

OFFICE OF FISCAL ANALYSIS

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HB-6836

AN ACT CONCERNING THE DEPARTMENT OF SOCIAL SERVICES' RECOMMENDATIONS REGARDING THE IMPLEMENTATION OF THE STATES ADVANCING ALL-PAYER HEALTH EQUITY APPROACHES AND DEVELOPMENT FEDERAL INNOVATION MODEL HOSPITAL GLOBAL PAYMENT METHODOLOGY.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Social Services, Dept.	GF - Potential	None	Indeterminate

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill could result in a fiscal impact to the Department of Social Services (DSS) associated with allowing the agency to implement a global budget payment methodology for hospitals that volunteer to participate, effective 1/1/27.

DSS is collaborating with the Office of Health Strategy (OHS) to lead the state's All-Payer Health Equity Approaches and Development (AHEAD) federal innovation model. The state is currently in the pre-implementation phase of AHEAD, which includes planning and the development of financial models. The fiscal impact of implementing a global budget payment methodology in lieu of a Medicaid fee-for-service payment method for participating hospitals is unknown at this time.

Primary Analyst: ES
Contributing Analyst(s): LD, JP
Reviewer: LD

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The Out Years

The AHEAD model follows an eleven- year demonstration period (2024–2035). Federal funding is available to support planning, monitoring, and oversight through 2029, after which point it is anticipated the state would incur related costs.