

OFFICE OF FISCAL ANALYSIS

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SB-342

AN ACT CONCERNING HEALTH COVERAGE.

As Amended by Senate "A" (LCO 4096), Senate "B" (LCO 6132)

House Calendar No.: 575

Senate Calendar No.: 178

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
State Comptroller - Fringe Benefits ¹	Various - Potential Cost	See Below	See Below
UConn Health Ctr.	GF - Potential Revenue Gain	See Below	See Below

Note: Various=Various; GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 27 \$	FY 28 \$
Various Municipalities	Potential Cost	See Below	See Below

Explanation

The bill results in a potential revenue gain annually beginning in FY 27 to the UConn Health Center. It establishes a notice requirement and appeals process when insurers use artificial intelligence to automatically downcode or deny a claim made by a health care provider. To the extent that this increases the reimbursements UCHC receives from private insurers, there is a revenue gain. The revenue gain will vary based on the number of health insurance claims paid out.

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 41.82% of payroll in FY 27.

There is additionally a potential cost to the state employee health plan and municipalities enrolled in the state Partnership plans beginning in FY 27, annualized in FY 28 to the extent the additional requirements increase claims and administrative costs, resulting in plan premium increases.

Senate "B" strikes the original bill and its associated fiscal impact, and results in the impact described above.

The Out Years

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

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.