

## Attorney General OAG29000

### Position Summary

Account	Actual FY 13	Governor Estimated FY 14	Original Appropriation FY 15	Governor Revised FY 15	Legislative FY 15	Difference Leg-Gov FY 15
Permanent Full-Time - GF	298	303	303	303	303	0

### Budget Summary

Account	Actual FY 13	Governor Estimated FY 14	Original Appropriation FY 15	Governor Revised FY 15	Legislative FY 15	Difference Leg-Gov FY 15
Personal Services	27,942,807	31,469,627	33,015,870	33,015,870	32,790,529	(225,341)
Other Expenses	1,346,202	1,141,319	1,139,319	1,339,319	1,325,185	(14,134)
Equipment	0	1	1	1	1	0
<b>Nonfunctional - Change to Accruals</b>	<b>0</b>	<b>199,953</b>	<b>209,407</b>	<b>202,021</b>	<b>190,510</b>	<b>(11,511)</b>
<b>Agency Total - General Fund</b>	<b>29,289,009</b>	<b>32,810,900</b>	<b>34,364,597</b>	<b>34,557,211</b>	<b>34,306,225</b>	<b>(250,986)</b>

Account	Governor Revised FY 15		Legislative FY 15		Difference from Governor	
	Pos.	\$	Pos.	\$	Pos.	\$

#### Current Services

#### Adjust Funding for Revised Estimated GAAP Requirements

Nonfunctional - Change to Accruals	0	(7,386)	0	(7,386)	0	0
<b>Total - General Fund</b>	<b>0</b>	<b>(7,386)</b>	<b>0</b>	<b>(7,386)</b>	<b>0</b>	<b>0</b>

#### Background

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

#### Governor

Reduce funding by \$7,386 to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

#### Legislative

Same as Governor

#### Policy Revisions

#### Provide Funding for False Claims Act Litigation Expenses

Other Expenses	0	200,000	0	200,000	0	0
<b>Total - General Fund</b>	<b>0</b>	<b>200,000</b>	<b>0</b>	<b>200,000</b>	<b>0</b>	<b>0</b>

#### Background

The 2005 federal Deficit Reduction Act permits state that adopt their own False Claims Act (FCA) to keep a greater share of any Medicaid funds they recover under it. Connecticut adopted FCA legislation in 2009. In November 2013, a contractor was engaged by the state to create and implement a detection system to identify fraud, waste and abuse perpetrated against state programs such as Medicaid. The adopted FY 2015 budget assumes \$104 million in savings through enhanced efforts to curtail fraud.

#### Governor

Provide funding of \$200,000 for potential litigation associated with the expansion of the scope of the FCA in PA 14-217, the budget implementer. Sections 1 through 18 of PA 14-217 extend the application of the FCA to: (1) all health and human service agencies and programs, and (2) state payments made for employee and retiree health and state-paid Workers' Compensation medical claims. The expansion of the FCA makes it consistent with the scope of the work included in the anti-fraud contract.

Account	Governor Revised FY 15		Legislative FY 15		Difference from Governor	
	Pos.	\$	Pos.	\$	Pos.	\$

**Legislative**

Same as Governor

**Distribute Lapses**

Personal Services	0	0	0	(225,341)	0	(225,341)
Other Expenses	0	0	0	(14,134)	0	(14,134)
<b>Total - General Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(239,475)</b>	<b>0</b>	<b>(239,475)</b>

**Background**

The Governor's Revised FY 15 budget included a bottom line General Lapse of \$14,243,700, a General Other Expenses Lapse of \$4,000,000, and a Statewide Hiring Reduction Lapse of \$6,796,754. These lapse amounts would have been determined and distributed to agencies by OPM at the beginning of FY 15.

**Legislative**

Reduce funding by \$137,429 to reflect distribution of the General Lapse, \$9,349 for the General Other Expense Lapse, and \$92,697 for the Statewide Hiring Reduction Lapse.

**Adjust Funding for GAAP**

Nonfunctional - Change to Accruals	0	0	0	(11,511)	0	(11,511)
<b>Total - General Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(11,511)</b>	<b>0</b>	<b>(11,511)</b>

**Legislative**

Adjust funding by \$11,511 to reflect changes to GAAP accruals as a result of policy changes.

**Totals**

Budget Components	Governor Revised FY 15		Legislative FY 15		Difference from Governor	
	Pos.	\$	Pos.	\$	Pos.	\$
<b>Original Appropriation - GF</b>	<b>303</b>	<b>34,364,597</b>	<b>303</b>	<b>34,364,597</b>	<b>0</b>	<b>0</b>
Current Services	0	(7,386)	0	(7,386)	0	0
Policy Revisions	0	200,000	0	(50,986)	0	(250,986)
<b>Total Recommended - GF</b>	<b>303</b>	<b>34,557,211</b>	<b>303</b>	<b>34,306,225</b>	<b>0</b>	<b>(250,986)</b>

**Other Significant Legislation****PA 14-47, An Act Making Adjustments to State Expenditures and Revenues for the Fiscal Year Ending June 30, 2015**

Sections 30 and 31 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 15 appropriation levels will be reduced by the amounts shown in the table to achieve the lapses included in PA 14-47. This includes a General Lapse of \$122,408 and a Statewide Hiring Reduction Lapse of \$159,668. See the FY 15 Holdbacks schedule in Section VI of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	32,790,529	(277,299)	32,513,230	0.85%
Other Expenses	1,325,185	(4,777)	1,320,408	0.36%