

# OFFICE OF FISCAL ANALYSIS

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SB-432

AN ACT CONCERNING STATE CONTRACTS WITH NONPROFIT  
HUMAN SERVICES PROVIDERS.

AMENDMENT

LCO No.: 5531

File Copy No.: 397

Senate Calendar No.: 259

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## ***OFA Fiscal Note***

### ***See Fiscal Note Details***

The amendment moves out the date by one year and reduces the frequency from annually to every five years for the Office of Policy and Management (OPM) to conduct a review of the state purchase of service contracts with nonprofit human service providers and provide a report. The amendment also reduces the number of contracts that must be reviewed by the January 1, 2026, deadline. It requires OPM to review the contracts for at least two agencies each year.

This reduces the cost to OPM in the underlying bill for four new positions and a one-time vendor cost. It is expected OPM will need still need two positions and some costs for a vendor in FY 25 and FY 26 to meet these and other requirements in the underlying bill.

The amendment additionally requires that OPM include personal service agreements with nonprofit human service providers within this review which is not anticipated to change the associated fiscal impact.

The amendment strikes section 3 and its underlying fiscal impact. The amendment requires private provider organizations to receive payment within 45 days after the receipt of a claim, or receipt of services, whichever is later. This is not anticipated to result in a fiscal impact to the state.

Primary Analyst: LG  
Contributing Analyst(s): LD  
Reviewer: RW

5/3/24  
(FN)

The amendment also eliminates section 4 and its associated fiscal impact. Section 4 required OPM to conduct a review of the CORE-CT system and update any features identified during the review. This resulted in a cost of approximately \$1 million for the review.

*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.*