



Senate

General Assembly

File No. 97

January Session, 2025

Substitute Senate Bill No. 1122

Senate, March 18, 2025

The Committee on Human Services reported through SEN. LESSER of the 9th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

**AN ACT REQUIRING ANNUAL PERFORMANCE AUDITS OF
MEDICAID-FUNDED PROGRAMS BY THE AUDITORS OF PUBLIC
ACCOUNTS.**

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

1 Section 1. (NEW) (*Effective July 1, 2025*) Not later than December 1,
2 2025, and annually thereafter, the Senate and House chairpersons and
3 ranking members of the joint standing committee of the General
4 Assembly having cognizance of matters relating to human services shall
5 provide to the Auditors of Public Accounts a written list of not less than
6 two Medicaid-funded programs to be subject to performance audits by
7 said auditors in accordance with section 2-90 of the general statutes, as
8 amended by this act. Not later than thirty days after the completion of
9 the performance audits, the Commissioner of Social Services shall post
10 a link to the audit results and recommendations on the Internet web site
11 of the Department of Social Services.

12 Sec. 2. Section 2-90 of the general statutes is amended by adding
13 subsection (j) as follows (*Effective January 1, 2026*):

14 (NEW) (j) Notwithstanding the provisions of subsection (c) of this
15 section, said auditors shall conduct not less than two performance
16 audits annually of Medicaid-funded programs from a list of such
17 programs provided to the auditors, in writing, by the Senate and House
18 chairpersons and ranking members of the joint standing committee of
19 the General Assembly having cognizance of matters relating to human
20 services, in accordance with section 1 of this act. Administrators of any
21 such program being audited by the auditors shall provide any
22 information the auditors deem necessary to conduct such audit. The
23 auditors shall report their findings and recommendations, in accordance
24 with the provisions of section 11-4a, to the Governor, the State
25 Comptroller and the joint standing committees of the General Assembly
26 having cognizance of matters relating to appropriations and the budgets
27 of state agencies and human services.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>July 1, 2025</i>	New section
Sec. 2	<i>January 1, 2026</i>	2-90(j)

HS *Joint Favors Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do 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.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Auditors	GF - Cost	555,000	545,000
State Comptroller - Fringe Benefits ¹	GF - Cost	220,000	220,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires the Auditors of Public Accounts (APA) to perform at least two performance-based audits of Medicaid-funded programs per year resulting in a cost to the agency of \$555,000 in FY 26 and \$545,000 in FY 27, along with associated fringe benefit costs of \$220,000 in FY 26 and FY 27. To meet the requirements of the bill the APA will need to hire six additional auditors.² Each audit is anticipated to take a team of three auditors approximately one year to complete.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to employee wage increases.

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 40.71% of payroll in FY 26.

²The new positions include two principal auditors and four auditor 1, along with other expenses costs.

OLR Bill Analysis**sSB 1122*****AN ACT REQUIRING ANNUAL PERFORMANCE AUDITS OF MEDICAID-FUNDED PROGRAMS BY THE AUDITORS OF PUBLIC ACCOUNTS.*****SUMMARY**

This bill requires the Auditors of Public Accounts to annually conduct performance audits of at least two Medicaid-funded programs. The Human Services Committee chairpersons and ranking members must annually, beginning by December 1, 2025, give the Auditors of Public Accounts a written list of at least two Medicaid-funded programs to audit. The auditors must select programs to audit from among this list annually.

The bill requires administrators of programs being audited to give the auditors any information the auditors determine necessary. The auditors must report their findings and recommendations to the governor, comptroller, and Appropriations and Human Services committees. The bill also requires the Department of Social Services commissioner, within 30 days after the audit's completion, to post a link to its results and recommendations on the department's website.

EFFECTIVE DATE: January 1, 2026, except the provision requiring the Human Services Committee leaders to provide a list of programs to be audited is effective July 1, 2025.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Substitute

Yea 22 Nay 0 (03/04/2025)