

TESTIMONY PRESENTED TO THE WORKING GROUP TO STUDY PAYMENTS BY THE INSURANCE COMPANIES FOR DEPOSIT INTO THE INSURANCE FUND COMMITTEE

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Senators Osten and Cabrera, Representatives Walker and Wood, and distinguished members of the Working Group to Study Payments by the Insurance Companies for Deposit into the Insurance Fund, thank you for the opportunity to offer testimony on the Office of Policy and Management's role in the vaccine program as it relates to the Insurance Fund. My name is Judy Dowd, and I am a section director with the Budget and Financial Management Division at the Office of Policy and Management, with oversight responsibility for the state's health and human services agencies.

In carrying out our responsibilities, we comply with two statutory requirements. OPM takes these statutory roles very seriously. The first is:

CGS Sec. 19a-7j(a), which requires that not later than September 1 every year, the Secretary of the OPM, in consultation with the Commissioner of Public Health, determine the amounts appropriated for the following purposes:

- to purchase, store and distribute vaccines for routine immunizations included in the schedule for active immunization required by section 19a-7f;
- to purchase, store and distribute (i) vaccines to prevent hepatitis A and B in persons of all ages; antibiotics necessary for the treatment of tuberculosis and biologics; antibiotics necessary for the detection and treatment of tuberculosis infections; antibiotics to support treatment of patients in communicable disease control clinics, as defined in section 19a-216a;
- to administer the immunization program described in section 19a-7f; and
- to provide services needed to collect up-to-date information on childhood immunizations for all children enrolled in Medicaid pursuant to section 19a-7h.

Once those amounts have been determined, OPM then calculates the difference between the amount expended in the prior fiscal year for the purposes set forth above and the amount of the appropriation used for the purpose of the health and welfare fee established in 19a-7j(a) in that same year, and informs the Insurance Commissioner through a letter to the effect of such amounts. This year's letter was sent on August 27, 2024, from the Secretary to Commissioner Mais. The purpose of this calculation

is to credit the assessed entities for any under-expenditure that occurred in the prior fiscal year. (Over-expenditures are not possible given that the program is subject to the legislative appropriations process, and the state cannot legally expend funds in excess of the appropriated amounts.) A copy of that letter has been submitted with our testimony for your reference.

The second statutory responsibility is activities related to CGS Sec. 19a-7n concerning the annual reconciliation of expenditures for the vaccine program. This requires that by October 1st each year, the Department of Public Health, in consultation with OPM, develop and implement a reconciliation and expenditure projection process for the state's childhood immunization program, including

- an accounting of the previous year's expenditures;
- the process and factors to be used in determining each future year's assessment; and
- the establishment of an appropriate notification process for the entities assessed under the account.

Specifically, this process involves participation in an annual estimating conference made up of staff from DPH and OPM. That group meets to:

- review the vaccine budget for the upcoming fiscal year;
- meet as needed to prepare the proposed budget when new vaccines are considered to be added to the Connecticut Vaccine Program;
- coordinate development and presentation of Governor's recommended budget and associated implementation language (if any); and,
- monitor program implementation and expenditures.

I hope this review of OPM's role helps assure the workgroup of the appropriate controls in place over the vaccine program and how seriously OPM takes these responsibilities. Thank you for your time. If you have any more specific questions about the process or the specifics of this year's meetings, we are happy to provide additional information.

