

OFFICE OF FISCAL ANALYSIS

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<http://www.cga.ct.gov/ofa>

HB-7424

AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM
ENDING JUNE THIRTIETH, 2021, AND MAKING
APPROPRIATIONS THEREFOR, AND IMPLEMENTING
PROVISIONS OF THE BUDGET.

AMENDMENT

LCO No.: 10639

OFA Fiscal Note

See Fiscal Note Details

The amendment:

Provides \$50 million in both FY 20 and FY 21 for a wage increase for private providers of human services. The amendment also allows the Office of Policy and Management to distribute such funding to effected agencies in both years;

Increases the Medicaid appropriation by \$125.3 million in FY 20 and \$121.5 million in FY 21;

Reduces the Bioscience account appropriation in the bill by \$4,138,000 in both FY 20 and FY 21. This results in: (1) a savings to the General Fund totaling approximately \$8.2 million in both FY 20 and FY 21, including approximately \$4 million which will accrue to the Office of the State Comptroller - Fringe Benefits, and (2) a revenue loss to the University of Connecticut Health Center of approximately \$8.2 million in both FY 20 and FY 21;

Reduces the FY 20 and FY 21 College & Hospital PILOT grant to Middletown by \$4 million. This results in a savings to the General Fund, and a corresponding revenue loss to the City of Middletown.

Requires non-union state employees to take three furlough days in

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FY 20 and FY 21. This will save \$4.1 million;

Strikes section 316, resulting in Medicaid savings of \$5.3 million in FY 20 and \$9.1 million in FY 21 associated with maintaining HUSKY A eligibility at 150% FPL (155% FPL inclusive of the income disregard).

Allows OPM to allocate funds to various agencies to effectuate the rate increases supported by funding appropriated for Private Provider Rate Increase in OPM;

Requires the State Contracting Standards Board (SCSB) to develop a procurement plan for state contracting agencies in order to achieve savings of \$25 million in FY 20 and \$25 million in FY 21. This section further requires SCSB to submit such plan to the Governor and Secretary of the Office of Policy and Management for implementation of such plan by August 1, 2019;

Allows the Office of Policy and Management to make allotment reductions to the Department of Mental Health and Addiction Services to achieve privatization savings, results in savings of \$2,250,000 in FY 20 and \$4,250,000 in FY 21;

Requires the Department of Administrative Services to implement a plan to consolidate personnel, payroll, affirmative action and business off functions to achieve \$5 million in savings in FY 20 and \$10 million in savings in FY 21.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.