OFFICE OF FISCAL ANALYSIS

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sHB-6873 AN ACT STRENGTHENING THE REVIEW OF HEALTH CARE ENTITY TRANSACTIONS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Office of Health Strategy	GF - Cost	309,000	303,000
Attorney General	GF - Cost	183,155	240,873
State Comptroller - Fringe	GF - Cost	194,500	217,500
Benefits ¹			

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill significantly expands the amount of review, investigation, and potential action (i.e. imposing conditions for the transaction to continue or challenging the transaction under anti-trust laws) required of the Office of the Attorney General (OAG) for material changes with healthcare entities resulting in a cost to the state. To meet the requirements of the bill the OAG will need to hire three additional employees² for a salary and other expenses cost of \$183,155 in FY 26³ and \$240,873 in FY 27, along with associated fringe benefit costs of

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 three additional employees consist of two assistant attorney generals and one office assistant for a salary cost of \$173,155 in FY 26 and \$230,873 in FY 27.

 $^{^3\}mathrm{FY}$ 26 costs are for nine months of expenditures due to the bills 10/1/2025 effective date.

\$70,491 in FY 26 and \$93,988 in FY 27.

The Office of Health Strategy will have an increased oversight role in reviewing certain healthcare transactions. To meet the requirements of the bill, OHS will need to hire three positions⁴ for salary costs of \$303,000 beginning in FY 26 and a one-time cost of \$6,000 in FY 26 for equipment. There is also a corresponding annual cost of \$123,500 to the State Comptroller beginning in FY 26 for fringe benefits.

The Out Years

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

⁴ The positions are a Staff Attorney 3 and two Lead Planning Analysts.