



GILEAD

COMMUNITY SERVICES, INC. • Serving Middlesex County

Improving Lives, Building Futures

Executive Director/CEO
Barry M. Simon

Board of Directors
Executive Committee

President
Robert J. Larson

Vice President
Lauralei Clapp

Secretary
Philip P. Cacciola

Treasurer
Mitchell Kogut II

Immediate Past President
Joan Youngs

Directors
Gerard Kusinski
Marla Hinz
James Probolus
Richard Handel
Lisa Sartorius
Jeffrey Burgess

Funded in part by:

The Department of
Mental Health &
Addiction Services



The Department of
Children & Families



The Middlesex
United Way, Inc.



February 21, 2007

To: Members – Government Administration and Elections Committee

From: Barry Simon, Executive Director, Gilead Community Services

Re: **H.B. 7147 AAC Comprehensive Reform of the State Contracting Process**
S.B. 1181 AAC Personal Service Agreements

I am Barry Simon, Executive Director of Gilead Community Services. Gilead Community Services has been providing housing, support services and clinical treatment to individuals with mental illness throughout Middlesex County since 1968. Gilead offers a continuum of services to foster recovery from mental illness, including general counseling for individuals and families through our outpatient clinics, as well as very intensive community-based programs that offer case management and rehabilitation services to individuals who live independently and would benefit from regular clinical and support services.

I am speaking to you today as the Vice Chair of the Board of Directors of the Connecticut Community Providers Association. **First, I would like to speak in favor of S.B. 1181, An Act Concerning Personal Service Agreements.** We appreciate the clarification that S.B. 1181 provides in defining “purchase of service” and “private provider organization” and in outlining the accountability measures with which the Secretary of OPM is to comply in reporting to the Legislature about POS contracts. These include: “(1) the name of the contractor, (2) a description of the services provided, (3) the term and cost of the agreement, (4) the method of selecting the contractor, (5) the amount of all payments made during the preceding fiscal year to the contractor, by fund, and (6) the amount of any federal or private funds allocated for such payments.” Such reporting will provide a wealth of information to the Legislature in a uniform format. When OPM develops the required “standard policies and procedures for obtaining, managing and evaluating the quality and cost effectiveness of health and human services” we encourage OPM to develop a uniform process for implementing the standards, rather than accepting different standards from multiple state agencies. As human service providers, we contract with many state agencies.

I would like to speak in opposition to H.B. 7147 AAC Comprehensive Reform of the State Contracting Process, a bill that sets up a labor intensive, duplicative reporting

Administration

222 Main St. Extension, PO Box 1000 • Middletown, CT 06457 • (860) 343-5300 • Fax (860) 343-5306 • www.gileadcs.org

system for private providers. You have received or will be receiving a list of “Contractor Accountability and Transparency Highlights” developed by the Nonprofit Human Services Cabinet. This grid identifies upwards of thirty current reporting requirements for private providers in such areas accounting, accreditation and licensing. The “Core Human Services Contract” is an extensive document with multiple reporting and compliance provisions. The state and federal single audits and the federal 990 provide detailed financial information. Private providers must comply with monthly, quarterly, and annual programmatic reports as well as unscheduled site visits. Yet, H.B. 7147 adds additional layers to the reporting requirements currently in place.

I'll just comment on a few of the provisions:

FOI thresholds	Lowering the FOI threshold from \$2.5 M to \$250,000 would create a huge paperwork and time burden.
Subcontractor requirements	It is unrealistic to expect that subcontractors will provide salary information. Neither service contractors who might be defined as performing a government function nor professional contractors will be likely to comply. They simply won't provide the service.
Health care reporting requirement	100% of employees can be covered under a poor plan with high deductibles. In another scenario, 50% of employees can be covered by health insurance with the other 50% covered by spouse or other employer plans. Employees may be offered coverage but turn down the coverage to avoid paying premiums, co-pays or deductibles. The information requested in the bill doesn't meet what we assume to be the goal, to assure that employees have access to health insurance coverage.
Performance assessments	State agencies conduct numerous performance assessments. This information is readily available from the contracting state agencies.

The bottom-line is that most of the information identified in H.B. 7147 is available from the state agencies. It would be reasonable for the contracting state agencies to forward the information to OPM, giving OPM the responsibility of complying with requests for information.

We would be glad to work with your Committee to identify a process for assuring that the information that we already provide to the state agencies can be made readily available to the public.