

# OFFICE OF FISCAL ANALYSIS

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SB-2

AN ACT CONCERNING THE MENTAL, PHYSICAL AND  
EMOTIONAL WELLNESS OF CHILDREN.

## **OFA Fiscal Note**

### **State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 24 \$</b>	<b>FY 25 \$</b>
Public Health, Dept.	GF - Cost	34,929	62,375
State Comptroller - Fringe Benefits <sup>1</sup>	GF - Cost	13,301	26,602
Library, CT State	GF - Potential Cost	See Below	See Below
Office of Early Childhood	GF - Cost	1.5 million	6.5 million
Social Services, Dept.	GF - Potential	See Below	See Below
Resources of the Insurance Fund	IF - Cost	Up to 857,000	Up to 876,000
Resources of the General Fund	GF - Revenue Loss	970,188	970,188
Education, Dept.	GF - Cost	Up to 75,000	None
State Comptroller - Fringe Benefits	GF - Cost	Up to 32,115	None
Social Services, Dept.	ARPA - Cost	150,000	None
Education, Dept.	GF - Cost	15,000	None

Note: GF=General Fund; IF=Insurance Fund

### **Municipal Impact:**

<b>Municipalities</b>	<b>Effect</b>	<b>FY 24 \$</b>	<b>FY 25 \$</b>
Various Municipalities	Potential Revenue Gain	See Below	See Below

### **Explanation**

<sup>1</sup>The 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 42.82% of payroll in FY 24.

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3/14/23

The bill results in various fiscal impacts as described by section below:

**Section 1**, which requires the Department of Public Health (DPH) to hire a full-time employee to assist in licensing Social Workers (SWs) by 1/1/24, results in a cost to the agency of \$34,929 in FY 24 (for half a fiscal year) and \$62,375 in FY 25 (annualized) for a Processing Technician I and associated other expenses. Costs to the Office of State Comptroller – Fringe Benefits for this position are \$13,301 in FY 24 and \$26,602 in FY 25.

**Sections 2 and 3** allow a municipality to designate their public library as a sanctuary library. Additionally, the bill limits incentive library grants exclusively to sanctuary libraries. The incentive portion of public library grant funding was last funded in FY 15 at approximately \$225,000. If incentive grants were to be awarded to sanctuary libraries, it would result in an additional cost to the State Library. This additional cost to the State Library would result in a corresponding revenue gain to municipalities which designated their public library as a sanctuary library. If the incentive grant were funded with \$225,000 annually, the corresponding revenue gain would be approximately \$1,300 to \$3,000 per sanctuary library.

**Section 4** results in an annual cost to the Office of Early Childhood (OEC) of approximately \$5 million beginning in FY 25 by requiring a permanent increase in general administrative payments to Birth to Three providers for certain children.

**Section 5** makes technical and conforming changes and has no fiscal impact.

**Section 6**, which requires individualized family service plans to be translated and provided in Spanish, has no fiscal impact as the agency is currently in the process of revising the form to be available in several languages, including Spanish.

**Section 7** results in a cost of up to \$1.5 million per year to OEC

associated with providing early intervention services in Spanish to those families who indicated Spanish is their primary language. For context, the estimate assumes a rate of \$75 per hour for interpreter services. There were approximately 177 students served monthly in FY 22 who indicated their primary language is Spanish with each child receiving an average of eight service hours per month.

**Sections 8 and 9** require employers to allow certain workers to utilize accrued paid sick leave for a "mental health wellness day." This does not result in a fiscal impact to the Labor Department as it can administer this provision without the need for additional resources.

**Section 10** could result in a fiscal impact to the Department of Social Services (DSS) associated with establishing Medicaid coverage for suicide risk assessments and mental health evaluations provided at school-based health centers or public schools. DSS currently covers comprehensive psychiatric diagnostic evaluations at these locations. To the extent the bill requires DSS to establish coverage for a new, less comprehensive screening DSS could experience a fiscal impact. This impact is dependent on the utilization of the service and rate established for such screening.

The bill could also result in a revenue gain to towns to the extent they would receive Medicaid reimbursement for services currently provided by schools but are not reimbursable.

**Sections 11 and 12** establish an Office of the Behavioral Health Advocate (OBHA) within the Insurance Department for administrative purposes only, which would be staffed by a Behavioral Health Advocate and up to three additional staff initially. This is anticipated to result in total costs of up to \$857,000 in FY 24 and up to \$876,000 in FY 25, and annually thereafter, presumably to the Insurance Fund.

The estimate assumes the hiring of a Behavioral Health Advocate, a staff attorney 3, a nurse consultant, and a consumer information representative, with salaries totaling approximately \$378,000 in FY 24 and \$387,000 in FY 25. An office with those four staff would incur fringe

benefit costs of about \$391,000 in FY 24 and \$401,000 in FY 25, as well as Other Expenses and Indirect Overhead costs together totaling approximately \$88,000 per year.<sup>2</sup> To the extent fewer staff are hired, costs would be correspondingly lower.

The estimate is based on the budget and staff positions for the existing Office of the Healthcare Advocate, which assists consumers with insurance claims.

**Section 13** reduces initial licensure fees, from \$350 to \$200, for Clinical Social Workers (SWs), which results in an annual General Fund revenue loss of \$7,000. It also reduces, from \$220 to \$150, the initial licensure fees for Master SWs, which results in an annual General Fund revenue loss of \$30,000. There are approximately 100 new Clinical SW and 100 new Master SW licenses issued by DPH every year.

**Section 14** changes the Clinical and Master SW licensure renewal from annual to biannual. The license renewal fee for both is \$195. Based on the average number of SW renewal transactions (4,863), this provision is anticipated to result in an annual General Fund revenue loss of \$948,188.

**Section 15** requires the children's task force to review the efficacy of certain programs that received Coronavirus Aid resulting in no fiscal impact to the state because the task force has the expertise to carry out the requirements of the bill.

**Section 17** results in costs of up to \$107,115 in FY 24 associated with the requirement for the State Department of Education (SDE) to hire an employee to administer a grant program created by Section 19. These costs include \$75,000 in salary and an associated \$32,115 in fringe benefits. Due to the temporary nature of the grant funding, it is anticipated that SDE will hire a durational employee, resulting in no

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<sup>2</sup>The fringe benefit costs for employees funded out of other appropriated funds are budgeted within the fringe benefit account of those funds, as opposed to the fringe benefit accounts within the Office of the State Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes for other appropriated fund employees is **103.41%** of payroll in **FY 23**.

cost to the agency in FY 25 and annually thereafter.

SDE is currently projected to lapse approximately \$1.5 million in FY 23 associated with funded vacancies in the agency.

**Section 18** allocates ARPA funding of \$150,000 to DSS in FY 24 for the agency to hire temporary and part-time employees to collaborate with nonprofit organizations to identify and enroll eligible children in the HUSKY Health program.

**Section 19** appropriates \$15,000 from the General Fund to the State Department of Education in FY 24 to provide a grant to a nonprofit for the training of school behavioral health providers.

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, the number of Clinical and Master SWs that apply for and renew their licenses, Medicaid-covered service utilization, and the Medicaid rate established for suicide risk assessments and mental health evaluations.