



Connecticut Community Providers Association
a unified voice for community human service providers

February 27, 2007

To: Labor Committee
From: Terry Edelstein, President/CEO
Re: S.B. 1294 AAC Fair Wages for Human Services Providers Contracting with the State

Please accept these comments with regard to S.B. 1294 AAC Fair Wages for Human Services Providers Contracting with the State.

The Connecticut Community Providers Association represents organizations that provide services and supports for people with disabilities and significant needs including children and adults with addictions, mental illness, developmental, and physical disabilities.

Community providers in Connecticut serve nearly 500,000 residents.

Connecticut state government relies on the community provider network to deliver high quality social service programs. The provider network, if viewed as a state agency, would be among the largest.

While we appreciate the stated intent of this legislation, "to establish fair wages of important health and community services for the state," it is equally important that any legislation proposed to create a "standard wage" provides, concurrently for funding to support such an initiative.

By all objective measures, state funding for the community provider network has not kept pace with inflation. Each year providers are asked to make due with inconsistent cost of living increases that eventually have an impact on our clients.

During this legislative session, community providers from across Connecticut have asked the legislature and the executive branch to solve this growing problem for the long term. In addition to overall funding increases of 7% and 5% for FY 08 and FY 09, we are asking the state to agree on a system of annual increases that will allow us to plan properly as we develop our budgets.

We make this request on behalf of our clients who are dependent on a consistent level of care over a sustained period of time. Our clients cannot benefit adequately from our services if their pattern of care is disrupted by budget shortfalls within the system.

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Looking at this significant funding issue in the context of S.B. 1294, we have several suggestions:

- 1) Funding attached to this legislation should reflect the cost for wages, health and welfare benefits and a COLA matching the Medical CPI to cover the cost of doing business. A simple calculation, taking into account that private providers under contract with the state earn less than 53% of what comparable state positions pay and making calculations for benefits and the CPI related COLA puts the cost at \$1 B.

This cost can't be minimized. To pay a fair wage must take into account the full cost of providing services to our vulnerable clients.

- 2) The benchmark position in the legislation, "not less than the standard rate for the janitor occupational classification" is out of synch with who we are and who we serve. The human services industry is diverse ranging from organizations that support individuals with mental illness to domestic violence shelters. Any efforts to set a standard wage need to take into account the at least 148 positions identified by our human resource managers. These are hourly and salaried positions, all of which are underfunded through current state grants and contracts. These positions range from business managers to MIS technicians to employment services directors to case managers to speech therapists to social workers to job developers to transportation coordinators.

Not only are our positions diverse and not captured by one employment classification, but within our positions we have large ranges based on longevity, work experience, specialized skills, licenses and credentials. All are factors affecting pay.

- 3) We would expect that any legislation seeking to benefit human service workers would create neither a floor which may be less than is currently paid for some positions, as does this bill, nor a ceiling in what individuals are to be paid.

We have committed to working with the proponents of this bill to discuss ways in which this bill will enhance opportunities for funding private providers.