



KEY HUMAN
SERVICES, INC.

"Advancing the Human Spirit"

Testimony Submitted to the Appropriations Committee

Governor's H.B. 6824: An act concerning the State Budget for the Biennium ending June 30th 2017

My name is Mary Beth O'Neill and I am President & CEO of Key Human Services, Inc. (Key) in Wethersfield, CT. Key provides services to hundreds of adults and children with Intellectual and Developmental Disabilities in a variety of programs throughout the State of Connecticut. We employ over 400 dedicated employees who are committed to the people we support and our mission and vision.

I feel strongly that the habitual underfunding and cuts to the DDS budget must end. Individuals, families, and private providers cannot withstand the funding reductions any longer. Families are desperate to obtain services often calling those of us in the private sector seeking the "secret" to obtaining services for their child. I have too often been on the receiving end of this heartbreaking question.

Historically, the state has privatized services in order to save money. Unfortunately, at this time it is apparent that the state is balancing the budget at the expense of the most vulnerable in our society. State government is consistently placing increased demands on private providers without funding the initiatives. There are a number of examples:

- There is a plan to shift Birth to Three Medicaid billing from DSS on to private providers.
- There are increased direct care staff training requirements without reimbursement.
- Private agencies are required to cover the expense of the first two weeks of temporary supports.
- Group home expenses require analysis to assure household costs never overlap with individual costs.
- The Health Insurance Exchange has sent requests for agencies to individually justify "Affordable Coverage" even though as an agency, we have done the analysis and know we meet the requirements.
- Licensing Inspections and Quality Audits by central office and regional DDS staff have increased.
- Agencies endure multiple financial and programmatic audits (DSS audits of services provided in 2010).

Every single time an inspector or auditor comes to each private provider, staff time is taken away from the work that we do. Some might say that you should hire more people to support the work that is required by the state, but who is going to pay those wages? Where will this money come from? Seventy-six percent of my budget is devoted to salary and benefits. In 2008, 12.2% of my budget was A&G and in 2014 it is 9.8%. Yes, we have become more efficient in some areas, but we have also cut expenses drastically attempting to find every available penny in order to continue our services. The constant demand to provide more with less cannot continue and is wreaking havoc throughout the system.

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Key Human Services, Inc. is a 501(c)(3) Non-profit Organization and an Agency of Keystone Human Services

Residential services funded by DDS have been drastically reduced between FY 2014 and FY 2015 for new individuals entering the system. For example, a person receiving supports in a group home with a Level of Need score of 6, previously would have received \$103,600 and now will receive \$98,504 annually. This is a 4.9% reduction in funding with the same expectation of service delivery. This reduction in funding for residential services is the result of recessions made by the Governor to the DDS budget. I have attached the funding charts for residential services for your review.

In our current contract, DDS is reducing group day services by 8.3% over the next 2 years by requiring more hours of service each year for the exact same funding. Currently, day programs provide 5 ½ hours of service per day, but will be expected to provide 6 hours by June 2016. Not to mention, the proposed massive cuts to day supports for individuals with I/DD, which only adds a layer of complexity to service provision and hurts the person. Many individuals obtain the skills to get employment in the community when provided the appropriate day support. If a person does not receive day supports; families must take time off of work and private agencies are expected to add staffing during the day. These costs to the taxpayers of Connecticut are even greater than the cost to provide a meaningful day support service.

What is so disheartening is that the state is now talking about opening admissions to public homes instead of investing in the private providers. The private sector has proven itself more than capable of developing individualized living settings at a fraction of the cost of the state. It is deplorable that private staff can't even make a living wage in this industry often working two or three jobs.

One final point, the Southbury Training School transition funding should be maintained and each individual should be provided the opportunity to reside in the community. The cost to develop group homes should not be a barrier and the Governor's proposed budget cut this important funding. As a provider who has opened three homes during this initiative, we are honored to have been chosen by families and guardians to support their loved one. Change can be frightening, but it can also be incredibly rewarding. One person's voice will always resonate with me when she moved into her home. "I have my own room with my own TV!" I was thrilled to hear her excitement, yet heartbroken by the statement. How many people without an intellectual disability over the age of 50 would make that same statement? None, because we have greater opportunities for choice. The majority of us have so much that it is too easy to take the simple things in life for granted.

It is imperative that the State of Connecticut take their responsibility for supporting people with I/DD seriously. Cuts must be restored. Funding must be increased to allow everyone to live in their community. DDS must do the right thing for all people needing supports.

Thank you for your time and consideration. I can be reached at 860-409-7350 ext. 124 to answer any questions you may have or to discuss this matter further.

FY15 Funding Guidelines

CLA/CRS

Residential Initial Rates								
LON								
Beds	1	2	3	4	5	6	7	8
1	\$25,256	\$33,665	\$67,260	\$89,681	\$117,734	\$180,314	\$194,702	\$207,891
2	\$25,256	\$33,665	\$67,260	\$89,681	\$117,734	\$123,730	\$136,519	\$152,583
3	\$25,256	\$33,665	\$67,260	\$89,691	\$102,470	\$116,090	\$132,522	\$150,185
4	\$25,256	\$33,665	\$67,260	\$75,454	\$88,481	\$102,101	\$128,326	\$147,787
5	\$25,256	\$33,665	\$57,046	\$68,260	\$80,688	\$98,504	\$126,527	\$145,389
6	\$25,256	\$29,253	\$51,450	\$63,863	\$77,690	\$94,907	\$122,930	\$139,394
7	\$21,420	\$26,855	\$46,768	\$57,383	\$66,899	\$82,917	\$109,741	\$133,398
8	\$20,221	\$25,656	\$42,657	\$54,385	\$63,302	\$78,121	\$103,746	\$126,204

FY14 Funding Guidelines

Residential Initial Rates								
LON								
Beds	1	2	3	4	5	6	7	8
1	\$31,479	\$36,519	\$69,199	\$90,171	\$132,117	\$257,955	\$259,211	\$260,466
2	\$31,479	\$36,519	\$69,199	\$90,171	\$132,117	\$133,373	\$149,282	\$161,085
3	\$31,479	\$36,519	\$69,199	\$90,171	\$97,289	\$111,555	\$ 135,885	\$152,293
4	\$31,479	\$36,519	\$69,199	\$77,781	\$90,171	\$104,438	\$133,792	\$150,723
5	\$31,479	\$36,519	\$62,267	\$74,013	\$84,310	\$103,600	\$132,955	\$147,583
6	\$31,479	\$35,666	\$60,173	\$71,920	\$82,217	\$101,507	\$130,861	\$144,443
7	\$27,879	\$33,573	\$55,688	\$67,434	\$80,124	\$99,414	\$128,768	\$141,303
8	\$25,786	\$31,479	\$51,800	\$65,341	\$78,030	\$97,321	\$126,675	\$138,163
9	\$23,693	\$29,386	\$48,311	\$63,248	\$75,937	\$95,227	\$124,581	\$135,023