

Commissioner makes plea for more aid for nonprofit agencies

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HARTFORD - A memo to Gov. M. Jodi Rell from one of her commissioners bolsters claims that nonprofit social service agencies are suffering financially and need a significant boost in state aid.

The system of private agencies that receive state contracts "has passed just gridlock," wrote Thomas Kirk, commissioner of the Department of Mental Health and Addiction Services.

"It is at the edge and in paralysis at different points," Kirk wrote to the state budget office Oct. 19.

Connecticut's Community Providers Association, which represents several nonprofit agencies in lower Fairfield County, obtained the letter through a Freedom of Information request. The group circulated the letter yesterday to further its case for a bill establishing a \$200 million "rescue fund" they say will make up for years of inadequate funding.

The bill would represent a 9 percent funding increase in the 2009 fiscal year. Rell and the legislature provided a 3 percent increase for the existing fiscal year and no increase next year. It calls for greater planning for private providers' budgetary needs in the future.

The rescue fund was approved by the Human Services Committee, 18-1, and is awaiting action by the full legislature.

"We've been describing a crisis. But within the administration at least one commissioner has also identified that there's a crisis," association President Terry Edelstein said yesterday.

Kirk drafted his seven-page letter as state officials began proposing adjustments to the two-year state budget. Kirk painted a picture of hospitals and prisons filled with people who cannot seek outpatient support because social services agencies are overburdened.

"I believe there is a consensus that Connecticut does not want to build more prisons and, I would add, more psychiatric hospitals to deal with clients in the emergency departments or the behavioral health needs of individuals involved with the criminal justice system," Kirk wrote. "The above scenarios make no sense from a business, service or a client point of view."

The situation could affect the state's long-term fiscal health, he wrote.

Nonprofit social service agencies often provide care for far less money than the state,

which pays higher salaries and more benefits to employees.

But when Rell presented her budget adjustments to lawmakers last month, she did not include additional money for private nonprofit agencies.

State budget director Robert Genuario of Norwalk said it is typical for commissioners to plead the case for their budget needs. Social service agencies have received more significant budget increases under Rell than any other governor - an average of 3 percent, he said.

"We are certainly willing to discuss adjustments to what we have proposed (but) everybody is going to have to recognize there are waning state revenues," Genuario said. "While I'm not unsympathetic to the plight of some private providers, I would not agree the system is crumbling."

In testimony to lawmakers last month, officials from the Department of Developmental Services, which also works with social service nonprofit agencies, appeared to agree.

"There is no question that the rising costs of goods, energy, insurance, etc. and the low wage issue are having an effect on our private provider community," read the testimony. "However . . . we at this time cannot validate a systemic crisis in care."

Kirk's memo alarmed state Rep. Bruce Morris, D-Norwalk, a member of the Human Services Committee, when he learned of it yesterday. Morris said it appears Rell ignored the advice of her own commissioner, which he thinks would save taxpayers money by providing preventive care.

"This is crazy," Morris said.

But state Rep. Lile Gibbons, R-Greenwich, who also sits on the Human Services Committee, said Rell and lawmakers do the best they can with limited resources.

"I'm not going to diss the governor," Gibbons said.

But she voted for the rescue fund bill.

"What Commissioner Kirk said is absolutely true," Gibbons said. The agencies "really take care of our most forgotten in Connecticut . . . and we have neglected their buildings and operating expenses for years. And they do this work at 60 percent of what it would cost the state."

But the agencies will not receive the full \$200 million, Gibbons said.

"I'm voting for the concept," she said. "What's going to end up coming out is a 4 percent operating increase and maybe something in the capital improvement fund."