

OFFICE OF FISCAL ANALYSIS

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sSB-9

AN ACT CONCERNING HEALTH AND WELLNESS FOR
CONNECTICUT RESIDENTS.

As Amended by Senate "A" (LCO 8735), Senate "C" (LCO 8777), House
"A" (LCO 9444)

House Calendar No.: 598

Senate Calendar No.: 303

OFA Fiscal Note

State Impact: See Below

Municipal Impact: See Below

The bill results in various fiscal impacts detailed by section, below.

Sections 3 and 4 result in a cost to the Department of Mental Health and Addiction Services (DMHAS) associated with requiring the agency to establish harm reduction centers in three municipalities. The purpose of the pilot program is to prevent drug overdoses and provide a medical facility where individuals with substance use disorder can receive counseling, educational and referral services, test a substance for traces of fentanyl, xylazine or other substances having a high risk of causing an overdose, and access basic support services.

The extent of the cost to DMHAS to either (1) establish and staff such facilities, and/or (2) contract with providers able to meet the pilot program requirements, depends on the scope of the three pilot locations, to be determined. At a minimum, DMHAS will incur a cost of at least \$176,800, with associated fringe benefits of \$75,700, for staff to oversee the program. The pilots must be established by July 1, 2027.

These provisions could also result in a cost to the Opioid Settlement Fund to the extent DMHAS requests a disbursement of funds to support

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the establishment and administration of the pilot program.

Section 5 makes towns, local or regional boards of education, local or district departments of health, law enforcement agencies, and emergency medical services organizations eligible to receive opioid antagonists through DMHAS from the Opioid Antagonist Bulk Purchase Fund. This results in a significant cost to the Fund to provide such antagonists and a cost to DMHAS for staff to administer the program of at least \$106,800 in FY 24 and \$109,500 in FY 25, with an associated fringe benefit costs of \$45,700 in FY 24 and \$46,900 in FY 25. DMHAS may also use the Fund to support costs incurred for administering the provisions of this section, in an amount up to two per cent of the moneys deposited in any fiscal year.

Emergency medical services personnel may obtain opioid antagonists for dissemination from pharmacists to certain members of the public and must distribute opioid antagonist kits and a fact sheet to certain patients. It is assumed the costs for such antagonists and kits will primarily be incurred by DMHAS through the Opioid Antagonist Bulk Purchase Fund. The amendment also clarifies that eligible entities must provide such opioid antagonists at no charge to family, caregivers or friends of a person who has experienced an overdose or displays symptoms of opioid use disorder.

Sections 9-10 result in a cost to OHE of \$75,000 annually, and a cost for fringe benefits of \$32,115 annually, associated with hiring one full-time Senior Consultant to establish and administer a program that gives incentive grants to licensed health care providers accepting adjunct professor positions.

This program will also result in a significant cost to OHE associated with the provision of \$20,000 grant payments to eligible adjunct faculty. The scope of the cost would be dependent on the number of eligible grant applicants who remain for at least one academic year. Applicants are eligible for an additional \$20,000 if they remain for at least two academic years.

Section 11 results in a cost of at least \$175,000 in FY 24 and \$179,400 in FY 25 to DSS, with an associated fringe benefits cost of \$74,900 in FY 24 and \$76,800 in FY 25, for a Program Manager and administrative staff to establish, by 1/1/24, and operate a career pathways program for Personal Care Attendants.

Sections 13 - 15 establish prohibitions on physician, advanced practice registered nurse (APRN), and physician assistant (PA) non-compete agreements (“covenants not to compete”) entered into, amended, or renewed on or after 10/1/23. The provisions of these sections do not result in a full ban of the covenants and could result in a revenue loss to the UConn Health Center. National data indicates that each physician affiliated with a hospital generates, on average, nearly \$2.4 million in net revenue annually. Net revenue per physician varies, with certain specialists netting a hospital \$3 million and above, while primary care physicians net approximately \$2 million. If four established physicians with an average net revenue of \$2.4 million leave the UConn Health Center, because they are no longer bound by non-compete clauses, the annual revenue loss to the UConn Health Center would be \$9.6 million. The revenue loss associated with APRNs and PAs is generally anticipated to be lower than that of physicians.

The extent of the UConn Health Center’s annual revenue loss associated with these sections is dependent on: (1) the number of established physicians/APRNs/PAs who depart the UConn Health Center, (2) the net revenue of each departing physician/APRN/PA, and (3) the UConn Health Center’s ability to offset revenue losses through recruitment of established physicians/APRNs/PAs from nearby hospitals or practices.

Section 16, which requires Connecticut to join the Physical Therapy Licensure Compact, is estimated to result in a total annual General Fund revenue loss of \$38,712. It is anticipated that DPH will receive 100 less initial Physical Therapist (PT) applications (\$28,500), 75 less PT renewals (\$7,857), 9 less initial PT Assistant applications (\$1,900), and 7 less PT Assistant renewals (\$455) annually due to joining the compact.

Section 17 requires persons applying for PT licensure to submit to fingerprint-based state background checks, resulting in a revenue gain to the General Fund of \$25,950 in both FY 24 and FY 25, and a potential revenue gain to the Applicant Fingerprint Card Submission Account of up to \$5,190 in both FY 24 and FY 25. The Department of Emergency Services and Public Protection (DESPP) conducts state background checks for a fee of \$75 per check, and the revenue that is collected from this fee is deposited into the General Fund ($\$75 \times 364$ PT and PT Assistant applicants¹ = \$25,950). If DESPP conducts fingerprinting of all applicants for PT licensure, with a \$15 fee per person paid to the Applicant Fingerprint Card Submission Account, there would be a revenue gain to this Account of up to \$5,190.² As third-party providers may complete fingerprinting instead of DESPP, Account revenue is reflected as potential.

Sections 19 and 20 allow Advanced Practice Registered Nurses (APRNs) with certain experience to apply for licensure by endorsement, which is anticipated to result in a minimal revenue gain to the General Fund annually starting in FY 24 from the collection of fees for licensure by endorsement applications. APRN applicants by endorsement are required to pay a \$200 application fee, which is the same as the fee for eligible APRN licensure applicants under existing law.

Section 27, which requires the Commissioner of Public Health to convene a working group to advise the Commissioner on methods to alleviate emergency department crowding and the lack of available emergency department beds, results in a cost to the agency of \$12,500 in both fiscal years for medical consultant services. These services are needed to administer the working group, collect and collate metrics, and

¹This estimate is based on the number of initial PT and PT Assistant applications received by DPH in FY 22, minus the loss of initial applications anticipated from entering the Physical Therapist Licensure Compact per Section 19 of the bill. The total reflects 285 initial PT applications, and 61 initial PT Assistant applications, in both FY 24 and FY 25.

²Funds in the non-lapsing Applicant Fingerprint Card Submission Account are used for IT support and maintenance for the fingerprinting systems.

complete annual reports to the General Assembly

Sections 29 - 33 result in a cost to DMHAS of approximately \$50,000-\$100,000 in FY 24 to support a contract to conduct various studies and plans related to (1) programs for persons with substance use disorder who are caregivers of children, (2) permitting parents who are in treatment for substance use disorder to be eligible for child care supports and subsidies, (3) access in the state to supportive housing for pregnant and parenting persons with a substance use disorder, (4) access for parents with a substance use disorder whose children are receiving services from the Department of Children and Families to appropriate treatment for substance use disorder, and (5) existing substance use disorder treatment services for pregnant and parenting persons, utilization of such services and areas where additional substance use disorder treatment services for such persons are necessary. All reports must be made to the legislature by January 1, 2024.

Section 40 requires the Department of Aging and Disability Services (ADS) to conduct a study to evaluate gaps in communication for deaf, hard of hearing or deafblind persons' access to medical providers and results in a cost of up to \$10,000 in FY 24. To undertake the study, the ADS will need to hire a graduate fellow from a Connecticut-based institution in FY 24 to assist with the research, data collection, and drafting of the report on the recommendations.

Sections 47 and 48 require physician and psychologist licensees to submit to a state criminal history records check resulting in a potential revenue gain to the General Fund and the Applicant Fingerprint Card Submission Account. DESPP conducts state background checks for \$75 per person and to the extent additional background checks are requested, there is a potential revenue gain to the state. State background checks require fingerprinting, which DESPP conducts for \$15 per person resulting in a potential revenue gain to the Applicant Fingerprint Card Submission Account.

The bill makes technical, clarifying and other changes that have no

fiscal impact to the state or municipalities.

Senate "A" strikes the language in the underlying bill and associated impact and results in the fiscal impact described above.

Senate "C" strikes provisions requiring the Office of Workforce Strategy to study the feasibility of offering certain competency testing in both English and Spanish and has no fiscal impact.

House "A" makes various changes to the noncompete language contained in the underlying bill and does not alter the fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above will continue into the future subject to inflation.

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.