Oak Hill
Empowering People With Disabilities
1893

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Testimony before the Human Services Committee

In Support of HB 6947, An Act Concerning State Contracts for Human Services

Submitted By: Barry M. Simon, President & CEO Oak Hill

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Senator Moore, Representative Abercrombie, Senator Markley, Representative Wood and distinguished members of the Human Services Committee, my name is Barry Simon and I am the President Oak Hill. We are among the 800 individual organizations represented by the Connecticut Nonprofit Human Services Alliance (Nonprofit Alliance).

I have been in the field for over 25 years. Oak Hill has been providing services for 120 years, and is a leader in providing the highest quality community-based programs; through education, assistive technology, programs and advocacy, we support people at every stage of life. Oak Hill, has 11 distinct programs; 113 program sites, classrooms, and homes located in 60 towns. Oak Hill employs over 1,400 professionals to successfully meet the varied and changing needs of close to 40,000 people with disabilities each year. As you might imagine, we have done quite a bit of changing over the 120 years but, what is obvious to me as I visit the various programs and meet with participants and staff, is that Oak Hill, like so many other community providers, is committed to the people we serve and our mission to set the standard in providing education and lifelong learning opportunities to enhance independence and quality of life for people with disabilities. Yet, as Connecticut's largest POS provider of services for the disabled, it is very difficult to do business and even more difficult to pay a living wage with 8 years of no net increases.

I would like to share my support for 6947, An Act Concerning State Contracts for Human Services. This bill asks the Governor and legislators to appropriately fund nonprofit providers by including an increase, commonly referred to as a cost of living adjustment, in all future Purchase of Service (POS) contracts and Medicaid fee-for service accounts consistent with the average annual growth of the Consumer Price Index or inflation. This increase in funding is necessary because the state has failed to adequately fund nonprofit providers for the last two decades forcing many nonprofits to close, compete against one another for scarce resources, lay-off employees, reduce benefit packages; altogether creating a win or lose system that weakens the entire nonprofit sector and threatens its sustainability.

The true fix is with a long term solution for funding any services. Programs have closed in the last few years and will continue to do so – this is not a false alarm. As an agency we have closed programs, made reductions in others, reduced staff, and reduced benefits due to the short sighted approach to state budgeting. As we work on plans for the future of our agency and providing services that meet the needs of those we serve, developing business strategies to succeed in this environment is next to impossible and, this will ultimately lead to dire consequences for the total community service system.

Our Mission: Oak Hill sets the standard, partnering with people with disabilities, to provide services and solutions promoting independence, education, health and dignity.

The Connecticut Institute for the Blind, Inc. (dba Oak Hill) is a 501(c)(3) not-for-profit corporation

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We recognize and appreciate that the Legislature wants to invest the limited dollars wisely. In order to get the best return on your investment, funds need to be appropriated to address the comprehensive needs of the system and consumers. Given adequate resources that truly fund our costs of services, we have the capacity and willingness to expand services in the private sector; which saves the State money and brings in federal matching funds. However, it is hard to provide care, take on more individuals, and innovate while the system is being cut.

This legislation makes a commitment to address those issues by properly investing in the nonprofit sector, a commitment the state has already made through 1,585 POS contracts serving approximately 500,000 residents (15% of the population) among ten state agencies totaling $1.38 billion or 7.3% of the state budget. While any increase in funding may seem impossible in these tough budget years, policymakers simply can't afford not to do this. Our employees are some of the hardest working professionals across the state and have had to bear the burden of underfunding, going years without salary increases while simultaneously watching benefit packages deteriorate.

Consequentially, many of us struggle to keep a quality workforce, as we experience high turnover with employees considering state employment or similar jobs providing higher wages and better benefits. In turn, high turnover adversely affects the clients we serve who have grown comfortable with their nurse, social worker, roommate or mentor. The reality is that the health and human service nonprofit providers have been continuously underfunded over the past two decades, pushing many of us to our breaking point.

This bill represents an opportunity to improve the quality of life and economic activity in our communities for your constituents. This bill is an economic stimulus bill since every tax dollar spent on our service is spent locally in all our communities. Investing in nonprofit providers will improve service delivery, increase economic activity, and save taxpayer money. Our employees and agencies buy and spend locally in our towns. This bill is a "win-win" for policymakers working to strengthen the economy, the nonprofit workforce trying to make ends meet, and the clients (and their families) who receive cost-effective, high-quality and efficient services from nonprofit providers. I ask for your commitment now to require that future nonprofit-government contracts are tied to the growth in CPI and/or inflation to ensure adequate funding of contracted services.

Thank you again for your time and consideration. Please do not hesitate to contact me with any questions, or for additional information.