OFFICE OF FISCAL ANALYSIS

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SHB-6978 AN ACT CONCERNING THE DEPARTMENT OF PUBLIC HEALTH'S RECOMMENDATIONS REGARDING VARIOUS REVISIONS TO THE PUBLIC HEALTH STATUTES. AMENDMENT

LCO No.: 9874 File Copy No.: 149 House Calendar No.: 123

OFA Fiscal Note

State Impact:

| Agency Affected | Fund-Effect | FY 26 \$ | FY 27 \$ |
|----------------------|----------------|-----------|-----------|
| Public Health, Dept. | GF - Revenue | See Below | See Below |
| | Gain/Loss | | |
| Public Health, Dept. | GF - Potential | Minimal | Minimal |
| | Revenue Gain | | |

Note: GF=General Fund

Municipal Impact: None

Explanation

This amendment strikes the underlying bill and its associated fiscal impact.

The amendment makes various substantive, minor, and technical changes to Department of Public Health (DPH)-related statutes and programs. A few sections result in potential revenue impacts to DPH, as described below.

Section 1 authorizes the Connecticut Rare Disease Advisory Council to apply for and accept grants and other funds from various sources to carry out its responsibilities, which may result in a minimal revenue gain. It also allows the council to enter into contracts or agreements to spend funds. The Council is within DPH for administrative purposes

Primary Analyst: NB Contributing Analyst(s): Reviewer: JS 5/30/25 () only.

Sections 2 - 4 allow DPH to use information it obtains for the Maternal Mortality Review Program, and findings of the Maternal Mortality Review Committee, to improve the accuracy of vital statistics data. This technical change results in no fiscal impact.

Section 5 allows DPH to renew licenses for additional types of facilities without performing an inspection if the facility is federally certified. This results in no fiscal impact, as staff who would have otherwise carried out these renewal inspections will instead address an existing backlog of inspections and complaint investigations.

Section 6 makes clarifying changes related to the Public Health Commissioner's ability to enter into contracts or agreements as needed to distribute or use funds received from gifts, grants, or contracts. This results in no fiscal impact.

Section 7 allows the Board of Examiners for Nursing to hold contested case hearings before hearing officers as well as board members. This procedural change results in no fiscal impact.

Section 8 expands DPH's authority to take disciplinary action against non-compliant health care institutions, which may result in a revenue gain to the General Fund from civil penalties of up to \$25,000 per violation. The extent of the revenue gain, if any, is dependent on the number of violations and the department's discretion regarding civil penalties.

Section 9 makes a technical change by correcting an inaccurate statutory reference, resulting in no fiscal impact.

Section 10 establishes Department of Public Health (DPH) emergency department diversion notification requirements for hospitals, resulting in no fiscal impact to the state or municipalities.

Sections 11 - 13 allow retired physicians to renew their licenses at a

reduced fee¹ (\$95), starting October 1, 2025. A General Fund revenue loss is anticipated to result beginning in FY 26, dependent on the number of licensed physicians who elect to avail themselves of this opportunity (and would have renewed a regular physician license, in the absence of the reduced fee). The revenue reduction will be \$480 per retired physician renewal. Currently, 15,056 individuals hold physician licenses² in Connecticut. For illustration, about 6% of dentists currently hold retiree licenses. If a similar percentage of physicians choose to do so, an annualized revenue loss of approximately \$433,440 would result. Since the provision is effective October 1, 2025, the revenue loss associated with the bill in FY 26 would be approximately three-quarters of the amount above (\$325,080).

The amendment additionally allows retired physicians whose licenses have become void due to nonrenewal to apply for reinstatement at a fee of \$95. A potential General Fund revenue gain beginning in FY 26 will result, to the extent that retired physicians apply for reinstatement, who would not otherwise have reapplied for licensure. The extent of the potential revenue gain depends on the number of reinstatements.

Section 14 exempts physicians from having to maintain malpractice insurance when providing volunteer behavioral health services at certain nonprofit clinics and results in no fiscal impact.

Section 15 establishes licensure requirements for individuals holding Chief Medical Officer and Chief Nursing Officer positions at hospitals, resulting in no fiscal impact.

Sections 16 - 19 make conforming, clarifying, and procedural changes related to DPH's public drinking water oversight, which result in no

¹ The proposed retired physician license renewal fee is the greater of: (1) 10% of the class I professional services fee (per CGS Sec. 33-182l), currently \$565, or (2) \$95. All licensed professionals practicing medicine also pay a \$5 fee upon renewal that supports the assistance program for healthcare professionals (known as HAVEN), which is included in the fee amount.

² Physicians currently pay a \$575 license renewal fee.

fiscal impact.

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.