



Human Services Committee Public Hearing

SB 413

AN ACT ESTABLISHING A COMMUNITY PROVIDER RESCUE FUND ACCOUNT AND COMMUNITY-BASED SERVICES COMMISSION

February 26, 2008

Good morning Senator Harris, Representative Villano and members of the Human Services Committee. My name is Barry Simon and I am the Executive Director of Gilead Community Services and Board Chair of Connecticut Community Providers Association (CCPA). Gilead Community Services is a mental health provider funded by DMHAS and DCF that serves almost 500 individuals throughout Middlesex County. CCPA represents organizations which provide services and supports for children and adults with disabilities and special needs including people with addictions, mental illness, developmental and physical disabilities.

I am here today to commend this committee for raising SB 413, ***AN ACT ESTABLISHING A COMMUNITY PROVIDER RESCUE FUND ACCOUNT AND COMMUNITY-BASED SERVICES COMMISSION***. This important legislation recognizes community providers as an integral part of the public/private partnership in the healthcare service delivery system. After more than 20 years of chronic under funding, this legislation proactively infuses needed resources to maintain services, examines the industry to develop a systematic way of funding the cost of services and recognizes neglected infrastructure through bonding allocations.

Community providers deliver services to over 500,000 of the state's most needy residents. Local agencies in your districts continue to witness under funding, yet everyday families and individuals across our state turn to their local community provider, at increasing rates, for the support they need to lead more productive, healthy and fulfilling lives. Demand continues to grow yet, funding has not kept pace.

The current budget contains no increases for any state funded community provider contracts. This lack of funding, coupled with decades of inadequate COLAs, simply does not address our ever increasing operating costs. As healthcare providers our costs continue to rise with inflation. Over the past 20 years the Medical CPI has increased 164% while the state has increased its payments 27% (avg. 1.4% per year, see attached). As a business this is unsustainable; our agency costs have increased dramatically as we maintain 14 buildings, honor an 1199 union contract, pay for fuel, malpractice, workers comp and Health insurance which have increased 42%, 18% and 23% respectively this pas year alone.

Programs have closed in the last few years and will continue to do so – this is not a false alarm. As an agency:

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- We need to manage with nearly 20 vacancies at any given time.
- We have reduced hours of operations in programs.
- Waiting lists in our group homes are growing.
- People are waiting longer for outpatient clinic appointments.
- We have closed a program and are looking at reductions in another due to growing deficits which ultimately will lead to dire consequences for the total agency.

We recognize and appreciate that the Governor and Legislature want to invest the limited dollars wisely. In order to get the best return on your investment, it is our belief that funds need to be appropriated to address the comprehensive needs of the system and consumers. If the only investment is in high-end services, the system will create more high-needs consumers. There needs to be support of foundational community-based services and the preventive role that they play in order to create a sustainable system.

This is why we are asking you to support An Act Concerning The Community Provider Rescue Fund Account and Community Based Services Commission which includes an immediate infusion of \$135 million to stabilize the system, it creates a path to consistent funding in the future with the formation of a Commission to consider a long term funding strategy. Also, it includes the creation of a capital improvement fund for community providers to be maintained at \$65 million.

Such funding creates capacity building in existing community based programs which assures timely access to services; staff to client ratios are improved; intensive levels of community care commensurate with client needs can be developed; and long term solutions to housing and service needs of persons with severe disabilities created. Community Providers are part of the solution for the future of the service delivery system and preserving the investment made in quality, cost effective, community care.

Please help the nonprofit service providers in your community succeed. We urge you to make Community Providers a priority by passing SB 413. The 500,000 Connecticut residents that use our services need you to help fix this budget problem before it becomes their healthcare crisis.

I thank you for your time and would be happy to answer any questions.