

Testimony Presented To

12-9-09 Appropriations Committee Public Hearing on the Deficit Mitigation Plan

Cuts to Community Providers – A Short-Term Fix at Long-Term Costs

By

Marilyn Cormack, President/CEO  
Birmingham Group Health Services, Inc.  
435 East Main Street  
Ansonia, CT 06401  
(203) 736-2601, ext. 310  
[mcormack@bghealth.org](mailto:mcormack@bghealth.org)

Barry Kasdan, President/CEO  
Bridges...A Community Support System, Inc.  
949 Bridgeport Avenue  
Milford, CT 06460  
(203) 878-6365 ext. 327  
[bakasdan@bridgesmilford.org](mailto:bakasdan@bridgesmilford.org)

Roberta Cook, CEO  
Harbor Health Services, Inc  
13 Sycamore Way  
Branford, CT 06405  
(203) 483-2630 x204  
[rcook@harborhealth.org](mailto:rcook@harborhealth.org)

Good afternoon. My name is Barry Kasdan, CEO of Bridges...A Community Support System, Inc. in Milford Ct.; I am here with Marilyn Cormack, CEO of Birmingham Group Health Services, Inc., in Ansonia Ct. and Roberta Cook, CEO of Harbor Health Services, Inc. in Branford Ct. Our agencies are major providers of Mental Health and Addictions services for adults and children. 13 years ago we formed CommuniCare, a unique regional collaboration that offers comprehensive, high quality local services that are cost effective and efficient.

Combined, the communities served by CCI represent more than 320,000 people living in 18 cities and towns in southern Connecticut. In total CCI provides services to more than 12,600 people each year. 80% of CCI agency budgets are based on state human service contracts. We are funded in large part by DMHAS, DDS, DSS, DCF, DPH, SAMHSA and many local sources including municipalities and United Ways. These resources fund 32 specialized behavioral health services within our combined system.

One such service funded by DMHAS is the South Central Crisis Service (SCCS) A cost effective regional program, it reduces ER overcrowding by providing triage and mobile intervention for individuals in crisis situations, thereby drastically reducing cost to the state.

(over)

Recent research has exposed the harsh reality that individuals with serious mental illness and addictions are dying 25 years earlier than the general population. This has moved CommuniCare to reach out for new resources to develop Smoking Cessation programs (a 2 year 1.2 million dollar DPH grant) and initiate the integration of Primary Care into Behavioral Health (a 4 year 2 million dollar SAMHSA grant). However, chronic under funding of our core services and the proposed budget cuts could handicap and undermine these initiatives along with the health and welfare of thousands of our clients.

We are here today as community providers, board members, consumers and concerned citizens representing agencies that are on the front lines with those who are impacted by the dire economic situation we are in. We have a deep understanding of the magnitude of the problems you face in making these budget decisions. We wish to be of help in confronting the budget crisis you are dealing with.

The clients we serve face the hardships and daily challenges of dealing with mental illness and substance abuse problems. They are frequently living on the "brink" and are heavily dependent on the services provided to them in our communities. Statewide we have seen a troubling trend with increased critical incidents and deaths. In our three CommuniCare agencies deaths relating to suicide along with complex and deteriorating health conditions have been of deep concern to us. With more children and adults seeking services, and no Cost of Living Adjustments over the last few years our resources and services are now stretched beyond their contracted capacity. The safety net has broken and we are now confronted with a critical situation.

Emergency services, emergency rooms and inpatient facilities are pressed to capacity. Homeless Shelters and Soup kitchens cannot accommodate the large numbers seeking their help. Community based behavioral health agencies are inundated and many people are being turned away or put on wait lists. Many will end up in more costly levels of care and growing numbers will reach the "brink" without the strength to hold on.

Community based behavioral health services are part of the solution to the budget crisis not the problem. A short term budget fix now will create an immediate service crisis that will continue to grow, with escalating cost in years to come. Strategic long term planning is the solution. For now we must stop the hemorrhaging and avoid these cuts.

While certain budget reductions are inevitable, cuts to essential health care services such as community based mental health and addictions services will cost us lives. These cuts will rip apart the remaining remnants of the safety network that we have worked so hard to maintain for decades. We can no longer justify the costs of children and adults being placed in residence at state facilities with an average annual cost over \$500,000 per bed, when non-profit community providers offer the same services at an average cost of \$87,221.

By taking bold and wise action today we will invest in the future. We will see inspiring outcomes in the enhanced quality of human life and dramatic cost savings to the state and its citizenry.

## IMPORTANT FACTS

### Prior to The Governors Dec.09 Budget Cuts

- CommuniCare (CCI) is a unique collaboration between three community-based mental health and addiction service agencies: Birmingham Group Health Services, Inc., Bridges...A Community Support System, Inc., and Harbor Health Services, Inc.
- CCI consistently provides comprehensive, high quality local services that are cost effective and efficient.
  - ▶ Combined, the communities served by CCI represent more than 320,000 people living in 18 cities and towns.
  - ▶ CCI agencies have combined budgets of almost \$30M and employ 280 fulltime and 118 part-time staff.
  - ▶ In total CCI provides services to more than 12,600 people each year in the communities we serve.
- 80% of CCI agency budgets are based on state human service contracts.
- For several years services provided by CCI have been reduced due to chronic State underfunding.
- Over the past 20 years, the Consumer Price Index increased 95.4% and Medical Consumer Price Index increased 197.2% while nonprofit funding increased only 33.9%.
- The average COLA increase over 20 years (1987 to 2009) is 1.19%.
- Private providers are experiencing a larger demand for services caused by the economic downturn.
- Decreases in fundraising dollars due to the economic crises make it impossible to fill the gap.
- CCI's South Central Crisis Service (SCCS) is a regional program. It reduces ER overcrowding by providing triage and mobile services for individuals in crisis situations, thereby drastically reducing cost to the state. (Recent data shows emergency department visits for behavioral health-related diagnoses increased 9%).
- The cost of a state residential or hospital bed ranges from \$350,000 to \$800,000 a year.

### A STAGNANT STATE CONTRACT (0% COLA FOR 3 YEARS)

- ▶ Loss of 24 positions or 9% of total CCI workforce.
- ▶ Overall reduction of services (including crisis) = increase in ER use, and an inevitable influx of clients into the state system.
- ▶ Increase in homelessness- CCI agencies provide housing services to more than 250 clients.
- ▶ Delaying building and technical equipment upgrades.
- ▶ Keeping positions vacant and delaying hiring = reducing direct service.
- ▶ Delaying outpatient admission for new clients = risk of ER visits and hospital admissions.