

TESTIMONY-----February 18, 2010

Appropriations Committee

CT. GENERAL ASSEMBLY

Rep. Garagosian, Sen. Harp, members of the committee. My name is Patrick Johnson and I am President of Oak Hill and Chairperson of the Board of CCPA. I am here this evening to speak about my colleague agencies in the non-profit community providers group that delivers services to people with developmental disabilities. You have heard us for years come to you and tell you how dire our circumstances are and request a cost of care adjustment, a cost of living adjustment, a rescue fund, a rate study committee or some other solution to our revenue woes. I have been told a few times that we are like chicken little claiming the sky is falling but it never falls.

For the record we have had, on average, less than a 1% increase per year for over 20 years. Our costs have climbed about 3% per year so this has been a de facto budget cut on average every year. Are we in a very fragile financial state? **You bet we are!!** The state is now in the same boat that we have been in for 20 years. Revenue is less than expenses and the state could learn many lessons from how we have managed all these years to fulfill our obligations to those severely disabled people in our care. We are not proud of what we've been forced to do. We have been running our labor intensive services on the backs of our employees. For example no employee at Oak Hill has gotten a wage increase in probably the past 20 years that met or exceeded the CPI. Let's look at just the past six years (FY 03-FY09). State employee salaries increased by 44.1%; almost 2.5 times the rate of inflation. Health care costs for active state employees went up 73.6%. Health care costs for retired state employees went up 101.7%. State employee pensions went up 76.2%. The total inflation rate for that same six year period was 18.7%. I do not begrudge state employees their excellent wages and benefits. In fact they set the standard but this is not social justice.

Some of my colleague agencies provide little or no benefits to employees and some use Husky as the health care option for employees, though that is not considered in the cost of care. **Imagine where CT would be if the state went through the same 20 years of revenue deprivation! The last two and the next two to four years will bring to the whole state what we have been experiencing for over two decades.** We have demonstrated the kind of penurious fiscal restraint, extraordinary sacrifice on the part of our employees, commitment to core mission and core values, and most importantly of all; putting the most vulnerable people at the center of all we do.

Over 70% of my colleague agencies have been operating in deficit for several years, many have less than 30 days of cash in reserve and many more have less than 90 days. Banks are tightening up lines of credit and, growing less confident about the state's ability to pay, are reducing lines of credit and duration of credit. Private non-profit community based providers are indeed holding up the sky but we have been doing it too long and when we start to let go, and we may have to, the sky will indeed fall.

We are facing the most revolutionary changes in over 30 years in how services to people with disabilities are funded and being handed contracts and told to return them signed the next day with no explanation of changes and knowing that most will suffer more financial losses to meet the Governor's rescission requirements. We need more legislative oversight and forums like this to share our ideas. It can't be business as usual and we have lessons to share!

At Oak Hill we have over 500 people who are severely disabled living in their group homes in 58 towns throughout the state. When they reach out a hand to be fed, to lead them to the bathroom, to take them to their job or day program, to administer their medication, to control their behaviors, to push their wheelchair, to change their diaper, or to assure their safety; a hand has to be there. Their very lives depend on this. We are coming to you as our clients do to us, hoping that your hand will be there. Their lives and our viability depend on your help. As we must we ask you to put the most vulnerable at the center of all you do and imitate what we've had to do to survive the past 20 years.

Patrick J. Johnson Jr.

President of Oak Hill

Chairperson, CCPA