



The Arc New London County
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Achieve with us.

TESTIMONY OF THE ARC NEW LONDON COUNTY

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The Arc New London County is one of 18 chapters of The Arc statewide, a **60-year-old, grassroots force founded by Connecticut families to support loved ones with intellectual and developmental disabilities and to aid their fight for full inclusion in our communities.** Because we are driven by a philosophy that every person should be as independent as possible, **The Arc walks with people toward greater autonomy, saving millions of taxpayer dollars each year.**

When The Arc New London County merged with another family-based provider in 2011, **we saved the state more than a half-million dollars of administrative costs annually while improving quality scores by 7%.** Despite our saving the state millions, Connecticut continues at year-end, under cost-settlement rules, to reclaim monies resulting from efficient operations; and now, **The Arc New London County is unable to insure the 46 newly eligible employees as mandated by the Affordable Care Act. Unless the state allows us to retain dollars from efficient operations, Connecticut will lose grass-roots pioneers like The Arc New London County. And, the State will spend far more to replace these services than it pays us now.**

Revenue retention is essential because nonprofit businesses like The Arc New London County must conserve wherever possible to meet unexpected fiscal challenges that arise in today's volatile economic landscape. **Fiscal integrity requires modern nonprofit enterprises to plan better and to plan smarter. What business in the real world can exist by running a deficit every year?** Providing that our contractual obligations to the State have been met, it makes sense that we be permitted to retain the fruits of efficient operations.

The Arc New London County must utilize such funds to patch the perilously fraying safety net as best we can. Today we do not have sufficient resources to satisfy the unfunded mandates of the Affordable Care Act. Today, we desperately need to fulfill human needs that the State does not.

Please support Bill No. 1023, An Act Concerning Revenue Retention by Non-profit Health and Human Service Providers. Doing so will help to ensure vital services for people in Connecticut.