



General Assembly

Substitute Bill No. 1358

January Session, 2025



**AN ACT CONCERNING EQUITABLE COMPENSATION FOR STATE-
CONTRACTED NONPROFIT HUMAN SERVICES PROVIDERS.**

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

1 Section 1. (NEW) (*Effective from passage*) (a) As used in this section, (1)
2 "nonprofit human services provider" means a nonprofit provider that
3 contracts with the state to provide human services that may include, but
4 need not be limited to: (A) Services for persons with a physical
5 disability, (B) services for persons with intellectual disability or
6 developmental disabilities, including, but not limited to, autism
7 spectrum disorder, and (C) behavioral health services; and (2) "state
8 agency" has the same meaning as provided in section 4-37e of the
9 general statutes.

10 (b) On July first annually, a state agency contracting with a nonprofit
11 human services provider shall increase rates for recurring contracts by
12 the percentage increase in the consumer price index for all urban
13 consumers in the northeast region in the previous calendar year. If such
14 consumer price index decreases, a state agency shall not decrease rates
15 for such provider.

16 (c) On July first annually, the Commissioner of Social Services shall
17 adjust Medicaid rates for nonprofit human services providers
18 contracting with the Department of Social Services by the percentage

19 rate increase, if any, for state agency contracts pursuant to subsection
20 (b) of this section, unless such adjustment is not permissible under
21 federal law governing the Medicaid program.

22 (d) Not later than January 1, 2026, and every three years thereafter,
23 the Secretary of the Office of Policy and Management shall file a report,
24 in accordance with the provisions of section 11-4a of the general statutes,
25 with the joint standing committees of the General Assembly having
26 cognizance of matters relating to appropriations and the budgets of state
27 agencies, human services and public health on state agency contracts
28 with nonprofit human services providers. The report shall include, but
29 need not be limited to, any appropriations needed to ensure that rates
30 for all such contracts in subsequent fiscal years include any increase in
31 the consumer price index for all urban consumers in the northeast
32 region in the previous calendar year.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

HS *Joint Favorable Subst.*