PRELIMINARY FISCAL NOTE SR 22/HR 12

Appropriations Committee Meeting

April 15, 2014



OFFICE OF FISCAL ANALYSIS

Room 5200, Legislative Office Building Hartford, CT 06106 • (860) 240-0200 E-Mail: ofa@cga.ct.gov www.cga.ct.gov/ofa **SR 22 and HR 12** – A MEB Agreement between the State of Connecticut and the State Employees Bargaining Agent Coalition (SEBAC). Pension Agreement between the parties regarding the makeup of the Medical Examining Board to the State Employees Retirement Commission.

Summary - The resolution proposes approval of a Pension Agreement between the State of Connecticut and the State Employees Bargaining Agent Coalition (SEBAC). This agreement makes certain changes regarding composition of the Medical Examining Board (MEB) of the State Employees Retirement Commission.

The agreement replaces the current Memorandum of Understanding (MOU) between the University of Connecticut Health Center (UCHC) and the Office of the State Comptroller (OSC). It increases the number of physicians on the MEB from seven to up to 25. Physicians will be compensated on an unspecified per diem basis. The current MOU lists a rate for the physicians based on their position on the board and their salary at UCHC. The current rate is equivalent to a percentage of their salary. The agreement requires that all payments for physician services be made within OSC's available appropriation for this purpose. The FY 14 OSC appropriation is \$215,815 for the MEB.

The agreement results in no additional costs as the total expenditures cannot exceed the FY 14 appropriated level. The agreement will reduce revenues to the UCHC by \$215,815 as payments are shifted from UCHC as reimbursement for physicians on the MEB to the up to 25 physicians that will comprise the new board. However, this revenue loss may be offset, as the physicians previously serving on the MEB may now generate additional patient related revenue.