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Testimony Submitted to the Human Services Committee:

In Support of H.B. No. 6947: An Act Concerning State Contracts for Human Services

Submitted By: Roberta Murtagh, Executive Director, C.N.V. Help, Inc.

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Senator Moore, Representative Abercrombie and distinguished members of the Human Services Committee, my name is Roberta Murtagh from C.N.V. Help, Inc., a private, nonprofit organization providing mental health, addiction and employment services to men and women in Waterbury, Torrington and Danbury. We are among the 500+ member agencies of the Connecticut Association of Nonprofits (CT Nonprofits.)

I would like to share my support for H.B. 6947, An Act Concerning State Contracts for Human Services. This bill asks the Governor and legislators to appropriately fund nonprofit providers by reviewing reimbursement rates and cost standards every two years to adjust rates for inflation or Consumer Price Index (CPI) growth. This change to the contracting process is necessary because the state has failed to adequately fund nonprofit providers for the last two decades and most recently, issued four rounds of rescissions since November 2012, forcing many nonprofits to close, compete against one another for scarce resources, layoff employees, reduce benefit packages; altogether weakening the entire nonprofit sector and threatening its sustainability.

As an example, my organization has been unable to keep up with competitive salaries, and we have lost dozens of trained, experienced staff members to state agencies, which provide better pay and better benefits. This effects the quality of services, the outcomes for the individuals we serve and the stability of our programs. 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. Without this funding increase, many nonprofit providers may have to reduce services which would likely result in your constituents travelling farther, paying more, waiting longer for programs, if not losing services altogether; and for nonprofits in your communities to close their doors. 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 aims at reversing a troubling and unacceptable trend and will go a long way toward strengthening a severely weakened system. I would also encourage committee members to add substitute language in Section 2 to ensure that state contracts for human services in the Dept. of Aging, Dept. of Correction, Dept. of Economic and Community Development, Dept. of Education, Dept. of Housing, Dept. of Labor, Dept. of Rehabilitation Services, Office of Early Childhood, Office of Policy and Management are included to also receive adequate reimbursement rates that reflect the actual costs of providing contracted services.

This legislation makes a commitment to properly invest 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). I urge you to vote in favor of this bill and respectfully remind you to review and share the CT Nonprofit Alliance report that shows how investing in the nonprofit sector will improve service delivery, increase economic activity, and save taxpayer money; a "win-win" for policymakers working to strengthen the economy, the nonprofit workforce trying to make ends meet, and most importantly, the clients and their families who count-on efficient, cost-effective, and high-quality services.

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

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