

BUDGET NEGOTIATIONS - YES OPTIONS - FUND TOTALS

	FY2010 OPM Adjustment	FY2011 OPM Adjustment
GENERAL FUND	-605,272,430	-717,141,578
SPECIAL TRANSPORTATION FUND	-58,892,419	-66,643,522
BANKING FUND	-183,627	-161,675
INSURANCE FUND	-246,738	-247,407
PUBLIC UTILITY FUND	963,845	1,021,909
WORKERS' COMPENSATION FUND	-3,629,088	-3,661,726
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GRAND TOTAL	-667,260,457	-786,833,999

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010 OPM Adjustment FY2011 OPM Adjustment

GENERAL FUND

LEGISLATIVE MANAGEMENT

<u>Reduce OE to FY 07 actuals</u>			-2,610,293	-3,356,000
<i>Reduce funding for other expenses to FY 07 actual levels. The agency should be able to maintain its core function with reduction of funding to FY 07 levels</i>				
<u>Adjustment to Minor Capitol Equipment Funding and Equipment Funding</u>			-2,400,000	-275,000
<i>Minor Capitol Equipment funding would be reduced by the amount de-appropriated in PA 09-1 and an additional \$50,000 recommended by the Appropriations Committee. Funding for the House and Senate voting boards is also suspended in the Equipment line. The agency will be able to continue proper maintenance with the reduced funding and the voting boards are functioning and not in need of immediate replacement. These adjustments are what was in the Appropriation's budget.</i>				
<u>Reduce appropriation by FY 09 rescissions and adjustments</u>			-2,101,815	-2,326,815
<i>Even with this reduction the agency's budget will still be increased in FY 10 and in FY 11. The SIDs would be adjusted by the following amounts:</i>				
	FY 10	FY 11		
Personal Services	\$1,907,036	\$1,907,036		
Equipment	\$109,404	\$109,404		
Minor Capitol Improvements	\$55,000	\$280,000		
Interim Salary/Causus Offices	\$27,875	\$27,875		
Redistricting	\$2,500	\$2,500		
Total	\$2,101,815	\$2,326,815		
<u>Freeze Appropriation at FY 09 levels</u>			-1,792,813	-4,718,145
<i>This reduction would result in funding levels equal to FY 09 after rescission and adjustments from deficit mitigation plans. The SIDs would be adjusted by the following amounts:</i>				
	FY 10	FY 11		
Personal Services	\$(1,135,513)	\$(3,968,845)		
Equipment	\$(177,300)	\$(175,800)		
Minor Capitol Improvements	\$(100,000)	\$(100,000)		
Interim Salary/Causus Offices	\$(130,000)	\$(23,500)		
Redistricting	\$(250,000)	\$(450,000)		
<u>Suspension of OCE funding</u>			-1,032,875	-1,046,635
<i>Suspend funding for: Flag Restoration (\$50,000 in FY 10 & 11) Old State House (\$600,000 in FY 10 & \$608,400 in FY11) Insterstate Conference Fund (\$382,875 in FY 10 & \$388,235 in FY 11)</i>				
<i>These items are not necessary for state operations and can be suspended without a significant impact to the public during these difficult fiscal times.</i>				
TOTAL LEGISLATIVE MANAGEMENT			-9,937,796	-11,722,595

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
AUDITORS OF PUBLIC ACCOUNTS		
<u>Reduce appropriation by amount in deficit mitigation plan</u>	-1,044,050	-1,044,050
<i>Even with this reduction to the agency's budget will still be increased by over \$700,000 in FY 10 and over \$1 million in FY 11</i>		
<u>OE Reduction to FY 07 actuals</u>	-165,457	-176,594
<i>Reduce the Governor's recommended OE amount to FY 07 actuals with the other adjustments. The total combined FY 10 OE reduction would be \$292,897 and FY 11 reduction \$305,271.</i>		
<u>Reduce Other Expenses by 10%</u>	-88,390	-89,627
<i>Reduce OE funding by 10% in each year of the biennium</i>		
TOTAL AUDITORS OF PUBLIC ACCOUNTS	-1,297,897	-1,310,271
GOVERNOR'S OFFICE		
<u>Suspend Payment of National Governor's Association Membership Dues for Two Years</u>	-115,300	-119,900
<i>Suspend membership for two years.</i>		
<u>Other Expenses to FY07 Actual Level</u>	-98,567	-98,567
<i>Reduce OE to FY07 Actual level</i>		
<u>Suspend Payments for New England Governor's Conference for Two Years</u>	-94,967	-100,692
<i>Suspend funding for two years.</i>		
<u>Other Expenses for Governor's Satellite Offices</u>	-34,208	-34,208
<i>Remove OE for the satellite offices.</i>		
TOTAL GOVERNOR'S OFFICE	-343,042	-353,367
SECRETARY OF THE STATE		
<u>Suspend Payment of National Association of Secretaries of State Membership Dues for Two Years</u>	-5,559	-5,559
<i>Suspend payment of membership dues for two years.</i>		
TOTAL SECRETARY OF THE STATE	-5,559	-5,559
LIEUTENANT GOVERNOR'S OFFICE		
<u>Other Expenses to FY07 Actual Level</u>	-2,710	-2,710
<i>Reduce Other Expenses to FY07 Actual Level.</i>		
<u>Suspend Payment of National Association of Lieutenant Governors Dues for Two Years</u>	-700	-700
<i>Suspend payment of membership dues for two years.</i>		
TOTAL LIEUTENANT GOVERNOR'S OFFICE	-3,410	-3,410

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
OFFICE OF STATE ETHICS		
<u>Reduce OE to FY07 Actuals Level</u>	-28,871	-28,871
<i>Reduction to Governor's Budget in Other Expenses to FY07 Actuals. These amounts are shown as bottom line adjustments.</i>		
TOTAL OFFICE OF STATE ETHICS	-28,871	-28,871
FREEDOM OF INFORMATION COMMISSION		
<u>Reduce OE to FY07 Actuals Level</u>	-21,196	-21,196
<i>Reduction to Governor's Budget in Other Expenses to FY07 Actuals. These amounts are shown as bottom line adjustments.</i>		
TOTAL FREEDOM OF INFORMATION COMMISSION	-21,196	-21,196
CONTRACTING STANDARDS BOARD		
<u>Reduce Funding for Staff and Other Expenses</u>	-433,123	-149,736
<i>The Committee reduced funding to the Contracting Standards Board which will delay the hiring of staff and reduce Other Expenses.</i>		
TOTAL CONTRACTING STANDARDS BOARD	-433,123	-149,736
STATE TREASURER		
<u>Reduce Other Expenses to FY 07 Expenditure Level</u>	-35,132	-35,132
<i>Reduce OE to FY 07 Expenditure Level</i>		
<u>Suspend Funding for National Association of State Treasurers Dues</u>	-3,442	-3,442
<i>Suspend funding for National Association of State Treasurers dues for 2 years.</i>		
TOTAL STATE TREASURER	-38,574	-38,574
DEBT SERVICE - STATE TREASURER		
<u>Reduce Debt Service funding</u>	-5,000,000	-5,000,000
<i>Reduce funding for debt service by \$5 million in each year</i>		
TOTAL DEBT SERVICE - STATE TREASURER	-5,000,000	-5,000,000

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
STATE COMPTROLLER		
<u>Other Expenses to Committee Level</u> <i>Reduce OE to Approps Committee level.</i>	-709,656	-709,656
<u>Suspend Payments to the Governmental Accounting Standards Board for Two Years</u> <i>Suspend payments for two years.</i>	-19,570	-19,570
<u>Suspend Payment of National Association of State Comptrollers Dues for Two Years.</u> <i>Suspend payment of membership dues for two years.</i>	-4,500	-4,500
TOTAL STATE COMPTROLLER	-733,726	-733,726
STATE COMPTROLLER - FRINGE BENEFITS		
<u>Suspend the contribution to the Judges, Family Support Magistrates and Compensation Commissioners</u> <i>This retirement plan is NOT governed by SEBAC. As such it is entirely up to the state whether to contribute the full employer contribution amounts. The amounts listed represent the full state contribution for that fiscal year.</i>	-15,399,207	-16,207,665
<u>Self Insure State Employee and Retiree Health Plan</u> <i>Self insure the state health plan for last 3 months of FY 2011.</i>	0	-62,000,000
<u>Impact on Fringe Benefits due to Flat Funding of Block Grants</u> <i>To reflect the fringe benefit savings in FY 2011 due to the flat funding of the higher ed block grant.</i>	0	-6,300,000
TOTAL STATE COMPTROLLER - FRINGE BENEFITS	-15,399,207	-84,507,665
DEPARTMENT OF REVENUE SERVICES		
<u>Reduce Other Expenses by \$1million.</u> <i>This proposal reduces Other Expenses to a legislative reduction level that is lower than the agency's FY 07 expenditure.</i>	-1,000,000	-1,000,000
<u>Close Hamden Regional Office</u> <i>The office lease expires May of 2009 and closing the office will save annual lease costs</i>	-125,775	-125,775
<u>Suspend for 2 years Dues for National Membership</u> <i>Suspend for two years dues for: Federation of Tax Administrators - \$24,755 Data Interstate Standards Association - \$1,899 Multistate Tax Comm. \$26,508</i>	-53,162	-53,162
TOTAL DEPARTMENT OF REVENUE SERVICES	-1,178,937	-1,178,937

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
OFFICE OF POLICY AND MANAGEMENT		
<u>Neighborhood Youth Centers</u>	-1,149,480	-1,149,480
<i>Suspend the Neighborhood Youth Centers Grant Program for two years</i>		
<u>Adjust Various Other Current Expense and Grant Items</u>	-1,025,000	-1,025,000
<i>Water Planning Council - Suspend expenditures by \$25,000 for 2 years. Office of Accountability - Legislature eliminated 2 position and funding (\$156,000) associated with the office. Other Expense - reduce Governor's recommendation of \$3,802,640 by the legislature's cut of \$1million.</i>		
<u>Urban Youth Violence</u>	-1,000,000	-1,000,000
<i>Suspend the Urban Youth Violence Grant Program for two years</i>		
<u>Reduce CCEDA Grant and Consolidate with OPM</u>	-350,000	-350,000
<i>Reduce funding for Personal Services and Other Expense in consolidating CCEDA with OPM</i>		
<u>Water Planning Council</u>	-60,000	-60,000
<i>Suspend funding for two years</i>		
<u>Suspend for Two Years National Dues</u>	-29,438	-29,438
<i>Suspend for two year dues for: NASBO - \$18,952 National Criminal Justice Assoc. - \$5,386 Coalition for Juvenile Justice - \$5,000 National Crime Prevention Council - \$100</i>		
TOTAL OFFICE OF POLICY AND MANAGEMENT	-3,613,918	-3,613,918
DEPARTMENT OF VETERANS' AFFAIRS		
<u>Personal services reduction to eliminate funded vacancies</u>	-885,872	-885,872
<i>Reduces personal services to eliminate funded vacancies.</i>		
<u>Reduce Other Expenses to FY2007 Level</u>	-749,726	-774,435
<i>Reduce Other Expenses to FY2007 level.</i>		
TOTAL DEPARTMENT OF VETERANS' AFFAIRS	-1,635,598	-1,660,307

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
DEPARTMENT OF ADMINISTRATIVE SERVICES		
<u>Reduce Insurance and Risk Management Account to Reflect Agency OE Reduction</u>	-900,000	-900,000
<i>Removes \$900,000 from Insurance and Risk Management Operations account established to fund the operations of the transferred agency.</i>		
<u>Reduce Other Expenses</u>	-56,496	-56,496
<i>The recommended cut is to get to 07 actuals.</i>		
<u>Transfer Affirmative Action Duties from CHRO to DAS</u>	144,966	144,966
<i>Transfers two staff people from CHRO and no OE funds to DAS to handle Affirmative Action duties.</i>		
<u>Transfer CHRO's Fiscal and HR Responsibilities to DAS</u>	153,690	153,690
<i>2 staff persons and no OE funds are transferred from CHRO to DAS SMART team to handle fiscal and HR duties.</i>		
TOTAL DEPARTMENT OF ADMINISTRATIVE SERVICES	-657,840	-657,840
WORKERS' COMPENSATION CLAIMS - DEPARTMENT OF ADMINISTRATIVE SERVICES		
<u>Revise 5-142 to correct 100% payment for hazardous duty Workers' Comp</u>	-2,500,000	-2,500,000
<i>The language in Section 5-142 of the CGS should be revised to mirror that of section 31-307 so that the proper deductions are made prior to the calculation of such employee's Workers' Compensation payment. Savings reflected would need to be spread across all agencies impacted by the 100% Workers' Comp law (DOC, DMHAS, DCF, DPS, DDS, DAS).</i>		
TOTAL WORKERS' COMPENSATION CLAIMS - DEPARTMENT OF ADMINISTRATIVE SE	-2,500,000	-2,500,000
DEPARTMENT OF INFORMATION TECHNOLOGY		
<u>Connecticut Education Network</u>	-3,009,483	-3,008,480
<i>Suspend funding. Funding not taken was for 5 staff (4 @ UConn, 1 in DHE) paid from this account. Major "OE" items eliminated include software licenses, internet services and local/long distance telecommunications. There would still be some equipment money that was recommended under the Capital Equipment Purchase Fund.</i>		
TOTAL DEPARTMENT OF INFORMATION TECHNOLOGY	-3,009,483	-3,008,480
DEPARTMENT OF PUBLIC WORKS		
<u>Reduce Other Expenses, Management Services and Capitol Day Care Accounts</u>	-913,000	-913,000
<i>Reduce Other Expense by \$500,000 Reduce Management Services by \$400,000 Reduce Capitol Day Care Center by \$13,000</i>		
TOTAL DEPARTMENT OF PUBLIC WORKS	-913,000	-913,000

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
ATTORNEY GENERAL		
<u>Reduce OE to FY07 Level</u> <i>Reduce OE to FY07 Level</i>	-57,821	-57,821
<u>Suspend Payment of National Association of Attorneys General Dues for Two Years</u> <i>Suspend payment of membership dues for two years.</i>	-38,162	-38,162
TOTAL ATTORNEY GENERAL	-95,983	-95,983
DIVISION OF CRIMINAL JUSTICE		
<u>Reduction for the closing of the Norwalk GA Court</u> <i>This reduction amounts to a cut of \$584,417 in each FY of the Biennium. Staff-related costs for 10 employees only. No Lease costs. This reduction also impacts PDS through the comparable reduction of 10 positions.</i>	-584,417	-584,417
<u>Close Manchester and Derby Courthouses</u> <i>Estimated amount to close the Manchester and Derby Courthouses - Only staff funding for 10 positions associated.</i>	-584,416	-584,416
<u>Other Expenses to FY07 Actuals</u> <i>Reductions totaling \$186,606 and \$226,606 in FY10 and FY11 to bring Other Expenses to FY07 Actuals.</i>	-186,606	-226,606
<u>Dues Reduction</u> <i>Reduction for Dues = \$32,489</i>	-32,489	-32,489
TOTAL DIVISION OF CRIMINAL JUSTICE	-1,387,928	-1,427,928

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
DEPARTMENT OF PUBLIC SAFETY		
<u>Reduce OT by 25%</u> <i>OT was budgeted in the Governor's Recommended budget at \$23,426,106. A 25% reduction equates to \$5,856,527 to bring the budgeted OT for the Department to \$17,569,579.</i>	-5,856,527	-5,856,527
<u>Reduce Fleet Account</u> <i>This reduction would reduce the Fleet Purchase account by \$2 million.</i>	-2,000,000	-2,000,000
<u>Reduce Other Expenses</u> <i>Cut OE by \$500,000.</i>	-500,000	-500,000
<u>Suspend Payments for the Urban Violence Task Force</u> <i>Suspend payments for the Urban Violence Task Force for the next 2 years. The Statewide Narcotics Task Force funds have been suspended in both the Governor's and Appropriations' budgets.</i>	-318,018	-318,018
<u>Reduce Funding for the Gun Law Enforcement Task Force</u> <i>This reduction would reduce funds that support the Gun law Enforcement Task Force for the next 2 years.</i>	-200,000	-200,000
<u>Suspend Civil Air Patrol Payments</u> <i>This reduction would suspend payments to support operations of the CT Wing of the Civil Air Patrol.</i>	-34,920	-34,920
<u>Suspend National Association Dues</u> <i>Suspend National Association dues for 2 years.</i>	-5,000	-5,000
<u>Consolidate Weigh Station Operations into DMV</u> <i>Committee recommended DMV take over weigh station operations throughout the state but that DPS will cooperate Greenwich with DMV. The savings in OT for 5 troopers is restored as 5 troopers would remain conducting weigh station duties.</i>	247,500	247,500
TOTAL DEPARTMENT OF PUBLIC SAFETY	-8,666,965	-8,666,965
POLICE OFFICER STANDARDS AND TRAINING COUNCIL		
<u>Consolidate Administrative Functions of POST into DPS</u> <i>The Committee recommended moving the administrative functions of POST into DPS, which would result in the layoffs of 4 positions.</i>	-223,118	-223,118
TOTAL POLICE OFFICER STANDARDS AND TRAINING COUNCIL	-223,118	-223,118
MILITARY DEPARTMENT		
<u>Reduce OE to FY07 Actuals Level</u> <i>Reductions totaling the following: \$491,329 in FY10 and \$381,671 in FY11.</i>	-492,329	-381,671
<u>Remove FY10 funding for lead abatement at the Hartford Armory</u> <i>The Governor's recommended budget adjusts FY10 for one-time expenditure for lead abatement at this location.</i>	-106,000	0
TOTAL MILITARY DEPARTMENT	-598,329	-381,671

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010 OPM Adjustment FY2011 OPM Adjustment

GENERAL FUND

LABOR DEPARTMENT

Eliminate Funding for the Jobs First Program -15,000,000 -15,000,000

The Jobs First Employment Services (JFES) program within DOL is funded in the Governor's Recommended budget at \$18,555,803 for FY 10 and \$18,557,963 for FY 11. The JFES program is intended to provide client specific employment services for the population who receive Temporary Family Assistance (TFA) benefits from DSS. TFA benefits (average monthly paid benefit is approximately \$475) are paid to an approximate 20,000 families per month. Of those 20,000 families approximately 7,500 are subject to mandatory work participation requirements established by the federal government under the Temporary Assistance to Needy Families (TANF) Block Grant. The state has failed in the past year to meet the mandatory work participation rates, and is anticipated not to meet the goals in the current year and likely the following year. By not meeting the work participation rates the State is subject to substantial financial penalties. Such penalties in the current and next year call into question the value of funding a specific JFES program. Also in question is the resultant two-tier employment services program; one with considerably more resources for the TFA population and one for the non-TFA population. Given current economic conditions can it be justified to have such a two-tiered system?

The recent ARRA has injected considerable new WIA and Employment Service (Wagner-Peyser) funding into the employment services function within DOL. It is recommended that the TFA population be treated and served in the same manner as the many other non-TFA population who are seeking gainful employment and re-employment.

The expenditures in JFES form a portion of the overall DSS TANF claim which draws down the federal funding in the block grant. In the past, DSS has been able to identify other state expenditures which may be used for the claim.

Savings reflect the balance available after other proposed reductions.

Reduce Jobs First Employment Services -3,555,803 -3,557,963

The program provides employment services to time-limited recipients of Temporary Family Assistance. Services assist TFA recipients in preparing for, finding, and keeping employment so they may become independent of welfare. Services are provided through one-stop centers by DOL staff and other providers under contract through the Workforce Investment Boards. If this reduction is accepted, JFES would be funded at \$15 million in each year of the biennium.

Eliminate funds reallocated to the Middle College from DOL -2,882,665 -2,883,361

Funding for certain programs in DOL were reallocated to the Middle College Initiative. This proposal would not proceed with that reallocation but would eliminate funding for the accounts that are part of the reallocation. The accounts are; 12232 - Opportunity Industrial Centers, 12327 - STRIDE, 12328 - Apprenticeship Program, 12357 - Connecticut Career Resource Network, 12358 - 21st Century Jobs, 12360 - Incumbent Worker Training, 12425 - STRIVE

Reduce Other Expenses to Appropriations Committee Recommended Level -752,141 -752,376

Reduce Other Expenses to the level recommended in the Appropriations Committee's budget. In FY08 and FY09 DOL received an additional \$325,025 and an additional \$331,841 to cover the increased Mediation & Arbitration, Labor Board Fees increased per section 20 of P.A. 05-3 in June SS. If the OE reduction remains, DOL may be unable to cover this cost. Legislation may be needed to decrease fees to prior level. Mediation & Arbitration, Labor Board Fees were increased as follows:

*At the end of the proceedings, each member of the panel receives \$225 (up from \$150).
Panel members who prepare written decisions receive an additional \$175 (up from \$100)
A single member, if sitting in accordance with section 31-93, receives \$325 (up from \$250).
If the proceedings extend beyond one day, each member shall receive \$150 (up from \$75) for each additional day beyond the first day.
Upon the conclusion of an executive panel session, each member of such panel shall receive \$150 (up from \$75).*

Suspend Payment of Interstate Labor Standards Association Membership Dues -300 -300

Suspend Interstate Labor Standards Association Membership Dues

TOTAL LABOR DEPARTMENT -22,190,909 -22,194,000

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
OFFICE OF VICTIM ADVOCATE		
<u>Reduce OE to FY07 Actuals Level</u>	-8,382	-8,382
<i>Reductions totaling \$8,382 in each FY10 and FY11 in Other Expenses.</i>		
TOTAL OFFICE OF VICTIM ADVOCATE	-8,382	-8,382
COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES		
<u>Transfer Fiscal and HR Responsibilities to DAS</u>	-153,690	-153,690
<i>Transfer Administrative Services division including 2 positions and funding to DAS.</i>		
<u>Transfer Affirmative Action Responsibilities to DAS</u>	-144,966	-144,966
<i>Transfers Affirmative Action duties, two positions and funding to DAS.</i>		
TOTAL COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES	-298,656	-298,656
OFFICE OF PROTECTION AND ADVOCACY FOR PERSONS WITH DISABILITIES		
<u>Reduce Personal Services by 5%</u>	-117,411	-117,411
<i>Reduces Personal Services funding by 5 percent.</i>		
TOTAL OFFICE OF PROTECTION AND ADVOCACY FOR PERSONS WITH DISABILITIES	-117,411	-117,411
DEPARTMENT OF AGRICULTURE		
<u>Other Expenses to Committee Level</u>	-276,469	-291,474
<i>Reduce OE to Appropriations Committee level.</i>		
<u>Connecticut Grown Product Promotion</u>	-15,000	-15,000
<i>Suspend funding for two years.</i>		
<u>Suspend Payments to National Associations for Two Years</u>	-600	-600
<i>Suspend payments of dues to national associations for two years.</i>		
<u>Dairy Farmers</u>	10,000,000	10,000,000
<i>Provide grants to dairy farmers in order to preserve Connecticut's dairy industry.</i>		
TOTAL DEPARTMENT OF AGRICULTURE	9,707,931	9,692,926

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010
OPM Adjustment

FY2011
OPM Adjustment

GENERAL FUND

DEPARTMENT OF ENVIRONMENTAL PROTECTION

<u>Underground Storage Tank Claims Reimbursement</u>	-2,900,000	-2,900,000
<i>An annual \$6 million should be sufficient for the payment of claims under the Underground Storage Tank (UST) Clean-up account. (Note: This does not mean \$6 million would clear the backlog of claims, but it is a workable amount to pay out in claims in a year.) This would free up an additional \$2.9 million. This would slow the payment of what is an extremely generous reimbursement program, but would not eliminate or reduce the reimbursements.</i>		
<u>State Parks Reductions</u>	-1,000,000	-1,000,000
<i>Savings of \$1 million in seasonal salaries will be accomplished by eliminating 200 seasonal employees in the State Parks. Management will be focused on the major shoreline state parks - Hammonasset Beach, Rocky Neck, Harkness Memorial and Sherwood Island State Parks - and the major campgrounds. Many inland state parks will be closed & gated with minimum maintenance performed; Park Naturalist and environmental education programs for inland parks will be suspended; 6 inland fresh water state-operated boat launches will be closed with the closure of associated state parks.</i>		
<u>Suspend Payments to Several National Associations for Two Years</u>	-8,550	-8,550
<i>Suspend membership payments to several national associations for two years.</i>		
TOTAL DEPARTMENT OF ENVIRONMENTAL PROTECTION	-3,908,550	-3,908,550

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010
OPM Adjustment

FY2011
OPM Adjustment

GENERAL FUND

DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

<u>Suspend Funding to Line-Item Grantees</u>	-4,710,750	-1,125,000
<i>Funding is provided as a direct subsidy to arts, cultural and non-profit organizations for general operating support, marketing, programming and maintenance expenses. Funding to these organizations will be suspended.</i>		
<u>Suspend Funding for Statewide Marketing</u>	-4,585,000	-5,085,000
<i>Suspend Statewide Marketing funding. Funds will not be available to promote Connecticut as a tourist destination and advertising and publications will be suspended.</i>		
<u>Suspend Basic Cultural Resource Grant Funding</u>	-3,040,000	-9,284,000
<i>Basic Cultural Resource Grant funding will be suspended. This funding is typically provided to arts organizations for operating support.</i>		
<u>Suspend Funding for Tourism Districts</u>	-2,137,500	-280,000
<i>Suspend Tourism District funding. There are five Tourism Districts that market their respective regions and partner with CCT to market the State.</i>		
<u>Suspend Funding for the Small Business Incubator Program</u>	-950,000	-950,000
<i>Funding is provided to CCAT to award grants to entities operating incubator facilities. The entities can use the grants to provide operating funds and related services.</i>		
<u>Suspend Funding for Residential Service Coordinators</u>	-950,000	-950,000
<i>Provides grant funding to rental housing for the elderly to hire resident service coordinators to perform evaluations of tenants and aid individuals in maintaining their independent living status.</i>		
<u>Reduce Funding for Congregate Facilities Operation Costs</u>	-750,000	-750,000
<i>This grant subsidizes the operation costs of congregate housing for the elderly and provides independent living assisted by meals, housekeeping and supportive services. This amount represents approx. 10% of the appropriation.</i>		
<u>Suspend Funding for Film Industry Training</u>	-650,000	-650,000
<i>Funding was provided to establish a film industry workforce training program. Program will be suspended for 2 years.</i>		
<u>Reduce Funding for Jobs Funnel Projects</u>	-450,000	-450,000
<i>This funding is provided to Capital Workforce Partners and the Construction Workforce Initiative to provide job development, workshops, training and job placement in order to create jobs in the construction trades. Funding in the amount of \$500,000 will be available for this program.</i>		
<u>Suspend Funding for Spanish American Merchant Association</u>	-285,000	-285,000
<i>Funding is provided to Capital Workforce Partners to offer technical assistance and training to Spanish American business people to promote business expansion and job creation.</i>		
<u>Suspend Funding for the Southeast CT Incubator</u>	-250,000	-250,000
<i>Funding is provided to UCONN to provide low cost office space for small business start-ups in the defense and homeland security industries.</i>		
<u>Suspend SBIR Matching Grants</u>	-237,500	-237,500
<i>Funding is provided to CCAT or CII to help businesses pursue federal funding by providing training and technical assistance and to match federal grants.</i>		
<u>Suspend Funding for Hydrogen/Fuel Cell Economy</u>	-237,500	-237,500
<i>Funding is provided to CCAT to support the ongoing costs of the fuel cell coalition and industry cluster.</i>		
<u>Suspend Funding for Dev. Research and Economic Assist. Grants</u>	-237,500	-237,500
<i>Funding is provided to another organization to provide financial aid to small businesses in conducting marketing-related activities to facilitate commercialization of research projects.</i>		

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
<u>Suspend Funding for SAMA Bus- Windham</u> <i>Funding is provided to the Spanish American Merchants Assoc. to serve as a vehicle for the economic growth of small businesses to acquire a better understanding of basic business management through technical assistance and education.</i>	-228,000	-228,000
<u>Suspend Funding for Entrepreneurial Centers</u> <i>Funding is provided to the University of Hartford and the Women's Business Development Center to provide potential business owners with technical assistance, training and counseling in starting their own business.</i>	-135,375	-135,375
<u>Reduce Operating Hours of Museums</u> <i>This is the cost of summer workers budgeted for FY'10. Museums could limit the amount of days open and existing staff would be utilized.</i>	-65,000	-65,000
<u>Rollback of OE to FY2007 Level</u> <i>The reduction is taken from the amount transferred from CCT only. DECD's proposed amount is lower than the FY07 expenditure.</i>	-36,000	-36,000
<u>Remove Funding for National Membership Dues</u> <i>Remove funding for membership dues to the National Assembly of State Arts Agencies.</i>	-14,355	-14,355
TOTAL DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	-19,949,480	-21,250,230

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010 OPM Adjustment FY2011 OPM Adjustment

GENERAL FUND

DEPARTMENT OF PUBLIC HEALTH

<u>Reduce state support for the Community Health Centers</u>	-3,493,026	-3,493,026
<i>CHC's are currently funded at \$6,986,052 in both years of the biennium. This option would decrease funding by half as a result of funding available through the American Recovery and Reinvestment Act of 2009. The ARRA provides \$500 million in grants to the health centers* and \$1.5 billion in competitive grants for construction, renovation and equipment, and for the acquisition of health information technology systems, for health centers including health center controlled networks. The law also provides \$500 million to address health profession workforce shortages. As a result of increasing federal support, the level of state support could be reduced. *To date, CT CHC's have been awarded \$7.5 million in ARRA funding. It is unclear how much of the remaining ARRA funds CT CHC's will receive.</i>		
<u>Reduce Other Expenses to FY2007 Level</u>	-524,919	-555,085
<i>Reduce Other Expenses to FY2007 level.</i>		
<u>Suspend Needle and Syringe Exchange Program</u>	-455,072	-455,072
<i>This program provides intravenous drug users access to counseling and testing and provides clean needles and condoms to prevent behaviors that place them at risk for HIV infection. Needle exchange programs are operating in New Haven, Hartford, Bridgeport, Danbury, and Stamford. Note - CGS 19a-124 currently indicates DPH "shall" establish such program.</i>		
<u>Create a Medicaid (DSS) Coverage Group to address the needs of individuals with Tuberculosis.</u>	-379,900	-379,900
<i>By creating a new Medicaid coverage group to provide eligibility and payment for services rendered to these individuals the state could secure (50%) FFP. Currently DPH pays for the care of individuals with TB who are underinsured or not insured. The Governor's recommended funding for this initiative in SFY 10-11 in DPH is \$759,799. This proposal would require that these individuals become eligible for Medicaid thus securing federal match for the cost of their care.</i>		
<u>Reduce Medicaid Administration</u>	-300,000	-300,000
<i>Funds support the staff and related costs necessary to perform inspections of nursing homes and intermediate care facilities for developmentally disabled persons to ensure compliance with requirements as specified by federal law. Note that there will be a loss of Medicaid revenue if this option is implemented. Because this account funds staff (inspectors), a reduction would not be achievable without a workforce reduction. It is possible that the Retirement Incentive Program will provide the opportunity to create savings in the licensing and inspection area of DPH, but inspection activities will be reduced without refill of vacancies.</i>		
<u>Suspend Community Services Support for Persons with AIDS</u>	-184,638	-184,638
<i>This program provides support to community agencies that manage AIDS cases and coordinate related volunteer services.</i>		
<u>Suspend Loan Repayment Assistance Program</u>	-150,000	-150,000
<i>\$150,000 in funding is proposed for loan repayment for primary care clinicians and nurses who provide services to the uninsured as well as for primary care physicians and nurses who teach. This option would suspend this program for new enrollees. The old account has carryforward available to cover the existing obligations for the previous loan repayment program strictly for those serving the uninsured population. Note: Loan repayment for individuals who provide services for the uninsured is a partnership with the federal government and matching funds are received for this purpose. The ARRA has identified \$75 million in funding which may be used for loan repayment nationwide.</i>		
<u>Suspend Payment of Association of State and Territorial Health Officials</u>	-100	-100
<i>Suspend Payment of Association of State and Territorial Health Officials</i>		
TOTAL DEPARTMENT OF PUBLIC HEALTH	-5,487,655	-5,517,821

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
OFFICE OF HEALTH CARE ACCESS		
<u>Reform Certificate of Need Process</u>	-250,000	-500,000
<i>The certificate of need process will be evaluated to ensure current requirements reflect technological advances in the health care industry. Reforming the certificate of need process is expected to result in additional savings.</i>		
<u>Reduce Other Expenses to FY2007 Level</u>	-40,139	-40,139
<i>Reduce Other Expenses to FY2007 level.</i>		
<u>Suspend Payment of American Health Planning Association Membership Dues</u>	-500	-500
<i>Suspend Payment of American Health Planning Association Membership Dues</i>		
TOTAL OFFICE OF HEALTH CARE ACCESS	-290,639	-540,639
OFFICE OF THE CHIEF MEDICAL EXAMINER		
<u>Reduce Other Expenses to FY2007 Level</u>	-62,568	-62,590
<i>Reduce Other Expenses to FY2007 level.</i>		
TOTAL OFFICE OF THE CHIEF MEDICAL EXAMINER	-62,568	-62,590

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010 OPM Adjustment FY2011 OPM Adjustment

GENERAL FUND

DEPARTMENT OF DEVELOPMENTAL SERVICES

<u>Increase Insurance Coverage or Parents' Fees for B to 3</u>	-3,800,000	-4,003,227
<p><i>PA 03-3 mandated insurance coverage of Birth to Three at a maximum benefit of \$3,200 per child per year and an aggregate benefit of \$9,600 per child over the total three-year period. That same bill established a fee schedule for parents of eligible children with a gross annual family income of \$45,000 or more (but not to parents of Medicaid eligible children). Insurance brings in an average \$3.1 million and parents' fees \$700,000 per year. Savings shown assume that the statutory cap on insurance coverage and the parent fee schedule are doubled and are increased in FY'11 and future years by the medical inflation rate.</i></p> <p><i>Legislation would be required to implement this change.</i></p>		
<u>Reduce Overtime</u>	-3,600,000	-3,600,000
<p><i>A savings of \$3.6 million is possible given the overtime trend in DDS. DDS overtime was \$50.4 million in FY'08 - 16.84% of full time expenditures. Overtime has come down from the B-1 estimate of \$53 million in FY'09 to \$48.3 million - 16% of the projected full time cost of \$300.6 million. In FY'10 and '11, the recommended overtime is \$51.9 million. Given the numbers for '09, funding for OT could be reduced \$3.6 million.</i></p>		
<u>Remove Funding for Additional Vacancies</u>	-2,850,000	-2,850,000
<p><i>The Appropriations Committee removed funding for 50 additional vacancies which have become vacant since funding was removed in the Governor's Budget. This reduction is anticipated to be manageable.</i></p>		
<u>Restructure Transportation Benefit Funded through Employment Opportunities & Day Services Account</u>	-2,500,000	-5,000,000
<p><i>Private sector Day Programs funded by the Department provide transportation to and from jobs and day programs to many participants. This is part of the Department's federal waiver service package but is not statutorily required. The cost of providing this service to all participants is approximately \$9,000,000 (8,200 clients). This benefit could be restructured (by either providing less service or changing criteria for qualification) and savings could be achieved. The restructuring of this benefit would require federal approval.</i></p>		
<u>Restructure Respite Services</u>	-2,000,000	-2,000,000
<p><i>It would be possible to reduce access to agency supported Respite Centers (state operated and community based) that provide families/caregivers with occasional breaks and transfer some of the 55 positions to fill direct care vacancies throughout the system. Respite is a valued service for families who care for their developmentally disabled relatives at home. Reduction of these services could create additional emergency situations requiring costly residential services. 1,038 people were served in FY'08 in 11 respite centers around the state. There is no statutory requirement to provide respite services.</i></p>		
<u>Restructure Family Supports Payments</u>	-2,000,000	-2,000,000
<p><i>Family Support Payments are funds used to pay stipends to families who are not receiving Residential Supports. DDS provides cash subsidies or direct payments for individual and family supports or to defray extraordinary disability-related expenses incurred by adults who live on their own or individuals who live with their families. Services include in-home supports, behavioral supports, nursing, medical or clinical supports, temporary assistance, crisis support, skills training, family training, recreation, transportation, support coordination, and assistance to access community supports. There are no statutory requirements to make these payments.</i></p>		
<u>Reduction in OE by Appropriations Committee</u>	-1,500,000	-1,500,000
<p><i>The Appropriations Committee removed funding for Other Expenses. Some savings in Other Expenses is anticipated with the reduction in state operated services because of the Retirement Incentive Program.</i></p>		
<u>Suspend Family Support Services during Biennium</u>	-1,320,000	-1,320,000
<p><i>It would be possible to eliminate 8 positions in each region that provide assistance to families who maintain a DDS client at home and reassign them. These workers could be reassigned to fill direct care vacancies throughout the agency.</i></p>		
<u>Delayed Starts for Employment and Day Services</u>	-1,200,000	-1,200,000
<p><i>The Appropriations Committee removed funding to reflect October start dates for employment and day services for high school graduates. This reduction should be manageable.</i></p>		

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
<u>Reduce New Funding for High School Graduates</u>	-663,934	-652,247
<i>Potentially impacts 28 clients in FY'10 and 25 in FY'11. This could also be managed by providing less benefit to the original number of graduates.</i>		
<u>Suspend Community Temporary Support Services in the Biennium</u>	-67,315	-67,315
<i>Family Support Payments are used to support families who are not receiving Residential Supports. There are no statutory requirements to make these payments.</i>		
<u>Develop Community Living Arrangements</u>	3,226,176	12,904,707
<i>When DDS submitted budget reduction options in Nov. 2008, one addressed the potential conversion of public group homes in the event of an ERIP. Although the retirement plan is not an ERIP, the estimates for eligible staff are still in the ballpark. They estimated that approximately 112 CLA staff were eligible for early retirement. According to DDS, each home has approximately 12 staff. A reduction of 112 positions would permit the conversion of 9 homes. This analysis reflects 225 positions lost and direction to the agency to close 18 homes. Savings are net RIP savings shown elsewhere. Excluding RIP, the savings would be \$654,000 in FY'10 and \$2.6 million in FY'11. There is a \$7.3 million annualized revenue loss from these conversions as state rates are twice those of private providers.</i>		
<i>Note: 17a-283 imposes a moratorium on the sale, lease or transfer of state property used for residential purposes by persons with mental retardation.</i>		
TOTAL DEPARTMENT OF DEVELOPMENTAL SERVICES	-18,275,073	-11,288,082

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010 OPM Adjustment FY2011 OPM Adjustment

GENERAL FUND

DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES

Restructure Acute/Intermediate Level Care -6,673,440 -5,445,434

Note: This proposal differs from the plan submitted in the Governor's budget because it can be accomplished with no capital money and no layoffs - it takes advantage of the vacancies the retirement offers and contracts out inpatient capacity (60 beds) rather than rehabbing inpatient space. FY'10 assumes a Jan. 1, 2010 closure. The reductions listed are incremental to those already assumed in the Governor's budget and for RIP refills by agency. The incremental savings beyond those in the Governor's budget exclusive of RIP is \$19.2 million in FY'10 and \$17.1 million in FY'11.

DMHAS is assuming that they will lose between 200 and 300 positions through retirements. If DMHAS loses 219 positions, they could take immediate steps to close Cedarcrest. They would maintain the existing 103 beds by contracting for four 15-bed intensive treatment units, moving 22 beds to a vacant unit at CVH, creating a 10 bed transition unit in the Superintendent's cottage at CVH and converting 10 underutilized substance abuse beds to mental health beds at Bridgeport Mental Health Center. In addition to not needing to refill 219 positions, operating savings result from this closure. However, it is anticipated that overtime will rise substantially during the months between the retirements and the facility closure. Note: these savings assume no additional non-programmatic reductions in these accounts and no offsetting OT expenses.

Reduce Other Expenses to FY'07 Levels -4,815,804 -4,687,884

\$4.8 million could be saved by reducing the DMHAS Other Expenses funding to FY'07 levels. \$900,000 is necessary to support the settlement with the Department of Justice.

Reduce Funding for Vocational and Social Rehabilitation Services -2,230,000 -2,230,000

This reflects a 10% reduction to these services which would impact approximately 1,100 clients.

Reduce Workers' Compensation Funding -900,000 -900,000

Based on FY'09 claims reports, the amount recommended for Workers' Compensation for the biennium could be reduced by \$900,000. It is assumed that Workers' Comp costs will also be reduced if the agency workforce decreases.

Restructure Some Inpatient Rehab Services -356,491 -356,491

DMHAS is proposing to close Cedarcrest and 44 state operated detox beds if they get 301 retirements. If 24 additional staff leave, they could consider closing 10 state operated substance abuse rehab beds at Blue Hills Hospital in Hartford. Savings are net a \$700,000 transfer to the GA account to support some level of continued service in the community and RIP savings assumed elsewhere.

Remove Funding for National Professional Memberships -2,000 -2,000

Remove Funding for National Professional Memberships

Reduce Overtime 0 -2,000,000

The overtime percentage in DMHAS is approximately 10% of total PS. DMHAS has reduced overtime by instituting a managerial approval process. The hard freeze has somewhat mitigated these savings given the need to cover direct care vacancies. \$5.3 million of DMHAS' anticipated \$37 million overtime is the cost of bringing 35 hour employees to 40 hours (necessary to cover 24 hour days). \$28 million is time and a half (voluntary overtime) and \$1.9 million is double time (mandated overtime). The remaining is holiday coverage. The Governor's budget recommends \$36.7 million for FYs '10 and '11 for overtime.

Develop Community Based Detox Services 3,693,498 3,492,153

If DMHAS were to lose 88 positions beyond the 219 retirements assumed to close Cedarcrest, they could close 44 detox beds currently operating at Connecticut Valley Hospital and Blue Hills in Hartford and contract these services to community residential providers and general hospitals. This proposal shows a net cost because savings are net any assumed RIP savings and the need to purchase replacement services through community providers. There are operating savings from discontinuing these state operated services. FY'10 savings assumes an October 1, 2009 closure.

The savings associated with these closures exclusive of RIP is \$739,835 and \$941,180.

TOTAL DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES -11,284,237 -12,129,656

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
DEPARTMENT OF SOCIAL SERVICES		
<u>Reduce MCO Capitation Rates under HUSKY by 6%</u>	-19,190,000	-22,720,000
<i>In the draft report from the Comptroller relating to their review of MCO capitation rates, the Comptroller indicates that the capitation rate paid to the MCOs in the HUSKY A program could be reduced by 5 to 6% based on their actuarial review, for annual savings of \$41 to \$49 million. Under this proposal, the capitation rate under both HUSKY A and HUSKY B would be reduced by 6% for gross savings of \$50.1 million in FY 10 and \$51.8 million in FY 11. Reflects net impact after accounting for federal reimbursement at enhanced FMAP rate.</i>		
<u>Require Cost Sharing under the State-Funded Connecticut Home Care Program</u>	-10,900,000	-10,900,000
<i>The Governor's budget maintains the caseload under the state-funded Connecticut Home Care Program at June 2009 levels (estimated at approximately 5,770 cases) for savings of \$4.75 million in FY 10 and \$9.75 million in FY 11. Under this proposal, clients under the program would need to pay an additional 15% of the cost of their care plan (excluding screening services). This would result in clients paying, on average, an additional \$150 per month or approximately \$1,800 per year. Because less than 5% of the clients under the state-funded program are currently required to contribute towards the cost of their care, \$350,000 per year has been included for the ACCESS agencies that administer the program to cover increased costs associated with expanding the cost sharing requirement to all clients. Legislation is required to implement this option.</i>		
<u>Manage Services for Aged, Blind and Disabled under an ASO Model</u>	-10,700,000	-26,500,000
<i>Under this proposal, services for aged, blind and disabled individuals would be managed under an ASO. The goal of managing care to this population would be better coordination of services, removal of duplicative services, a larger provider network in a structured medical environment with minimal impact to the client. Under a federal waiver, the state would restrict freedom of choice and require enrollment of all non-institutionalized clients, who are aged, blind and disabled. To achieve six months savings in FY 10, DSS will need to sole source both the actuarial work and the ASO. Reflects net impact after accounting for federal reimbursement at enhanced FMAP rate. Gross savings are estimated at \$27.8 million in FY 10 and \$60.0 million in FY 11. This assumes that current non-long-term care expenditures for this population will be reduced by 7%. This approach will likely be necessary to receive federal approval of the SAGA waiver as it will allow the overall proposal to be cost neutral to the federal government. While no legislation is required to implement this option, the legislature will need to approve the waiver prior to submittal to the federal government. Note: As an alternative, this population could be served under an "at-risk" model rather than an ASO model, which could result in additional savings to the extent that further restrictions are placed on services available to clients.</i>		
<u>Reduce Medicaid Provider Rates by 1%</u>	-8,900,000	-11,600,000
<i>Net impact after accounting for federal reimbursement at enhanced FMAP rate. Gross savings of \$23.2 million in FY 10 (11 months of savings) and \$26.3 million annualized. Reflects reduction in Medicaid provider rates by 1%, including nursing homes, effective 7/1/09. Excludes MCOs, which are slated for a 6% reduction under a separate proposal, as well as dental providers serving children as rates were recently increased pursuant to the Carr settlement.</i>		
<u>Reduce Other Expenses to FY07 Expenditure Level</u>	-7,910,476	-7,949,819
<i>DSS' OE expenses for FY 09 are estimated at \$103.9 million on an FY 09 appropriation base of \$92.5 million. FY 10 and FY 11 Governor recommended appropriation levels are \$95.6 million and \$95.7 million respectively. The FY 07 expenditure base of \$87.7 million will result in a substantial deficiency in the biennium. Savings amount has not been adjusted for requirements under the Carr or Raymond lawsuit.</i>		
<u>Suspend Non-Entitlement Programs in Proposed Community and Social Services Block Grant</u>	-7,515,472	-7,515,472
<i>Under the block grant model, existing programs would have an opportunity to request funding through Regional Planning Councils. This cut will now eliminate various non-entitlement programs such as Elderly Health Screenings, Geriatric Assessment, Teenage Pregnancy Prevention, Senior Volunteer Programs, Human Resource Development grants and admin support for community action agencies. However these grants and programs do not necessarily represent the core function of government.</i>		
<u>Limit Nursing Home Administrative Costs</u>	-7,300,000	-8,400,000
<i>Consistent with the Approps Committee's budget, this proposal reduces the administrative cap for nursing home rates by 10%. Given that nursing home closures and receiverships are increasing, and the proposed 1% rate reduction, this proposal could force financially viable homes into financial distress. Reflects net impact after accounting for federal reimbursement at enhanced FMAP rate. Gross savings of \$20 million in each year of the biennium. Legislation is required to implement this option.</i>		

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
<p><u>Combat Medicaid Fraud</u></p> <p><i>Net impact after accounting for federal reimbursement at enhanced FMAP rate. Gross savings of \$19 million in each year of the biennium. Provide funding to DSS to support 3 additional positions in the Medicaid Fraud Unit within the Office of the Attorney General to more vigorously combat Medicaid fraud and abuse. The current unit is unable to handle all of the issues that are raised as concerns by DSS.</i></p>	-7,300,000	-8,400,000
<p><u>Implement SAGA Waiver</u></p> <p><i>Under this proposal, DSS will move forward with a Medicaid waiver to provide medical services to clients that meet the current SAGA eligibility criteria. Assuming a 1/1/10 effective date, this will require that hospital rates, which are currently capped under SAGA, be increased to the Medicaid level at a cost of \$31.6 million in FY 10 and \$66.3 million in FY 11 based on the assumption that current SAGA hospital payments are 50% of Medicaid levels. In addition, it is expected that DSS would not be able to continue to limit vision and non-emergency medical transportation services for SAGA clients, which could result in additional costs of \$4.7 million in FY 10 and \$9.9 million in FY 11. (Under a separate proposal, vision services are being restricted under Medicaid, so additional adjustments may be required if that proposal moves forward.) While covering SAGA under a Medicaid waiver will result in additional revenue to the state, the state already receives over \$37 million in federal reimbursement on both inpatient and outpatient hospital expenditures thru the DSH program. It is assumed that behavioral health services will continue to be provided thru DMHAS, but at an additional cost of \$7.0 million in FY 10 and \$14.8 million in FY 11 to increase rates to Medicaid fee-for-service levels, with hospital rates adjusted for cost settlement. (As an alternative, rates could be increased to those under the Behavioral Health Partnership at a cost of \$13.1 million in FY 10 or to Medicaid fee-for-service levels, but without hospital cost settlement at a cost of \$19.9 million in FY 10.) In total, a SAGA waiver is expected to result in additional costs of \$43.3 million in FY 10 and \$91.0 million in FY 11. Because this is an expansion in Medicaid eligibility, it is assumed that these additional expenditures are not eligible for enhanced FMAP. A waiver is expected to generate additional federal reimbursement of \$50.1 million in FY 10 and \$129.5 million in FY 11, for net savings to the state of \$6.8 million in FY 10 and \$38.6 million in FY 11. Note: Some adjustments to these numbers would be required if the proposal to reduce Medicaid rates by 1% moves forward. Legislation is required.</i></p> <p><i>For any waiver to be approved by the federal government, the state must demonstrate cost neutrality to the federal government. This could be done, in part, thru a proposal to manage services for the aged, blind and disabled under an ASO model. CHA's analysis assumes that since the state is currently not claiming up to the existing DSH cap, cost effectiveness could be achieved by using the unclaimed cap room to cover the cost increase to the federal government. This would allow the federal government to reduce the state's DSH cap, potentially restricting future revenue dollars. Although the state is currently under the DSH cap by \$53.6 million (net) before the ARRA adjustment, it is not known if the federal government would agree to allow DSS to use the unallocated DSH dollars in the cost neutrality calculation.</i></p>	-6,800,000	-38,600,000
<p><u>Require Prior Authorization for Certain Dental Procedures</u></p> <p><i>Under this proposal, DSS' contractor for the dental carve-out would be responsible for reviewing the appropriateness and medical necessity for dental procedures or treatment plans for Medicaid beneficiaries under age 21. Gross savings of \$10.9 million in FY 10 and \$11.4 million in FY 11 are anticipated; this continues to assume elimination of adult dental services consistent with the Governor's budget. Reflects net impact after accounting for federal reimbursement at enhanced FMAP rate.</i></p>	-4,200,000	-5,000,000
<p><u>Restrict Interim Rates for Nursing Homes</u></p> <p><i>The Governor's budget includes \$8.5 million in FY 10 and an additional \$8.5 million in FY 11 for receivership and hardship (i.e., interim rates). Under this proposal, all additional rate increases would be required to go thru OPM for approval with the goal of reducing interim rates. Since it is likely that interim rates would continue for those homes that fall under receivership per court order, it is assumed that only 20% of the requests are due to receiverships. This will result in gross savings of \$6.8 million in FY 10 and \$13.6 million in FY 11. Reflects net impact after accounting for federal reimbursement at enhanced FMAP rate. It should be noted that restricting interim rates will likely result in additional closures for homes that are struggling financially. Legislation should allow DSS to waive certain exemptions under the CON process in order to address access issues and ensure available nursing home beds. In FY 08, DSS granted interim rates to 16 facilities, excluding the Haven homes, valued at \$11.5 million. As of 10/29/08, DSS had received requests for rate increases totaling over \$21.6 million on an annualized basis, excluding the Haven homes. Legislation is required to implement this option.</i></p>	-2,600,000	-6,000,000

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
<u>Reduce and Cap the State's Subsidy under the Charter Oak Health Plan</u>	-2,100,000	-3,500,000
<p><i>Although current law limits the state's premium subsidies under the Charter Oak Health Plan to \$50 to \$175, depending on income, DSS in implementing the program has limited the premiums for low income clients to \$75 to \$200, such that the actual state subsidy is approximately \$59 to \$184. Under this proposal, the state's share of the monthly subsidies would be limited to \$50 to \$175, depending on income, consistent with existing statute. In addition, the state's subsidy would be capped at these levels regardless of future changes in premium costs. This proposal will result in the following (note amounts vary by income due to the different premium levels in place):</i></p> <p>.....Income.....Additional Client Share Under 150% FPL.....\$18.94 150% -185% FPL.....\$34.96 185% - 235% FPL\$3.35 235% - 300% FPL\$5.73</p> <p><i>Considerable outyear savings are anticipated as premiums increase and enrollment grows.</i></p>		
<u>Eliminate Coverage of Eyeglasses for Adults under Medicaid</u>	-1,700,000	-2,000,000
<p><i>The provision of eyeglasses is considered optional under federal Medicaid rules. Under this proposal, the coverage of eyeglasses would be eliminated for adults. Reflects net impact after accounting for federal reimbursement at enhanced FMAP rate. Gross savings of \$4.4 million in FY 10 and \$4.6 million in FY 11. Coverage for ophthalmologists would continue. Legislation is required to expedite this option.</i></p>		
<u>Reflect Revised Requirements for Money Follows the Person</u>	-1,100,000	-1,600,000
<p><i>Appropriations Committee assumed savings of \$2.0 million in FY 10 and \$3.0 million in FY 11 to reflect slower than projected implementation of the program based on FY 09 activity. Assuming that only 41 placements occur by 6/30/09, gross savings of \$3.5 million in FY 10 and \$3.2 million in FY 11 could be achieved. Reflects net impact after accounting for federal reimbursement at enhanced FMAP rate.</i></p>		
<u>Reduce Disproportionate Share Payments to Hospitals</u>	-1,000,000	-1,000,000
<p><i>Funds under the Disproportionate Share Hospital (DSH) accounts are used to make disproportionate share payments to acute-care general hospitals for services rendered to low-income under- or uninsured individuals. Under this proposal, these payments will be reduced by \$2.0 million in each year of the biennium. Reflects net impact after accounting for 50% federal reimbursement.</i></p>		
<u>Impose Premiums under HUSKY B, Band 1</u>	-980,000	-1,015,000
<p><i>For families in Band 1 under HUSKY B, there is currently no premium charged. Requiring premiums under Band 1 of \$25 per child, not to exceed \$30 maximum for families, will result in gross savings of \$2.8 million in FY 10 and \$2.9 million in FY 11.</i></p>		
<u>Eliminate Proposed Expansion of Nutrition Funding due to Availability of Stimulus Dollars under ARRA</u>	-750,000	-750,000
<p><i>1. Food Pantry Nutritional Assistance. The federal stimulus bill provides \$887,000 for the Commodity Assistance/ Temporary Emergency Food Assistance Program (TEFAP). The Governor's budget provided \$300,000 in each year of the biennium (\$600,000 total) for bulk food purchasing at a reduced cost, which could be eliminated due to the availability of stimulus funding.</i></p> <p><i>2. Elderly Nutrition. The federal stimulus bill provides \$767,000 for expanded home-delivered and congregate meals. The Governor's budget provided \$450,000 in each year of the biennium (\$900,000 total) for expanded elderly nutrition, which could be eliminated due to the availability of stimulus funding.</i></p>		
<u>Suspend HUSKY Outreach over the Biennium</u>	-500,000	-500,000
<p><i>With the proposed \$500,000 cut in the Governor's budget, this additional reduction would remove all general HUSKY Outreach funding. Given the significant increases in the HUSKY A caseload and other outreach efforts under the Enrollment in Schools and Enrollment at Birth initiatives, this reduction is achievable with minimal impact. It should be noted, however, that the savings of \$500,000 could be double counted if the savings from contractual reductions / eliminations are rolled into the biennium. In addition, this proposed cut leaves \$706,000 in the HUSKY Outreach account, which supplements Infoline contractual costs.</i></p>		
<u>Suspend Family Crisis Grants</u>	-484,133	-484,133
<p><i>DSS contracts with non-profits to provide therapeutic counseling services to individuals and families who are uninsured or underinsured, which assists individuals, families and couples with managing their daily lives, working with children who have behavioral issues, addressing marital/family issues as well as depression and anxiety. Approximately 2,000 individuals and families were counseled in FY 08.</i></p>		

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
<u>Suspend Non-Entitlement Programs in Proposed Employment Services Block Grant</u> <i>Under the block grant model, existing programs would have an opportunity to request funding through Regional Planning Councils. This cut will now eliminate various small earmarks/grants to nonprofits for general employment and training services to clients. However these grants and programs do not necessarily represent the core function of government. Note: Reduction leaves funding for employment support services for disabled individuals.</i>	-362,032	-362,032
<u>Suspend New Elderly Services Transportation Initiative</u> <i>The legislature added \$250,000 in FY 08 and FY 09 to expand the public/private sustainable elderly transportation efforts to five communities. DSS has issued an RFP which resulted in a lack of appropriate responses. Currently the Eastern AAA contractor will develop a plan for delivering community-based regional transportation. However the majority of funds (\$210,000) will lapse in FY 09. Therefore the project can be suspended in FY 10/11 biennium with no adverse impact and a savings of \$250,000.</i>	-250,000	-250,000
<u>Align HUSKY B Co-Pay Requirements to State Employee Health Plans</u> <i>Currently, the HUSKY B program includes cost sharing requirements consistent with the co-pay requirements that were in place for state employees at the time that HUSKY B was developed. Under this proposal, HUSKY B co-pay requirements would be re-aligned to remain consistent with the current and any future co-pay requirements. (Currently, HUSKY B clients pay a \$5 office co-pay and \$3 for generic drugs and \$6 for brand-name drugs.) Savings TBD -- \$250,000 net savings is being used as a placeholder only. HUSKY B expenditures receive 65% federal reimbursement. Legislation would be required to expedite implementation.</i>	-250,000	-250,000
<u>Reduce Safety Net Services by 10%</u> <i>Funds help clients who have exhausted their time-limited cash assistance (21 months) under TFA and who have income below the payment standard. Safety Net funding is used to provide services to address barriers to employment. Generally, Safety Net services are available for no more than 18 months.</i>	-210,000	-210,000
<u>Suspend Elderly Housing Support Services Earmark/Grant</u> <i>In FY 08 and FY 09 DSS provided a \$200,000 grant to Hartford Grand Families Housing. This new housing complex was designed for grandparents who are raising grandchildren. The grant provided onsite supportive services with the intent to assist families transitioning to this new housing community. The on-site supportive services are designed to provide case management, group workshops and access to in-home services for residents on an on-going basis.</i>	-200,000	-200,000
<u>Eliminate Payment of SSI Attorney Fees</u> <i>Although the Social Security Administration allows attorney fees to be deducted from an individual's successful appeal, DSS allows attorneys to be paid from the General Fund, rather than seek reimbursement from the client's retroactive benefit received from a successful appeal. Under this proposal an attorney representing a client appealing to the SSA would need to avail themselves of the SSA program as DSS will no longer pay their fees. (Requires legislation.)</i>	-200,000	-200,000
<u>Reduce Healthy Start Program by 10%</u> <i>Healthy Start is a prenatal outreach program that operates in 17 communities whose rates of infant mortality and low-birthweight babies are disproportionately high. Healthy Start responsibilities include case management and health education. Reduction will require contractors to either serve fewer families or administer the program more cost effectively.</i>	-149,000	-149,000
<u>Suspend Provision of Advocacy Funds to Brain Injury Association of CT (TBI Support)</u> <i>Over \$500,000 will remain in Services to Persons with Disabilities account to focus on provision of direct services/benefits to families. While the Brain Injury Association of CT provides valuable advocacy and information and referral services, this is not a core function of government. In addition, the association receives approximately \$180,000-\$216,000 annually from speeding ticket revenue per PA 04-199. Note: This off-budget revenue account is on the list of fund sweeps for FY09.</i>	-143,226	-143,226
<u>Suspend Home Share Program</u> <i>Funds are provided to non-profits to coordinate housing arrangements for two adults, one of which must be age 60 or over, in exchange for a financial contribution to household expenses, services, and companionship. Program has experienced difficulty finding compatible placements. Program success relative to administrative costs is at question.</i>	-107,300	-107,300

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
<u>Suspend Family Support Grant Program</u>	-77,871	-77,871
<i>Program provides a small stipend to a person with a child with a developmental disability but does not meet DDS criteria (e.g., higher level of intelligence but can't speak or walk). Funds help to mitigate costs for items such as diapers, paying for respite services, and specialized medical equipment. The program serves approximately 25 families annually. There is currently an extensive waiting list for this program.</i>		
<u>Suspend Membership to the American Public Human Services Association</u>	-20,500	-20,500
<i>This reduction removes funding for annual membership dues to the American Public Human Services Association.</i>		
<u>Delay One-Half of June Nursing Home Payment Delay to FY 11</u>	0	-26,550,000
<i>The delay in FY 10 payments proposed in the Governor's budget could violate the prompt payment requirement to receive federal stimulus funding. Under this proposal the delay in payments is moved to FY 11, consistent with the Approps Committee budget. Reflects net impact after accounting for federal reimbursement at 50% FMAP rate. Gross savings are estimated at \$53.1 million in FY 11. Legislation is required to implement this option.</i>		
<u>Delay June 2011 HUSKY Capitation Payment to July</u>	0	-33,930,000
<i>The Approps Committee delays the June HUSKY capitation payment to July of the following fiscal year beginning June 2010. Because the delay in payments would most likely violate the prompt payment requirement to receive federal stimulus funding, this option is proposed for FY 11. Reflects net impact after accounting for federal reimbursement at regular FMAP rate. Gross savings are estimated at \$68.4 million in FY 11. Legislation is required to implement this option.</i>		
<u>Establish Special Needs Plans</u>	0	-10,200,000
<i>Similar to the Appropriations Committee proposal, Medicare and Medicaid payments would be integrated through Special Needs Plans for the dually eligible population. SNPs will integrate funding streams and coordinate care, with the goal of fewer hospital readmissions and a reduction in nursing home bed hold days to generate savings. Contractors could be reimbursed based on a percentage of savings or on a sliding scale. After factoring in contractual costs and necessary service costs in the community, gross savings are estimated at \$23.2 million in FY 11. (Appropriations Committee's recommended savings of \$100 million over the biennium is overstated.) Reflects net impact after accounting for federal reimbursement at enhanced FMAP rate.</i>		
<u>Remove Savings Associated with the Elimination of Self-Declaration</u>	800,000	900,000
<i>This proposal was included in the Governor's recommended budget but should be reversed due to the requirements in the federal stimulus bill. Gross savings of \$2.0 million in FY 10 and FY 11 had been assumed in the Governor's budget. Reflects net addback after accounting for federal reimbursement at enhanced FMAP rate.</i>		
<u>Transfer Commission on Deaf and Hearing Impaired to DSS</u>	832,318	833,721
<i>This option transfers the Commission on Deaf and Hearing Impaired to the Department of Social Services.</i>		
<u>Restore Child Care Quality Funding Due to ARRA</u>	1,360,000	1,360,000
<i>The following reductions proposed in the Governor's budget must be restored to comply with ARRA child care stimulus supplantation restrictions: \$1.33 million to "Spend Maximum Required for Child Care Quality" and \$30,000 for "Eliminate the Child Care Newsletter."</i>		
<u>Remove Savings Associated with the Imposition of Premiums for HUSKY A Adults</u>	3,400,000	4,100,000
<i>This proposal was included in the Governor's recommended budget but should be reversed due to the requirements in the federal stimulus bill. Gross savings of \$8.8 million in FY 10 and \$9.3 million in FY 11 had been assumed in the Governor's budget. Reflects net addback after accounting for federal reimbursement at enhanced FMAP rate.</i>		
<u>Remove Savings Associated with the Delay in Nursing Payments</u>	20,400,000	0
<i>This proposal was included in the Governor's recommended budget but should be reversed due to potential "prompt payment" concerns under the federal stimulus bill. Gross savings of \$53.1 million in FY 10 had been assumed in the Governor's budget. Reflects net addback after accounting for federal reimbursement at enhanced FMAP rate.</i>		
TOTAL DEPARTMENT OF SOCIAL SERVICES	-77,107,692	-229,890,632

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010
OPM Adjustment

FY2011
OPM Adjustment

GENERAL FUND

STATE DEPARTMENT ON AGING

Delay Establishment of State Department on Aging until 7/1/10 -449,100 -3,865

By statute, the State Department on Aging is to be established effective 7/1/08 and has been deferred until 7/1/09. Under this proposal, the effective date of this initiative would be delayed until 7/1/10 consistent with the agreement between the Governor's Office and the Senate co-chair of the Aging Committee (and as reflected in the Appropriations Committee budget).

TOTAL STATE DEPARTMENT ON AGING -449,100 -3,865

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
DEPARTMENT OF EDUCATION		
<u>Reduce Education Grants by 10%</u>	-14,400,331	-14,400,331
<i>Reduces grants by 10% for Omnibus Education Grants, Head Start Services, Head Start Enhancement and Special Education. Additional ARRA funding for Title I and Special Education (IDEA) will (in the aggregate) more than offset reductions in education funding for students who are disabled and/or disadvantaged.</i>		
<u>Suspend Grants to CT Independent College Students in colleges with Endowments greater than \$200m</u>	-6,831,643	-6,831,643
<i>Suspend Grants to CT Independent College Students in colleges with Endowments greater than \$200 million. This would affect 6 colleges: Yale , Wesleyan , Trinity , Connecticut College, Fairfield University and Quinnipiac University. Based on the average award in 2008 (\$4,067), there would be a decrease of 1,680 awards to students.</i>		
<i>Under the federal stimulus bill (ARRA), the Pell Grant will increase from \$4,731 in SFY '09 to \$5,350 in SFY '10 -a \$50 million increase to CT students. Work Study funding will also increase the amount to Connecticut by \$2.3 million (currently \$11 million).</i>		
<u>Suspend Funding for Family Resource Centers</u>	-6,041,488	-6,041,488
<i>This would suspend funding for Family Resource Centers for FY10 and FY11. These centers promote systems of family support and child developments services located in public schools. They provide the school community with a single point of entry for families who need child care and support services, a mechanism for collaboration between providers, increased local child care slots, positive youth developments and teen pregnancy prevention, and support and training for family day care providers. DSS appears to claim this funding as part of their TANF claim. Legislation would be required to make this change.</i>		
<u>Close J.M. Wright Technical High School</u>	-5,000,000	-5,000,000
<i>J.M. Wright Technical High School has had declining enrollment for years. Additional funding for three new educational clusters (Career Trades, Financial Management and Entertainment) as well as \$100 million plus in construction costs are needed in order for the school to attract enough students to ensure future viability. Closing Wright Tech would result in the return of 224 students to Stamford and surrounding school districts and the reduction of 15 part-time positions and 54 full-time positions for a savings of \$5 million each year (plus the cost avoidance of developing the new clusters and capital costs).</i>		
<u>Reduce State Subsidies for Charter Schools by 10%</u>	-4,408,200	-4,773,690
<i>Charter Schools would get 90% of the Governor's Recommended funding. These schools have fundraising capabilities that could help offset these reductions.</i>		
<u>Suspend college financial aid to SFY '07 levels</u>	-3,544,994	-7,089,989
<i>Reduce Capitol Scholarship and CT Aid to Public College Students to SFY '07 pre-expansion levels. These accounts expanded by \$14.2 million since SFY '07. This option scales back these increases over 4 years to avoid reducing current students' aid. Reductions would occur at the incoming class level.</i>		
<i>Under the federal stimulus bill (ARRA), the Pell Grant will increase from \$4,731 in SFY '09 to \$5,350 in SFY '10 -a \$50 million increase to CT students. Work Study funding will also increase the amount to Connecticut by \$2.3 million (currently \$11 million).</i>		
<u>Suspend Extended School Hours Grant in Priority School District Grant</u>	-2,994,752	-2,994,752
<i>The Extended School Hours grant within the Priority School Districts (PSD) grant supports academic, enrichments and recreational programs before and after school hours, weekends, summers and school vacations. Legislation would be required to make this change.</i>		
<u>Close Bristol Technical Education Center</u>	-2,000,000	-2,000,000
<i>Closing the center in July 2009 would return 108 junior and senior students to their sending districts and result in the potential reduction of 11 PT and 19 FT positions.</i>		
<u>Suspend Funding for Regional Education Services</u>	-1,730,000	-1,730,000
<i>This would eliminate funding for operating subsidies for the 6 Regional Education Service Centers (RESCs). Each RESC receives a basic grant of \$70,000 and up to 3 RESCs get a portion of a competitive grant for new or innovative programs. Any remaining funding is distributed on a prorated basis. Funding is used to also help RESCs run the OPEN Choice Program. Legislation would be required to make this change.</i>		

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
<u>Reduce Funding for the American School for the Deaf by 10%</u> <i>The Department of Education provides funding to the operation of the American School for the Deaf (ASD). It is the only school in Connecticut that provides for the education of deaf children that have other disabilities.</i>	-997,920	-997,920
<u>Reduce Funding for Private School grants by 10%</u> <i>Private schools which educate approx 75,000 students will get 90% of the Governor's Recommended funding for health and transportation programs.</i>	-877,000	-877,000
<u>Reduce Bridgeport Earmark for ABCD Program</u> <i>Funding would be reduced by one-half for the \$1.2 million that is targeted to Action for Bridgeport Community Development, Inc. (ABCD) and it's Total Learning Initiative.</i>	-600,000	-600,000
<u>Suspend Funding for Technical High School Textbooks</u> <i>Funding to purchase replacement textbooks for the Technical High Schools is suspended for FY10 and FY11.</i>	-500,000	-500,000
<u>Suspend Funding for the After School Program Program</u> <i>Funding would be suspended for FY10 and FY11 for this program that helps entities maintain after school programs. In FY08, the program funded 39 grantees statewide to model best practices for after school programming to improve student achievement, school attendance and behavior in school.</i>	-500,000	-500,000
<u>Reduce PSD funding for Bristol to Reflect Formula Update</u> <i>This is a formula update; these funds would lapse because Bristol is being phased out of the PSD grant program because they will no longer be eligible for these funds which are for the most disadvantaged and academically challenged communities.</i>	-483,815	-684,388
<u>Suspend Minority Teachers Incentive Program for 2 years</u> <i>This program was created by the Legislature in 1998 to encourage minority students enrolled at Connecticut colleges to pursue teaching careers in Connecticut. The program provides annual \$5,000 grants (93 in 2008) to upper class minority students in teacher training programs and provides those minority graduates who teach in Connecticut with annual \$2,500 stipends (65 in 2008) to assist them in repaying college loans. Participants may receive these annual \$2,500 stipends for a maximum of four years. The maximum award (grants and loans combined) for each participant is \$20,000. 18 new teachers were produced in 2008.</i>	-481,374	-481,374
<u>Suspend Funding for Adult Education Action for FY10 and FY11</u> <i>For FY10 and FY11, eliminate funding that pays for a portion of the costs associated with administering the General Educational Development (GED) diploma exam. The largest user of these exams is the Department of Corrections (DOC).</i>	-253,355	-253,355
<u>Suspend Funding for the Early Childhood Advisory Cabinet</u> <i>This would eliminate funding for the Early Childhood Advisory Cabinet that was recast in a new advisory capacity in the Governor's budget. This would eliminate \$85,000 in each year for a contract with an early childhood advisor to the Governor and \$125,000 in FY10 and \$250,000 in FY11 for the continuation of planning new school readiness slots.</i>	-210,000	-335,000
<u>Suspend Funding for CT Pre-Engineering Program</u> <i>Funding provided to the Connecticut Pre-Engineering Program, Inc. (CPEP) would be suspended for FY10 and FY11. CPEP provides programs that motivate, stimulate and nurture traditionally underrepresented minority students from urban districts to choose careers in math, science, engineering and technology.</i>	-200,000	-200,000
<u>Suspend National Service account</u> <i>The federal National Service initiative (which administers the Americorp program) supports state non-profit programs in areas of community need, including mentoring and tutoring programs, public safety initiatives, and various supports for at-risk students. Funds underwrite service jobs in these programs to citizens who earn a minimum wage stipend, health care, child care support as needed, and - upon completion of the year contract - an education award of \$5,000 to be used for postsecondary tuitions or loans. State funds are required as match to federal dollars for administrative expenses (50%) that include support for Connecticut's Commission on National and Community Service. The currently match is approximately \$220,000. Also state funds are awarded to programs to help them meet the 15% community organization share of program participation costs. Finally, state funds underwrite implementation, administration, outreach and evaluation of Connecticut's State Employee Mentoring and Tutoring program and additional efforts to create and sustain effective mentoring and tutoring initiatives statewide.</i>	-80,000	-80,000

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
<u>Suspend Membership Dues to the Council of Chief State School Officers (CCSSO)</u> <i>Suspend funding for membership dues for the Council of Chief State School Officers (CCSSO) for FY10 and FY11.</i>	-58,064	-58,064
<u>Suspend funding for membership/association dues</u> <i>Eliminate funds for national association membership dues</i>	-4,170	-4,170
<u>Fund Teachers' Standards Implementation Program</u> <i>Funding for the new Mentor Assistance Program (MAP) that is to replace the existing BEST program is added back in the Appropriations Committee budget. Funding is necessary in order to provide the assurances that are needed for the ARRA funds. In FY 2010, it is anticipated that ARRA State Fiscal Stabilization Funding will be used to initiate the new MAP.</i>	0	2,896,508
<u>Restore SDE PS and OE Savings from Middle College Creation</u> <i>The Middle College System is not anticipated to be created in this budget; therefore, the savings of six positions and other expenses will not be achieved. Six positions and Other Expenses will need to be added back to the Department of Education.</i>	500,000	500,000
<u>Fund Longitudinal Data Systems</u> <i>Funding for the Longitudinal Data System is added back in the Appropriations Committee budget. Funding is necessary in order to provide the assurances that are needed for the ARRA funds.</i>	1,700,000	775,000
TOTAL DEPARTMENT OF EDUCATION	-49,997,106	-52,261,656

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010
OPM Adjustment

FY2011
OPM Adjustment

GENERAL FUND

BOARD OF EDUCATION AND SERVICES FOR THE BLIND

<u>Reduce Funding for Educational Aid for Blind/Visually Handicapped Children</u>	-2,000,000	0
<i>The amount of funding disbursed to towns of blind or visually handicapped children is reduced. This grant pays for the educational services for children with visual handicaps. At the end of the year, if there is funding left over, it is disbursed to towns proportionately based on the number of students with visual handicaps. Historically, the amount disbursed to communities is in the \$2 million range.</i>		
<i>Legislation is required.</i>		
<u>Reduce Funding for Educational Aid for Blind/Visually Handicapped Children</u>	-515,000	-515,000
<i>Funding is provided for the purchase of school supplies, materials and equipment of blind children and to hire teachers or reimburse towns for teachers and then an amount is disbursed to towns with blind children. This reduction would limit the reimbursement amount to teachers hired by the school districts or, if necessary, authorize BESB to collect revenue from school districts when funds appropriated for costs associated with providing services are insufficient.</i>		
<i>**\$2 million is being removed from this account in another option, which represents the amount of funding typically disbursed to towns. This option amount represents 10% of the appropriation remaining in this account after the \$2 million is removed.</i>		
<i>Legislation is required.</i>		
<u>Reduce Vocational Rehabilitation Funding - Retain 90% of Services</u>	-99,000	-99,000
<i>Funding is provided for the vocational rehabilitation and placement in remunerative employment of persons whose capacity to earn a living had been lost by blindness. Services are provided through public or private entities to assist individuals in obtaining gainful employment. Agency must maintain maintenance of effort guidelines of state matching funds of \$1 to \$1 to qualify for federal funding.</i>		
<i>This reduction represents 10% of the recommended appropriation.</i>		
<u>Reduce Funding for Special Training for the Deaf/Blind - Retain 90% of Services</u>	-33,176	-33,176
<i>Funding is provided for specialized programs for adults who are both visually impaired and deaf. This reduction represents 10% of the recommended amount and may limit the amount of people receiving services unless the program can be administered more efficiently.</i>		
<u>Rollback of OE to FY2007 Level</u>	-14,000	-14,000
<i>Reduce OE funding to FY07 level.</i>		
<u>Reduce Funding for Supplementary Relief and Services - Retain 90% of Services</u>	-11,500	-11,500
<i>Funding provides for low vision evaluations to legally blind adults and provides low vision aids to assist them in day to day living. A reduction would decrease the amount of blind individuals receiving assistance each year and more people would be added to a waiting list. This amount represents 10% of the recommended amount. Any reduction in state funding will reduce the amount of federal funding received. 10% match is required to receive federal funds.</i>		
TOTAL BOARD OF EDUCATION AND SERVICES FOR THE BLIND	-2,672,676	-672,676

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010
OPM Adjustment

FY2011
OPM Adjustment

GENERAL FUND

COMMISSION ON THE DEAF AND HEARING IMPAIRED

<u>Consolidate CDHI with DSS</u>	-1,092,318	-1,093,721
<p><i>PS savings of \$170,000 by eliminating 2 positions and OE lease savings of \$90,000 (TOTAL SAVINGS \$260,000) if agency were to consolidate with DSS. Six remaining positions would be transferred.</i></p> <p><i>Transfer to DSS: FY10 PS \$445,686</i></p> <p style="padding-left: 40px;"><i>OE \$ 69,588</i></p> <p style="padding-left: 40px;"><i>Equip \$ 100</i></p> <p style="padding-left: 40px;"><i>PT Interp \$316,944</i></p> <p style="padding-left: 40px;"><i>FY10 PS \$447,089</i></p> <p style="padding-left: 40px;"><i>OE \$ 69,588</i></p> <p style="padding-left: 40px;"><i>Equip \$ 100</i></p> <p style="padding-left: 40px;"><i>PT Interp \$316,944</i></p>		
<u>Rollback of OE to FY2007 Level</u>	-24,310	-24,310
<p><i>OE funding is reduced.</i></p>		
<hr/> TOTAL COMMISSION ON THE DEAF AND HEARING IMPAIRED	<hr/> -1,116,628	<hr/> -1,118,031

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
STATE LIBRARY		
<u>Suspend Funding for the State-Wide Digital Library</u>	-1,968,794	-1,973,516
<i>Funding provides CT citizens and students with access to a wide selection of databases and electronic resources to support their educational, cultural, economic and personal interests. Any reduction in state funding will result in an approximate 50% loss in federal funding. The suspension of funding to this account would include a reduction of one position.</i>		
<u>Suspend Funding for Connecticut Payments</u>	-1,226,028	-1,226,028
<i>Funding is provided to libraries who allow patrons to borrow and return items to any of the approx. 195 participating libraries. There are approximately 4.6 million loans bringing the reimbursement rate to approx. .37 cents per loan. It costs libraries an average of \$1.05 to circulate an item. Any reduction in state funding will result in an approximate 50% loss in federal funding.</i>		
<u>Suspend Funding for the State-Wide Data Base Program</u>	-674,696	-674,696
<i>Funding provides for free, online access to a library catalog currently including over 4.4 million titles to CT citizens to find the materials they need. A reduction in funding would suspend the cataloging and processing service available to libraries, and the creation and maintenance of catalogs of books and lists of serials. Any reduction in state funding will result in an approximate 50% loss in federal funding.</i>		
<u>Reduce Funding for Legal/Legislative Library Materials - Retain 50% of Program</u>	-570,000	-570,000
<i>Funding is provided to purchase and maintain books, newspapers, serials, etc. A \$570,000 reduction in funding would suspend the maintenance of some books and the purchase of new books.</i>		
<u>Suspend Funding for Grants to Public Libraries</u>	-347,109	-347,109
<i>Funding, including \$1,200 per public library, is provided to approx. 165 public libraries for general library support who participate in ConnectiCard and do not charge individuals for a borrower's card. Any reduction in state funding will result in an approximate 50% loss in federal funding.</i>		
<u>Suspend Funding to Support Cooperating Library Service Units</u>	-332,500	-332,500
<i>Funds provided to public and academic libraries for resource sharing and discounts on books and supplies and training would be suspended. Any reduction in state funding will result in an approximate 50% loss in federal funding.</i>		
<u>Suspend Funding for Computer Access</u>	-190,000	-190,000
<i>Funding provides for families with school-age children to receive computers and training. The program would be suspended and no new families would receive computers.</i>		
<u>Reduce Funding for Interlibrary Loan Service - Retain 70% of Service</u>	-82,000	-82,000
<i>Funding is provided for resource sharing among public and academic libraries. Residents request to borrow materials from other libraries and the materials are delivered through ConnectiCar. Funding is for 6 positions and a reduction to this account would possibly include the reduction of positions and an increase in the amount of time it takes for materials to be delivered. Any reduction in state funding will result in an approximate 50% loss in federal funding.</i>		
<u>Rollback of OE to FY2007 Level</u>	-45,000	-45,000
<i>Reduce OE funding to FY07 level. This reduction reflects the difference between FY10 recommended, prior to the option to close the Library Service Centers, and the FY07 actual.</i>		
TOTAL STATE LIBRARY	-5,436,127	-5,440,849

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010
OPM Adjustment

FY2011
OPM Adjustment

GENERAL FUND

CONSTITUENT UNITS OF HIGHER EDUCATION

Reduce the Group UCONN, UCHC, COSC, CTC and CSU from the Governor's
Recommended Biennial Budget -5,112,020 -7,207,703

This would bring the units to the SFY '09 budget level that must be maintained through fiscal '10 and '11 according to the federal American Reinvestment and Recovery Act's State Fiscal Stabilization Fund requirements.

TOTAL CONSTITUENT UNITS OF HIGHER EDUCATION -5,112,020 -7,207,703

TEACHERS' RETIREMENT BOARD

Eliminate Payment of the State's Share of the Teachers' Retiree Health and Municipal Health -26,339,440 -28,846,680

The state currently pays for 1/3 of the costs for the retiree health plan and 1/3 of the costs of the municipal subsidy offered through TRB. The state could eliminate its payment of the 1/3 share for the next two years. The amounts listed are the combined cost of both the retiree and municipal health less the \$2.28 million each year which is the proposed amount in claiming 1/3 of the Part D subsidy and less \$305,360 in FY10 and less \$211,640 in FY11 for the revised municipal growth assumptions. This would require legislation.

Claim 1/3 of the Medicare Part D Subsidy Payments -2,280,000 -2,280,000

The state currently pays for 1/3 of the costs for the retiree health plan offered through TRB, however, 100% of the reimbursement for the Medicare Part D subsidy is deposited into the TRB health fund. The state could claim 1/3 of the money received and use it to reduce the state's share of the retiree health expenditures (like we do with the state retiree health).

Municipal Retiree Health Subsidy -305,360 -211,640

The membership growth assumptions for retired teachers receiving the municipal health subsidy have been revised based on the most recent numbers. There were approximately 17,579 teachers and spouses receiving the subsidy in the first quarter. That number has decreased in both the second and third quarters.

TOTAL TEACHERS' RETIREMENT BOARD -28,924,800 -31,338,320

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
DEPARTMENT OF CORRECTION		
<u>Reduce Overtime by 10%</u>	-6,000,000	-6,000,000
<i>An overtime reduction of 10% equates to \$6 million. The department would need to average 55,000 hours of OT per pay period. Thus far in FY09, the department has averaged 63,000 hours per pay period, but most recent pay periods have seen a drop below the average.</i>		
<u>Reduce Other Expenses</u>	-1,600,000	-1,600,000
<i>Reduce OE by \$1.6 million.</i>		
<u>Expand Proposed 45 Day Re-Entry Furloughs to 60 Days</u>	-761,316	-761,316
<i>The Governor's Budget includes savings from implementing 45 day re-entry furloughs for those inmates near the end of their sentence. The savings is estimated at \$3.97 million by freeing up 411 inmate beds. By expanding the proposal to 60 days, a savings of \$6.42 million is estimated by freeing up 548 inmate beds. Savings indicated is the difference between what was included as savings in the Governor's Budget and the \$6.42 million.</i>		
<u>Reduce Mental Health AIC</u>	-500,000	-500,000
<i>The MOU between DOC, DMHAS and Judicial to provide mental health services to offenders was recommended to be cancelled.</i>		
<u>Suspend National Association Dues for 2 Years</u>	-2,000	-2,000
<i>This will suspend national association dues for 2 years.</i>		
TOTAL DEPARTMENT OF CORRECTION	-8,863,316	-8,863,316

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
DEPARTMENT OF CHILDREN AND FAMILIES		
<u>Reduce Funding for Other Expenses</u>	-7,241,789	-8,277,578
<i>Reduces Other Expenses funding to FY07 level for FY10, and uses the Appropriations Committee's recommendation for FY11.</i>		
<u>Re-estimate of Board and Care Accounts</u>	-7,000,000	-7,000,000
<i>DCF's expenses for the various board and care accounts continue to trend downward. Based on recent expenditure data it appears additional savings in Board and Care adoption, Foster Care and Residential accounts can be achieved. The Appropriations Committee's budget reduction of \$10 million appears to be too aggressive.</i>		
<u>Eliminate 12 Managerial Positions</u>	-1,239,268	-1,239,268
<i>Elimination of twelve managerial positions is possible due to the Retirement Incentive Program. These savings are likely duplicated by savings attributable to the RIP. The Appropriations Committee's budget recommended a reduction of 66 managers, which is one-fourth of DCF's management staff; such a reduction would not be feasible.</i>		
<u>Workers Compensation</u>	-1,200,000	-1,200,000
<i>DCF's expenses for workers compensation continue to trend downward. Based on recent expenditure data it appears additional savings in Workers Compensation account can be achieved. The Appropriations Committee recommended a cut of \$1,296,544.</i>		
<u>Eliminate State Support for the Wilderness School</u>	-600,000	-600,000
<i>The Wilderness School is an outward bound type program that serves 450 youth in the summer and an additional 300 during the year. It is staffed by 5 permanent full-time general fund staff and 25 summer workers, of which 14 are paid by tuition payments and 11 are supported by the general fund. While this is a beneficial program, it is not a core function of DCF. DCF is starting to hire for the summer program now. Removing general fund support for the program will drastically reduce the size of the program and likely require a significant increase in fees for participation when appropriate.</i>		
<u>Reduce Flexible Funding</u>	-500,000	-500,000
<i>The Governor's budget recommends, and the Appropriations Committee budget proposes, a \$3 million reduction in flex funds. An additional reduction of \$500,000 is proposed under a separate writeup for flex funds for non-DCF involved children. A further reduction of \$500,000 is proposed to bring the total reduction in flex funds to \$4 million.</i>		
<u>Suspend Intake to Voluntary Services for the Biennium</u>	-500,000	-1,000,000
<i>Closing intake to the Voluntary Services Program would yield savings during the biennium. Under this proposal, all existing cases would continue to be served, but no new cases would be opened. VSP is a program of more than \$20 million.</i>		
<u>Reduce Flex Funds for Non-DCF Involved Children</u>	-500,000	-500,000
<i>DCF is appropriated flex funds for non-DCF involved children through Local Systems of Care. In past years, the full appropriation has not been spent. This cut would reduce funding by 1/3 for this population. These funds are in the KidCare account. DCF also has about \$27 million in flex funds for their clients in various accounts. Flex funds for DCF's clients have already been reduced in budget proposals.</i>		
<u>Suspend funding for Covenant to Care</u>	-166,516	-166,516
<i>Suspend funding for private contractor that administers the Adopt a Social Worker program linking social workers with religious congregations.</i>		
<u>Remove Funding for Membership in National Associations</u>	-2,919	-2,919
<i>Remove Funding for annual membership in American Public Human Services Association.</i>		

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment												
<u>Close Riverview Hospital</u>	0	-8,966,494												
<p><i>As a stand alone option, closure of Riverview Hospital would yield savings in FY11. It is anticipated that any inpatient psychiatric hospitalization services required by DCF-involved children and youth would be provided by existing general and psychiatric hospitals. Current inpatient rates under the Behavioral Health Partnership average almost \$810 per day. In FY07 and FY08, the average census at Riverview was 70 children or youth, down from an average of about 80 in FY06. Since Riverview only admits patients that have not been successfully served in these community hospitals or are ordered by the court to Riverview, a significant rate increase would be required for private hospitals to care for these children and youth. Thus, it is realistic to anticipate savings of \$9 million annually (not inclusive of any fringe benefit savings) from closure, after accounting for the costs of 75 beds purchased at a cost of \$924 per day (a 15% increase in current rates). Savings shown are based on actual expenditures in FY08 for Riverview operations. Savings also optimistically assume that the 414 staff associated with Riverview could be absorbed elsewhere within the agency or across other state agencies as part of an orderly phase-down of state-operated services and transition of services to community hospitals. Also, there would be additional costs most likely to the local LEAs, for the education of these children and youth. Riverview operates its own school. This initiative also assumes private hospitals will admit these children and youth with multiple and complicated service needs. However, significant personnel savings are currently assumed in the budget as a result of the Retirement Incentive Program (RIP). The net savings from this proposal shifts to a cost with the assumption that only 50% of the Personal Services would be additional savings in the budget after the RIP.</i></p> <table border="1"> <thead> <tr> <th></th> <th>FY 2008</th> <th>FY 2008 50% PS Savings</th> </tr> </thead> <tbody> <tr> <td>Riverview</td> <td>\$34,267,975</td> <td>\$20,444,297</td> </tr> <tr> <td>75 Private Beds</td> <td>\$25,301,481</td> <td>\$25,301,481</td> </tr> <tr> <td>Savings/(Cost)</td> <td>\$8,966,495</td> <td>(\$4,857,183)</td> </tr> </tbody> </table>				FY 2008	FY 2008 50% PS Savings	Riverview	\$34,267,975	\$20,444,297	75 Private Beds	\$25,301,481	\$25,301,481	Savings/(Cost)	\$8,966,495	(\$4,857,183)
	FY 2008	FY 2008 50% PS Savings												
Riverview	\$34,267,975	\$20,444,297												
75 Private Beds	\$25,301,481	\$25,301,481												
Savings/(Cost)	\$8,966,495	(\$4,857,183)												
TOTAL DEPARTMENT OF CHILDREN AND FAMILIES	-18,950,492	-29,452,775												
JUDICIAL DEPARTMENT														
<u>OE to FY07 Actuals Level</u>	-11,486,786	-11,818,361												
<i>Reduction totaling \$11,486,786 and \$11,818,361 in FY10 and FY11, respectively.</i>														
<u>Reduction for the closing of the Norwalk GA Court</u>	-3,242,297	-3,242,297												
<i>Reduction totaling \$3,242,297 in each FY of the Biennium. Funding reflects Staff-related costs for 46 employees. No Lease Cost (Owned Location) This reduction also impacts DCJ and PDS through the reduction of 10 positions each - those related costs reduced in their respective budgets.</i>														
<u>Close Manchester and Derby Courthouses</u>	-3,039,963	-3,039,963												
<i>Estimated amount to close Manchester and Derby Courthouses – 40 associated positions.</i>														
<u>Rollout Additional Rescissions</u>	-3,000,000	-3,000,000												
<i>This Reduction rolls out the \$3,000,000 PS FY09 Rescission</i>														
<u>Reduction for the closing of the Putnam JD Court</u>	-597,850	-597,850												
<i>Reduction totaling \$597,850 in each FY of the Biennium. Staff costs for 9 employees only. No Lease Cost (Owned Location). Civil Court, so therefore no DCJ/PDS reductions impacted.</i>														
<u>Office of Victim Services</u>	-500,000	-500,000												
<i>Removes \$500,000 from the Office of Victim Services</i>														
<u>Reduction to Contract Flex Funding With DCF</u>	-430,667	-430,667												
<i>This Reduction reduces the funding for Advanced Behavioral Health - Flex Fund Administration by \$430,667 (1/3 of annual funding).</i>														
<u>Dues Reduction</u>	-125,876	-125,876												
<i>Reduction for Dues = \$125,876</i>														
TOTAL JUDICIAL DEPARTMENT	-22,423,439	-22,755,014												

BUDGET NEGOTIATIONS - ALL YES OPTIONS

GENERAL FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
PUBLIC DEFENDER SERVICES COMMISSION		
<u>Reduction for the closing of the Norwalk GA Court</u>	-875,845	-875,845
<i>This reduction amounts to a cut of \$875,845 in each FY of the Biennium. Staff-related costs for 10 employees only. No Lease costs. This reduction also impacts DCJ through the comparable reduction of 10 positions.</i>		
<u>Close Manchester and Derby Courthouses</u>	-875,844	-875,844
<i>Estimated amount to close the Manchester and Derby Courthouses - Only staff funding for 10 positions associated.</i>		
<u>Rollout Additional Rescissions</u>	-292,515	-292,515
<i>This Reduction rolls out the final \$292,515 Special Public Defenders- Non-Contractual FY09 Rescission</i>		
<u>Bring Other Expenses to FY07 Actuals</u>	-50,468	-16,862
<i>Reduction totaling \$50,468 and \$16,862 in FY10 and FY11 to bring Other Expenses to FY07 Actuals.</i>		
<u>Dues Reduction</u>	-6,859	-6,859
<i>Reduction of Dues = \$6,859</i>		
TOTAL PUBLIC DEFENDER SERVICES COMMISSION	-2,101,531	-2,067,925
CHILD PROTECTION COMMISSION		
<u>Rollout Additional Rescissions</u>	-24,818	-24,818
<i>This Reduction rolls out the final \$24,818 PS FY09 Rescission</i>		
<u>Reduce OE by 5%</u>	-9,213	-9,213
<i>5% Other Expenses Reduction totaling \$9,213 in each FY10 and FY11.</i>		
TOTAL CHILD PROTECTION COMMISSION	-34,031	-34,031
STATEWIDE - REVENUE		
<u>Delay in Receipt of Federal Revenue from FY 2009</u>	-151,300,000	0
<i>Delay in receipt of federal revenue for retroactive claims of \$151.3 million.</i>		
<u>Keno</u>	-20,000,000	-60,000,000
<i>Implementation of Keno in the state</i>		
<u>Tire Fee</u>	-6,000,000	-6,000,000
<i>Reinstate the fee imposed on motor vehicle tires at \$3 per tire at the point of retail sale and deposit collections into General Fund. It is estimated to yield \$6 million annually. The fee was imposed effective July 1993 and was repealed July 1997.</i>		
TOTAL STATEWIDE - REVENUE	-177,300,000	-66,000,000

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010
OPM Adjustment

FY2011
OPM Adjustment

GENERAL FUND

STATEWIDE - PRIVATE PROVIDERS

Reduce Private Provider Contracts 1% -13,000,000 -13,000,000

Private providers under contract to DDS, DMHAS, DSS, DPH, CTF, Judicial - CSSD, and DOC received a 3% COLA in FY08. Reducing private provider funding for FY10-11 will require contract amendments and will result in a reduction in services provided to the state. As an alternative to an across the board reduction, services could be rebid at a lower funding level that achieves the savings target; while this would also likely result in less service provided to the state, it could be more strategically applied (e.g., agencies could use the rebidding process to "re-base" contracts so that reimbursement is more in line with costs, while reducing the level of services procured, or could change the service model to a more effective or efficient model). If a rebidding approach is used, it is not realistic to expect savings in FY10.

TOTAL STATEWIDE - PRIVATE PROVIDERS -13,000,000 -13,000,000

STATEWIDE - LABOR

Labor Concessions Savings above \$275 million -24,780,000 -16,062,000

With re-entry furloughs, current trends indicating a decline in prison population, and pending retirements of a possible 200+ COs, there should be enough flexibility in the system to close a prison. Savings are not indicated as most of the savings are already accounted for under RIP savings or re-entry furloughs.

Savings due to lower refill rate (35%) and delay of refills for RIP -20,000,000 -18,000,000

With the pending retirements of a possible 200+ COs, there could be some additional savings due to a lower refill rate and delay of refills for RIP positions. These additional savings are not already accounted for under RIP savings or re-entry furloughs.

TOTAL STATEWIDE - LABOR -44,780,000 -34,062,000

TOTAL GENERAL FUND -605,272,430 -717,141,578

BUDGET NEGOTIATIONS - ALL YES OPTIONS

SPECIAL TRANSPORTATION FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
DEBT SERVICE - STATE TREASURER		
<u>Revised Debt Service Projected Requirements</u>	-3,991,277	-2,535,342
<i>Reduce projected budgeted debt service rate from 6% to 5.5% for the October 2009 sale and from 6% to 5.75% for the October 2010 sale.</i>		
<u>Increase Debt Service Payments</u>	1,200,000	3,100,000
<i>The increase in debt service is associated with the bonding for Town Aid Road (TAR) of \$22 million rather than appropriating.</i>		
TOTAL DEBT SERVICE - STATE TREASURER	-2,791,277	564,658
DEPARTMENT OF MOTOR VEHICLES		
<u>Closing DMV Branches one day a week</u>	-2,400,000	-2,400,000
<i>Estimated total annualized cost reduction of \$2,400,000 in PS and OE (\$1.4m in PS/\$1m in OE). Original estimate - Annualized cost of PS and OE (\$1.6m in PS/\$1m in OE). Savings now reduced to coincide with \$200,000 in OT Reduction Plan.</i>		
<u>Rotate Hours of Operation between Waterbury and Hamden</u>	-1,389,486	-1,389,486
<i>Reduction of \$1,389,486 by rotating hours between the Waterbury and Hamden Full Time Branches</i>		
<u>Close New Britain Full Service Branch</u>	-1,096,977	-1,096,977
<i>Total Reduction of \$1,096,977 to close the New Britain Full Service Branch.</i>		
<u>Rollout Additional Rescissions</u>	-700,000	-700,000
<i>This Reduction rolls out the \$700,000 PS FY09 Rescission</i>		
<u>DMV Overtime Reduction Plan</u>	-200,000	-200,000
<i>Plan to save estimated \$200,000 by closing branches a 1/2 hour earlier.</i>		
TOTAL DEPARTMENT OF MOTOR VEHICLES	-5,786,463	-5,786,463

BUDGET NEGOTIATIONS - ALL YES OPTIONS

	FY2010 OPM Adjustment	FY2011 OPM Adjustment
SPECIAL TRANSPORTATION FUND		
DEPARTMENT OF TRANSPORTATION		
<u>Reduce OE and TAR</u>	-31,847,421	-31,890,721
<i>Reductions totaling the following: \$31,847,421 and \$31,890,721 in FY10 and FY11, respectively. Reduce OE to FY07 and remove entire \$22 million in TAR each year.</i>		
<u>Rail Fare increase effective 10/1/09</u>	-10,756,000	-14,760,000
<i>10% increase. Last increase 5.5% effective January, 2005.</i>		
<u>Bus Fare Increase and ADA Fare Increase - \$.25 or 20% or \$.50 or 40% effective 1/1/10</u>	-6,748,203	-13,807,941
<i>Reductions shown are \$.50 or 40%. For comparison - \$.25 or 20% would save \$3,374,101 in FY10 and \$6,826,177 in FY11. Savings reflect Bus Operations and the ADA Para-transit Program (increase when bus fares increase).</i>		
<u>Suspend Non-ADA Dial-a-Ride appropriation</u>	-576,361	-576,361
<i>Funding is provided for service to those with disabilities who do not qualify for ADA, for individual trips that do not qualify for ADA, and to seniors. This funding is used for local dial-a-ride services and is not required under the federal Americans with Disabilities Act (ADA). This service is not available statewide. Contractors/Transit Districts - Greater Hartford, Greater New Haven, Middletown, Milford.</i>		
<u>Remove Remaining Joint Highway Research Advisory Council (JHRAC) Funding</u>	-250,000	-250,000
<i>CGS Section 13a-256 states \$250,000 may be allocated for JHRAC funding within Highway Research and Planning. The Governor's Recommended budget removes \$50,000; the Committee budget removes the remaining \$250,000. \$3 million appropriation still remains in Highway Research and Planning.</i>		
<u>Suspend National Dues Payments for Two Years</u>	-136,694	-136,694
<i>Suspending dues payments for various national organizations will save \$136,694 in Other Expenses each year of the biennium.</i>		
TOTAL DEPARTMENT OF TRANSPORTATION	-50,314,679	-61,421,717
TOTAL SPECIAL TRANSPORTATION FUND	-58,892,419	-66,643,522

BUDGET NEGOTIATIONS - ALL YES OPTIONS

FY2010
OPM Adjustment

FY2011
OPM Adjustment

BANKING FUND

DEPARTMENT OF BANKING

Reduce OE funding -126,912 -37,912

Funding reduced to the FY 07 funded levels.

Suspend funding for National dues for two years -56,715 -56,715

The Department of Banking has the following dues for their accreditation:

CONFERENCE OF STATE BANK SUPERVISORS \$46,886.00
 NAUCUS \$7,829.00
 ASSOCIATION OF GOVERN ACCTANTS \$95.00
 BANK COMPLIANCE ASSOCIATION OF CT \$55.00
 MORTGAGE REGULATORS (AARMR) \$750.00
 N AMER SEC ADM ASSOC \$900.00
 NORTH AMERICAN COLLECTION AGENCY \$200.00
 Total \$56,715.00

Cancel planned lease expansion and tenant improvements 0 -67,048

The agency is currently in negotiations to expand the lease and perform improvements to the existing space along with the newly expanded space. This would result in savings of funds budgeted for annual additional lease expenses.

TOTAL DEPARTMENT OF BANKING -183,627 -161,675

TOTAL BANKING FUND -183,627 -161,675

BUDGET NEGOTIATIONS - ALL YES OPTIONS

INSURANCE FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
INSURANCE DEPARTMENT		
<u>Suspend Management Consultant Services</u>	-183,148	-183,148
<i>Suspend funding for Management Consultant Services. DOI currently has an MOU with UCONN to provide IT upgrades to the online application and licensing system along with other computer upgrades. The reduction in the funding would suspend any online enhancements to DOI's system along with the upgrades to the systems used by the agency.</i>		
<u>Suspend Funding for National dues for two years</u>	-52,262	-52,262
<i>The Department of Insurance pays the following dues amount for accreditation</i>		
NATIONALL ASSOCTIATION OF INSURANCE COMMISSIONERS	<i>\$46,552.00</i>	
SOCIETY OF ACTUARIES	<i>\$2,520.00</i>	
AMERICAN ACADEMY OF ACTUARIES	<i>\$1,960.00</i>	
CASUALTY ACTUARIAL SOCIETY	<i>\$1,230.00</i>	
TOTAL	<i>\$52,262.00</i>	
<u>Reduce OE funding</u>	-11,328	-11,997
<i>Reduce OE funding to FY 07 actual levels</i>		
TOTAL INSURANCE DEPARTMENT	-246,738	-247,407
TOTAL INSURANCE FUND	-246,738	-247,407

BUDGET NEGOTIATIONS - ALL YES OPTIONS

PUBLIC UTILITY FUND	FY2010 OPM Adjustment	FY2011 OPM Adjustment
OFFICE OF CONSUMER COUNSEL		
<u>Restore 10 Positions to this Special Fund Agency</u>	2,050,141	2,108,205
<i>Restore 10 of 17 that were eliminated when the agency was eliminated in the recommended budget.</i>		
TOTAL OFFICE OF CONSUMER COUNSEL	2,050,141	2,108,205
DEPARTMENT OF PUBLIC UTILITY CONTROL		
<u>Eliminate Vacancies</u>	-670,652	-670,652
<i>Eliminate 12 positions that the agency has eliminated for FY 09 but were restored for FY 10 and FY 11. The Governor's budget contained a reduction of 1 position.</i>		
<u>Eliminate Vacant Positions</u>	-331,800	-331,800
<i>Recommend that 3 vacancies, \$210,000 in Personal Services and \$121,800 in Fringe Benefits be reduced to allow continued effective operation of the agency.</i>		
<u>Reduce Other Expense by 5%</u>	-83,844	-83,844
<i>Other Expense - 83,844</i>		
TOTAL DEPARTMENT OF PUBLIC UTILITY CONTROL	-1,086,296	-1,086,296
TOTAL PUBLIC UTILITY FUND	963,845	1,021,909

