



February 22, 2012

Program Review and Investigations Committee

H.B. No. 5036 (RAISED) AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE CONCERNING THE PROVISION OF SELECTED SERVICES FOR PERSONS WITH INTELLECTUAL DISABILITY.

I am Terry Edelstein, President/CEO of the Connecticut Community Providers Association (CCPA). CCPA represents organizations that provide services and supports for people with disabilities and significant challenges including children and adults with substance use disorders, mental illness, developmental, and physical disabilities. Community providers deliver quality health and human services to 500,000 of Connecticut's residents each year. We are the safety net.



We were very pleased to work with Committee members and staff as the study relating to the Provision of Selected Services for Clients with an Intellectual Disabilities progressed in 2011. We supported the findings of the study and most of its recommendations, particularly the focus on making every effort to support individuals with intellectual disabilities in settings that offer maximum opportunity for community integration in the least restrictive setting.

We have serious reservations, however, about many provisions in HB 5036. This bill focuses on regulatory issues at the expense of focusing on community-based supports and services.

Section 3 (e) adds requirements regarding review of "all" state and locally generated inspection reports and "all summary copies" of federal Health and Human Services reports. We understand the positive intent of this section to allow clients, families and other interested parties to have ready access to reports relating to health and safety and other matters. However, the language in

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this section is huge in its scope as written and enlarged by expanding the list of items that might be requested to include those generated by “other state and local agencies having jurisdiction over the facility.” As proposed in this bill, providing access to redacted records in an “adequate” room at the facility will become a labor intensive and costly job for the staff of the provider organization. Rather than impose a statutory requirement, access to certain records should be a contractual requirement, monitored by DDS, the contractor. There is already an extensive DDS Provider Certification Process, with certain quality assurance reports filed on line. **We suggest that the Committee, DDS and private provider representatives identify the necessary reports that should be subject to review and develop a process for open access to these reports.**

Section 4 proposes a “centralized utilization review” process for individuals whose cost for services exceed funding guidelines. DDS is currently embarked in a “rate reset” process for day programs and residential services. Working with private providers, consumers and family members, the Department is restructuring its payment process based on Level of Need scores. As the Committee report noted, this major shift in payments will have an impact on those organizations with higher reimbursement as funding shifts to an average payment for individuals at each Level of Need score. In restructuring its payment system, DDS is addressing disparities in payment rates and determining strategies for equalizing payments so that the state can comply with federal funding requirements. **We recommend eliminating section 4 from this proposed legislation since the work is being addressed on an administrative basis by DDS.**

Section 5 proposes to amend legislation passed in 1991 and amended in 2007 that capped the salaries of private provider executive directors. **Section 6** repeals these sections of the 1991 and 2007 legislation. **We do not support these proposed amendments.**

Section 5 (a) amends the 1991/2007 legislation that capped executive director salaries for “payments to be paid by the state” to apply only to “employment opportunities or day services.” The amendment section removes “or services in a residential facility” from the section. This proposed amendment raises two critical issues:

- 1) Most private agencies that support individuals with disabilities provide *both* employment opportunities/day services *and* residential supports. There are *some* organizations that

provide *either* employment opportunities/day services *or* residential supports, but the bulk of organizations provide *both* types of services. Removing the term “residential facility” from this section of the statutes makes the statute almost unworkable. Does this mean that for the purpose of employment opportunities/day services executive director salaries are capped, but that the portion of salaries related to residential salaries are treated differently? This will pose an accounting challenge that does little to solve any service delivery problem.

- 2) The very fact that this bill seeks to amend 1991 and 2007 legislation puts a light on legislation we had opposed from the start. In seeking to limit the amount of allowable state funding for executive director salaries, and by linking such funding to cost of living adjustments allocated by the state, the state in effect froze salaries for individuals with 24 a day responsibility for the lives of vulnerable individuals at agencies ranging in size from \$1M to over \$80 M. We suggest that a more appropriate strategy is to benchmark private provider executive director salaries with comparable salaries of state agency officials who have similar spans of responsibility. The Commission on Nonprofit Health and Human Services did a preliminary review of these salaries, looking at regional director salary ranges. Just to highlight the disconnect between this executive director salary cap and other state wages, consider a 2/21/12 post from DCF for a Behavioral Health Clinical Manager with a pay scale that exceeds the executive director salary cap

CENTRAL OFFICE						
Job Title	Class	OG	Salary	Exam Req	Closing Date	Personnel Of Posting Cont
CHILDREN AND FAMILIES BEHAVIORAL HEALTH CLINICAL MANAGER	1455	33	\$88,505.00 - \$113,525.00	No	2/29/2012	

Section 5 (b) focuses on executive director salaries for residential providers in a different manner, comparing executive director salaries with direct care employee wages. While this section is well intended, we have concern about this section as well.

- 1) We understand that there is a disparity between executive director salaries and direct care worker wages. **However, the span of responsibility, years of training and educational background for the positions are entirely different.**

- 2) We also understand that economic self-sufficiency is critical to live and work in Connecticut. Low wages have compelled some individuals employed by private provider agencies to seek HUSKY and other government funded benefit programs.

We ask that you look at the basis of these low wages. As the Committee knows, we have advocated for many years for cost of living adjustments for private providers. Over more than 25 years, the COLA is far less than the rate of the Consumer Price Index rising only 33.16% vs the CPI increase of 98.5%. It is this COLA that is utilized to pay the wages and benefits for staff at community provider agencies. **If the COLA were indexed to the CPI, for example, as is the case with Social Security, wages and benefits would rise in relation to economic factors.**

Alternatively, if private providers were reimbursed by the state for the “cost of services” this would provide an opportunity to fund wages and benefits of direct care workers in order to meet economic self-sufficiency.

Section 5 (c) requires the Commissioner to assure that contractors have “substantially” complied with the department’s cost-reporting requirements. All providers that fall under cost-reporting provisions are required contractually to do so. **This is a contractual obligation that should be enforced as a part of contract administration, rather than statute.** If the Committee retains the language proposed in this section we suggest that the term “substantially” be deleted unless it is further defined.

Thank you for the opportunity to comment on this proposed legislation. We welcome working with the Committee to amend the legislation.