

**TESTIMONY TO THE CONNECTICUT GENERAL ASSEMBLY
APPROPRIATIONS COMMITTEE**

Public Hearing Date: February 18, 2010

Presented By: Paul Rosin, Executive Director, Community Residences Inc

Co-Chairperson Harp, Co-Chairperson Geragosian, members of the committee, thank you for the opportunity to provide testimony. My Name is Paul M. Rosin and I am the Executive Director of Community Residences Inc. a not-for-profit multi-service provider of day, residential, and family support to children and adults with special needs.

I am here today to testify regarding H. B. No. 5018: AN ACT MAKING ADJUSTMENTS TO STATE EXPENDITURES AND REVENUES FOR THE FISCAL YEAR ENDING JUNE 30, 2011. Specifically, I am responding to the appropriations related to DDS and DCF.

In terms of the impact on private providers of services to people with mental retardation, the largest change in the Governor's budget is the continuation of the system implemented on February 1, 2010, whereby day program providers will be paid on an attendance based system as opposed to an annual contract. This system that has been challenged in the past by the private provider community will have an impact on revenues and could negatively affect the financial stability of some providers.

I would like to share with you some recommendations for finding money in the DDS budget that could be better used and would allow consumers to receive comparable services and help to alleviate draconian budget cuts that are going to diminish the quality of care provided. Please understand that each idea is sure to make some interest group unhappy.

1. **Change we can afford:** Privatize the operation of Southbury Training School (STS) and Regional Centers. In an effort to save money and maintain quality care; over the next one-three years, privatize day and residential operations at Southbury Training School and the remaining Regional Centers. Lease cottages and buildings to the selected not-for-profit(s) for \$1.00 and continue programs operations on site. Do this in conjunction with an aggressive early retirement program and/or staff reassignments. Cost of operation of STS is over \$800/day private providers can provide comparable services in the \$400.00/day range.
2. **More is Less:** Continue the privatization of all DDS operated group homes and day/vocational programs.
3. **Less is more:** There are currently over 175 private agencies providing services to DDS clients. This is not efficient from a programmatic or a fiscal perspective. Rather than having policies in place that encourage additional not-for-profits and for-profits to develop, DDS in collaboration with OPM should work actively to encourage and as necessary cause the merger of agencies. If done correctly this will save money in

administration and overhead and will leave more money accessible to direct client care and services.

4. **Keep it Local:** Over the past 18-24 months, DDS and DCF have awarded approximately \$5 million in Human Services Contracts to out of State not-for-profit and for-profit companies when there were Connecticut based corporations ready, willing and able to provide the services. This not only takes money out of Connecticut but misdirects valuable resources that could be invested into the Connecticut not-for-profit system.
5. **Right-size Group Homes:** In the mid 1980s when Connecticut started to invest huge sums of money into the development of group homes, the ideal was to develop small 3-4 bed homes. From a programmatic perspective, these homes are ideal. They are however very expensive to operate. Many consumers could live in a 6-bed group home without significant impact. I would recommend that DDS conduct a feasibility study into this from both a physical plant perspective as well as a fiscal perspective. Implementation of this may impact on both the public and private sector and alternative uses would need to be found for the surplus homes.
6. **Community Training Homes:** Community Training Homes (CTH) are the equivalent to foster homes for Adults with developmental Disabilities. This is a program that is cost effective, community based and individualized. At a quarter to a third of the cost of a group home bed it is something that needs to be continually expanded in Connecticut.
7. **Benefits:** Health and Workers Compensation Insurance continue to increase significantly above inflation on an annual basis. Given the lack of even basic cost of living adjustments (COLA) since SFY07, private providers are struggling to provide quality and affordable Health insurance to their employees. We need more competition in the Health Insurance industry, universal coverage, and cost containment.

Please do not hesitate to contact me at any time with any questions you may have, or for additional information:

Paul M. Rosin, Executive Director
Community Residences Inc.
February 17, 2010