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**Appropriations Committee Public Hearing
Governor's Midterm Budget Adjustments FY 2009
Wednesday, February 13, 2008**

Good evening. I'm Barry Kasdan, President/CEO of Bridges in Milford. We are a grant funded agency for DCF, DMHAS and DDS. We provide behavioral health services to over 5,000 area residents in 22 towns. We just celebrated our 50th year of service. By this time you may have already heard from some of my Board members, if not they will also be coming to testify this evening.

This evening we are here to urge bold action by the Appropriations Committee to support a substantial increase in funding to Connecticut's nonprofit community providers. I am exhorting you to fully support the "Community Provider Rescue Fund" you will hear much about it this evening.

I feel that we have arrived at a point in time that is the equivalent of a "perfect storm" for Connecticut's nonprofit industry. Let me simply list what is converging outside and within the LOB.

- Two years ago community providers received a 1.5 % COLA
- Last year a 3% COLA
- Average 2.25%
- At Bridges we froze 10 to 13 positions to cut costs and meet escalating expenses and staff salary requirements.
- Next year's COLA proposed by the Governor in the biennial budget, and approved by the Legislature is Zero.
- For Bridges and all community providers, that drops the average COLA to 1.5% per year over the past 3 years.
- Over the last 18 years our COLA averages has been just under 2.0%.
- Chronic underfunding of nonprofit providers has become a pattern and budget strategy.
- Over the last few years a series of tragedies and crises plagues Connecticut's human services and corrections fields.
- Emergency rooms are in gridlock.
- In-patient psychiatric hospitals are in gridlock
- At Bridges chronic underfunding and cutbacks have forced us to begin referring out and/or placing on waiting lists 20-30 people per week.

- 2007 Legislature approves significant increases in this year's Medicaid accounts.
- To-date behavioral healthcare providers have not been given any rate increases.
- Disregard of the nonprofit behavioral health system continues.
- The Legislature's actions are ignored.
- The nonprofit community systems of care are left floundering.
- Some people are asking "where is the crisis?"
- The Governor issues her biennial budget adjustments.
- Nonprofit provider state grants are ignored and left with a Zero Increase.
- Over 500 new state positions are proposed.
- Many of these are specifically focused at shoring up a crippled state system that is overwhelmed by the overflow from a chronically underfunded nonprofit system.
- Bridges is notified by its insurance broker that "you can expect a 13% increase in premiums for next year, if not more."
- The cost to Bridges will exceed \$130,000.
- At Bridges no help is in sight and 2-3 more positions will need to be eliminated.
- All of these factors, issues and challenges now converged at this time, at this place, right before this Appropriations Committee.
- In our local communities, the storm is at full force with people in need of help unattended.
- More gridlock in the emergency rooms.
- More gridlock in our hospitals.
- More tragedies.
- The cost to the state escalates as it feels forced to respond with no strategy in place.
- With no long-range plans or understanding of the intrinsic relationship between chronic underfunding of essential community services and the current crisis the state acts in desperation to hire 500 new state employees.

Members of the Appropriations Committee this storm can be abated with your support of the of the Community Provider Rescue Fund.