

State Comptroller - Fringe Benefits

OSC15200

Budget Summary

Account	Actual FY 14	Governor Estimated FY 15	Governor Recommended		Legislative	
			FY 16	FY 17	FY 16	FY 17
Other Current Expenses						
Unemployment Compensation	5,814,719	8,643,507	7,474,000	6,410,300	7,330,139	6,427,401
State Employees Retirement Contributions	916,024,145	970,863,047	1,097,613,344	1,125,480,680	1,096,800,201	1,124,661,963
Higher Education Alternative Retirement System	8,739,312	18,131,328	8,359,234	8,924,234	7,159,234	7,924,234
Pensions and Retirements - Other Statutory	1,611,284	1,749,057	1,709,519	1,760,804	1,709,519	1,760,804
Judges and Compensation Commissioners Retirement	16,298,488	17,731,131	18,258,707	19,163,487	18,258,707	19,163,487
Insurance - Group Life	8,042,132	8,653,107	8,496,100	8,641,100	8,492,914	8,637,871
Employers Social Security Tax	217,432,088	228,833,314	230,093,600	238,472,555	238,994,871	250,674,466
State Employees Health Service Cost	614,328,850	639,312,580	679,787,987	729,338,587	674,388,450	722,588,803
Retired State Employees Health Service Cost	548,693,300	583,635,039	686,397,000	751,109,000	681,397,000	746,109,000
Tuition Reimbursement - Training and Travel	3,302,948	3,127,500	3,127,500	0	3,127,500	0
Nonfunctional - Change to Accruals	13,550,385	16,162,272	0	0	0	0
Agency Total - General Fund	2,353,837,651	2,496,841,882	2,741,316,991	2,889,300,747	2,737,658,535	2,887,948,029
Unemployment Compensation	251,011	248,862	280,200	308,400	509,232	305,000
State Employees Retirement Contributions	108,347,033	130,144,053	122,254,000	129,339,800	122,166,623	129,227,978
Insurance - Group Life	261,750	292,000	277,300	285,500	276,987	285,063
Employers Social Security Tax	14,516,601	16,405,141	17,295,600	17,745,400	17,656,269	18,178,987
State Employees Health Service Cost	39,610,781	41,727,011	52,018,500	57,098,700	51,843,476	56,825,438
Nonfunctional - Change to Accruals	857,495	1,879,574	0	0	0	0
Agency Total - Special Transportation Fund	163,844,671	190,696,641	192,125,600	204,777,800	192,452,587	204,822,466
Total - Appropriated Funds	2,517,682,322	2,687,538,523	2,933,442,591	3,094,078,547	2,930,111,122	3,092,770,495

Account	Legislative				Difference from Governor Recommended			
	FY 16		FY 17		FY 16		FY 17	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Current Services

Adjust Operating Expenses to Reflect Current Requirements

Unemployment Compensation	0	(2,537,507)	0	(2,232,507)	0	0	0	0
State Employees Retirement Contributions	0	126,968,697	0	154,841,733	0	0	0	0
Higher Education Alternative Retirement System	0	(10,972,094)	0	(10,207,094)	0	(1,200,000)	0	(1,000,000)
Pensions and Retirements - Other Statutory	0	(39,538)	0	11,747	0	0	0	0
Judges and Compensation Commissioners Retirement	0	527,576	0	1,432,356	0	0	0	0
Insurance - Group Life	0	(156,107)	0	(11,107)	0	0	0	0
Employers Social Security Tax	0	1,243,686	0	8,949,741	0	0	0	0
State Employees Health Service Cost	0	40,457,007	0	88,875,507	0	0	0	0
Retired State Employees Health Service Cost	0	102,761,961	0	167,473,961	0	0	0	0
Total - General Fund	0	258,253,681	0	409,134,337	0	(1,200,000)	0	(1,000,000)
Unemployment Compensation	0	28,138	0	56,138	0	0	0	0
State Employees Retirement Contributions	0	(8,984,053)	0	(1,942,053)	0	0	0	0
Insurance - Group Life	0	(19,000)	0	(11,000)	0	0	0	0
Employers Social Security Tax	0	448,859	0	675,859	0	0	0	0
State Employees Health Service Cost	0	8,248,989	0	11,845,989	0	0	0	0
Total - Special Transportation Fund	0	(277,067)	0	10,624,933	0	0	0	0

Governor

Provide funding of \$259,453,681 in FY 16 and \$410,134,337 in FY 17 in various accounts within the General Fund to reflect FY 16 and FY 17 anticipated expenditure requirements.

Adjust funding by \$277,067 in FY 16 and \$10,624,933 in FY 17 in various accounts within the Special Transportation Fund to reflect FY 16 and FY 17 anticipated expenditure requirements.

Legislative

Provide funding of \$258,253,681 in FY 16 and \$409,134,337 in FY 17 in various accounts within the General Fund to reflect FY 16 and FY 17 anticipated expenditure requirements.

Adjust funding by \$277,067 in FY 16 and \$10,624,933 in FY 17 in various accounts within the Special Transportation Fund to reflect FY 16 and FY 17 anticipated expenditure requirements.

Adjust Funding to Reflect Net Position Technical Changes

Employers Social Security Tax	0	708,900	0	1,432,500	0	0	0	0
State Employees Health Service Cost	0	1,714,900	0	3,115,200	0	0	0	0
Total - General Fund	0	2,423,800	0	4,547,700	0	0	0	0
Employers Social Security Tax	0	8,700	0	9,000	0	0	0	0
State Employees Health Service Cost	0	47,900	0	53,100	0	0	0	0
Total - Special Transportation Fund	0	56,600	0	62,100	0	0	0	0

Governor

Provide funding of \$2,423,800 in FY 16 and \$4,547,701 in FY 17 to reflect technical changes impacting the General Fund. Provide funding of \$56,600 in FY 16 and \$62,100 in FY 17 to reflect technical changes impacting the Special Transportation Fund.

Legislative

Same as Governor

Account	Legislative				Difference from Governor Recommended			
	FY 16		FY 17		FY 16		FY 17	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Eliminate Funding for Tuition Reimbursement and Training

Tuition Reimbursement - Training and Travel	0	0	0	(3,127,500)	0	0	0	0
Total - General Fund	0	0	0	(3,127,500)	0	0	0	0

Governor

Eliminate funding of \$3,127,500 in FY 17 in the Tuition Reimbursement, Training and Travel account to reflect the expiration of collective bargaining agreements at the end of FY 16. Funding for tuition reimbursement training and travel in FY 17 is provided for in the Reserve for Salary Adjustment account administered by the Office of Policy and Management.

Legislative

Same as Governor

Provide Funding for the CT Retirement Security Board

Employers Social Security Tax	0	10,000	0	0	0	0	0	0
State Employees Health Service Cost	0	28,000	0	0	0	0	0	0
Total - General Fund	0	38,000	0	0	0	0	0	0

Background

Sections 180-185 of PA 14-217, the FY 15 budget implementer, established the Connecticut Retirement Security Board and charged it with researching the feasibility and developing a plan for a statewide retirement plan.

Governor

Provide funding of \$38,000 in FY 16 (\$28,000 for the State Employees Health Service Cost account and \$10,000 in the Employers Social Security Tax account) for fringe benefits for two durational employees who support the Retirement Security Board.

Legislative

Same as Governor

Policy Revisions

Reduce Funding for Prior Authorization for Compound Drugs

State Employees Health Service Cost	0	(5,000,000)	0	(5,000,000)	0	(5,000,000)	0	(5,000,000)
Retired State Employees Health Service Cost	0	(5,000,000)	0	(5,000,000)	0	(5,000,000)	0	(5,000,000)
Total - General Fund	0	(10,000,000)	0	(10,000,000)	0	(10,000,000)	0	(10,000,000)

Background

On May 15, 2015, the State Comptroller instituted a "prior authorization" process for compound medications. Topical compounds that are not approved by the FDA and utilize ingredients that have not been tested for safety and efficiency and compounded hormone replacement therapy (HRT) are some examples of medications that will be subject to this new requirement.

Legislative

Reduce funding of \$10 million in FY 16 and FY 17 to reflect savings to the state employee and retiree health plans as a result of instituting prior authorization for compound medications.

Account	Legislative				Difference from Governor Recommended			
	FY 16		FY 17		FY 16		FY 17	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Adjust Fringe Benefits to Reflect the Addition of Positions

Employers Social Security Tax	0	14,869,276	0	19,714,630	0	14,734,276	0	19,579,630
State Employees Health Service Cost	0	1,905,256	0	3,242,528	0	1,540,056	0	2,853,128
Total - General Fund	0	16,774,532	0	22,957,158	0	16,274,332	0	22,432,758
Employers Social Security Tax	0	1,042,706	0	1,335,192	0	775,506	0	852,192
State Employees Health Service Cost	0	1,355,112	0	2,703,570	0	(128,688)	0	(202,630)
Total - Special Transportation Fund	0	2,397,818	0	4,038,762	0	646,818	0	649,562

Governor

Adjust funding by \$334,100 in FY 16 and \$348,100 in FY 17 in the General Fund and \$1,778,000 in FY 16 and \$1,884,500 in FY 17 in the Special Transportation Fund to reflect position transfers within state agencies which impact the General Fund and Special Transportation Fund fringe benefit accounts.

Legislative

Adjust funding by \$16,774,532 in FY 16 and \$22,957,158 in FY 17 in the General Fund and \$2,397,818 in FY 16 and \$4,038,762 in FY 17 in the Special Transportation Fund to reflect position transfers within state agencies which impact the General Fund and Special Transportation Fund fringe benefit accounts.

Adjust Fringe Benefits to Reflect the Reduction of Positions

Unemployment Compensation	0	1,439,966	0	0	0	71,366	0	0
Employers Social Security Tax	0	(6,514,042)	0	(8,097,749)	0	(5,709,842)	0	(7,253,649)
State Employees Health Service Cost	0	(3,547,250)	0	(6,444,988)	0	(1,538,650)	0	(4,179,388)
Total - General Fund	0	(8,621,326)	0	(14,542,737)	0	(7,177,126)	0	(11,433,037)
Employers Social Security Tax	0	(401,625)	0	(401,625)	0	(401,625)	0	(401,625)
Total - Special Transportation Fund	0	(401,625)	0	(401,625)	0	(401,625)	0	(401,625)

Governor

Reduce funding by \$1,444,200 in FY 16 and \$3,109,700 in FY 17 in the General Fund to reflect the reduction of personnel in state agencies.

Legislative

Reduce funding by \$8,621,326 in FY 16 and \$14,452,737 in FY 17 in the General Fund and \$401,625 in both FY 16 and FY 17 in the Special Transportation Fund to reflect the reduction of personnel in state agencies.

Account	Legislative				Difference from Governor Recommended			
	FY 16		FY 17		FY 16		FY 17	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Adjust Funding to Transfer of Positions

Unemployment Compensation	0	(215,827)	0	16,401	0	(215,227)	0	17,101
State Employees Retirement Contributions	0	(1,031,543)	0	(1,042,817)	0	(813,143)	0	(818,717)
Insurance - Group Life	0	(4,086)	0	(4,129)	0	(3,186)	0	(3,229)
Employers Social Security Tax	0	(156,263)	0	(157,970)	0	(123,163)	0	(124,070)
State Employees Health Service Cost	0	(482,043)	0	(512,024)	0	(400,943)	0	(423,524)
Total - General Fund	0	(1,889,762)	0	(1,700,539)	0	(1,555,662)	0	(1,352,439)
Unemployment Compensation	0	232,232	0	0	0	229,032	0	(3,400)
State Employees Retirement Contributions	0	1,006,623	0	1,025,978	0	(87,377)	0	(111,822)
Insurance - Group Life	0	3,987	0	4,063	0	(313)	0	(437)
Employers Social Security Tax	0	152,488	0	155,420	0	(13,212)	0	(16,980)
State Employees Health Service Cost	0	464,464	0	495,768	0	(46,336)	0	(70,632)
Total - Special Transportation Fund	0	1,859,794	0	1,681,229	0	81,794	0	(203,271)

Governor

Adjust funding by \$334,100 in FY 16 and \$348,100 in FY 17 in the General Fund and \$1,778,000 in FY 16 and \$1,884,500 in FY 17 in the Special Transportation Fund to reflect position transfers within state agencies which impact the General Fund and Special Transportation Fund fringe benefit accounts.

Legislative

Adjust funding by \$1,889,762 in FY 16 and \$1,700,539 in FY 17 in the General Fund and \$1,859,794 in FY 16 and \$1,681,229 in FY 17 in the Special Transportation Fund to reflect position transfers within state agencies which impact the General Fund and Special Transportation Fund fringe benefit accounts.

Consolidate Funding for GAAP

Nonfunctional - Change to Accruals	0	(16,162,272)	0	(16,162,272)	0	0	0	0
Total - General Fund	0	(16,162,272)	0	(16,162,272)	0	0	0	0
Nonfunctional - Change to Accruals	0	(1,879,574)	0	(1,879,574)	0	0	0	0
Total - Special Transportation Fund	0	(1,879,574)	0	(1,879,574)	0	0	0	0

Governor

Reduce funding by \$16,162,272 in the General Fund and \$1,879,574 in the Special Transportation Fund in FY 16 and FY 17 to reflect the consolidation of GAAP funding within the Office of the State Comptroller - Miscellaneous accounts.

Legislative

Same as Governor

Totals

Budget Components	Legislative				Difference from Governor Recommended			
	FY 16		FY 17		FY 16		FY 17	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Governor Estimated - GF	0	2,496,841,882	0	2,496,841,882	0	0	0	0
Current Services	0	260,715,481	0	410,554,537	0	(1,200,000)	0	(1,000,000)
Policy Revisions	0	(19,898,828)	0	(19,448,390)	0	(2,458,456)	0	(352,718)
Total Recommended - GF	0	2,737,658,535	0	2,887,948,029	0	(3,658,456)	0	(1,352,718)
Governor Estimated - TF	0	190,696,641	0	190,696,641	0	0	0	0
Current Services	0	(220,467)	0	10,687,033	0	0	0	0
Policy Revisions	0	1,976,413	0	3,438,792	0	326,987	0	44,666
Total Recommended - TF	0	192,452,587	0	204,822,466	0	326,987	0	44,666