

## Office of Health Strategy

### OHS49450

#### Permanent Full-Time Positions

Fund	Actual FY 23	Actual FY 24	Appropriation FY 25	Governor Recommended		Legislative	
				FY 26	FY 27	FY 26	FY 27
General Fund	34	35	35	36	36	33	33
Insurance Fund	10	18	18	15	20	13	13

#### Budget Summary

Account	Actual FY 23	Actual FY 24	Appropriation FY 25	Governor Recommended		Legislative	
				FY 26	FY 27	FY 26	FY 27
Personal Services	2,615,666	2,903,476	3,454,529	3,720,606	3,720,606	3,370,606	3,370,606
Other Expenses	10,385	7,924	13,042	13,042	13,042	1,170,255	1,170,255
<b>Other Than Payments to Local Governments</b>							
CT Virtuosi Orchestra	55,264	16,231	-	-	-	-	-
Covered Connecticut Program	14,769,212	4,572,365	1,000,000	500,000	-	500,000	-
<b>Agency Total - General Fund</b>	<b>17,450,527</b>	<b>7,499,996</b>	<b>4,467,571</b>	<b>4,233,648</b>	<b>3,733,648</b>	<b>5,040,861</b>	<b>4,540,861</b>
Personal Services	1,101,999	1,078,047	1,982,363	1,756,969	2,304,169	1,487,574	1,487,574
Other Expenses	5,395,946	11,347,990	9,829,264	11,803,667	11,555,993	10,646,454	10,398,780
Equipment	7,483	-	10,000	10,000	10,000	10,000	10,000
<b>Other Current Expenses</b>							
Fringe Benefits	991,350	902,121	1,939,640	1,614,204	2,147,505	1,406,339	1,406,339
<b>Agency Total - Insurance Fund</b>	<b>7,496,778</b>	<b>13,328,158</b>	<b>13,761,267</b>	<b>15,184,840</b>	<b>16,017,667</b>	<b>13,550,367</b>	<b>13,302,693</b>
<b>Total - Appropriated Funds</b>	<b>24,947,305</b>	<b>20,828,154</b>	<b>18,228,838</b>	<b>19,418,488</b>	<b>19,751,315</b>	<b>18,591,228</b>	<b>17,843,554</b>

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

## Policy Revisions

### Adjust Funding for Out-of-Network Hospital Price Limit Legislation

Personal Services	-	547,200	-	-	-	(547,200)
Fringe Benefits	-	533,301	-	-	-	(533,301)
<b>Total - Insurance Fund</b>	-	<b>1,080,501</b>	-	-	-	<b>(1,080,501)</b>
<b>Positions - Insurance Fund</b>	-	<b>5</b>	-	-	-	<b>(5)</b>

#### Background

The Governor's proposed budget includes funding to support HB 6871, which caps out-of-network hospital prices at 240% of the Medicare rate for the same service in the same geographic region. The Office of Health Strategy (OHS) is tasked with tracking in-network and out-of-network cost trends across the state, and will report its findings and recommendations to the Insurance Committee. OHS is permitted to design and adopt regulations to implement the bill's provisions, conduct audits regarding provider compliance, and impose civil penalties for noncompliance.

#### Governor

Provide funding of \$1,080,501 in FY 27 to support five positions to enforce out-of-network hospital price limits.

#### Legislative

Do not provide funding to implement legislation regarding out-of-network hospital price limits.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

### Adjust Funding for a Deputy Commissioner

Personal Services	180,000	180,000	-	-	(180,000)	(180,000)
Fringe Benefits	138,888	138,888	-	-	(138,888)	(138,888)
<b>Total - Insurance Fund</b>	<b>318,888</b>	<b>318,888</b>	<b>-</b>	<b>-</b>	<b>(318,888)</b>	<b>(318,888)</b>
<b>Positions - Insurance Fund</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>

#### Governor

Provide funding of \$318,888 in both FY 26 and FY 27 to hire a Deputy Commissioner to support agency activities.

#### Legislative

Funding is not provided for a deputy commissioner.

### Adjust Funding for Notice of Material Change Legislation

Personal Services	350,000	350,000	-	-	(350,000)	(350,000)
<b>Total - General Fund</b>	<b>350,000</b>	<b>350,000</b>	<b>-</b>	<b>-</b>	<b>(350,000)</b>	<b>(350,000)</b>
<b>Positions - General Fund</b>	<b>3</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>(3)</b>

#### Background

The Governor's proposed budget includes funding for HB 6873, which significantly expands the Office of the Attorney General's oversight over both the type of healthcare transactions and type of entities that will require the Office of Health Strategy to evaluate how health quality and access would be affected by such a transfer.

#### Governor

Provide funding of \$350,000 in both FY 26 and FY 27 to support three positions to implement the proposed legislation.

#### Legislative

Do not provide funding to implement the proposed legislation.

### Centralize Information Technology Functions Under the Department of Administrative Services

Personal Services	(223,113)	(223,113)	(223,113)	(223,113)	-	-
<b>Total - General Fund</b>	<b>(223,113)</b>	<b>(223,113)</b>	<b>(223,113)</b>	<b>(223,113)</b>	<b>-</b>	<b>-</b>
<b>Positions - General Fund</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>-</b>	<b>-</b>
Other Expenses	(38,471)	(38,471)	(38,471)	(38,471)	-	-
<b>Total - Insurance Fund</b>	<b>(38,471)</b>	<b>(38,471)</b>	<b>(38,471)</b>	<b>(38,471)</b>	<b>-</b>	<b>-</b>

#### Background

The Department of Administrative Services (DAS), including the Bureau of Information Technology Solutions (BITS) within DAS, provides information technology services for various state agencies.

#### Governor

Transfer two positions and \$261,584 to DAS in both FY 26 and FY 27.

#### Legislative

Same as Governor.

### Gross Fund Federal Share of Health Information Exchange Costs

Other Expenses	-	-	1,157,213	1,157,213	1,157,213	1,157,213
<b>Total - General Fund</b>	<b>-</b>	<b>-</b>	<b>1,157,213</b>	<b>1,157,213</b>	<b>1,157,213</b>	<b>1,157,213</b>
Other Expenses	1,157,213	1,157,213	-	-	(1,157,213)	(1,157,213)
<b>Total - Insurance Fund</b>	<b>1,157,213</b>	<b>1,157,213</b>	<b>-</b>	<b>-</b>	<b>(1,157,213)</b>	<b>(1,157,213)</b>

#### Background

The Office of Health Strategy received \$2.1 million in FY 23 and \$3.9 million in FY 24 in federal grants related to the operation of the state's health information technology programs. The agency is anticipating a reduction in federal grant funding as the Health Information Exchange (HIE) becomes operational.

#### Governor

Provide funding of \$1,157,213 in both FY 26 and 27 to maintain the operations of the Health Information Exchange.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

### Legislative

Provide funding of \$1,157,213 in both FY 26 and 27 through the General Fund instead of the Insurance Fund. Any federal reimbursement related to these costs shall be deposited into the General Fund.

## Current Services

### Annualize the Cost of Existing Wage Agreements

Personal Services	139,190	139,190	139,190	139,190	-	-
<b>Total - General Fund</b>	<b>139,190</b>	<b>139,190</b>	<b>139,190</b>	<b>139,190</b>	-	-
Personal Services	52,411	52,411	52,411	52,411	-	-
<b>Total - Insurance Fund</b>	<b>52,411</b>	<b>52,411</b>	<b>52,411</b>	<b>52,411</b>	-	-

### Background

The Governor's Recommended Budget provides funding of \$124.4 million in both FY 26 and FY 27, across nine appropriated funds, to reflect current wage-related adjustments resulting from existing wage agreements.

### Governor

Provide funding of \$191,601 in both FY 26 and FY 27 to reflect this agency's increased wage costs.

### Legislative

Same as Governor.

### Adjust Funding for the Senior Director for Health Equity and Social Determinants of Health Position

Personal Services	89,395	89,395	-	-	(89,395)	(89,395)
Fringe Benefits	68,977	68,977	-	-	(68,977)	(68,977)
<b>Total - Insurance Fund</b>	<b>158,372</b>	<b>158,372</b>	-	-	<b>(158,372)</b>	<b>(158,372)</b>
<b>Positions - Insurance Fund</b>	<b>1</b>	<b>1</b>	-	-	<b>(1)</b>	<b>(1)</b>

### Background

The Senior Director of Health Equity and SDOH was established as a Durational Project Manager to lead the State Health Improvement Plan, which was previously managed by the Department of Public Health but is now integrated into OHS's facilities and services plan. This role is responsible for overseeing the following efforts:

- State Health Improvement Plan
- Universal Nurse Home Visiting program evaluation and sustainability planning
- Planning for the HHS Agencies Social Determinants of Health Summit
- CoveredCT Community Outreach and Engagement efforts
- Community Health Workers Advisory Body (Overseen by OHS)
- Supports coordination of the Race, Ethnicity and Language Data standardization across health and human services state agencies
- AHEAD - a federal demonstration model from CMS/CMMI that CT was selected to implement

### Governor

Provide funding of \$158,372 in both FY 26 and FY 27 to make the Senior Director for Health Equity and Social Determinants of Health position permanent.

### Legislative

Funding is not provided for the Senior Director position.

### Reduce Funding to Reflect Legislation That Was Not Enacted

Personal Services	(547,200)	(547,200)	(547,200)	(547,200)	-	-
Fringe Benefits	(533,301)	(533,301)	(533,301)	(533,301)	-	-
<b>Total - Insurance Fund</b>	<b>(1,080,501)</b>	<b>(1,080,501)</b>	<b>(1,080,501)</b>	<b>(1,080,501)</b>	-	-
<b>Positions - Insurance Fund</b>	<b>(5)</b>	<b>(5)</b>	<b>(5)</b>	<b>(5)</b>	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

**Background**

PA 23-204, the FY 24 and FY 25 Budget, included funding of \$1,080,501 and five positions to implement the health care affordability activities described in S.B. 983 of the 2023 legislative session. However, the corresponding legislation was never passed.

**Governor**

Reduce funding by \$1,080,501 in both FY 26 and FY 27 to reflect the elimination of funding related to legislation that was not enacted.

**Legislative**

Same as Governor.

**Reflect Reduced Covered CT Outreach Needs**

Covered Connecticut Program	(500,000)	(1,000,000)	(500,000)	(1,000,000)	-	-
<b>Total - General Fund</b>	<b>(500,000)</b>	<b>(1,000,000)</b>	<b>(500,000)</b>	<b>(1,000,000)</b>	<b>-</b>	<b>-</b>

**Background**

The CoveredCT program offers no-cost health insurance, dental insurance, and non-emergency medical transportation to all Connecticut residents between the ages of 19-64 that qualify. Administration of the program was transferred from the Office of Health Strategy (OHS) to the Department of Social Services in 2022, however OHS retained \$1 million for program outreach and education.

**Governor**

Reduce funding by \$500,000 in FY 26 and by \$1 million in FY 27 to reflect a phase-out of program outreach.

**Legislative**

Same as Governor.

**Support Increased Operational Costs of Health Information Technology Initiatives**

Other Expenses	855,661	607,987	855,661	607,987	-	-
<b>Total - Insurance Fund</b>	<b>855,661</b>	<b>607,987</b>	<b>855,661</b>	<b>607,987</b>	<b>-</b>	<b>-</b>

**Background**

The Office of Health Strategy is responsible for overseeing a variety of health information programs, including the All-Payer Claims Database (APCD) and the Health Information Exchange (Connie). These programs collect healthcare records from insurers and support increased communication between healthcare providers.

**Governor**

Provide funding of \$855,661 in FY 26 and \$607,987 in FY 27 to reflect increased costs associated with the state's health information technology programs.

**Legislative**

Same as Governor.

## Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27
FY 25 Appropriation - GF	4,467,571	4,467,571	4,467,571	4,467,571	-	-
Policy Revisions	126,887	126,887	934,100	934,100	807,213	807,213
Current Services	(360,810)	(860,810)	(360,810)	(860,810)	-	-
<b>Total Recommended - GF</b>	<b>4,233,648</b>	<b>3,733,648</b>	<b>5,040,861</b>	<b>4,540,861</b>	<b>807,213</b>	<b>807,213</b>
FY 25 Appropriation - IF	13,761,267	13,761,267	13,761,267	13,761,267	-	-
Policy Revisions	1,437,630	2,518,131	(38,471)	(38,471)	(1,476,101)	(2,556,602)
Current Services	(14,057)	(261,731)	(172,429)	(420,103)	(158,372)	(158,372)
<b>Total Recommended - IF</b>	<b>15,184,840</b>	<b>16,017,667</b>	<b>13,550,367</b>	<b>13,302,693</b>	<b>(1,634,473)</b>	<b>(2,714,974)</b>

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27
FY 25 Appropriation - GF	35	35	35	35	-	-
Policy Revisions	1	1	(2)	(2)	(3)	(3)
<b>Total Recommended - GF</b>	<b>36</b>	<b>36</b>	<b>33</b>	<b>33</b>	<b>(3)</b>	<b>(3)</b>
FY 25 Appropriation - IF	18	18	18	18	-	-
Policy Revisions	1	6	-	-	(1)	(6)
Current Services	(4)	(4)	(5)	(5)	(1)	(1)
<b>Total Recommended - IF</b>	<b>15</b>	<b>20</b>	<b>13</b>	<b>13</b>	<b>(2)</b>	<b>(7)</b>