



General Assembly

February Session, 2024

**Substitute Bill No. 432**



**AN ACT CONCERNING STATE CONTRACTS WITH NONPROFIT HUMAN SERVICES PROVIDERS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) (a) As used in this section and  
2 section 2 of this act, (1) "nonprofit human services provider" means a  
3 nonprofit entity that contracts with the state to provide health and  
4 human services that may include, but need not be limited to: (A)  
5 Services for persons with a physical disability, (B) services for persons  
6 with intellectual disability or developmental disabilities, including, but  
7 not limited to, autism spectrum disorder, and (C) behavioral health  
8 services; and (2) "purchase of service contract" and "state agency" have  
9 the same meanings as provided in section 4-70b of the general statutes.

10 (b) Not later than January 1, 2025, and annually thereafter, the  
11 Secretary of the Office of Policy and Management shall, in consultation  
12 with representatives of nonprofit human services providers, complete a  
13 review of the state's purchase of service contracts with nonprofit human  
14 services providers to determine whether the rates such providers are  
15 paid to deliver health and human services pursuant to such contracts  
16 adequately compensate such providers for providing the level of  
17 services expected by the state agency contracting with such provider.

18 (c) Not later than February 1, 2025, and annually thereafter, the  
19 secretary shall submit a report, in accordance with the provisions of

20 section 11-4a of the general statutes, to the joint standing committees of  
21 the General Assembly having cognizance of matters relating to human  
22 services, government administration and appropriations and the  
23 budgets of state agencies. Such report shall include (1) a summary of the  
24 results of the review conducted under subsection (b) of this section, (2)  
25 any applicable recommendations concerning requiring contracting state  
26 agencies to reduce contractual expectations if those expectations are not  
27 adequately funded by the contract, and (3) any recommended  
28 legislation necessary to implement such recommendations.

29       Sec. 2. (NEW) (*Effective from passage*) (a) Not later than January 1, 2025,  
30 and triennially thereafter, the Secretary of the Office of Policy and  
31 Management shall conduct a review of any reports that nonprofit  
32 human services providers are required to file with various state  
33 agencies. Such review shall include, but not be limited to, looking at the  
34 number of reports that are required to be filed, the amount of  
35 overlapping information in such reports, the time and resources needed  
36 for providers to prepare and file the reports, the reasons for requiring  
37 such reports and an analysis of how the reports are utilized by the state  
38 agency receiving such reports. State agencies and nonprofit human  
39 services providers shall provide any information requested by the  
40 secretary for purposes of such review.

41       (b) The secretary shall eliminate or consolidate any reporting  
42 required by a state agency that the secretary identifies under subsection  
43 (a) of this section as unduly burdensome or duplicative, unless such  
44 reporting is (1) necessary to prevent fraud or misuse of funds, (2)  
45 prescribed under federal law or regulation for the use of federal funds,  
46 or (3) required under any provision of state law.

47       (c) Not later than February 1, 2025, and triennially thereafter, the  
48 secretary shall submit a report, in accordance with the provisions of  
49 section 11-4a of the general statutes, to the joint standing committees of  
50 the General Assembly having cognizance of matters relating to human  
51 services, government administration and appropriations and the  
52 budgets of state agencies. Such report shall include a summary of the

53 results of the review conducted under subsection (a) of this section, any  
54 reporting eliminated or consolidated under subsection (a) of this section  
55 and any recommendations for any legislation necessary to eliminate  
56 burdensome or duplicative reporting requirements required under state  
57 law.

58 Sec. 3. Subsection (d) of section 4-70b of the general statutes is  
59 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
60 *2024*):

61 (d) The secretary shall establish uniform policies and procedures for  
62 obtaining, managing and evaluating the quality and cost effectiveness  
63 of direct health and human services purchased from a private provider  
64 organization or municipality. Such policies and procedures shall  
65 include, but not be limited to, a requirement that a private provider  
66 organization receive payment for any services provided pursuant to a  
67 purchase of service contract not later than thirty days after delivery of  
68 such services. The secretary shall require all state agencies which  
69 purchase direct health and human services to comply with such policies  
70 and procedures.

71 Sec. 4. (*Effective from passage*) The Secretary of the Office of Policy and  
72 Management, in consultation with the State Comptroller, shall (1)  
73 conduct a review of the CORE-CT system to detect inefficiencies, in  
74 particular accessibility issues or financial reporting inefficiencies,  
75 concerning the use of said system by nonprofit private provider  
76 organizations that provide health and human services to residents of  
77 this state pursuant to contracts with state agencies, and (2) update any  
78 features of the CORE-CT system that are identified pursuant to such  
79 review as outdated.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>July 1, 2024</i>	4-70b(d)

---

Sec. 4	<i>from passage</i>	New section
--------	---------------------	-------------

**Statement of Legislative Commissioners:**

In Section 2(c), "annually" was changed to "triennially" for consistency.

**GAE**      *Joint Favorable Subst. -LCO*