

As of January 25, 2019, the Office of Fiscal Analysis (OFA) is currently projecting \$90.4 million in General Fund state agency funding shortfalls. The following table reflects the projected level of funding that is needed by various agencies this fiscal year.

Figure I. FY 19 Estimated Deficiency Needs
In Millions of Dollars

Agency	Deficiency
State Comptroller - Adjudicated Claims	40.0
Department of Correction	36.8
Dept. of Mental Health and Addiction Services	6.6
Dept. of Children and Families	4.8
Dept. of Emergency Services and Public Protection	2.0
Office of the Chief Medical Examiner	0.3
TOTAL	90.4

Detail on the Net Deficiencies/ Additional Funding Requirements

Department of Correction - \$36.8 million

The Department of Correction (DOC) is projected to have a year-end deficiency of \$36.8 million resulting from shortfalls of \$13.4 million in the Personal Services account (PS), \$3.2 million in the Other Expenses account (OE) and \$20.3 million in the Inmate Medical Services account. DOC’s FY 19 available PS resources are 1% less than its FY 18 expenditures. DOC was required to take on 80 additional unanticipated staff from the Department of Children and Families due to the closure of the Connecticut Juvenile Training School (CJTS). CJTS was officially closed on 4/12/18. New staff account for approximately \$5 million of PS expenditures, with approximately \$4 million going towards positions that most likely would not have been filled during FY 19 otherwise.

The Other Expenses account is projected to have a \$3.2 million deficiency as it is unable to meet its appropriation reduction. Compared to FY 18, the appropriation for this account decreased 5.7%, while anticipated expenditures have increased 2%. Furthermore, DOC has witnessed higher electricity rates and air conditioning utilization due to hot weather along with energy cost increases in natural gas and fuel oil.

The Inmate Medical Services account is projected to have a \$20.3 million deficiency as it is unable to meet its appropriation reduction and has incurred increased overtime costs. The primary factors contributing to increased overtime are inadequate staffing levels

and difficulties filling open positions. The transfer of Inmate Medical Services from UConn Healthcare to DOC resulted in numerous vacancies. Transition costs and carry-forward expenses from UConn Healthcare is also contributing to the deficiency.

Office of State Comptroller - Adjudicated Claims - \$40.0 million

The projected shortfall in the Adjudicated Claims account is \$40 million. The FY 19 Revised Budget did not include an appropriation for the account. Approximately \$26.3 million has been expended to date. Approximately \$6.5 million of the projected shortfall is for payment of a settlement reached at the end of FY 18 and the balance is related to the SEBAC v. Rowland settlement and projected payment for other claims.

Department of Mental Health and Addiction Services - \$6.6 million

The agency's projected FY 19 budget shortfall is comprised of: \$7 million in the Personal Services account, \$1.5 million in the Other Expenses account, \$1.1 million in the Professional Services account, and \$1.2 million in the Workers' Compensation Claims account. This shortfall is partially offset by \$4.3 million lapsing funds from the following accounts: \$250,000 in the TBI Community Services account, and \$4 million in the Home and Community Based Services account.

The \$7 million projected shortfall in the Personal Services account (3.8% of the total FY 19 available appropriation) is primarily due to: (1) higher than budgeted overtime costs of approximately \$1.8 million, primarily at Connecticut Valley Hospital (CVH), and (2) increased staffing and associated costs at CVH (\$2.8 million), Whiting Forensic Hospital (\$850,000), and the regional centers (\$1.6 million).

The Other Expenses account shortfall of \$1.5 million (6.5% of the total FY 19 available appropriation) is due to increased expenditures to support security and safety upgrades at CVH. In addition, the available appropriation is approximately \$1.7 million below FY 18 total expenditures of \$24.9 million.

The \$1.1 million shortfall in Professional Services is primarily associated with contracted medical services. This represents 9.8% of the total FY 19 available appropriation. The available appropriation is approximately \$2 million below FY 18 total expenditures of \$13.2 million.

The \$1.2 million shortfall in Workers' Compensation Claims represents 10.5% of the total FY 19 available appropriation. The available appropriation is approximately \$2.4 million below FY 18 total expenditures of \$13.8 million.

Lower than budgeted expenditures are leading to an estimated lapse of approximately \$250,000 in the TBI Community Services account and \$4 million in the Home and Community Based Services account. This represents 2.9% and 16.8% of the total FY 19

available appropriations, respectively.

Department of Children and Families - \$4.8 million

A net General Fund deficiency of \$4.8 million (0.6% of available agency funding) is projected across a variety of Department of Children and Families accounts. This is primarily due to three factors: (1) net support of approximately \$1 million for the 2017 Revised Juan F. Exit Plan, which requires adequate social worker staffing to oversee abused and neglected children, as well as community-based programming to address service needs to achieve outcome measures; (2) approximately \$3.1 million for clinical interventions and other services for non-delinquent youth at risk for involvement in the juvenile justice system; and (3) unanticipated expenses of approximately \$0.7 million to implement corrective actions at the Albert J. Solnit Psychiatric Center - South Campus (formerly known as Riverview Hospital).

Department of Emergency Services & Public Protection - \$2,000,000

The Department of Emergency Services and Public Protection (DESPP) is projected to have a shortfall of \$2 million in the Personal Services account. In the first quarter of this fiscal year, DESPP spent \$2.2 million (27%) more on overtime expenses than in the same period last fiscal year. A contributing factor to the increase in overtime expenses is the spike in retirements that the agency experienced in FY 18. Last year, there were approximately 100 retirements within the agency, almost double what is anticipated annually. In total, there are currently 955 sworn officers out of a previous 1,200, a shortfall that leads to shifts paid in overtime instead of normal pay.

Office of the Chief Medical Examiner - \$300,000

It is currently anticipated that the Office of the Chief Medical Examiner (CME) will be deficient approximately \$700,000 in its Personal Services account (PS), which will be offset by an Opioid Surge grant (federal funding) obtained by the Department of Public Health. CME will be a sub-recipient, receiving a one-time payment of \$400,000. The agency's FY 19 deficit is, therefore, approximately \$300,000 in PS.

PS expenditures are impacted by overtime and unbudgeted salary increases. Overtime is required to cover essential shifts as CME's caseload continues to grow. Between 2012 and 2017, cremations increased by 26%, autopsies increased by 70%, and drug deaths increased by 290%. The Commission on Medicolegal Investigations (CGS Sec. 19a-401) authorized a salary increase of approximately 20% for both the Chief Medical Examiner and the Deputy Chief Medical Examiner, resulting in an unbudgeted Personal Services account (PS) expense of approximately \$130,000 in FY 19. The salaries for these positions were last increased in FY 15.

The Commission on Medicolegal Investigations is an independent administrative body, consisting of nine members, which appoints the Chief Medical Examiner, sets the Chief Medical Examiner's term and salary, and promulgates regulations under which the Office must operate (regulations undergo subsequent legislative review and approval).