

**Appropriations Committee Meeting - April 28, 2014**  
**Analysis of Whether Costs Described in Fiscal Notes are Included in sHB 5030**  
**(the Revised FY 15 Budget as Favorably Reported by the Appropriations Committee)**

*Note : For bills on the agenda with proposed substitutes, the fiscal impact is based on the substitute language)*

**Prepared by: Office of Fiscal Analysis**

Agenda Item #	Bill #	Cost Included in sHB 5030 \$	Cost Not Included in sHB 5030 \$	FY 15 Impact \$	Comments
1	ssB 35 (Sen. A, LCO 4106)	-	72,644	see amendment fiscal note for detail	The bill as amended by Senate A expands Certificate Of Need (CON) requirements to include transfers of ownership of a group practice to a hospital, hospital system, captive professional entity, medical foundation or other entity that is owned by or affiliated with a hospital. This results in a net state cost of 68,644 in FY 15 and \$93,293 in FY 16, which reflects an anticipated cost to DPH of \$53,452 in FY 15 and \$71,220 in FY 16, an anticipated cost to the State Comptroller Fringe Benefits of \$19,192 in FY 15 and \$26,073 in FY 16 and an anticipated revenue gain to the General Fund of \$4,000 in both fiscal years. The bill also requires that all CON deliberations by OHCA take into consideration and include in its written findings: (1) whether the applicant has satisfactorily demonstrated that the proposal will not negatively impact the diversity of health care providers and patient choice in the geographic region and (2) whether the applicant has satisfactorily demonstrated that any consolidation of market share resulting from the proposal will not adversely affect health care costs. This may result in a cost to OHCA to the extent that the Office needs additional resources to meet these new requirements.
2	sSB 105	-	Potential - see comment	Potential - see comment	The bill allows the Office of Policy and Management, and other state agencies, to enter into outcome-based performance contracts with social innovation enterprises. The bill specifies that any payment to a social innovation enterprise be conditioned on the successful achievement of quantifiable outcomes. Should such outcomes be achieved, there would be a cost associated with making contractual payments. This cost could potentially be offset by any savings resulting from the achievement of quantifiable outcomes laid out in the contract.

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3	sSB 5542	-	195,201	195,201	The salary and other expenses for two full-time Health Program Assistants (HPAs) and a half-time Special Investigator and half-time Staff Attorney are \$144,178 in FY 15 and \$194,073 in FY 16. The associated cost to State Comptroller - Fringe Benefits for these positions is \$51,023 in FY 15 and \$69,314 in FY 16. HPAs are included in order to provide approximately 17 municipalities each (34 annually for a five-year total of just over 169 ) with technical assistance and disagreement resolution for these plans, which are extensive and complex. The half-time Special Investigator and half-time Staff Attorney are included to investigate and act on the sale/transfer of more than 50% of the interest/assets of a PSAR, alternative emergency medical services plans and conduct hearings.
4	sSB 27	600,000	-	At least 600,000	Section 2 requires DEEP, no later than July 1, 2016, to revise the solid waste management plan in consultation with municipalities and increases the percentage, to at least 60%, for the goal of diverting solid waste. sHB 5030, the revised FY 15 budget, includes carry forward funding of \$600,000 for this purpose.
5	sSB 179	-	-	-	- Substitute language (striking section 10 of underlying bill) eliminates the fiscal impact.
6	SB 249 (Sen. A, LCO 3592)	-	Up to 2.5 million	Up to 2.5 million	The bill as amended by Senate A may result in a cost of up to \$2.5 million in FY 15 to the Office of the State Comptroller (OSC) to conduct a market feasibility study and to provide administrative support to implement the provisions of the bill. In addition, the bill does not specify the financing for other one-time start up costs. If OSC is responsible for these costs there would be a fiscal impact in FY 16 of between \$6 and \$8 million.

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7	SB 294	-	Less than \$30,000	Less than \$30,000	Cost is for PS expenses in DESPP related to overtime/durational work in processing background checks. Bill adds approx. 4% to workload of identification unit.
8	sSB 458	-	8,970,218	8,970,218	The bill will result in a total cost of approximately \$9.0 million predominately to the Dept. of Social Services (DSS), State Comptroller Fringe Benefits, and the Judicial Department. These cost may be offset by approximately \$5 million in General Fund revenue, for a net cost of approximately \$3.9 million. The bill will result in the budget being over the spending cap by approximately \$7.7 million.
9	sSB 492	-	Potential cost of less than 70,000	Potential cost of less than 70,000	The bill may result in a cost of less than \$70,000 annually to DCF to the extent that the agency chooses (1) to make mandated reporter trainings available to nonprofit directors, officers and employees and (2) to increase the number of such trainings to accommodate these individuals. The bill also results in a potential minimal revenue gain to the General Fund by making the failure of these individuals to report child abuse or neglect a Class A misdemeanor.