 22	FY 23	FY 22	FY 23

Policy Revisions

Provide Funding for Subsidized Health Insurance Coverage through the Exchange

Covered Connecticut Program	-	-	8,000,000	15,600,000	8,000,000	15,600,000
Total - General Fund	-	-	8,000,000	15,600,000	8,000,000	15,600,000

Background

Sections 15 through 19 of PA 21-2 JSS, the Budget Implementer, establish the Covered Connecticut program in OHS to support fully-subsidized coverage through the Connecticut Health Insurance Exchange ("the Exchange") for: (1) certain parents and needy caretaker relatives and eligible dependents with incomes up to 175% of the Federal Poverty Level (FPL) effective July 1, 2021, and (2) parents and needy caretaker relatives and certain nonpregnant low-income adults with incomes up to 175% FPL effective July 1, 2022. Approximately 31,000 individuals are anticipated to enroll in Covered Connecticut by the end of FY 23.

Legislative

Provide funding of \$8 million in FY 22 to fund fully-subsidized health insurance coverage on the Exchange for individuals with dependent children with incomes between 160% and 175% of the Federal Poverty Level (FPL) and \$15.6 million in FY 23 to fund fully-subsidized coverage, including dental and Non-Emergency Medical Transportation benefits (NEMT), for all individuals with incomes up to 175% FPL, not otherwise eligible for Medicaid. Additional funding of \$1.7 million in FY 23 in the Department of Social Services'

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 22	FY 23	FY 22	FY 23	FY 22	FY 23

budget reflects the state's share of dental and NEMT benefits for individuals enrolled in the Covered Connecticut program with incomes up to 175% FPL.

Provide Funding to Support Healthcare Cost Growth Benchmarks

Other Expenses	788,000	788,000	788,000	788,000	-	-
Total - Insurance Fund	788,000	788,000	788,000	788,000	-	-

Background

Executive Order 5, signed by the Governor in January 2020, directs OHS to develop annual healthcare cost growth benchmarks for calendar years 2021 through 2025, to help slow the growth of healthcare spending in Connecticut. The order also requires OHS to implement several additional initiatives, including: setting targets for increased primary care spending as a percentage of total healthcare spending; developing quality benchmarks across all public and private payers beginning in 2022; and monitoring accountable care organizations, and the adoption of alternative payment models.

Governor

Provide funding of \$788,000 in both FY 22 and FY 23 within the Insurance Fund for contract costs related to the implementation of Executive Order 5.

Legislative

Same as Governor

Annualize FY 21 Rescissions

Personal Services	(20,112)	(20,112)	(20,112)	(20,112)	-	-
Other Expenses	(25,000)	(25,000)	(25,000)	(25,000)	-	-
Total - General Fund	(45,112)	(45,112)	(45,112)	(45,112)	-	-

Background

The Governor implemented General Fund rescissions in FY 21 totaling \$25.3 million across state agencies. The Governor's FY 22 and FY 23 Budget annualizes \$22.6 million of these rescissions in both FY 22 and FY 23 across various agencies.

Governor

Reduce funding by \$45,112 in both FY 22 and FY 23 to annualize the Governor's FY 21 rescissions.

Legislative

Same as Governor

Provide Funding for the All-Payer Claims Database (APCD)

Legislative

Section 294 of PA 21-2 JSS, the Budget Implementer, requires that the Connecticut Health Insurance Exchange support the APCD through an increase of its assessment on health carriers, or by charging health carriers user fees, to generate revenue of up to \$650,000 in both FY 22 and FY 23. The Exchange will provide the difference between current OHS funding of \$300,000 in both fiscal years within the Insurance Fund for the APCD, and the total cost of the APCD, which is approximately \$900,000 annually.

Current Services

Adjust Funding for the Health Information Exchange (HIE)

Personal Services	651,629	676,691	651,629	676,691	-	-
Total - General Fund	651,629	676,691	651,629	676,691	-	-
Positions - General Fund	7	7	7	7	-	-
Personal Services	(44,162)	(45,861)	(44,162)	(45,861)	-	-
Other Expenses	5,387,194	5,387,194	5,387,194	5,387,194	-	-
Fringe Benefits	(42,838)	(44,485)	(42,838)	(44,485)	-	-
Total - Insurance Fund	5,300,194	5,296,848	5,300,194	5,296,848	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 22	FY 23	FY 22	FY 23	FY 22	FY 23

Background

A Health Information Exchange (HIE) provides the sharing of electronic health-related information among public and private organizations, such as physician offices, hospitals, clinics, labs, radiology centers, and local and district health departments. Information collected from providers, and insurers through the HIE will inform OHS' healthcare cost growth benchmark efforts.

Governor

Provide funding of \$5,300,194 in FY 22 and \$5,296,848 in FY 23 within the Insurance Fund, and \$651,629 in FY 22, \$676,691 in FY 23, and seven positions within the General Fund, to support the activities of the HIE. Salaries, fringe benefit costs, and contract costs for the HIE will be included in the Medicaid administrative claim prepared by the Department of Social Services, providing approximately \$1.1 million in ongoing federal revenue, partially offsetting HIE costs. The seven GF positions include the following: a Health Information Technology Officer, a HIE Program Manager, a Communication Manager, two Program Specialists, a Fiscal Administrative Officer, and an Administrative Assistant.

Legislative

Same as Governor

Provide Funding for Wage and Compensation Related Increases

Personal Services	26,228	106,793	26,228	106,793	-	-
Total - General Fund	26,228	106,793	26,228	106,793	-	-
Personal Services	8,501	50,299	8,501	50,299	-	-
Total - Insurance Fund	8,501	50,299	8,501	50,299	-	-

Background

The Governor's FY 22 and FY 23 Budget provides funding of \$135.9 million in FY 22 and \$383.9 million in FY 23, across six appropriated funds, to reflect current services wage-related adjustments such as an annual increment, cost of living adjustment (COLA), general wage increase, and the 27th payroll. Normally there are 26 pay periods in a fiscal year, however, every 11 years there is an additional pay period. The 27th payroll occurs again in FY 23.

Governor

Provide funding of \$26,228 in FY 22 and \$106,793 in FY 23, and \$8,501 in FY 22 and \$50,299 in FY 23 in the Insurance Fund, to reflect this agency's increased wage costs.

Legislative

Same as Governor

Adjust Fringe Benefits and Indirect Overhead

Fringe Benefits	-	23,410	-	23,410	-	-
Total - Insurance Fund	-	23,410	-	23,410	-	-

Background

The fringe benefit costs for employees supported by funds other than the General Fund are budgeted for within their respective agencies, as opposed to the fringe benefit accounts within the Office of the State Comptroller. In addition, this agency is charged indirect overhead costs by the State Comptroller for utilizing certain centralized state agency services

Governor

Provide funding of \$23,410 in FY 23 to ensure sufficient funds for fringe benefits and indirect overhead.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 22	FY 23	FY 22	FY 23	FY 22	FY 23
FY 21 Appropriation - GF	2,149,240	2,149,240	2,149,240	2,149,240	-	-
Policy Revisions	(45,112)	(45,112)	7,954,888	15,554,888	8,000,000	15,600,000
Current Services	677,857	783,484	677,857	783,484	-	-
Total Recommended - GF	2,781,985	2,887,612	10,781,985	18,487,612	8,000,000	15,600,000
FY 21 Appropriation - IF	4,028,457	4,028,457	4,028,457	4,028,457	-	-
Policy Revisions	788,000	788,000	788,000	788,000	-	-
Current Services	5,308,695	5,370,557	5,308,695	5,370,557	-	-
Total Recommended - IF	10,125,152	10,187,014	10,125,152	10,187,014	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 22	FY 23	FY 22	FY 23	FY 22	FY 23
FY 21 Appropriation - GF	23	23	23	23	-	-
Current Services	7	7	7	7	-	-
Total Recommended - GF	30	30	30	30	-	-