Chairperson: Representative Toni Walker

Senators: Formica, Kushner, Lesser

Representatives: Abercrombie, Baker, Betts, Bolinsky, Candelaria, Case, Dauphinais, Dillon, DiMassa, France, Gilchrest, Haddad, Hall, Horn, Johnson, Lavielle, Mastrofrancesco, Nolan, Rotella, Simanski, Wilson, Zupkus

Rep. Walker (93rd): I'd like to call the Appropriations, let's see what is this now, Public Hearing for State Agencies. We have on our docket, we have approximately, no not approximately, we have ten agencies and one person from the public to testify. So with that, before, I do, I ask my ranking's to say anything besides good morning. Good morning. [laughter] All right so let's, let's, it's Friday, let's get right into it. First we have the Secretary from the Office of Policy and Management, Melissa McCaw. Good morning, ma'am.

Melissa McCaw: Good morning, Representative Walker, Senator Osten in her absence, and the distinguished members of the Appropriations Committee. Thank you for the opportunity to offer testimony on House Bill 7147, an Act Making Deficiency Appropriations for the Fiscal Year Ending June 30, 2019.

This bill makes appropriations to address FY 2019 shortfalls of $47.625 million dollars that were projected as of February 20, 2019. As is done in
prior years, we are prepared to work with the Appropriations Committee and the Office of Fiscal Analysis to amend the bill to reflect updated deficiency estimates since the bill was submitted. The bill in current draft appropriates a total of $47.625 million dollars for agencies with projected deficiencies for the fiscal year ending June 30, 2019, and includes offsetting de-appropriations to ensure balance is maintained in each fund and full compliance with the spending cap. Totals by fund are as follows: In the General Fund $45.3 million dollars, Special Transportation Fund $1 million dollars, Banking Fund $325,000 dollars, Insurance Fund $1 million dollars for a total of $47.6 million dollars.

There is no net change to the budget as a result of this bill, and the adjusted FY 2019 budget would remain half-million dollars under the spending cap, unchanged from the adopted budget. Section 1 proposes appropriations totaling $45.3 million dollars in the General Fund for agencies with shortfalls projected as of February 20, 2019, OPM’s forecast at the time the Governor’s budget was presented. Please note that since that time, my office has presented an updated estimate of agency deficiencies totaling $53.7 million dollars. This does not include an estimated $60 million dollars in adjudicated claims and so therefore, the current projection would be approximately 110, north of $110 million dollars.

For the Department of Mental Health and Addiction Services, a $3.9-million-dollar deficiency is projected in Personal Services, primarily as a result of overtime and staffing costs at Whiting Forensic Hospital and Connecticut Valley Hospital.
Office of Early Childhood, a net deficiency currently estimated at $9.3 million dollars is projected in the Care4Kids TANF/CCDF account to reflect spending associated with increased federal Child Care Development Fund receipts. In the Department of Correction, a $36-million-dollar shortfall is projected. Personal Services is anticipated to have a $11.3 million-dollar deficiency, as the revised FY 2019 appropriation for Personal Services is $20 million dollars less than actual expenditures for FY 2018. The Other Expenses account will be $4.7 million dollars over budget, and the Inmate Medical account faces a projected shortfall of $20 million dollars related to the transition of services from the UConn Health Center to in-house and contracted alternatives.

For the Department of Children and Families, a net deficiency of $4.5 million dollars is projected across several accounts. This shortfall is due to honoring the state’s commitment to the 2017 Revised Juan F. Exit Plan, which in part requires adequate support for community-based programming to address service needs in order to implement the Exit Plan’s outcome measures, costs associated with increasing numbers of children receiving intensive clinical services while residing in foster family homes, also maintaining cost-effective services for families involved or at risk of becoming involved with the child protective services system who are also impacted by substance abuse, and finally, the need to support other unanticipated expenses to implement corrective actions at the Solnit Children’s Center.

Section 2 of the bill de-appropriates a total of $45.3 million dollars in other areas where there are currently projected lapses to ensure General Fund
balance after deficiency appropriations in section 1 are made. This section will need to be revised to reflect updated estimates of available funds.

Section 3 proposes appropriations in the Special Transportation Fund for shortfalls projected as of February 20, 2019, OPM’s forecast at the time the Governor’s budget was presented. For the State Comptroller – Fringe Benefits in the Special Transportation Fund, the bill proposes a supplemental appropriation of $1 million dollars for the State Employees Health Service Cost account. Our projections continue to show a need for that appropriation as well as $200,000 dollars for the Other Post Employment Benefits account.

Section 4 reduces Special Transportation Fund appropriations by $1 million dollars to ensure balance after the deficiency appropriations in section 3 are made. This section will need to be revised to reflect updated estimates of available funds. Sections 5 and 7 make deficiency appropriations in the Banking Fund and Insurance Fund, respectively. The enacted budget did not include technical adjustments to the fringe benefit and indirect overhead appropriations to reflect the recovery rates established by the Comptroller.

In the Banking Fund, our current estimate is that the Department of Banking is underfunded by a net total of $299,399 dollars, $727,302 approximately in Fringe Benefits and $150,423 in Indirect Overhead, partially offset by lapses in PS estimated at $578,326. The net is estimated at $299,000 dollars.

In the Insurance Fund, we project that the Department of Insurance is underfunded by a net total of $1,198,990 dollars. This is a $1.2-
million-dollar shortfall in Fringe Benefits and $193,891 dollars in Other Expenses, offset by $194,901 dollars over-budgeted in Indirect Overhead. Sections 6 and 8 make offsetting de-appropriations in the Banking Fund and Insurance Funds respectively, to ensure these funds remain in balance. These sections will need to be revised to reflect updated estimates of available funds.

In conclusion, please note that House Bill 7147 represents shortfalls as we projected them back in February, while my testimony today reflects updated estimates of deficiencies based on April 22nd. As is the case each year, this bill will require amendment to reflect revised deficiency estimates. The Office of Policy and Management is prepared to work with the Appropriations Committee and the Office of Fiscal Analysis to modify this bill accordingly. Thank you for the opportunity to present this testimony. Agency representatives are here today to provide more in-depth information regarding the projected shortfalls, but I am happy to answer any questions you may have at this time.

REP. WALKER (93RD): Thank you and thank you for that very detailed overview. I want to say that we probably have every single commissioner that is affected by the deficiency today as my, as my colleagues start to go through this I would just remind them that we will have the Chair, I mean the commissioners from those agencies there to answer more of the specific issues for this, for this bill. My, my first question is the difference between your numbers and Office of Fiscal Analysis. Do you have any insight or should I ask OFA to come up?
MELISSA MCCAW: I'm happy to take that question. The report I received from OFA this morning reflects General Fund estimated deficiency needs of $120.3 million dollars. The major difference between what is reflected in my testimony is respect to adjudicated claims, which as you know is not appropriated but those commitments are made from the resources of the fund and so therefore, if you were take the testimony that I have in front of you indicating you know approximately $50 million dollars in deficiencies and add the $60 million dollars of adjudicated claims, we are relatively in alignment.

There are a couple of agencies where the Office of Policy and Management is not currently reflecting a shortfall, but the Office of Fiscal Analysis is suggesting there might be some challenges. One would be the Office of Chief Medical Examiner. The OFA report projects a potential shortfall of $300,000 dollars. My office is projecting that there will be adequate lapses in the other expense line item to mitigate a net shortfall in that agency. Of course, between now and the end of May, our offices will continue to evaluate and I imagine will be in further alignment.

REP. WALKER (93RD): Okay so another one that is pretty, that's pretty outstanding is the Office of Early Childhood. OFA has a projection of $12.7 million dollars and you don’t really even have it listed on your, well maybe I'm wrong.

MELISSA MCCAW: We do. We are currently projecting approximately $9 million dollars. We're working with Commissioner Beth Bye as estimates continue to be updated with respect to the needs for the current
fiscal year. We have heard that it is possible those costs will be north of $9 million dollars. That being said, if that is the case, then certainly the amount that needs to be appropriated would need to increase. As you know, there would be an increase in revenues that would correspond to the increased appropriation on the expenditure side, so the Commissioner will be here today and she'll provide any update as to whether or not she believes that there will need to be a northward adjustment from the $9 million dollars. She is still finalizing details.

REP. WALKER (93RD): And you reference the Adjudicated Claims Account. Approximately how much is in the Adjudicated Claims and how much are you talking about moving?

MELISSA MCCAW: Sure. The Adjudicated Claims Account is unappropriated so it does not start with a balance per se. Those requirements are resourced from the resources of the fund, if you will, so essentially, we need to finalize our estimates as to what we think the final expenses will be. Um, the Office of the Comptroller is in alignment in that they estimate approximately $60 million dollars. There is one rather large case that is unlikely to materialize this year to the tune of $6.5 million dollars so as we approach the end of May, we should have a better sense as to where that, uh, that number will ultimately land.

REP. WALKER (93RD): I do think that there are a few that came out of Judiciary that are going to take up a lot of that money. Um, all right so I will, um, questions? Senator Formica.
SENATOR FORMICA (20TH): Thank you very much, Madam Chair, and good morning. Good morning to everyone. Good morning, Madam Secretary. Thank you for your good work as always. My question is going to revolve around the Adjudicated Claims for the $58 million dollars. This is something that we seem to underfund or don’t fund every year and it looks like the Governor’s budget for the next fiscal year has a zero allocation to that. Would it make sense to treat it as a snowplowing issue where you never know what's going to happen, but you take a rolling average over a period of time and throw some money in that or do you feel this is the best way to do it and are you in communication with the comptroller to kind of figure that out? Through you, Madam Chair.

MELISSA MCCAW: Sure. Uh, Senator Formica, thank you for the question. So just to be clear, adjudicated claims is not an appropriated account if you will. It is acknowledged as needing - that on an annual basis we will understand from working with the Office of the Comptroller what the needs are with respect to settlements. Any settlements that need to be made are funded from the resources of the fund. Obviously, with respect to litigation, there's going to be vulnerability year, uh, every single year so it will be very difficult to estimate what the financial impact would be on an ongoing basis. I do believe that the current approach is reasonable and certainly if it were to be shifted back on budget, I imagine we could potentially have cap issues and we would likely be in front of this committee on an annual basis looking for adjustments so I believe we can accomplish the same effect with the current arrangement that we have, but certainly my on a monthly basis is in contact with the Office
of the Comptroller to ensure we understand what their current projections are and we will continue to do so through the end of session when this is final, uh, when our bill is finalized.

SENATOR FORMICA (20TH): Okay, thank you very much and we can find the detail of the $58 million dollars I would imagine what that breaks down to? You have kind of a rough figure.

MELISSA MCCAW: The Office of the Comptroller is here today and will be testifying and will be delighted to give you as much detail as they possibly can.

SENATOR FORMICA (20TH): Thank you very much and one final question if I may, Madam Chair, the Department of Corrections showing a deficiency in the Personal Services line item. We just approved an additional contract for more Personal Service expenditures yesterday. Are we, are we able to fund this with the RSA and what is the, what is the, what is the balance in that fund please?

MELISSA MCCAW: So to first with respect to the deficiency in PS that is projected for the current year, I just want to clarify that one major contributing factor would be the transfer of approximately 80 personnel from the Connecticut Juvenile Training School to the Department of Correction. Those positions or employees were absorbed within primarily counselor and teacher positions within DOC; however, the absorption of those positions was not reflected in their Fiscal 2019 Budget. We have adjusted for this in the Governor's proposed budget that you currently have before you so therefore, we do not anticipate that this shortfall would materialize next year.
With respect to the contact that was before you, we have fully budgeted for those costs in RSA. I'm happy to have my office to follow up specifically with you with that particular amount, but the contract that you are taking action on is fully funded in the Governor's proposed budget.

SENATOR FORMICA (20TH): All right, thank you. I'm sure we can look up what the balance of the RSA is and people I imagine will talk to the inmate medical as we move forward so I'll allow that, but thank you for your good work. You seem right on top of things so thank you very much.

MELISSA MCCAW: Thank you, sir.

REP. WALKER (93RD): Thank you. Representative Lavielle.

REP. LAVIELLE (143RD): Thank you very much, Madam Chair. Good morning, Madam Secretary.

MELISSA MCCAW: Good morning.

REP. LAVIELLE (143RD): Just a question about the Department of Mental Health and Addiction Services. Apparently, part of the Personal Services shortfall is higher than budged overtime costs and I wondered if we, if that is a, if you know if that's a blip or if we're foreseeing more of that going forward and anything that might be behind that.

MELISSA MCCAW: Representative Lavielle, thank you for the question. So as referenced in my testimony, the shortfall in Personal Services is primarily due to the overtime and staffing costs that Whiting Forensic Hospital and CVH. I imagine that you are familiar with the history with respect to the Whiting Forensic Division being designated as a
separate entity from CVH. Currently, for the current year, we do not believe that the agency was properly funded to meet the cost of this transition. The Commissioner is here today to speak to why they incurred those additional expenses, but certainly it is with respect to the change and particularly with the Forensic Whiting Facility so as we move forward in the Governor's budget, the Office of Policy and Management believe that the function is properly funded, but we do believe that the deficiency for Fiscal Year 2019 is real and needs to be addressed.

REP. LAVIELLE (143RD): Thank you very much. Thanks for being here with us today. Thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Are there any other questions? Mitch.

REP. BOLINSKY (106TH): Thank you, Madam Secretary. Your explanations are wonderful because they're always very complete and helpful in understanding. There's just a small detail, but it's something that just, I'm having a hard time understanding the accounting for it. There appears to be a $1-million-dollar redirection or a sweep of the Special Transportation Fund to reimburse it looks like fringe benefits on another part of the balance sheet and then somewhere, there's a million dollars that's put back into the Special Transportation Fund I guess to balance that back out so can you just explain to me why, you know why move money twice as opposed to just taking it from the General Fund and covering those costs of unanticipated fringe benefits.

MELISSA MCCAW: Sure, well thank you very much for the question, Representative Bolinsky. Just to be
very clear, the bill that's before you, there's a shortfall projected in fringes within the Special Transportation Fund, but there is, there is also a corresponding lapse or a surplus within the same fund and so it's critical that we ensure the financial integrity of the Special Transportation Fund. We would, we would not appropriate from the General Fund to cover the Special Transportation Fund. If you were to look at the Table 8 Schedule in the Governor's budget book, this is why we always ensure that there is adequate fund balance in the event of unforeseen circumstances, but given the fact that there are surpluses in other line items within the Special Transportation Fund, we would first transfer from those available funds to cover a shortfall elsewhere. I'd also note that we have rectified this matter and the proposal that the Governor has put before the legislature for consideration to ensure that the fringe account is adequately funded for the upcoming biennium.

REP. BOLINSKY (106TH): Thank you very much for that explanation and thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Are there any other questions from the membership?

REP. MASTROFRANCESCO (80TH): Thank you, Madam Chair. Thank you very much for coming today. You always give a great testimony and you're very detailed and I appreciate it. A couple of, just a couple of quick questions. Can you tell me, are there spending controls in place from now until the end of the fiscal year and what are the departments doing to address that problem going forward?

MELISSA MCCAW: Excellent question, thank you. So obviously both your respective fiscal office, the
Office of Fiscal Analysis as well as the Office of Policy and Management are in contact on a regular basis with agencies to evaluate their current spending needs and ensuring that they, to the best of their ability, they're staying within available funds. One major component of most agencies is their Personal Services line item and so, as you may know, the Office of Policy and Management has to approve every position that is authorized for refill. On a regular basis we are evaluating whether or not agencies have adequate funds for positions that they are requesting action on so that is one example of expenditure control that our agency utilizes to mitigate potential shortfalls. We also have some responsibility with respect to the review of contracts and so we're always evaluating one operationally, does the agency need the contract, but also do they have adequate funds.

At this point, given that we are well approaching May, we do believe that we have a good handle on what the projections are for the current fiscal year. Our commissioners understand that they need to be managing their resources in a responsible fashion and so when deficiencies do come forward, we believe that all, that any opportunity to mitigate those shortfalls, that the commissioners have done so. So yes, there is constant communication between our office and the agencies and I believe that we are in a good place with respect to what the final projections are for the fiscal year.

REP. MASTROFRANCESCO (80TH): Thank you. So you feel that they're on target?

MELISSA MCCAW: We do.
REP. MASTROFRANCESCO (80TH): Until the end of the year.

MELISSA MCCAW: That is correct.

REP. MASTROFRANCESCO (80TH): Perfect. Thank you very much. I appreciate it.

MELISSA MCCAW: You're welcome.

REP. WALKER (93RD): Thank you. Representative Case.

REP. CASE (63RD): Thank you, Madam Chair. Good morning, Madam Secretary.

MELISSA MCCAW: Good morning.

REP. CASE (63RD): A quick question. On page one with Department of Corrections, so those that were transferred to DOC because of the closure of Connecticut Juvenile Training, were those employees hazardous duty employees?

MELISSA MCCAW: Yes, they were. Staff is indicating that yes, they were.

REP. CASE (63RD): So is there a difference or a change in their retirement status or their --

MELISSA MCCAW: No.

REP. CASE (63RD): Salaries? So are they still considered hazardous?

MELISSA MCCAW: That is correct.

REP. CASE (63RD): Are they doing the hazardous work at DOC?

MELISSA MCCAW: Yes, they are.
REP. CASE (63RD): Thank you, Madam Chair and Madam Secretary.

REP. WALKER (93RD): Thank you. Are there any other questions? Thank you, Madam. Thank you for your testimony. Next we have Martha Carlson. Good morning, ma'am. You brought the team?

MARTHA CARLSON: Good morning Representative Walker, Senator Formica, and Representative Lavielle, and Members of the Appropriations Committee. For the record, I am Deputy State Comptroller Martha Carlson, and I am here this afternoon to discuss HB 7147. The Office of State Comptroller has been included in this bill because of a forecasted deficiency in the fringe benefits account in the Transportation Fund. The Transportation Fund is anticipating a $1 million deficit for fiscal year 2019 in the Active Healthcare Account. The initial appropriation was lower than requested and is not sufficient to cover projected expenses.

We have a net appropriation of $46.6 million. We are projecting $47.6 million dollars in expenditures this fiscal year, resulting in that $1-million-dollar deficit. This account generally fluctuates when Department of Transportation employees are reallocated from Federal Fund assignments as a result of weather issues and the account is routinely monitored by OPM and OSC on a regular basis. Thank you for your time and I am happy to answer your questions. I have the team here.

REP. WALKER (93RD): Thank you and thank you for your testimony. Are there any questions from any of the members? You did a good job, thank you. [laughter] All right. Have a good afternoon.
MARTHA CARLSON: Thank you.

REP. WALKER (93RD): Next, we have Commissioner Perez from Banking Department.

JORGE PEREZ: Good morning.

REP. WALKER (93RD): Good morning, sir.

JORGE PEREZ: Co-Chair Walker, Ranking Member Formica, and honorable members of the Appropriations Committee. My name is Jorge Perez and I am the Commissioner of the Department of Banking. As was stated previously by the Secretary of OPM, the Department is projected to have a net deficiency of $299,399 million dollars. This is primarily due to a technical adjustment that was not made in Fringe Benefits or Indirect Overhead appropriations as was previously testified. This is unfortunate and as a result, that number was much higher but because of lump salaries, it has been netted down to that $299 million dollars. I would be able to answer any other questions, but that's very straightforward.

REP. WALKER (93RD): Okay, thank you, and thank you for your testimony. Are there any questions? It was that straightforward. Okay, thank you. The Department of Insurance Commissioner? Good afternoon, sir.

ANDREW MAIS: Good afternoon Committee Chairs, Vice Chairs, Ranking Members, and Members of the Appropriations Committee. My name is Andrew Mais and I'm the Commissioner of Insurance and I appreciate the opportunity to testify in support of Governor’s House Bill No. 7147, AN ACT MAKING DEFICIENCY APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 2019.
I will not go through my entire prepared testimony. I'm presuming you have it, but Secretary McCaw has already discussed what happened. The Department's anticipated shortfall is a net total of $1,198,990 dollars. This is comprised of a $1.2-million-dollar shortfall in Fringe Benefits and $193,891 dollars in Other Expenses. That is offset by $194,901 dollars over-budgeted in Indirect Overhead. We will be seeking FAC approval to transfer the Indirect Overhead surplus to help offset a portion of the current deficiency. Now the deficiency appropriation is necessary because the current budget did not include technical adjustments to Fringe Benefits and Indirect Overhead Appropriations to match the recovery rates established by the Office of the State Comptroller. That means we are facing a budget shortfall beyond our control and mostly attributable to a Fringe Benefits line.

I will save the rest. If any other questions on that, please feel free to reach out, but I'm happy to take any questions you may have now.

REP. WALKER (93RD): Thank you and I'm sorry, sir, did you state your name for the record?

ANDREW MAIS: Andrew Mais, yes.

REP. WALKER (93RD): Thank you. I just wanted to make sure. I didn’t hear it. Are there any questions? Representative Lavielle.

REP. LAVIELLE (143RD): Thank you, Madam Chair. Good morning, Commissioner. Good to see you. Actually, I don’t have a question for the Commissioner, Madam Chair. May I ask you a question?

REP. WALKER (93RD): Sure.
REP. LAVIELLE (143RD): I'm just curious, this is, so this is the second, the Commissioner's testimony has been very clear, this is the second piece of testimony with the lack of technical adjustments made to fringe benefits. How actually does that manage to happen in the budget when it's enacted?

REP. WALKER (93RD): What happens is the line that is appropriate for that item was not fully funded in the budget so either we cut too much out of their budget last year, that then could result in a shortfall.

REP. LAVIELLE (143RD): Well yeah, [laughs] of course, but I guess I'm asking because it's a technical adjustment so that would seem to be something that is just sort of in itself would happen, it's not like a subjective judgement?

REP. WALKER (93RD): Right.

REP. LAVIELLE (143RD): So I just wondered if it's something that happens because we don't get clear information to begin with on what's supposed to go in or, I'm not trying to blame anybody I just want to know how we don't let that slip through our fingers again.

REP. WALKER (93RD): Well the, I mean there are a lot of issues that go on. It's with retirements, with people leaving, with unexpected expenses for staffing in certain areas that may be because of the necessity of the implementation they had to make some adjustments so it's something that you're going to have sort of a sway of about 10 to 15 percent no matter what in most budgets because of the fact that there are varying degrees that we cannot control in that regard.
REP. LAVIELLE (143RD): Okay, thank you. I guess it's my, it's my reading of the word technical that made me ask the question because that implies to me that there is some regulation or some rule that has changed and you have to make an adjustment, but this is actually unforeseen factors.

REP. WALKER (93RD): Right, I'm sorry, yes.

REP. LAVIELLE (143RD): Okay. All right, thank you, I appreciate the education. Thank you, Commissioner.

REP. WALKER (93RD): For the Commissioner or for me? [laughter] Go ahead, Representative, what is your question?

REP. BOLINSKY (106TH): Thank you, Madam Chair, and thank you, Representative Lavielle, you opened the door for me to ask a question that I have just been wondering but didn't know when to ask it so for you, Madam Chair. As I look at the deficiency bill, it becomes you know pretty easy to understand shortfalls when it comes to constituent issues, immunization services, childcare services, things that from an economic standpoint or from a public health standpoint generate new expense that we can't anticipate, but for the most part, what's present on this bill is $42 million dollars' worth being fringes and personal services so my question, which has been brewing for weeks, is does this line item tie in some way to some of the arbitration awards that you know are coming before us that you know we vote on, on a pretty regular basis. You know we've done five of them in this session alone and we have you know some more that are coming and I'm just wondering if you know, if those awards and those things that become fixed costs you know play into
this portion, that $42 million dollars' worth of deficiency? Thank you, Madam Chair.

REP. WALKER (93RD): Thank you and thanks for the question. If you remember correctly, the majority of the contracts that we've been doing are going forward so these are results of things that have happened this past year so those two items are two separate entities so it's going to be up to us to make sure that going forward with the RSA and the projections from OFA and OPM that we appropriate accordingly for the contracts as we go forward in 20 and 21 so you could probably ask this question next year if we don’t have an answer.

REP. BOLINSKY (106TH): Yeah I think also part of it was you know in some of the cases of the arbitration awards there, you know there is some retroactive activity.

REP. WALKER (93RD): That doesn’t, but most of, I'm sorry, go ahead, I didn’t mean to cut you off but most of those are covered by the RSA currently.

REP. BOLINSKY (106TH): Okay, thank you very much for that.

REP. WALKER (93RD): Thank you. I think you’ve done a great job.

ANDREW MAIS: Thank you, Madam Chair.

REP. WALKER (93RD): Oh wait, wait, wait. Go right ahead.

REP. MASTROFRANCESCO (80TH): Thank you, Madam Chair. Welcome Commissioner, thank you for being here today. They talked a little bit about fringe benefits. Can you give me some detail about exactly which fringe benefits this affects.
ANDREW MAIS: I can get back to you with more detail on that. I've been here since March 4th.

REP. MASTROFRANCESCO (80TH): Oh, okay.

ANDREW MAIS: We have the line items to look at, but I will be happy to have my staff get back to you within the next day or two.

REP. MASTROFRANCESCO (80TH): That would be great. So I'm looking for just detail in the exact fringe benefits, what the cost is for each one and then the overhead, the indirect overhead, so I appreciate it. That would be wonderful.

ANDREW MAIS: Absolutely, we will take care of it.

REP. MASTROFRANCESCO (80TH): Thank you very much, Commissioner. I appreciate it.

ANDREW MAIS: Thank you.

REP. WALKER (93RD): Thank you and have a great day.

ANDREW MAIS: Thank you all.

REP. WALKER (93RD): Next, we have the Department of Administrative Services, Daria Cirish, Director and Insurance Risk Manager, interesting. Good morning, sir.

JERRY LYNN: Good morning. I'm not Daria by the way.

REP. WALKER (93RD): I didn’t think so, I was, I was like, I was [laughter], go ahead.

JERRY LYNN: Good morning, Representative Walker, Senator Formica, and members of the Appropriations Committee. Good afternoon Representative Walker, Senator Osten, and members of the Appropriations Committee. My name is Jerry Lynn and I am the Chief
Fiscal Officer for the Department of Administrative Services. Commissioner Geballe sends his regrets; unfortunately, he cannot be here today due to an unavoidable scheduling conflict.

I'm here to request your support of Bill 7147, AN ACT MAKING DEFICIENCY APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 2019, and the deficiency appropriation for DAS. Specifically, DAS is in need of additional funds for the State Insurance and Risk Management Board or SIRMB Operations. The Governor’s deficiency bill identified the deficiencies as projected on February 20, but as of today, DAS believes it will need a deficiency appropriation of $1 million dollars.

To provide you with the full context, the SIRMB is currently projecting a total shortfall of $2.65 million dollars. DAS has submitted a request to the Finance Advisory Committee to transfer $1.65 million dollars from other DAS funds, but we cannot cover the full amount of the shortfall within our existing appropriations, which is why we are here today.

This fiscal year, there have some been large fleet liability claim settlements that were outside the Board's standard projections. In addition, some cases are rescheduled for trial soon which may result in additional exposure for this fiscal year. These large fleet liability claims create the anticipated shortfall in the SIRMB account.

Thank you for your consideration to this request. I have staff here from DAIS and we are available to answer any additional questions you may have.

REP. WALKER (93RD): Thank you, sir, and could you please tell us what is the SIRMB account, please?
JERRY LYNN: What does it stand for?

REP. WALKER (93RD): Yes.


REP. WALKER (93RD): Okay, I just, I don’t like alphabet cause a lot of people don’t understand the alphabet. I try to stay away from it. Are there any questions? Yes, Representative Lavielle.

REP. LAVIELLE (143RD): Thank you very much, Madam Chair. Good morning. I wondered if you could give us some detail on the nature of those claims?

JERRY LYNN: The claims themselves, some of them are still in litigation and some are going to trial so then we're anticipating those. A lot of them have to do with fleet collisions and things like that of that nature which are difficult to project over a year and that's why it becomes a situation like that. I also have Daria from the State Insurance Risk Management Board who can probably address the specifics of that.

REP. LAVIELLE (143RD): Thank you.

REP. WALKER (93RD): Do you want to turn the microphone on, the bottom, and please make sure you state your name.

DARIA CIRISH: Okay. I'm Daria Cirish. I'm the Director of Insurance Risk Management for the State Insurance and Risk Management Board. The claims that Jerry has mentioned are claims that could occur today, but by the time they get litigated and tried, it could be three to four years from now, difficult to predict what the outcome is going to be and the majority of the claims are a result of automobile claims, employees driving state vehicles. We see,
depending on what the weather is like, we can see an increase in the number of accidents. The amount, we have over 12,000 vehicles that are used by state drivers. We you know do our best to make sure that the drivers are driving safely but there are situations we have no control over, as we don’t have control of you know once the claim goes into litigation.

REP. LAVIELLE (143RD): Well I'm sure with 12,000 vehicles the law of probability will tell us that there's bound to be a few things that happen. I just wondered if there was anything in the trends that show a troubling rate, if there is any, if there are any safety measures that ought to be taken maybe or training or something like that. Is there something that we should be wary of here?

DARIA CIRISH: We you know do look at training for our drivers. We look at what you know if there is a driver that has numerous accidents, remedial training would be provided to that driver. We're in a very small state with you know a lot of you know congestion as you're aware of so there's unfortunately, you know we do have accidents that you know as best as we try to control, we don’t always have that opportunity.

REP. LAVIELLE (143RD): Well is there anything in this particular development that, that troubles you that is abnormal for this time of year to have this sort of this amount of claims or is it fairly within the trend lines for past years?

DARIA CIRISH: It's been within the trend lines for the past year.
REP. LAVIELLE (143RD): Okay, thank you very much. Thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Representative Abercrombie.

REP. ABERCROMBIE (83RD): Through you, Madam Chair. Good morning, thank you for being here. Does this include the State Police fleet also?

DARIA CIRISH: Yes, ma'am.

REP. ABERCROMBIE (83RD): Thank you.

REP. WALKER (93RD): Thank you. Representative Wilson.

REP. WILSON (66TH): Thank you, Madam Chair and thank you and your team for being here to answer the questions. I heard you say that these claims are perhaps anticipated and settlement may not come for four years so is it my understanding that you're asking us to accrue for this potential liability?

DARIA CIRISH: No, no.

REP. WILSON (66TH): So can you explain to me how it works? I'm brand new on the Committee, I want to understand how it works.

DARIA CIRISH: All right. A claim happens today, okay, it's determined it's an at-fault accident. The individual that's been harmed will usually bring a lawsuit against the State. By the time the lawsuit gets on the court docket, goes to trial, you know it's probably two to three years from the actual date of the accident until we get into trial and settlement.

REP. WILSON (66TH): So I guess what I'm trying to understand, your four-year example, are we pulling
money into this SIRMB fund now for claims that may have occurred four years ago? Is that what? Okay cause I just wanted to be sure that we weren’t accruing because then my related question would’ve been how much is sitting in there now, what's the total amount that's in the SIRMB fund now?

JERRY LYNN: And I guess to follow up on that, over the next two months, those accrued claims that you're talking about that happened three or four years ago, we're anticipating having to settle up on them before June 30.

REP. WILSON (66TH): Okay, thank you. Thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Are there any other questions? Senator Formica.

SENATOR FORMICA (20TH): I'm so sorry.

REP. WALKER (93RD): That's okay.

SENATOR FORMICA (20TH): Thank you very much, good afternoon. Thank you, Madam Chair. In your testimony you talked about the premiums associated with policies and next line issues, self-insured deductible amounts. What are the differences? What are we self-insuring? What do we pay for premium and is there, is there an offset?

DARIA CIRISH: We self-insure the first $4 million dollars of each and every claim. Above the first, above the $4 million dollars we purchase actual liability insurance. Cost is roughly --

SENATOR FORMICA (20TH): No, you said you purchase loss insurance after $4 million dollars.
DARIA CIRISH: Yeah, liability insurance. Premium is $2 million dollars.

SENATOR FORMICA (20TH): Thank you and that's on all of these claims that you're talking about. The first $4 million dollars is on us and after that, the risk --

DARIA CIRISH: Correct.


REP. WALKER (93RD): Thank you. Are there any? Yes, Representative.

REP. GILCHREST (18TH): Thank you, Madam Chair. You mentioned that these claims are within the trend so my question is with the budget going forward, the Governor's proposed budget, does that include enough money to be in trend or are we going to have a deficiency potentially again next year based on that?

JERRY LYNN: I believe it's kind of what Senator Formica had mentioned earlier about the snowplowing budget. It's usually just a decent guess every year and it's based on averages and trends. We could potentially be here again next year. I hope we're not but again, we could also, depending on how the claims pay out we may not have to come through because it is based on just a decent guess of what the claims would be for any particular fiscal year.

REP. GILCHREST (18TH): Thank you.

REP. WALKER (93RD): All right. Go right ahead for the second time.
REP. MASTROFRANCESCO (80TH): Thank you. Thank you, Madam Chair. Just to follow up with Senator Formica's question. You mentioned that there is, I guess a stop loss at $4 million dollars, the first $4 million dollars we pay?

DARIA CIRISH: Yes.

REP. MASTROFRANCESCO (80TH): And anything above that, you have the policy for, correct?

DARIA CIRISH: Yes.

REP. MASTROFRANCESCO (80TH): Is that $4 million dollars per claim or all claims provided?

DARIA CIRISH: Per claim.

REP. MASTROFRANCESCO (80TH): Oh it's per claim?

DARIA CIRISH: Yes.

REP. MASTROFRANCESCO (80TH): And can you tell me how much was paid out in claims this year or last year or during this fiscal, this budget cycle?

DARIA CIRISH: $4 million dollars.

REP. MASTROFRANCESCO (80TH): For the whole year only $4 million dollars in claims so anything above that now, well it's $4 million dollars per claim so, is that, how many claims is that? Would you be able to tell me that?

REP. WALKER (93RD): Eight hundred.

REP. MASTROFRANCESCO (80TH): So they paid out $4 million dollars, we paid out $4 million dollars in 800 claims. What was, I guess, the part that was covered through your insurance, do you know what that amount was? What they paid out above that?
I'm just struggling that 800 claims were paid and it only cost $4 million dollars.

REP. WALKER (93RD): I think there's a gentleman that's going to come up and answer so that we get. Sir, why don’t you just come. Excuse me, sir? Hi, good morning. Why don’t you come up to the, up to the podium so that we hear you directly to make sure that we get everything that you're saying.

FRED TANGUAY: Good morning.

REP. WALKER (93RD): Good morning, and who are you, sir?

FRED TANGUAY: My name is Fred Tanguay. I'm with People's United Insurance Agency. I am the State Insurance Broker.

REP. WALKER (93RD): Okay. Good morning.

FRED TANGUAY: Good morning. So the State has a $4-million-dollar self-insured retention which means the State is self-insured for the first $4 million dollars in each and every loss. We do not buy aggregate stop-loss coverage. It's too expensive. The math does not make sense to buy that aggregate type of coverage so in any given year, it's about 800 or so fleet claims that are paid. It is very rare that the insurance is ever triggered. A claim would have to be in excess of $4 million dollars for that particular claim so as of this fiscal year, insurance has not paid because we do not have any one claim that has exceeded $4 million dollars for that one claim.

REP. MASTROFRANCESCO (80TH): Okay, thank you. I'm just, I'm just trying to figure out 800 claims were paid and it only cost the State $4 million dollars,
it doesn’t add up to me. I'm still trying to get that figure.

FRED TANGUAY: There's a lot of, I mean there's a lot of small property damage claims, a lot of small bodily injury claims meaning an average, a claim could be paid $15,000 dollars, $20,000 dollars. The claims, the deficiency that we have is pretty much being driven by larger claims and the definition of a larger claim and our definition is anything in excess of $100,000 dollars.

REP. MASTROFRANCESCO (80TH): So it's only $4 million dollars. That just doesn’t add up to me but I understand. Am in wrong? Okay, yeah, thank you for your explanation.

REP. WALKER (93RD): Thank you and I understand what you're saying. There are multiple nicks in things that happen.

FRED TANGUAY: There's an awful lot of claims in which a State vehicle will back into or hit another vehicle something like that which means it's just property damage which makes it just a few thousand dollars.

REP. WALKER (93RD): All right. Are there any other questions? No. Thank you, thank you all, thank you for your testimony. Next we have James Rovella from the Department of Emergency Services and Public Protection. Good morning.

JAMES ROVELLA: Good morning. Good morning distinguished members of the Appropriations Committee. I'm James Rovella, Commissioner of the Department of Emergency Services and Public Protection. I'm joined by Rosemarie Peshka, DESPP’s Chief Financial Officer and I appreciate this
opportunity to appear before you today for House Bill 7147.

When I began my tenure as Commissioner in January, the agency was projecting a $2.6 million-dollar deficit in our Personal Services Account as a result of higher than anticipated overtime costs. As a result of tighter controls on spending, a comprehensive review of the Division’s needs, and only refilling critical General Fund positions, the agency is now projecting a $1.8-million-dollar deficiency in our PS account, but moving forward in the fiscal year in the same fiscal year, I anticipate that $1.8-million-dollar PS deficiency to be offset by a $1.2-million-dollar lapse in our fleet account and a $900,000-dollar lapse in our worker’s compensation account. I will be seeking Financial Advisory Committee approval to transfer these funds to cover the current deficiencies.

I want to assure you that we will do our part to help address the State’s current budget situation by leveraging every opportunity to become more effective and efficient with the resources we are provided. So I thank you for your time and I am prepared to take any questions.

REP. WALKER (93RD): Thank you, sir and thank you for your testimony. I know in this budget going forward, the Governor has proposed for one class of State Troopers for this coming year. Is that going to help you with any of the overtime issues that you have here?

JAMES ROVELLA: That will certainly help. Just toward a small recap, 43 new trainees are scheduled to come out very soon in May. We have ironed out all our issues with DAS and they’ve been very
cooperative for a class to start very late June or early July of some remnants of a previous test, and we have actually posted for the newest test and after a very robust recruitment, we have over 1100 applications from a diverse population so yes is the simple answer.

REP. WALKER (93RD): So the expectation is we definitely have one class that is already going forward and the expectation is to try and have a second class before the end of the year. Is that what I'm hearing?

JAMES ROVELLA: Roughly, yes. I'll have another class in of 60 or so, maybe 70 in June or July, and I hope to have another 50 to 60 in soon after the New Year.

REP. WALKER (93RD): Okay and your shortfall or trooper vacancy is 250 so do you ever fill 100 percent of your vacancy in the past or is it always going to be about a catchup, we're always about 40 or 50 troopers under.

JAMES ROVELLA: Under my administration it's always going to be a catchup, ma'am. We have to build in attrition to our normal attrition that's going to occur and our expected attrition moving forward so I'll also be putting together some diverse plans to try to close that gap.

REP. WALKER (93RD): Okay. All right. Thank you.

Questions from the membership? Senator Formica?

SENATOR FORMICA (20TH): Thank you, Madam Chair.

Good morning.

JAMES ROVELLA: Good morning, sir.
SENATOR FORMICA (20TH): Thank you for your good work and that of your department. The shortfall and vacancies is causing the overtime cost. The anticipated retirement is going to be in addition to that 250 vacancy that we're going to look for.

JAMES ROVELLA: That's correct.

SENATOR FORMICA (20TH): So when you have a training class, it's a nine-month swing before they get in there by the time they go through the class and then after field training?

JAMES ROVELLA: That is correct.

SENATOR FORMICA (20TH): After that so if you get out the first class in July is when they're finished and start their FTO or when they go in?

JAMES ROVELLA: When they go in. I have a class coming out in June, I'm sorry, a class coming out in May of 43 and another class going in late June/July.

SENATOR FORMICA (20TH): Okay and so when the May comes out, what's the field training time?

JAMES ROVELLA: Three months.

SENATOR FORMICA (20TH): Three months, okay. So is it nine months total, six months' class, three months' field?

JAMES ROVELLA: Roughly. It could be a couple-week swing.

SENATOR FORMICA (20TH): And are there stipends paid to the field training officers in addition to what they're regularly doing? Do they get a stipend to do that?

JAMES ROVELLA: Let me ask. No, there isn't.
SENATOR FORMICA (20TH): Okay well let's hope we keep funding your training programs and we keep filling the classes and have a good rate of graduates that are gonna stay on. Thank you.

JAMES ROVELLA: I would appreciate that.

SENATOR FORMICA (20TH): Thank you. Thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Are there any other questions? Representative Lavielle.

REP. LAVIELLE (143RD): Thank you, Madam Chair. Good morning, Commissioner. I just want to thank you for your good work and your good report. Very much appreciate it. Thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Thank you, sir. Have a good day.

JAMES ROVELLA: Thank you. Have a great day everyone.

REP. WALKER (93RD): Representative. I didn’t see you, oh, go ahead.

REP. HALL (59TH): Good morning, Commissioner.

JAMES ROVELLA: Good morning.

REP. HALL (59TH): Just a quick question. You said that you have a class starting, you're anticipating a class for July and then another at the beginning of next year. What are the maximum number of recruits that we can get through the academy at a time?

JAMES ROVELLA: Police officer standard in training facility in Meriden, which the state police and the
municipal police officers' facility is included, the state police can handle 100 troopers for a class.

REP. HALL (59TH): Okay so with the 1100 applicants that you talked about, is there a way of maybe enlarging the classes that are perhaps coming up so we can get more recruits through?

JAMES ROVELLA: There actually is but I prefer more a steady class flow with smaller class sizes to reduce attrition during the class. The present class coming out in May had almost a 35 percent attrition rate just in the academy so I think smaller classes will do us greater good.

REP. HALL (59TH): So when you say smaller classes, is the, what compromises a smaller class that you think it would work better? Is there more screening done for the recruits that you actually accept into those classes?

JAMES ROVELLA: No, not additional screening. I think there's additional attention given to those recruits during the training process so in theory, if I ran a class of 50 in June and July, I could also run another 50 in January.

REP. HALL (59TH): Okay and to fill this huge gap, you wouldn’t expand the classes. You're comfortable with the numbers that you're running through the academy at this point?

JAMES ROVELLA: Well to close the gap would require more money from OPM and I'm not shy with going back and asking for some in the Fiscal Year 21.

REP. HALL (59TH): And that's kind of where I was going. Is there more funding required to get a
higher number through to kind of catch up a little bit quicker so that was where I was going so.

JAMES ROVELLA: And I think that door is always open with OPM if I can substantiate the cost based on our attrition and savings in the long run for the state.

REP. HALL (59TH): Okay. All right. Thank you. Thank you for being there this morning and thank you for your report.

REP. WALKER (93RD): Thank you. What is the number of filled positions that you have to have to avoid overtime costs?

JAMES ROVELLA: So I've looked at overtime costs going back at least ten years in the state police. The number that appears most manageable for overtime at a reasonable rate appears to be around 1100 troopers. You know the statute calls for 1201 and that will obviously reduce trooper overtime.

REP. WALKER (93RD): And we are at what currently right now?

JAMES ROVELLA: Currently we are at 960, but I have to point out that 43 of those folks will be coming, they're considered full-time employees and they're coming out of the academy. I really don’t consider them full-time employees until after they’ve cleared their field training and become independent.

REP. WALKER (93RD): Okay. All right. Well thank you.

JAMES ROVELLA: You're welcome.

REP. WALKER (93RD): Thank you for your testimony. have a good day.

JAMES ROVELLA: You too.
REP. WALKER (93RD): Next we have Commissioner Rittmon from Department of Mental Health and Addiction Services. Good morning.

MIRIAM DELPHIN-RITTMON: Hi. Good morning Representative Walker and distinguished members of the Appropriations Committee. I am Miriam Delphin-Rittmon, Commissioner of the Department of Mental Health and Addiction Services. Thank you for the opportunity to provide testimony on House Bill 7147, AN ACT MAKING DEFICIENCY APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 2019.

While the language of HB 7147 reflects a deficiency of $5 million dollars, the Department has identified lapses in other accounts that will partially help mitigate the projected shortfall to an anticipated deficiency of $3.9 million dollars in our Personal Services account. This deficiency is largely due to enhanced staffing needed to adequately support the separation of the former Whiting Forensic Division from Connecticut Valley Hospital. The Whiting Forensic has been operationalized since May 1, 2018 with its own Board and administration. The Department has hired leadership positions, nursing supervision, quality management, education and training staff to ensure both staff and patient safety at both hospitals. These resources were critical to the successful separation of the two hospitals and licensure of the Whiting Forensic Hospital by the Department of Public Health.

The Personal Services deficiency has also resulted from necessary hires to direct care staffing at other DMHAS facilities. The staff hired were needed to stabilize current system operations by filling critical staff vacancies that occurred, in part, as
a result of retirement and also attrition. The Department continues to experience difficulties in recruiting for direct care positions, such as doctors and nurses and so the prolonged hiring process has increased our overtime due to 24-hour operations. DMHAS continues to prioritize hiring for critical vacancies and hiring of overtime sensitive direct care positions in order to contain costs and so that has been an ongoing priority.

Thank you for the opportunity to testify before the Committee today and I'm happy to answer any questions that you may have at this time.

REP. WALKER (93RD): Thank you and thank you for your testimony.

MIRIAM DELPHIN-RITTMON: You're welcome.

REP. WALKER (93RD): For the first conversation, your personnel shortage. Is that, did you have a large percentage of employees that retired?

MIRIAM DELPHIN-RITTMON: Yes. So we've had a number of employees that have retired and then also moved on to other positions, but then we also had a shortage as a result of separating out Whiting Forensic Hospital and, or the Whiting Forensic Division from Connecticut Valley Hospital. We had to then fill some of the vacancies that that created as a function of creating two separate fully functioning hospitals so between having to hire new staff and the attrition and retirements, it created a number of vacancies that we had to fill.

REP. WALKER (93RD): So currently right now, what would you estimate your shortage of staffing in your agency right now?
MIRIAM DELPHIN-RITTMON: You know I could get those numbers for you. We are currently recruiting. It is over 100, but I can get that exact number for you.

REP. WALKER (93RD): And this hundred that you're experiencing has happened over the last year or is that an average that you always maintain is a shortage of 100 people approximately every year?

MIRIAM DELPHIN-RITTMON: It's an ongoing, it's an ongoing challenge. We often have challenges recruiting doctors, nurses. Those two categories in particular are challenging. At times, we're unable to compete with some of the salaries, the New York area or sometimes private providers so it's, that's an ongoing challenge. We're often looking for other incentives to encourage people coming on board with us, but certainly the docs and the nurses has been a tough area in part, I think also reflected by the shortage of physicians and psychiatrists nationwide, but certainly we're feeling that here in Connecticut as well.


SENATOR FORMICA (20TH): I'll ask one quick question. No, no, I'm sorry, was I banging? Forgive me. Good morning, Commissioner. Thank you very much for your good work and that of your agency.

MIRIAM DELPHIN-RITTMON: Thank you.

SENATOR FORMICA (20TH): When you have retirements and then replacements, typically we make out a little bit on that right? We don't re-, we're not replacing them at the same dollar level? Is that? Retirements I would imagine have accrued raises over
a 20-year tenure or whatever period. Are you finding that that seems to be the case or because the job market is?

MIRIAM DELPHIN-RITTMON: I would say it varies. It varies based on the position and the individual that then comes into that position. We're often looking for people with experience to be able to do the quality, provide quality care that we provide and so there is some variance there. We could look at that. We can do an analysis of that. There's sometimes where we'll bring individuals in at a slightly lower salary if somebody has been here for you know quite a long time, 20 plus years or you know 25 years and the individual coming in doesn't have that level of experience or time so their salary, they might start at the lower end of the salary range and so, but we can look at that and come up with some data related to that. Let me see if we have any of that. Yeah, we can take a look at that, sure.

SENATOR FORMICA (20TH): Thank you very much. Thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Representative Dillon.

REP. DILLON (92ND): Good morning, Commissioner.

MIRIAM DELPHIN-RITTMON: Good morning.

REP. DILLON (92ND): Thank you very much for being here. Looking over the numbers, as you know, I would be concerned about the lapses, but the broader issue is we know about the challenges at CVH and that's not a new issue actually. We had a problem there years ago, I believe nurses were laid off by a Governor three governors back and it ended up in a
big settlement but we had a lot of trouble recruiting. What I'm concerned is a department that maintains 24/7 facilities. You have CVH, you have an inpatient unit at Connecticut Mental Health Center, you know what we always try to do is to move as much possible towards the outpatient and to have community support, but from a legal point of five and an accreditation point of view, the pressure is going to be on you to have adequate clinical staff to, so that the joint commission, you won't get in trouble with the joint commission. Is that, are we on the same page?

MIRIAM DELPHIN-RITTMON: Yeah, absolutely, absolutely.

REP. DILLON (92ND): Okay. So if we don't get enough funding from the Office of Policy and Management, that means that we end up starving the community-based services because it's an urgent priority that we maintain the accreditation of our 24/7 facilities, yes?

MIRIAM DELPHIN-RITTMON: Yes and so we're currently fully compliant with JCO and various DPH, CMS in terms of staffing. Staffing is something that we work on ongoing in terms of recruitment to ensure that we have the adequate numbers of staff so that is an ongoing priority, particularly as we have an aging workforce and people are retiring and moving on to other positions.

REP. DILLON (92ND): I guess part of my concern is, as you know, long ago we closed two state hospitals, but we've also closed a lot of prison beds of people who were there on technical charges for failure to appear, but they were really people who had substance abuse and mental health issues. They're
living in the community and a lot of them go to some of the providers that have been hammered in this budget and I know them because I toured some of the programs last fall and in case I didn’t know, they reminded me. You know one closed an evening program that was support for people that were reentry, I mean the damage was everywhere. I just want to reflect the damage that's being done to the community-based services and then what the implications are going to be given that we are poised to raise the minimum wage and I don't know what the impact is going to be on some of those community-based services that have already cut back the hours of some of the people that are working there.

MIRIAM DELPHIN-RITTMON: So we currently fund, we have over roughly 160 or 155 or so community private nonprofit contracts and providers that we work with in each of the regions of the state. You know as you know, we have our local mental health authorities and each of those local mental health authorities have a range of community-provider affiliates that are also available to provide service and support including to individuals that are reentering the community from DOC. We have a number of collaboration, collaborations with DOC at the community level where we do in-reach and then help connect people to services and supports once they're, once they enter the community so this has been an ongoing priority for us as well to move away, as you know, from inpatient services to more recovery-oriented, community-based services and that's been a key priority along the lines of our recovery principals that you know people can live full, whole, meaningful lives in the community
despite any limitations they may experience with their mental health or addiction.

REP. DILLON (92ND): And I think we're on the same page. Obviously I'm concerned. An outpatient clinic was closed in West Haven by the previous administration a couple of years ago that was stabilizing people with complex medical conditions who were on very carefully calibrated medical regimens and so the more cuts we see on top of cuts that were made last time, the more troubling it is.

MIRIAM DELPHIN-RITTMON: Yeah, certainly, yeah, I mean these are definitely tough fiscal times and the West Haven Clinic that you're referring to, we, that was a tough decision, it was, but we made sure to follow each individual client and make sure that we were following one-to-one and connecting clients to other community services and support including assisting with transportation if necessary so that was a tough decision but I, I believe we were able to follow each individual and make sure that people were connected to the services and support so that there weren't any service gaps and you know CMHC has done a lot of that work as well as Bridges and a couple of other community providers in that area.

REP. DILLON (92ND): Yeah, I think it was Connecticut Mental Health Center in New Haven, Bridges in Milford and maybe Hill Health Center in West Haven took a few too, but 315 people you know, but then, I don't want to really, that's, what's done is done, but a lot of the changes are being made on top of the damage that was done in the past and I'm trying to figure out how that works. Thank you.
REP. WALKER (93RD): Thank you. Representative Lavielle? No?

REP. MASTROFRANCESCO (80TH): Thank you, Madam Chair. Thank you for coming in today with our testimony. You had mentioned in your testimony that you are having a hard time filling positions for doctors and nurses which is causing an increase in the overtime. Is this a reoccurring problem or is it just this particular year?

MIRIAM DELPHIN-RITTMON: Overtime is reoccurring. It's something that we're always working on, you know in part we run 24-hour facilities and we often have to staff according to acuity so there may be times where they're a particular compliment of individuals on our units where we have to staff up because of some of the challenges or where they are in their recovery, we might need additional staff. So it is an ongoing, it's something that we're working on ongoing and certainly one strategy has been to work on to bring on additional nursing staff and to fill vacancies as quickly as we're able to but then also to review, to review staffing and to come up with staffing plans to work to minimize overtime. When we look at our numbers, we have brought down double time, so mandated time significantly and that's been something that we've been working on quite a bit but we brought that down about $3 million dollars and so that's, that's one area where we focus. Overall, we're projecting about a $2-million-dollar decrease in our overtime for Fiscal Year 19 compared to 18 so we are seeing a downward trend, but nevertheless we still have overtime that's up there that we need to work on.
REP. MASTROFRANCESCO (80TH): Thank you and how about the overtime costs in your non 24/7 services?

MIRIAM DELPHIN-RITTMON: So there are some costs there as well and again, we're looking at overtime across our full system. Our 24-hour services tend to drive the overtime more than other sites or other positions or areas. Again, because of the needing to staff to be able to address the acuity of the individuals that we're working with.

REP. MASTROFRANCESCO (80TH): So aside from the 24/7 services where somebody needs to be on staff 24/7, the ones, the departments that do not need to be on. I guess that was my specific question. Is there an overtime issue in those departments and what causes that? Is it people just, they're on vacation, calling in sick?

MIRIAM DELPHIN-RITTMON: I can look into that. I mean I don't, I don't believe, a majority of our overtime is from our, from our facilities that provide 24-hour operation so Connecticut Valley Hospital, Whiting-Forensic Hospital, we have an inpatient unit at Bridgeport, Capital Region Mental Health Center, also Connecticut Mental Health Center, but we can look at that and get you some specific information about that. There likely is some overtime for some of those other positions but it's significantly less than what we see with our 24-hour facilities.

REP. MASTROFRANCESCO (80TH): Thank you. If you can get me that information, that would be great. Thank you for your testimony.

MIRIAM DELPHIN-RITTMON: You're welcome.
REP. WALKER (93RD): Thank you. I have a question very quickly. So you have privatized quite a few of your locations out in the field. Am I correct on that? With private whatever you want to call it.

MIRIAM DELPHIN-RITTMON: So we do have a number of community providers that we contract with as part of our overall DMHAS system of care. Yes, so we have private non-profit providers that are our local mental health authorities as well as private non-profit providers that provide other both mental health and addiction and recovery services and supports.

REP. WALKER (93RD): Okay, you do have some group homes out there, correct?

MIRIAM DELPHIN-RITTMON: Uh, we do have some recovery houses, yes.

REP. WALKER (93RD): Yes, and some of those have been privatized or they, their contracts have been shifted to the non-profit sector as opposed to with you; is that correct?

MIRIAM DELPHIN-RITTMON: In the current budget, there are proposals for that, uh, for privatization of our young adult services as well as some of our other smaller inpatient so you know the Capital Region Mental Health, there's 68 beds there. We do have a number of community providers that we contract with for housing but many of those contracts have been long-time community contracts, in some instances with those providers or with other community providers.

REP. WALKER (93RD): Okay. So, the reason why I ask that is because in those circumstances, what do you do with the people that are already, that are
employed there currently?  Do they then get shifted to another agency and are written up as a deficiency or what do we do in those circumstances?

MIRIAM DELPHIN-RITTMON: Again, so, I can't remember a time recently where we shifted from a state operated um to a community provider, but we do already remember have a number of community providers that we currently contract with.

REP. WALKER (93RD): Correct.

MIRIAM DELPHIN-RITTMON: There's probably about 160 or so. What we're proposing certainly for the current budget is that any of the State staff that are in, uh, currently state-run facilities that we're looking to convert to community operations, they would be moved into, um, other state positions, uh, so we would essentially work to fill some of our vacancies and that would help with reducing our overtime and would help with recruiting you know some of the filling of vacancies. So the thinking is those plans that were proposed would be no layoff options. Everybody would be moved into other vacancies. Nobody would be laid off.

REP. WALKER (93RD): Correct. Okay, thank you.

MIRIAM DELPHIN-RITTMON: You're welcome.

REP. WALKER (93RD): Representative Gilchrest.

REP. GILCHREST (18TH): Thank you, Madam Chair. Hello Commissioner.

MIRIAM DELPHIN-RITTMON: Hi.

REP. GILCHREST (18TH): Being new to the Committee and to the legislature, I don’t know the history of the separation of Whiting from CVH and was just
wondering, was that a sudden separation or was that planned for?

MIRIAM DELPHIN-RITTMON: Um it was, it was somewhat sudden but we were given enough time, but a pretty quick window of time. I think we separated in probably about eight months or so and some of the thinking was that Whiting-Forensic Division, so initially it was, it was Whiting-Forensic Division, that that didn't meet the full criteria for being part of the Medicaid Program because individuals who are at Whiting, um can't fully participate in their discharge and that's one of the requirements for being in the Medicaid Program. This is an issue that is now being sort of looked at across the country so other states were put in a similar situation, asked to separate their hospitals and some of the states weren’t able to do it. Um it took all hands on deck I mean literally, um sometimes daylong meetings just trying to develop new policy, like full new policy, staffing plans, develop a new pharmacy, developing a new leadership team, setting up a new advisory uh committee, but we were able to get there and it was a lot of work. We had to hire a new CEA, building superintendents, chief operating officer, directors of nursing, a chief fiscal officer, program managers, uh a range of positions um for the hospital to be its own fully separated hospital and then we went for uh licensure by DPH as well. So again, one of the main reasons was to be able to protect the rest of the hospital um, their participation in the Medicaid Program. Um if one part of the hospital is, the campus is out of compliance, then the full campus could’ve potentially lost Medicaid funding and so some of the thinking was that was and this was, you know there
were discussion and meetings with CMS and there was full agreement that this was the best plan, that we wanted to be able to keep the rest of the hospital within the Medicaid Program and then essentially separate Whiting as its own hospital so that was one reason.

The other reason though is by creating a fully separate forensic hospital, it really allowed us to focus in on forensics as a specialty onto itself within that facility. Certainly we were already looking at forensic as a specialty on its own, but by having its own, its own leadership team, its own quality managers, its own um, you know its own advisory board separate from the hospital, from Connecticut Valley Hospital, it's allowed us we believe to enhance the quality of services and supports at Whiting, and you could argue at CVH as well because now CVH as a campus is smaller as well with its own leadership team and director.

REP. GILCHREST (18TH): Thank you. That's quite a bit of work in eight months. Thank you.

MIRIAM DELPHIN-RITTMON: You're welcome. Thanks.

REP. WALKER (93RD): Representative Case.

REP. CASE (63RD): Thank you, Madam Chair. Good morning, Commissioner. It's good to see you.

MIRIAM DELPHIN-RITTMON: Good morning.

REP. CASE (63RD): A quick question. I know the good chairwoman, she started the conversation, but we talk about privatization and in the northwest corner, our local privatized or our local state-run facility is up for moving out into the public sector. There's been an outcry in the area, is
there really a big savings and will that help some of this deficit that's coming forward because the servicing of the 900 square miles in the northwest corner, meeting with Prime Time House, meeting with McCall Foundation last week, they're worried it's going to cost the state more and we'll see more deficiencies because those people are going to require more services because they're losing the people they've been working with for years. Do you, do you, is that taken into consideration? I mean I know you talk about the numbers and for two, I believe it's Torrington and Danbury together, it's about $346,000 dollars' savings for two communities. Do we really think?

MIRIAM DELPHIN-RITTMON: Yeah, so, so there is an anticipated cost savings from this privatization and I can go through some of those numbers again if that would be helpful in terms of what we're anticipating, in terms of the savings, but then also the specific reinvestments amounts so we have taken that into account um for each of the facilities as well. So if it would be helpful, I could talk through a little bit of that. Um, so for example, um if we look at Torrington. So Torrington, we know there's 66 staff there. Those staff will be deployed into um other positions. The savings will come from the, those 66 positions. Uh, we achieve savings through that.

We would also then reinvest about $5 million dollars to the community operations essentially. We would like do an RFP um as we were planning to do previously. Payroll, we anticipate there would be about $3.4 million dollars' savings over time.
REP. WALKER (93RD): Excuse me, I just want to jump in. Is this about the deficiency or about the budget?

REP. CASE (63RD): I'm just following up on the questions that you asked, Madam Chair, on the privatization because the privatization and she doesn't need, the Commissioner doesn't need to go much farther into this, but it can go into the deficiency because I believe by cutting off these services, we're gonna cost ourselves even more. We can end it at that, but I was following along your line of conversation on where we were going and closing facilities and where we were planning savings. That really wasn't in here, but I was just following along with you.

REP. WALKER (93RD): I was following along with the deficiency.

REP. CASE (63RD): Are those in the deficiency?

REP. WALKER (93RD): I'm sorry?

REP. CASE (63RD): The, the homes that we've cut out?

REP. WALKER (93RD): That's what I was asking, that was my question.

MIRIAM DELPHIN-RITTMON: So the total savings for, for example, Torrington would be about $1.2 million dollars. For Danbury, the total savings after reinvestment would be about $1 million dollars.

REP. WALKER (93RD): So is this direct, I'm sorry, I'm going to jump in again. Is this directly related to the deficiency or is this going onto the budget that we're going to be talking about probably in the next week or so?
MIRIAM DELPHIN-RITTMON: This is going onto the proposed budget, the Governor's current proposed budget.

REP. WALKER (93RD): So with the direction of the deficiencies, do these, are these affecting the deficiency this past year, so that's why you have a deficiency and this is your remedy for what you're doing for that?

MIRIAM DELPHIN-RITTMON: So the deficiency, again, because it was Personal Services and it was largely the staffing that we had to bring on to stand up Whiting-Forensic Hospital, so it's the various positions that I went through, there were some positions related to other community, you know other LMAH's but those weren't the drivers, the primary drivers of our deficiency. The primary driver truly was the separation of Whiting and CVH.

REP. WALKER (93RD): Okay.

MIRIAM DELPHIN-RITTMON: Yeah, there's quite a bit of staffing that had to go into that.

REP. CASE (63RD): Thank you, Madam Chair, and I was just following along the lines of what Rep. Dillon was asking and you were asking because closing facilities, I don't really see where this would help the deficiency on closing these facilities. We'll end it at that and we'll go farther with it later on. All right, Thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Senator Lesser.

SENATOR LESSER (9TH): Thank you, Madam Chair and thank you, Commissioner. It's good to see you again.

MIRIAM DELPHIN-RITTMON: It's good to see you.
SENATOR LESSER (9TH): I'm going to follow up a little bit on some questions I heard from Representative Gilchrest that you're in no way surprised by, but obviously I've had an interest for some time in the separation of Whiting and CVH in part because I represent the host community and it's an issue that is important to a lot of the constituents that I represent, and I see that in the deficiency budget, it does indicate that separation was the cause of a large portion of the deficiency and so I guess as part of an ongoing dialogue that I've had with you and with your department, I'm trying to understand different reports that I'm getting about what's happening on the ground and so understanding, you know I see in the testimony that you submitted that the department hired key leadership positions, nursing supervision, quality management and education and training staff to ensure staff and patient safety and I understand that increasing staff and patient safety is really beyond just the question of CMS compliance. That is really what we're trying to get at here and so is there, in addition to seeing the additions in staff on that front, I guess my question is more centered on front line staff and the reports that you know the question about whether or not we've seen an increase or a decrease or about the same level of direct care staff and I'm particularly curious if you can comment on our end and if you can comment on whether or not the numbers there have increased, decreased, or stayed the same since the separation?

MIRIAM DELPHIN-RITTMON: And so I can certainly give you copies of those numbers. I know we've had ongoing discussions about this. So the numbers have by and large, in some categories they've increased
slightly, in others, they’ve remained the same. The increases are largely due to the fact that we have more nursing, nursing leadership on site for all three shifts and that was a very deliberate priority to be able to have supervisors, essentially nursing leadership on all three shifts. So we have seen some increases there but by and large, the staffing has stayed relatively steady and we can send along those tables again.

SENATOR LESSER (9TH): Thank you and I appreciate that and that's something that you’ve communicated to me before and I would just say that I've heard other accounts that I'm trying to wrap my head around that indicate that at least when it comes to RN's, and I understand that LPN's are a separate category, there are some representations that have been made to me that there's reduction in staffing at a time when we're trying to do what we can to increase patient and staff safety and so figuring out what is actually happening is something that's important to me and I think it's probably important to you as well.

MIRIAM DELPHIN-RITTMON: Yeah, I mean I clarify that. So on, you know certainly first and second shift, we've had the same number of RN's. On third shift, we've brought in LPN's and then we have a floating RN so essentially it's the same number of staffing and technically, it's up by about one because we have one person that's available to float for emergencies but then we also have the LPN's that are variable on third shift. So third shift, there's a slight difference. On the other two shifts, it's the same and for some of the units it might be up one based on the unit and the number of people on the unit and the acuity but again, we can
send along those tables. We've been crunching the numbers 'cause we also want to understand what are the, you know what's driving some of the staff concerns and are there specific areas we need to target in terms of staffing because it is about quality, but it's also, it's important I think for the staff to feel comfortable and to feel like there's an appropriate number of staff to do the work because ultimately, that will impact the care that's care given to clients and so, so we've been working with looking at this including you know we have a safety subcommittee the staff have been invited to be a part of and so that's one of the subcommittees that we put in place as part of the process of looking at the, looking at the environment and looking at the culture.

REP. WALKER (93RD): So let's stick to the deficiency okay? [laughter] This is a hard group especially on mental health. Thank you very much, thank you, sir. [laughter]. Representative Haddad.

REP. HADDAD (54TH): Thank you, Madam Chair. I had one quick question I think about, more about the write-up and the level of the net deficiency. In the write-up it says that there's a, the shortfall is partially offset by about $8 million dollars of lapsing funds from the general assistance manage care account, the community TBI Community Services account, the Home and Community Based Services account, the grants and substance abuse, Services and Grants and Mental Healthcare services and employment opportunities. Am I correct in saying most of those accounts fund our non-profit partners to provide services in the community?
MIRIAM DELPHIN-RITTMON: Yes, yes many of those, many of those do. I mean TBI, that's, yeah the majority of them do, yes, they're community providers.

REP. HADDAD (54TH): So I'm just curious as to why we're running a lapse. I imagine there are non-profit partners who would like to provide services with that money and I imagine that there are needs in our communities that need to be funded with those resources and so I'm curious to know why there's a lapse on those accounts.

MIRIAM DELPHIN-RITTMON: Yeah, so there are some instances, for example the Home and Community Base waiver, it may be the case that there are some individuals or at times where we're not getting the level of referrals into that program and so that will sometimes create a lapse and in fact, that's often the case for other areas as well. If the, there are times that the flow into or out of a program will ebb and flow and then based on that, it may contribute to a lapse. There are other times where we're giving cost of living increases and where the flow into and out of the program doesn't match or is slightly less than what the anticipated resources around the cost of living so the added resources around cost of living so that can create a gap and sometimes contribute to the lapse as well. Sometimes it's also an issue of finding other support so home and community base waiver, it's about connecting people or even the general assistance. It's about connecting people to other residential services and supports. If there's not a community level placement or facility that's appropriate for a person's particular needs, then that can contribute to the resources in that account
being, you know not being spent at the anticipated you know within the particular fiscal year. So there are a number of different factors that contribute to the lapses. Those are just a few of them.

REP. HADDAD (54TH): Could another factor just be that we have inadequate outreach and that folks just don’t know that these services are available to them?

MIRIAM DELPHIN-RITTMON: I mean that, certainly that could be. I don’t, I wouldn’t think that's the case. I mean we have a number of outreach engagements and sort of community like all of our LMHA's are local mental health authorities, which half of them are private non-profit community providers and so often they're letting people know of the services and supports within their areas across the different clinical and service teams so whether it's outreach and engagement or their employment services or their community support programs or their behavioral health, residential programs, they will often let people know of the services that are within their service area and will refer people based on the flow of individuals into their system.

REP. WALKER (93RD): Thank you, I just, really quickly, these lapses are not because of the fact that you weren’t allowed to use them, utilize them or access them?

MIRIAM DELPHIN-RITTMON: No.

REP. WALKER (93RD): It was just lack of ability to get them out? Okay.

MIRIAM DELPHIN-RITTMON: Yeah.
REP. WALKER (93RD): All right. Any other questions? If not, thank you very much. Have a good day.

MIRIAM DELPHIN-RITTMON: Thank you, you as well.

REP. WALKER (93RD): Next, Commissioner Bye.

BETH BYE: Good morning.

REP. WALKER (93RD): Still good morning, yes. [laughter].

BETH BYE: Representative Walker, Senator Formica, Rep. Lavielle and distinguished members of the Appropriations Committee. I am pleased to be here today to talk about our deficiency and answer any questions you may have. I won't read my testimony. It's before you. Basically, we are projecting a $9.3-million-dollar deficiency related to the federal funds we received for Care for Kids. We received an additional $14 million dollars. Many of you may remember at my Appropriations hearing this came up because we're talking about how those dollars came in. They came in after this budget was set. We are required to spend those dollars on childcare and not supplant so this does not say $14 million dollars, it says $9.3 million dollars because we expect to lapse dollars in other line items, specifically Personal Services and Early Care and Education that will bring the $9.3 million dollars up to the $14 million dollars required to be spent in new federal funding for Care for Kids. Thank you, Madam Chair.

REP. WALKER (93RD): Thank you and so I'm trying to, so because of the error in the description of the
$14 million dollars for your budget, that then put you in a deficiency?

BETH BYE: It's basically, the deficiency is a way of appropriating those dollars because the state has to spend those dollars and because they came in after the budget was done. It just had to do with the timing of the federal funds coming in and had to be spent in this year.

REP. WALKER (93RD): Okay so that makes it a little bit better.

BETH BYE: It's complicated.

REP. WALKER (93RD): Yeah, it makes it a little bit better because it's just language. We do language changes all the time. Thank you. Questions? Wow, that was good. Have a good day! Good to see you. Okay, next Commissioner Cook from Department of Corrections. Good afternoon, sir.

ROLLIN COOK: Good morning, good afternoon.

REP. WALKER (93RD): Oh yeah, still good morning, yeah, you still, you got 20 minutes.

ROLLIN COOK: I was all in favor for that quick thing for the Department of Corrections as well. [laughter] Good morning, Madam Chair Walker, Senator Osten in her absence, Senator Formica, Representative Lavielle and members of the Appropriations Committee. My name is Rollin Cook, I'm the Commissioner of the Department of Corrections and next to me is our fiscal director, Mickie Reagan and of course I brought several of the executive team to be able to hopefully answer some detailed questions if you happen to have those.
I am here today to speak on our projected deficiency and our appropriations status for the current fiscal year. The Governor’s deficiency Bill 7147 represents deficiencies as projected on February 20; however, OPM is currently projecting a shortfall for the Department of Corrections of $36 million dollars with $11.3 million dollars projected in Personal Services, $4.7 million dollars in Other Expenses and $20 million dollars in Inmate Medical Services.

These deficiencies will shortly cause cash flow issues for the agency. As such, per the advice of OPM, we have requested Finance Advisory Committee approval to transfer funds from our Workers Compensation account, in which we are projecting a small end-of-year surplus, and from our Personal Services account to our Other Expenses account and our Inmate Medical Services account to address our cash flow needs. This action will ultimately change the makeup of the deficiency bill that we are testifying to today; however, it will not change the total of our projected deficit. We have made every effort to work within the budget allotted to the agency, however, realizing the substantial reduction in appropriations over and above current services levels while maintaining the integrity of our mission and the safety and security of our staff and facilities has proven to be challenging.

With regard to Personal Services, over the last several fiscal years this agency has progressively and substantially reduced costs in this account through the closing of a facility, various housing units and annexes as the incarcerated offender population has systematically decreased. Savings associated with the closures exceeds $25 million dollars. This fiscal year, the Department absorbed
over $5 million dollars in unanticipated costs due to staff transfers from the Department of Children and Families resulting from the closure of the Connecticut Juvenile Training School. Our projected costs this year represents a $52-million-dollar reduction in Personal Services costs compared to expenses only four years ago.

The projected $4.7-million-dollar deficit in Other Expenses is primarily related to increased utility costs and escalating maintenance costs required to maintain our aging physical structures and internal systems required to maintain safety and security for both out staff and confined population. This fiscal year, Department of Corrections has experienced greater than projected electricity and natural gas expenditures due to the higher than anticipated energy utilization seen over the first three months of the fiscal year and additionally due to an increase in contracted electricity and natural gas rates. Also, we have experienced higher rates for sewer and water statewide.

With regard to our physical plant, as you may be aware, the Department of Corrections operates and maintains 283 buildings and more than 3000 acres of land, all with a combined value of over $700 million dollars. Our oldest building dates from 1913, that's the Cheshire facility and our newest in 2003 is MacDougall expansion. Our facilities run as you guys know 24 hours a day, 365 days a year and as a result, they endure a lot of wear and tear and require constant maintenance and attention.

The projected $20 million dollars in Inmate Medical Services is due to several factors including, but not limited to unforeseen startup costs associated
with the transition of the provision of inmate medical care from UCONN to the Department of Corrections, hiring delays and difficulties in attracting qualified medical staff, delays in the development of the necessary Requests for Proposals due to the complexity and specialized nature of those procurements, increasing and higher than anticipated costs for pharmaceuticals, laboratory services, medical supplies and specialty services as well as generally rising healthcare costs associated with caring for a very much aging population. To that last point, I note that 44.6 percent of the inmate population is forty years of age or older. This is a significant contributor to the rising cost of inmate medical care. We anticipate this continuing to be an ongoing issue. To address this, we are putting in place within our inmate healthcare system, a preventative care initiative. This initiative, however, is not in place in its entirety, though it needs to be in order for the rate of growth in inmate healthcare spending to be attenuated.

With regard to the RFPs for Inmate Medical Services and Pharmacy Services, the RFPs were released in October and proposals received at the end of December. Based on the proposals received, we were able to move forward with contracting for Pharmaceutical Services, Laboratory Services and Telemedicine. The agency is currently in negotiations for these services and hopes to have our vendors under contract within the next few weeks. Unfortunately, we did not receive enough responses to the remainder of the Inmate Medical Services RFP to proceed to contract negotiation for such services. Department of Corrections released a
revised RFP for Inmate Medical Services on April 3. Proposals are due from prospective responders on June 3. The original RFP required that the Department of Corrections only pay Medicaid rates for services. The revised RFP invites prospective responders to propose rates/fees for service.

Our expenditures are driven by our inmate population and in order to achieve additional savings, we need to continue to responsibly decrease our inmate population through improved offender outcomes. Over the past several years, Connecticut’s incarcerated population has decreased by over 21 percent and we have progressively reduced our general fund requirements by $79 million dollars. As a part of our standard operating procedure we continually examine all aspects of our business model for opportunities to improve offender outcomes, increase operational efficiencies, reduce costs and improve and enhance the safety and security of our facilities. The Department is dedicated to honoring the rights of crime victims, and to making sure that high-risk offenders receive proper oversight and interventions as we continue our efforts to reduce recidivism and lower crime. We remain committed to continuing our primary mission of maintaining a safe, professional, and efficient correctional system. I appreciate the opportunity to speak with you today and we would be happy to respond to your questions.

REP. WALKER (93RD): Thank you, sir. Thank you for your testimony. Representative Lavielle.

REP. LAVIELLE (143RD): Thank you very much, Madam Chair. Good morning. Good morning, Commissioner, still.
ROLLIN COOK:  Good morning.

REP. LAVIELLE (143RD):  Thank you for your detailed report.  Just a couple of questions.  Looking at the, first the Personal Services area and you’ve had the transfers from DCF and from the Juvenile Training School.  That's a, I'm assuming that's kind of a one-time, you're incurring something one time there.  Do you, do some of those people, while their roles were different where they were, are they able to supplant anyone that you’ve lost due to attrition or retirement?  Have you kind of been able to rebalance with that absorption?

ROLLIN COOK:  So whenever I speak to some of these things that have occurred prior to my arrival, I always like hold up my hand a little bit just to make sure that they jump in, but those folks did fill positions that were open and available and are filling positions that we needed when they came over to us and yes, some of them are doing some things that are a little bit different than what they did.

REP. LAVIELLE (143RD):  Okay that would, that would account for the actual reduction that you’ve been able to maintain in Personal Services costs?

ROLLIN COOK:  Probably part of it.

REP. LAVIELLE (143RD):  You mentioned a $52-million-dollar reduction in the past four years.

ROLLIN COOK:  You want to speak to that?

MICKIE REAGHAN:  The reduction that we mentioned is over the term.  That would not be included in that figure.  Those positions came over at the beginning of the fiscal year and at the time, it was an increase in staffing for us because they weren’t
built into our budget. They weren’t built into our hiring plan and they weren’t necessarily you know going to places where we needed those bodies at that time. Some of that has worked out but the cost is, was not built into our budget which is why we're, one of the reasons why we're in deficiency.

REP. LAVIELLE (143RD): Okay so do you expect to be seeing that level of cost maintained going forward or is the rebalancing going to continue do you think?

MICKIE REAGHAN: I think that where we are right now in terms of our PS cost is roughly where we'll be next year given, as long as staffing levels stay the same and requirements stay the same. I don't know if that answers your question.

REP. LAVIELLE (143RD): Well I suppose only so far as it can be [laughs]. And then if we move over to the inmate medical care which I know is always an area of preoccupation for you, the, again, the startup cost for the transition from UConn, the, has that, I suppose that's really an all new operation for you, right? So that was kind of an inter-agency transfer of activity as well?

MICKIE REAGHAN: It is. It's something that we took over at that time so it was new to us.

REP. LAVIELLE (143RD): So one of the things you mention here came up in the earlier discussion with DMHAS about difficulties in attracting personnel and what do you think that's due to and what do you think can be done about it?

ROLLIN COOK: Well I wish I knew that answer because I could probably write a book and retire, but I think that there are some answers. The first answer
is that you don’t give up. I think you have to continue to try to recruit. You have to continue to try to make sure that we're providing fair compensation and benefits and things like that. The other thing that we're starting to do more at least since my arrival is that we're starting to collaborate with the other agencies to work together to figure out ways that we can share services and things like that, but it is extremely difficult. We had a recruiting fair that we've done. We've worked hard with DAS and with our human resource folks, but it is, they're just tough positions to fill and to be honest, Representative Lavielle, you’ve gotta have the right person that wants to do this. Working inside of a correctional facility, it makes it even more difficult. They gotta have a heart for it. They’ve got to want to do it so I wish I had a perfect answer for you there but the thing is, we don’t give up. We continue to collaborate and work together and hopefully we'll be able to overcome eventually.

REP. LAVIELLE (143RD): Well you mention collaborating with other agencies and when you get to the RFP part of this, um, you know we've had a lot of discussions with DAS and the contracting people and so do you know there's any opportunity for efficiency in asking for some outside help from another agency like that in dealing with the RFP process and procurement?

ROLLIN COOK: The quick answer is yes and we're meeting with those folks to discuss what those things may be especially when we start to take on the model ourselves, we're able to do those types of things. Specific details, I don’t have those for you today but I can tell you that we have begun
those discussions and looking at ways that we can combine those services together and find some savings and make things a little easier for everybody.

REP. LAVIELLE (143RD): Well that, that's good. I have one final question on that. You went on to say that you had to revise some of the RFT's because you were only going to pay Medicaid rates for services and you had to up that you know which is always, it means more cost. Is that something that you’ve accounted in everything that you’ve given us going forward?

ROLLIN COOK: Yes. You know it's a difficult situation. We only received one person, not one person, but one agency that put in for that particular piece and we wanted to make sure, I mean understand that especially when we're talking healthcare here and we've had lots of challenges, right? We want to make sure what we have the agency, the organization, the business that's going to provide us the very best services for the very best cost and so we wanted to open that up and I'll tell you, Representative, that was probably me coming in from the outside and I said, look, we've only had one foot on, why, and we started to look at that and so I thought well let's open it up and see if there's other opportunities there to make sure that we're getting the right care that we want inside of our facility.

REP. LAVIELLE (143RD): Now, I know, you know, one response to an RFP is never very encouraging. It does make you look at the RFP itself but you’ve kept the original, the original response under consideration I guess.
ROLLIN COOK: I think what we did is let that organization know that they're welcome to reapply.

REP. LAVIELLE (143RD): Okay. All right. Thank you. It sounds like you’ve got a, well we knew you had a complicated situation to deal with but.

ROLLIN COOK: Oh boy.

REP. LAVIELLE (143RD): Yeah, I know, but, all right well we'll keep watching. Thank you very much. I appreciate it. Thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Senator Formica.

SENATOR FORMICA (20TH): Thank you, Madam Chair. Good morning or still sir and welcome to the team. The surplus property and you and I talked about Gates at one point in time, indicating you wanted to hold onto that just in case. Well I see 21 percent decrease in student population, nearly $80 million dollars in budget, there's gotta be some cost to maintain the buildings that we have unused either at Gates or Cheshire or wherever else they are. Does it make sense to find a way to get some dollars in for that and maybe use a portion of that to put aside in case you have to add something to you know if there's a large increase in population coming up and at least we, I know surplus property is a one-time revenue in a budget. It doesn’t always make the answer, but you know I think it's a question we need to --

ROLLIN COOK: Before I ask Mickie to speak to this, I guess I would tell you I've learned a lot about this particular issue just over the last few weeks and the thing I can tell you is that many of these facilities that we have shut down, I don't know that there's much more to say. I mean we have shut them
down to the point, and you have to them enough obviously for example like through the winter and things like that to make sure things don’t freeze. I'm not sure there's much more savings that could be had with those facilities as far as moth balling or shutting them down any further. In regard to the surplus of properties or land, I don't know. Mickie, you have anything you want to add to that?

MICKIE REAGHAN: Well the one point I would bring up is that it's not easy for us to surplus correctional properties because they tend to be contiguous with other correctional properties. Yeah, Gates is contiguous with York, the Infield Facility that was closed is right in the middle of two other facilities so for safety and security reasons, it would be very difficult to have another tenant that close on the properties. We do have carrying costs associated with those properties. We try to minimize those. Right now, our population is down. We don’t know where it's going to go, whether it's going to continue to go down or go up and we need to have some capacity ready and as you know, sighting correctional facilities is a very, very difficult process. Sighting any public facility in the State of Connecticut at this point because we're built out is a very difficult process so it's important to hold onto some of this property for future use should that need arise.

SENATOR FORMICA (20TH): Well you're closing the annex, you’ve closed another portion of York. You have neighbors across the street on three roads that border the property already and the sighting problem I'll give you. That's going to be a problem no matter what we do but I think there's opportunity. Cheshire is all along the main road but you know
that said, we've got to look under every rock I think and see what we can do and if the operational costs exceed you know the benefits to holding them in place for a what-if situation, you know I think it's worthy to do a fiscal narrative on it to see what the 10-year holding cost is versus what the average population decrease is going to be including staff. So thank you for your hard work.

ROLLIN COOK: We would be open to that. I know that we consider those things as we close them and even the units that we've been closing here recently, we looked at those very things so we'd be open to that, look and to make sure we're doing the things we're supposed to fiscally as well.

SENATOR FORMICA (20TH): I appreciate that. I know you’ve been on the job a short time and you’ve got a lot in front of you and it’s a lot to look at to get in every corner and do this but I appreciate your consideration of my comments. Thank you. Thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Before I go to the next person, how many people transferred from CJTS to DOC?

ROLLIN COOK: I believe it was 79.

REP. WALKER (93RD): Seventy-nine? There weren’t 79 people that were on staff there at CJTS. That's why I'm curious.

ROLLIN COOK: I'm sorry, I'm might have, 59.

REP. WALKER (93RD): Fifty-nine? The last time I had heard it was 22.

ROLLIN COOK: We'll make sure that we get you the exact number.
REP. WALKER (93RD): Okay. Thank you.

ROLLIN COOK: You can tell, there was even people shouting out from the audience what that number was so [laughter] so we'll make sure we give you the right one.

REP. WALKER (93RD): Thank you. Representative DiMassa.

REP. DIMASSA (116TH): Good afternoon, Commissioner. Question for you on Worker's Compensation. It's interesting. So you're projecting a $2-million-dollar surplus, but usually in my experience, especially with overtime, usually you have a higher propensity to have obviously issues after a while so can you tell me, has there been a decrease in claims?

ROLLIN COOK: I have to take responsibility for finger pointing. I wish I could be as bright as all the other commissioners and be able to maintain those things and answer them for you. That's why I bring a posse so Jeff, tell them who you are.

JEFFREY MILLER: Good morning. I think it's still morning. I'm Jeffrey Miller, I'm the Human Resources Director. From a Workers' Compensation perspective, actually our claims rate has been flat, hasn’t changed.

REP. DIMASSA (116TH): That's perfect, so if you could just in the future just get me the numbers, if you can get me some, that's perfect and then that's all. I thank you, Madam Chairman.

REP. WALKER (93RD): Thank you. Representative Haddad.
REP. HADDAD (54TH): Thank you. Thank you for your testimony, Commissioner. I'm particularly interested in the $20-million-dollar lapse for inmate medical services. You know the Department of Corrections took over this responsibility I think in the beginning of this fiscal year and the amount that's in the budget I think for inmate medical care was $72 million dollars, if my memory serves me correctly, which is the same amount that would have been appropriated to University of Connecticut had it been providing the medical care under the contract agreement that you had. I just note that the prior year, the contract was valued at $80 million dollars and so that contract actually went down from 2018 to 2019 and I think that you know I was very gratified to hear you talk about the importance of inmate care. These folks are you know incarcerated for a good cause, but we have that responsibility to make sure that they get I think adequate healthcare.

I am though confused about you know this $20-million-dollar figure is a very large number and there's a number of different components to it. I'm just trying to figure out if we can separate out the unforeseen startup costs and the RFP costs from the other inflationary kind of costs or cost inflation that you've incorporated here which you know would have, which would affect anybody who has this contract right? Whether it’s the Department of Corrections or formerly UConn or will affect your new partner if you're successful in getting through the RFP so would it be possible for you to separate out for me at some time in the near future a cost accounting of the $20 million dollars in deficiency, the separate out the overall healthcare inflationary
costs that you cite in your testimony from the one-time cost for moving the contract from UConn to your Department?

ROLLIN COOK: We certainly can and may I make a comment to that?

REP. HADDAD (54TH): Oh, yes.

ROLLIN COOK: You know when I hear you say that, I want you to understand that there's a reason why the cost went up because the care had to go up, you know, and so that's a big part of it but we absolutely can break that down for you so that you know exactly what each piece goes to.

REP. HADDAD (54TH): I appreciate that. I mean the challenges that prisoners were facing and our, and our system, our government was facing in sort of providing that care are well chronicled and I think you know the change, I don't dispute the change, the necessity for the change, but I would just note that you know it appears as though you know, UConn was appropriated $80 million dollars in Fiscal 18, $72 million and now you $72 million dollars in Fiscal 19, but a $20-million-dollar deficiency means that that number could be as high as $92 million dollars.

ROLLIN COOK: That's correct.

REP. HADDAD (54TH): And with an RFP that apparently now where you were able to get responses with you know the constraints that we were putting on the RFP, and now moving potentially to a private sector provider, no.

ROLLIN COOK: The way that I understand it, that's, those services were already contracted out.
REP. HADDAD (54TH): The services were already contracted out so we're not talking about contracting or privatizing.

ROLLIN COOK: No, privatizing makes me crazy in corrections.

REP. HADDAD (54TH): Okay. Thank you. The 650 employees that were, UConn employees on June 30, 2018 and were your employees on July 1, 2019, they'll stay state employees is what you're saying.

ROLLIN COOK: They'll stay state employees.

REP. HADDAD (54TH): Good, thank you. I appreciate that. So, nevertheless, I just, you know I mean, I think that, one of the things I think that you know this legislature and the Department of Corrections and the University of Connecticut are all trying to do is to provide adequate healthcare at a reasonable cost. It's interesting I think that you know the process that was previously set in place couldn't lead us to an agreement on how much money should be appropriated for that, but I'm gratified that that seems to be rectifying itself now and I expect that in whatever budget that we pass moving forward, we'll see perhaps a better baseline for appropriating money for this, for these services so that we can provide adequate care to inmates.

ROLLIN COOK: Thank you. We think so and we'll make sure we provide that information to you.

REP. WALKER (93RD): When you, I'm sorry, when you get that information, would you send it to Sue Keen in Appropriations and she'll send it out to the membership, okay?

ROLLIN COOK: Yes, ma'am.
REP. WALKER (93RD): So that everybody gets the information. Thank you. Representative Johnson.

REP. JOHNSON (49TH): Thank you, Madam Chair and thank you, Commissioner, for your testimony. I just have a followup question on Representative DiMassa's question with respect to the Workers' Compensation projected surplus. I wondered if everything is the same as it was last cycle, then why would you have you know gone and budgeted another $2 million dollars?

MICKIE REAGHAN: One of the things, and this gets to some of the conversation earlier with other agencies about things that are unpredictable, you could have the same number of claims, but the dollar amount would be different. We don’t know what the payouts are going to be, we don’t know what the injuries are going to be so your number of claims could be the same from year to year, but the, but the costs are different and we are tracking below our costs from previous years.

REP. JOHNSON (49TH): So are you saying that the injuries aren’t as severe this particular cycle?

MICKIE REAGHAN: That I don't know. What I'm saying is that the costs that are coming into us are less than they were in the previous fiscal year.

REP. JOHNSON (49TH): And have you done anything to try and mitigate any additional injuries in the future based on cost of Workers' Compensation so that maybe people who work in Corrections wouldn’t be injured as much?

MICKIE REAGHAN: Well we certainly make every effort to reduce the chance of injury on the job. Correctional facilities are dangerous places and --
ROLLIN COOK: May I make a point?

MICKIE REAGHAN: Yes, please.

ROLLIN COOK: So I would agree with you wholeheartedly and in fact, when I was in Utah, we were facing some of these same challenges and so as is often the case for I'm sure many people, it's a matter of having it included as part of training, going back over, looking at what sort of things we're seeing. Are we seeing, for example, the injuries occurring during training, are injuries occurring on the job and reviewing them with our staff and employees and finding out from them also what sort of things we can improve upon so that's certainly something that we could look at.

REP. JOHNSON (49TH): Thank you so much for your testimony and your answers and Thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Are there any other people that have questions? Any other. Thank you, sir. Oh, I'm sorry, Representative Candelaria.

REP. CANDELARIA (95TH): Thank you, Madam Chair. Hello Commissioner. Maybe this question has been answered but CJTS, I'm reading in here and I know Representative Walker asked how many employees. I'm looking at the um, I believe this is the OFA Report and it shows that 80 individuals were transferred from the Department of Children and Families to your Department and that created a deficiency so there were no dollars transferred as well, appropriated with those 80 individuals?

ROLLIN COOK: Was there any?
MICKIE REAGHAN: There was no money, the money did not come with the positions, no.

ROLLIN COOK: The money did not come with the positions he said.

REP. CANDELARIA (95TH): So people were transferred to your Department, but no money came with those positions.

ROLLIN COOK: No.

REP. CANDELARIA (95TH): So something here just doesn't add up for me. How would you acquire all these 80 employees and not have the funds and here we are because we are acquiring 80 employees, you're going to foresee a deficiency in the future and so what the department did to ensure that this anticipated deficiency, because you knew it was going to happen if no money came forward, what did the department do to create more lapses within an account to cover this? Was anything done in the meantime?

MICKIE REAGHAN: Well we certainly made every effort to mitigate expenses, that's what we do on an ongoing basis. Budgets are very tight, we have to make every effort to save money wherever we can and that makes your hiring decisions that much more difficult. I mean I'm not, I'm not sure I understand the question.

ROLLIN COOK: I'm sorry, Representative, I'm not sure I understand the question and maybe it's because I wasn't here for that particular piece.

REP. CANDELARIA (95TH): Well I'll repeat it again. My question is, if we have 80 positions that were transferred from DCF to your agency without any
dollars appropriated to cover those expenses, you were foreseeing that there was going to be a deficiency in the future, correct?

ROLLIN COOK: I would think so, yes.

REP. CANDELARIA (95TH): Right so what did your agency do to mitigate or prepare for that deficiency? Was there anything done to prepare for the deficiency? That's my question.

ROLLIN COOK: I wasn’t here, but what I'm hearing from my own people, I would say no.

REP. CANDELARIA (95TH): And do we know why dollars were not transferred cause that just seems to be a common practice and I'm not trying to pick on you but I've seen this with other agencies where we transfer people or programs from one agency to another, but there's no dollars following it and we end up on the same situation as you're facing today and I think as a body that this does not continue to happen because we're going to be here sitting again, trying to figure out where we're going to find dollars, from what agency are we going to take the dollars from who may have some lapses moving from one area to the other so we want to ensure that this doesn’t happen in the future, but also address it within all the agencies in the long run.

ROLLIN COOK: I share your frustration.

REP. WALKER (93RD): Thank you. Thank you, sir. Are there any other questions? Yes, Representative Case.

REP. CASE (63RD): Thank you, Madam Chair and I was curious, do we have anybody here from OFA that can answer that? Cause we were in discussions with the
transfer of that and thinking that dollars were going over or were those dollars used to bring the budget to a balance? Is there anybody here from OFA that can? Cause that was a long conversation we had.

MIKE ERICKSON: Mike Erickson from OFA and no, there was no money that was transferred.

REP. CASE (63RD): So that money that DCF had, what was that used for?

MIKE ERICKSON: I'm not sure what that was used for, but it wasn’t transferred to DOC.

REP. CASE (63RD): Okay. Thank you, Madam Chair. I agree with Representative Candelaria. That makes no sense to me for an agency to take in 80 employees and yeah, yeah. Thank you.

REP. WALKER (93RD): Thank you and I too am sort of baffled by that because then that means, I hate to say this because the agency's coming up next, [laughter] and the Commissioner's sitting and listening intently to this conversation, I see that. It is curious though because when we do make these transfers, usually if we're doing transfers to other agencies, the money does follow the person in that transfer so it's kind of, it's kind of a two-slap prong on that and I'm not faulting you, sir. You weren’t involved in this.

ROLLIN COOK: No, I know, I understand.

REP. WALKER (93RD): You weren’t involved this.

ROLLIN COOK: I understand.

REP. WALKER (93RD): This was a previous Commissioner that did that so thank you very much,
sir. Thank you for your testimony. Next we have the Department of Children and Families, [laughs] Commissioner Dorantes. Thank you and good, good afternoon now.

VANESSA DORANTES: Hello. So good afternoon Representative Walker, Senator Formica, Representative Lavielle and distinguished members of the Appropriations Committee. My name is Vannessa Dorantes and I'm the current Commissioner of the Department of Children and Families. With me today are various Department staff who are here to assist me in answering questions, historic ones that there are, that members of the Committee may have regarding the anticipated net deficiency of $4.5 million dollars for the Department of Children and Families for the Fiscal Year ending June 30, 2019.

A net deficiency of $4.5 million dollars is projected in the Board and Care for Children or the Foster account. This shortfall is primarily attributable to responding to the needs of children and families in four major areas, the provision of needed community-based services to support and stabilize children in foster care placements, the enhancement and use of clinical levels of foster care that allow children to reside in homes, rather than in congregate care settings, increased costs to DCF for daycare payments on behalf of children in foster care, and supporting services to ensure that parents and children remained connected and work towards the goal of reunification.

All of the expenditures that have resulted in the deficiency are directly related to meeting the mandates of the Juan F. consent decree. The various programs and services that are supported through the
Foster account are essential to meeting the needs of Juan F. class members. They have as their goal the stabilization of children in foster care placements and, when appropriate, their return home to their families as soon as possible.

In order to better meet our clients’ needs, DCF has assessed the issues that can cause foster care placements to be disrupted and lead to a child experiencing multiple placements, instead of experiencing the security and stability gained when maintained in a dependable foster home. The Department has developed specialized treatment models that provide both the child and foster parents additional supports, to promote the stability of the foster care placement and provide a consistent, thriving home environment.

A statewide expansion in the capacity of Caregiver Support Teams was implemented this fiscal year and the increased utilization of Family and Community Ties, which is a clinical level of treatment foster care that has benefited children and youth who might otherwise have been placed in congregate care settings. Because these two levels of foster care provide a higher level of clinical intervention, they are more costly than regular foster placements and increased expenditures of approximately $1.9 million dollars in Fiscal Year 2019 are associated with these service enhancements.

The Department is experiencing increased expenditures for daycare services utilized by foster parents. These costs have increased by $1.7 million dollars this fiscal year. It is believed that this is likely due to a recent temporary closure of admission to the Care for Kids program. With Care
for Kids enrollment now reopened, DCF projects this line item will return to prior year levels in Fiscal Year 2020. Enhanced funding has been dedicated to addressing geographic gaps and waitlists under the Reunification & Therapeutic Family Time program. Utilization of supervised visitation services has also increased. Both of these program types are specifically designed to maintain and strengthen family connections between parents and their children, and prepare parents to be reunified with their children in a timely manner.

Projected expenditures for these services have increased by approximately $1.1 million dollars. DCF will seek to mitigate a portion of the overall Foster account shortfall by reallocating available funding through the Finance Advisory Committee process. A similar transfer of funds between various accounts will also be sought to address other projected shortfalls.

Thank you for the opportunity to offer this testimony regarding the anticipated deficiencies for the DCF and I will be happy to answer any questions that you have at this time.

REP. WALKER (93RD): Thank you and thank you for your testimony. Should I ask my questions first? So when we did the transfer to, we transferred the Juvenile Justice kids from CJTS to Court Supported Services Division, how many staffing did you have at CJTS at the time? Do you remember?

VANESSA DORANTES: So I will answer as much as I can and then Cindy can jump in. I believe it was 79.

CINDY BUTTERFIELD: In total it was --
REP. WALKER (93RD): Who are you, young lady?

CINDY BUTTERFIELD: I'm Cindy Butterfield from the Department of Children and Families.

REP. WALKER (93RD): Thank you.

CINDY BUTTERFIELD: It was I think closer to about 160 were left at the end. We were trending down as time went on. We were obviously filling refills and things but I think you know at most it was about 160, 170 employees in total that had to be placed.

REP. WALKER (93RD): How many of them have, were retirees? How many retired after that?

CINDY BUTTERFIELD: There was probably close to 15 to 20 percent that were able to retire. A good number ended up going to Whiting Forensic in vacancies they had at Whiting Forensic and about 80 employees ended up transferring to the Department of Corrections. Some employees stayed on and went into social worker positions at DCF too.

REP. WALKER (93RD): So the question I think which is kind of clear is that the $5 million dollars that DOC is, was stating in their deficiency was retained in Department of Children and Families?

CINDY BUTTERFIELD: No, we didn’t end up retaining the money. So the school closed in FY 18 and now we're into FY 19 so that money is gone. The Department of Children and Families had a certain amount of money for their actual PS, our actual PS budget did increase because we added 120 more social workers to make case load so when you look at our budget, it may seemingly seem like the TJTS money is there, but that decreased and then with the increase of the social worker positions, we are at about the
same amount of money. These folks were projected to go into vacancies in other departments that were funded, that's part of it and they were obviously quickly, as people have spoken about how long it takes to recruit and get someone into place, obviously this recruitment was extremely fast because they were transferring so some of that turnover that normally happens didn't happen.

REP. WALKER (93RD): When you receive transfers from other agencies, do you receive dollars with that?

CINDY BUTTERFIELD: No, we usually don't.

REP. WALKER (93RD): You do not. You have to absorb those transfers.

CINDY BUTTERFIELD: Yeah, if you have the vacancy and you receive the transfer then you have to fund that.

REP. WALKER (93RD): I guess the question would be we should've looked as per the vacancies. We'll ask OFA for that. Questions? Representative Candelaria.

REP. CANDELARIA (95TH): Thank you. I just want to understand it one more time. If you could walk me through it again. So the 80 positions that were transferred. The transfer dollars were not allocated for those positions. No dollars for transfer so you still had those dollars available. You absorbed them by increasing case managers right for other, other programs that you have, is that how I understand it?

VANESSA DORANTES: So the normal request for social work positions within the context of the number that would've been requested, those vacancies were added
to that so it would’ve just been a reduction in the number of staff that transferred to other state agencies, and then the number of requested social work positions would’ve included that number so I think that's what you were indicating in terms of the kind of where it was a wash.

REP. CANDELARIA (95TH): Were those positions that were allocated within your budget, but not funded and you funded it with those dollars? Is that what I'm understanding?

CINDY BUTTERFIELD: So most of the hires occurred in Fiscal Year 19. The funding for CJTS ended in Fiscal Year 18. I think part of this, now having gone through this very complicated process in moving the employees, we were not sure where these employees would end up because of their classification and where the vacancies would occur. There were hazardous duty employees so there was effort put into making sure they went to agencies that had hazardous duty and that's why the receiving agencies were Whiting-Forensic at DMHAS and the Department of Corrections but they were to go into their funded vacancies so you wouldn’t have needed to send the money so for instance, I have a vacancy for an office assistant at DCF. I may recruit somebody from DSS. They don’t send the money with that person, I have the money in my budget to fund that vacancy so the belief is that you will have money when you recruit and you don’t have to send the money with the person.

REP. CANDELARIA (95TH): And who makes, how do arrive at the vacancies? Is there -- who looks at, for example, in this particular case, Corrections
would say we can absorb it because that's not what I'm understanding from them?

CINDY BUTTERFIELD: This was a very complicated process because it was moving all these employees. The Office of Labor Relations at OPM was involved. I did not get involved at the intricate level of you know whether this is an exact vacancy or was it more they were absorbing people that needed to be moved from CJTS. I can't get down to that level of detail.

REP. CANDELARIA (95TH): And from those 80 positions that you talked about maintaining within the department and filling, did you fill them all, the 80 positions or was there any additional dollars that were left that you utilized for something else and how did you determine where you were going to allocate those dollars?

CINDY BUTTERFIELD: Okay so the 80 positions went to DOC off of our count and you'll see in the budget this year where we had a reduction in the number of positions at DCF to accommodate the closing of CJTS. What we do, aside from that, so the CJTS and the needing of more social workers happened at the same time which is confusing this. That's what the problem is. So apart and away from whatever happened with CJTS, DCF needed another 120 social workers. Those two sums of money that would fund those positions looked very close to the same thing and that's why it's less for the social workers, but that's why I think it gets confusing for people where they believe we retained that. We had the addition of 120 social workers and social work supervisors to go along with that and then there was
the 160 or 170 employees that had to be placed outside the agency.

REP. CANDELARIA (95TH): Okay, thank you for that because it does clear a little bit. Now my question is, out of those 120 positions, were those actual 120 allocated to your total employee count? So you had a reduction of 80, that happened, the reduction of 80 in your total employee count?

CINDY BUTTERFIELD: So all the positions from CJTS I think, I can't give you the exact number right now, I can't remember what it is but it's well over 100.

REP. CANDELARIA (95TH): Okay.

CINDY BUTTERFIELD: Cause it's the positions that went to Whiting and everywhere else. We did take that reduction and we have the 120 social worker positions added to our count. We will be hiring and have in place and are funded to have 120 more social workers to cover the case load.

REP. CANDELARIA (95TH): All right. That explains it somewhat. I don’t agree with the process, but I better understand it. Thank you. Thank you for your time.

REP. WALKER (93RD): Thank you. Representative Betts.

REP. BETTS (78TH): Thank you, Madam Chair and thank you, Commissioner. I actually have a question if I could about OFA, if anybody from OFA is here?

NEIL AYERS: Good afternoon, Neil Ayers, OFA.

REP. BETTS (78TH): Thank you. As a policy and based on historical budgets, has the money been allocated and assigned to positions that are
transferred to other agencies? Is that a normal typical pattern of handling changes like that?

NEIL AYERS: I don't know if I can say that there is a normal particular pattern. I think it would depend on the intricacies of any particular transfer. In the end, a budget is adopted as a set of policy decisions by the legislature.

REP. BETTS (78TH): Thank you and I'm not trying to put you on the spot. I'm just trying to understand. The simple way of approaching it would be if somebody switched over to another place, their salary would go with them. I'm trying to understand why it would not.

NEIL AYERS: Talking in generalities, not about any particular one, I think as Ms. Butterfield said, there may be available dollars and available position counts at an agency, whereas a particular, for lack of a better term, a body with a function goes over, that agency may already have available space in it. If it were agency that did not, that was up to their funded maximum positions, in that theory, you would probably put the dollars in a position over, but it's going to depend, like I said, on the intricacies of any particular transfer and I think that varies widely.

REP. BETTS (78TH): Okay. Thank you and thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Are there any other questions? Representative Lavielle.

REP. LAVIELLE (143RD): Thank you, Madam Chair. Beating a dead horse, however, good afternoon, Commissioner. Yeah, I just want to make sure that I understand this as well. I get that the Department
of Corrections had to absorb the cost and they did mention that they had to absorb $5 million dollars in unanticipated costs and I guess they're going to do that by an FAC transfer, so they had the money somewhere, but not necessarily in personnel services. So on the DCF end, just in the order of things, this was actually -- let's say if we played it out in time before you got the new 120 social workers, this was actually a savings to you or a lapse or something that might not have been spent. As it happened, you could use it for something else, but it was still noted somewhere, somewhere there was an accounting action that made it look as or go into the record as a savings to you; is that right?

CINDY BUTTERFIELD: We would've had a commensurate budget reduction with the loss of the positions, yes.

REP. LAVIELLE (143RD): Okay and so actually, that sort of did happen, but it didn’t have enough time to happen because you had other people to hire.

CINDY BUTTERFIELD: Yeah and it took some time to move people to the new positions and it wasn’t, it really was done person by person you know when a vacancy came up, will this person go to Whiting, would they go to DOC? It was a very complicated step through process that went over several months.

REP. LAVIELLE (143RD): Yeah, it sounds, I mean just from the bird's eye view, your example of you know you want to recruit somebody and they come over from another agency and you have the budget, that sounds reasonable to me. That's sort of, the person could’ve come from outside instead of from inside, but a planned transfer of a large number of people, it still appears like an odd way to do things. I
know it's not your decision, I just, just a remark. Thank you. Thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Are there any other? Representative Case. You had that look on your face like I really want to ask this question. Go right ahead, sir.

REP. CASE (63RD): No, I, you know, Juan, he's not hear anymore, but he sparked that up and I know we had this big conversation last year and I just had to go, my staff hates that I save all my notes and stuff, but, [laughter] it was in your budget to, which I'm curious on the deficit mitigation part because the 120 social workers were funded at $4.9 million dollars and your deficit for Connecticut Juvenile Training was $11.3 million dollars so I'm just curious where those dollars went. Like the Chairwoman said, it's a, it's a policy thing or it's a budgetary writing thing, but it actually is here that you would lose that $11 million dollars with those employees, but then on the next page, we add $4.9 million dollars for the 120 social workers and the 120 social worker supervisors so I think it's just a numbers game and those employees, from my recollection or my notes here from last year, is that it was going to work diligently to find those positions that were already vacant but funded in other divisions and therefore, the dollar savings was going towards helping the budget for the State of Connecticut. So is that the recollection that you have? I mean that's what I have on paper so I don't know.

CINDY BUTTERFIELD: Yes, that is the recollection that I have.
REP. WALKER (93RD): Could you move your microphone to you, please?

CINDY BUTTERFIELD: Sure. That is the recollection I have too and you know I can only speak from the giving side, not the receiving side and this is the time that it's better to have given than to have received I guess [laughs]. It's, um, yeah, so I don't, they had vacancies. They did go out over six or seven months so we were waiting for vacancies to have occurred for this to happen and up until recently, we had more employees going to DOC in vacancies that they had, they were recruiting for so this has transpired over quite some time.

REP. CASE (63RD): So when they're waiting, through you, Madam Chair, if they're waiting for vacancies and the facility is closed, are they out or are they continuing to get paid even though there isn't a place for them to be filled in?

CINDY BUTTERFIELD: So because these were hazardous duty employees, this was a little bit different than I think happens usually. They're more difficult to place because there's a very finite number of those kinds of jobs out there. So for instance, we had a rehab therapist, a rehabilitation therapist for art. That person would have gone into one DCF's non-hazardous duty vacancies and performed that duty up at Solnit North, for example, but they would be entitled to when a hazardous duty job opened up in that job title to go and pursue that because they had lost that benefit. So that's what I mean by that. They are working in DCF facilities in vacancies that we had and we needed. They weren't made-up jobs.
REP. CASE (63RD): So a question, through you, Madam Chair, in just reading the write-up on those 160 positions, it says they can go off and get other employment throughout the state. It doesn’t actually state in here, because I know we had this conversation if there weren’t hazardous duty positions available, they could go into others, but they could fill any position out there, but the little line below is filling, is a hazardous duty position supposed to go to a hazardous, cause it says anything per the 2017 SEBAC agreement so is that written in there, that if somebody has hazardous duty has to go to a hazardous duty job?

CINDY BUTTERFIELD: No, and they didn’t. If the jobs weren’t available, they didn’t get them. That's why they would’ve stayed at DCF but when the opportunity arose and they could go to a hazardous duty job, they did do that and they only went into vacancies that we had.

REP. CASE (63RD): Okay. Thank you, Madam Chair. I think it’s a numbers thing and I kept my notes, I’m sorry, but you know.

REP. WALKER (93RD): Thank you. Thank you for keeping your notes. Thank you. Representative Johnson.

REP. JOHNSON (49TH): Thank you, Madam Chair and thank you so much for your testimony and your work. I just have a question about the, uh, in your testimony you talked about the provision of needed community-based services to support and stabilize children in foster care placements, and I wondered, is that referring to the daycare programs that, maybe some other programs, what other programs might we need in the community to help with stabilization?
VANESSA DORANTES: So there are in-home foster care placement, so for services like community support for families are actually designed to support foster care placement and by way of example, all of our kinship placements who are relatives who come forward to provide foster care for their relatives who may not ordinarily be anticipating a change in their family dynamic, we have instituted almost an automatic referral to a screening for community support for families to anticipate that there may be changes that a family would experience by adding another member or two, so that's an example of a service that can be used to stabilize a foster placement.

REP. JOHNSON (49TH): It sounds very good and I just wondered, are there other community services that should be in place in our communities that you might recommend to us?

VANESSA DORANTES: That's an excellent question because I think under Families First Prevention and Treatment Act, the federal finance reform around child welfare over the next few years will be critically examining what Connecticut has and what Connecticut needs, not just from a reimbursement standpoint, but from a prevention model that allows for children to remain in the community either in foster care or in their homes.

REP. JOHNSON (49TH): Well I'd like to see some more about that and thank you so much for your work and thank you, Madam Chair.

REP. WALKER (93RD): Thank you. Are there any other questions? If not, thank you. Okay that is the end of the agency testimonies and now we have one from the public, Jeremiah Baker.
JEREMIAH BAKER: Good afternoon, Representative Walker and distinguished members of the Appropriations Committee. Thank you for allowing me to speak today on this bill. I'm a student at the School of Social Work at UConn and we're taught to speak up for those who have no voice and I appreciate all the money being allocated for these necessary services through DMHAS and DDS. I've worked at group home agencies and managed them and see the lasting impact that the lack of funding or cutting funding has on the most vulnerable people in our communities. I'm currently a mental health worker through Trinity Health Network and we see a lot of DMHAS clients come in the winter months and if they don't have stable housing, this is a cost of more $2600 dollars a day and so to continue to fund these necessary services is imperative and having sat here, it's also, as a taxpayer, it is somewhat concerning that people are going tens of millions of dollars over budgets and so I would strongly urge and encourage that we continue to hold the state agencies accountable for staying within their budgets as everyone else has to so thank you very much for this bill and I would encourage that we continue to make fiscal choices that have the best return on investment.

REP. WALKER (93RD): Thank you. Are there any questions? Thank you, sir. Thank you for your testimony.

JEREMIAH BAKER: Thank you, madam.

REP. WALKER (93RD): With that, that is, is there anybody else that wants to testify? Is there anybody that wants to testify? That will conclude this public hearing. I just want to let everybody
know we are not voting on anything today. This was just a public hearing so we will stay in touch and we will send out notification for the upcoming meeting for Appropriations. Thank you.