

**Appropriations Committee
JOINT FAVORABLE REPORT**

Bill No: HB-5030 / [Bill Status](#) / [Public Hearing Testimony](#)

AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS
Title: FOR GENERAL GOVERNMENT.

Vote Date: 4/1/2026

Vote Action: Joint Favorable Substitute

PH Date: 3/12/2026

File No.:

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SPONSORS OF BILL:

Governor Lamont

REASONS FOR BILL:

This bill implements the Governor's general government budget adjustments for FY 27.

The Appropriations Committee made several changes to the bill, reflected in LCO 3637:

Previous sections 7 and 8 were deleted, to reverse the repeal of the Education Ombudsperson.

Section 30 changes the Department of Social Services (DSS), the receiving agency of the community health needs assessment, implementation strategy and annual report submitted by a hospital, to the Office of the Healthcare Advocate.

Section 80 changes the Community Health Worker Advisory Body from DSS to the Department of Public Health (DPH).

Section 83 removes the requirement that the Insurance Fund appropriation to the Office of Policy and Management (OPM) include fringe benefit costs for office personnel.

Section 84 replaces Office of Health Strategy (OHS) with OPM as the agency will no longer be active.

Section 93 and 94 make conforming changes as a result of the changes made in section 30.

Section 99 and 101 removes the repeal of section 38a-777jj in 101 and repeals only subsection (e) of such section.

RESPONSE FROM ADMINISTRATION/AGENCY:

Joshua Wojcik, Acting Secretary, Office of Policy and Management (OPM) – Secretary Wojcik testified in support of HB 5030 as implementing adjustments to the Governor’s FY 2027 midterm budget and outlined each section of the bill. He highlighted administrative and operational changes, including establishing a new commemorative license plate to support Foodshare, creating a third deputy commissioner at the Department of Emergency Services and Public Protection (DESPP) to strengthen agency-wide management, standardizing specialty plate fund distributions, removing outdated OPM statutory responsibilities, and improving oversight of neglected cemetery funds. He also supported repealing the requirement for the Department of Labor (DOL) to provide administrative services to the Commission on Human Rights and Opportunities (CHRO), allowing CHRO to build its own operational capacity, and repealing the unused Office of the Educational Ombudsperson due to legal, privacy, and redundancy concerns.

He also testified to the reorganization of the OHS, which would transfer its functions, staff, and funding across agencies to better align responsibilities. Specifically, regulatory functions like Certificate of Need (CON) and health system planning would move to DPH; data, benchmarking, and health information exchange functions would move to OPM; and programs such as hospital financial reporting, community benefit reporting, Covered Connecticut, and the Community Health Worker Advisory Body (CHWAB) would move to DSS. He explained that the reorganization separates regulatory and operational functions from policy and analytics functions, aligns programs with appropriate agencies, and includes technical statutory updates to reflect these changes, ultimately urging the committee to support the bill.

Danté Bartolomeo, Commissioner, CT Department of Labor (DOL) – Commissioner Bartolomeo testified in support of this bill, specifically Section 6, which repealed the requirement for DOL to provide administrative services to CHRO. The Commissioner explained that since CHRO has grown significantly, they would benefit from establishing their own administrative capacity as their responsibilities expand. She also noted that the change would allow DOL to reallocate resources amid declining federal funding and improve efficiency by eliminating an unfunded mandate. The Commissioner reiterated DOL's support of CHRO's independence and is willing to assist during the transition.

NATURE AND SOURCES OF SUPPORT:

Connecticut Hospital Association (CHA) – CHA submitted testimony in support of HB 5030, particularly in support of the dissolution of OHS and the reassignment of the various responsibilities to other agencies. CHA stated that the reorganization may be an opportunity to better align functions, streamline processes, and evaluate existing programs, including the CON process and healthcare data systems. They did however raise concerns about adequate staffing and transparency for CON under DPH and opposed funding Connecticut's Health Information Exchange (CONNIE) through additional provider fees, and subsequently urged the state to identify alternative funding sources. They also encouraged a review of hospital reporting requirements under DSS and stressed the importance of maintaining hospital financial stability and expressed their willingness to collaborate with agencies during the transition.

Duwa Amin, Policy & Advocacy Management; Kelly Moquete, Sr. Manager of Policy & Advocacy; Karen Siegel, Deputy Director, Health Equity Solutions – Ms. Moquete and Ms. Siegel testified in support of this bill, but recommended that, if the OHS were dissolved, CHWAB be relocated to the DPH rather than the DSS. They argued this would better align the advisory board with DPH’s existing role in certifying community health workers and overseeing workforce standards. They asserted that community health workers are a cost-effective way to address health disparities and that stakeholders support this alignment. They maintained that placing CHWAB within DPH would create a more logical and efficient structure for coordination, training oversight, and certification.

Jenna Grasso, Policy Director, Bioscience Growth & State Spending, Director, Connecticut Bioscience Growth Council, Connecticut Business and Industry Association (CBIA) – Ms. Grasso provided comments on HB 5030, specifically on the proposal to dissolve the OHS. She argued that while current funding through the Insurance Fund aligns for insurance regulation, it is inappropriate for broader public health functions that benefit the entire state. She expressed concern that this structure shifts costs onto insurers and policyholders, increasing premiums for families and businesses. They recommended transitioning funding to the General Fund, consistent with prior legislative working group recommendations.

Deb Polun, Chief Strategy Officer, Community Health Center Association of Connecticut (CHC/ACT) – Ms. Polun commented on specifically on Section 82 of this bill, regarding the relocation of the Community Health Worker Advisory Body. She recommended that if the OHS were dismantled, the advisory body be placed within the DPH rather than the DSS. She argued this would better align the advisory body with DPH’s role in certification and oversight of community health workers. Her testimony also underscored the need for improved coordination and functional alignment rather than opposing the broader bill.

Connecticut Legal Services Programs (CLS) – CLS provided testimony, specifically Section 7, supporting the study of racial disproportionality in special education but urging it be broader and lead to concrete policy action. They highlighted that disproportionality includes not only overidentification, but also underidentification, misidentification, delayed services, and disparities in placement and discipline, often impacted by systemic inequities such as poverty, language barriers, and access to services. They also stressed the need to examine disability categories, English learners, and the intersection of race, disability, and socioeconomic factors to fully understand the issue. They cautioned against limiting the effort to data collection alone and requested that findings be tied to accountability, training, and reforms to ensure students receive timely and appropriate support.

The Pharmaceutical Research and Manufacturers of America (PhRMA) - PhRMA submitted testimony on HB 5030 as it relates to the health care cost growth benchmarking program, particularly the proposed transfer of oversight to OPM. They did not oppose the transfer but indicated that the benchmarking process should be transparent, balanced, and include input from all stakeholders across the health care system. They argued that prescription drug costs must be evaluated within the broader system, noting the role of insurers, PBMs, and others in determining patient costs, as well as the cost-saving benefits of pharmaceutical innovation. They encouraged policymakers to adopt a comprehensive, system-wide approach to benchmarking that reflects the complexity of health care spending and supports collaborative policy development.

Joseph Sokolovic, Member, Bridgeport Board of Education – Mr. Sokolovic testified in support of the legislative recognition of racial disproportionality in special education but arguing that acknowledging the issue without funding solutions is insufficient. He shared that disparities are rooted in longstanding structural inequities, including underfunding of districts serving Black and Brown students, and warned that requiring studies without accompanying resources perpetuates the problem. He further highlighted how inadequate investment in early education, intervention, and support services contributes to later special education identification and strains district budgets. He ultimately advised the state to pair any policy mandates with meaningful financial commitments, including increased education funding and targeted investments to address inequities.

Marcello Russo – Mr. Russo expressed his support of the intent of HB 5030 to realign OHS functions, but noted that the reorganization should be guided by a comprehensive operational and financial review rather than a simple transfer of responsibilities. He encouraged evaluation of program alignment, costs, potential user fees, and the necessity of advisory bodies, while also cautioning that the July 1 implementation timeline is too aggressive and risks disruption without proper planning.

Anonymous testimony was offered in support of this bill to express the need for sustainable funding for the state's healthcare data systems, including CONNIE and the All-Payer Claims Database. They stated that these systems are essential for care coordination, cost analysis, and patient safety, but require ongoing investment as federal funding expires. Given the significant public funding and financial resources already available to hospitals, they suggested healthcare institutions should help share the cost of maintaining this infrastructure. They recommended a hybrid funding model, including reasonable user fees, to reduce the burden on taxpayers while ensuring the systems remain operational.

Anonymous testimony was provided in support of HB 5030, agreeing with the elimination of OHS as the current structure has not been operationally effective and that separating its functions was a reasonable approach consistent with other states. They did however caution that the reorganization involved significant structural changes, and therefore, should not be treated as a simple administrative transfer. They also raised concerns about the aggressive implementation timeline, especially alongside proposed changes to the Certificate of Need program, warning it could create disruption if not carefully managed.

NATURE AND SOURCES OF OPPOSITION:

Martin Looney, Senate President Pro Tempore, Connecticut General Assembly – Senator Looney provided testimony expressing strong concerns with HB 5030, particularly the proposed elimination of OHS, arguing it would undo a carefully developed and research-driven reform that centralized healthcare oversight. Senator Looney explained that OHS was created following extensive study and stakeholder engagement to improve regulation of hospital mergers, data access, and cost control, and warned that dismantling it would recreate a fragmented system and weaken oversight. He acknowledged the agency is not perfect and needs reform, but argued it should be strengthened, not abolished, suggesting options such as commissioning a new study or even making OHS independent. Senator Looney also raised specific concerns about transferring functions to agencies lacking relevant expertise, reducing oversight of the CON program, and eliminating structures like the

Healthcare Cabinet, ultimately urging a more deliberate, evidence-based approach before making such significant structural changes.

Eric George Esq., President of the Insurance Association of Connecticut (IAC); Kristina Baldwin, Esq., Vice President of the American Property and Casualty Insurance Association (APCIA); and Sean McLaughlin, Regional Vice President, State Affairs Northeast of the National Association of Mutual Insurance Companies (NAMIC) – Mr. George, Ms. Baldwin and Mr. McLaughlin testified specifically to the funding structure tied to the proposed dissolution of the OHS. While they supported the existing model of using the Insurance Fund to finance insurance regulation, they argued it is inequitable to continue using that fund for broader public health functions that benefit all residents and lack a direct nexus to insurers. They expressed that this structure effectively shifts costs onto insurers and policyholders, increasing premiums and placing a disproportionate burden on a single industry. They promoted the adoption of prior working group recommendations to transition these costs to the General Fund over time, ensuring a fairer and more sustainable funding approach.

Susan Halpin, Executive Director, The Connecticut Association of Health Plans (CTAHP) – Similar to the joint testimony of IAC, APCIA, and NAMIC, CTAHP commented on the proposed dissolution of OHS, focusing on the need to reassess how its functions are financed. Ms. Halpin noted that while insurer assessments are appropriate for supporting the Department of Insurance, OHS activities have largely involved broader system planning, data analysis, and policy development that serve the state as a whole. She expressed concern that continuing to fund these functions through the Insurance Fund places added pressure on premiums for employers and families. She therefore recommended moving these costs to the General Fund to better align funding with the statewide nature of the work.

Mag Morelli, President, LeadingAge Connecticut & Rhode Island – Ms. Morelli testified in opposition specific to the proposed reassignment of OHS functions. While she did not object to moving oversight of the CONNIE to the OPM, she strongly opposed the proposal to shift CONNIE's funding responsibility from the state to healthcare providers. She shared concern about transferring this cost burden and reiterated prior objections to the funding change.

Dr. Harold A Foley – Dr. Foley testified in opposition of this bill due to the proposed funding to the Department of Housing (DOH). He claimed that audit findings and independent analysis showed improper, noncompetitive, and potentially conflicted funding practices. He alleged systemic issues, including violations of funding caps, conflicts of interest involving the commissioner, and the use of public funds for ineligible costs, supported by Auditor of Public Accounts reports. He urged the legislature to investigate, strengthen oversight, and implement reforms before allocating additional funding.

Olivia Sullivan – Ms. Sullivan opposed HB 5030 as proposed, raising concerns about the timeline and implementation of dissolving the OHS. She described that while restructuring may be reasonable, the July 1 deadline is too aggressive and risks disrupting critical regulatory, data, and oversight functions. She outlined a detailed alternative approach, recommending that specific programs be realigned to appropriate agencies, such as DPH for regulatory and data functions, DSS for the Health Information Exchange, and a centralized entity for cost analysis. She also advocated for a phased transition over 12 to 18 months with clear planning and oversight to ensure continuity and avoid operational disruption.

Adriana Lockery – Ms. Lockery submitted testimony in opposition of HB 5030 arguing that dissolving the OHS would risk recreating weak oversight rather than improving efficiency. Ms. Lockery acknowledged concerns about excessive advisory committees and administrative layers but recommended more targeted reforms such as consolidating or eliminating redundant advisory bodies. She also suggested realigning certain functions, like the Health Information Exchange, with agencies such as DSS to reduce duplication. Overall, they supported preserving OHS’s core statutory oversight functions while reducing bureaucracy through more focused restructuring.

Heather Dhillon – Ms. Dhillon provided testimony expressing opposition to HB 5030, arguing that dissolving OHS would undermine coordinated oversight of healthcare costs, data, and system planning. They recommended a targeted restructuring that redistributes operational functions, such as CON, data collection, and CONNIE, to agencies like DPH and DSS, while preserving a smaller central office for cost benchmarking and policy analysis. They also spoke to reducing administrative burden by consolidating advisory committees, rather than eliminating the state’s primary health policy coordination entity.

Sarah Nolan – Ms. Nolan shared testimony in opposition of this bill, arguing that dissolving OHS would hinder coordinated oversight of healthcare costs, data, and system planning. She supported limited realignment of certain functions but conveyed concern that that core data, benchmarking, and transparency functions should remain centralized within a single entity. They also warned that, if dissolution proceeds, the July 1 implementation timeline is too aggressive and should be extended with a structured transition plan to avoid disruption.

Christopher Wilson – Mr. Wilson submitted testimony opposed to HB 5030, arguing that eliminating the OHS would undo a deliberately designed, centralized system for overseeing healthcare costs and consolidation. He contended that dispersing these responsibilities across agencies would weaken accountability and the state’s ability to monitor hospital mergers, control costs, and protect taxpayers. He recommended that any needed changes focus on strengthening and modernizing OHS rather than dismantling it.

Anonymous testimony was submitted in general opposition of this bill.

Reported by: Taylor Aitken

Date: 4/15/2026