

CT COMMUNITY NONPROFIT ALLIANCE



To: Members of the Appropriations Committee

From: Ben Shaiken, Public Policy Specialist, CT Community Nonprofit Alliance

Re: Appropriations Committee Public Hearing on H.B. 5044 AN ACT MAKING ADJUSTMENTS TO STATE EXPENDATURES FOR THE FISCAL YEAR ENDING JUNE 30, 2017.

Date: February 11, 2016

Good evening distinguished members of the Appropriations Committee,

My name is Ben Shaiken, Public Policy Specialist for the CT Community Nonprofit Alliance. The CT Nonprofit Alliance represents more than 550 community nonprofit organizations and associations across the state and is the largest advocacy organization representing community nonprofits in Connecticut. Our members serve more than 500,000 Connecticut residents each year.

I am here today to voice concerns about the Governor's proposed FY 17 budget revisions. This proposed budget threatens the health and well-being of Connecticut residents by cutting spending in every area in which nonprofits serve our communities.

In total, the Governor has proposed cutting core programs and services by over \$408 million. Put another way, 72% of the total cuts proposed by the Governor will fall on state agencies that support community nonprofits.

Department of Children and Families

This budget would cut more than \$41 million from the Department of Children and Families, with the majority of cuts targeted towards the reduction of congregate care capacity. Group homes provide essential therapeutic services to children removed from their homes due to abuse, neglect, or other high risk circumstances. **Further eliminating treatment options for children such as STAR Homes and Therapeutic Group Homes will only exacerbate the currently strained system.**

As these programs close, outpatient clinics, which are already at capacity, will be flooded with children who would otherwise require a higher level of care. Or worse, children with nowhere to turn may fall through the gaps, closed off from services that would otherwise improve their well-being. The DCF federal court monitor has warned that the reduction of congregate care capacity without sufficient reinvestment in community based services will jeopardize the well-being of CT's children. If Department continues to reduce options for children in this level of care without reinvesting in community based services, they risk jeopardizing the well-being of children in their care.

The Governor is also proposing a \$27,795,169 cut to the combined block grant "Agency Operations" account at DCF. We are very concerned about this proposed cut, as there is no assurance that DCF

would be required to evenly distribute this cut across all programs. This cut could disproportionately fall on, and in some cases completely eliminate, critical programs that serve some of the neediest children in Connecticut.

Department of Social Services

The most significant change in the DSS budget is a transfer of funding for the Community Residential Services line from DDS to DSS, and a change from grant funded service provision to fee-for-service billing. This change reflects a transfer of more than \$537 million from DDS to DSS, or nearly half of the total DDS Operating Budget in FY17.

The proposed shift to Medicaid Fee for Service may have the potential to create positive change in the provision of services for people with intellectual and developmental disabilities; however, **without adequate rates, no rate setting methodology can fix the problems in the DDS Community Residential Services programs. Without adequate rates, the waiting list cannot be reduced.**

The Governor's budget represents a 1:1 transfer between DDS and DSS. Under the current system, there is not adequate funding to address either drastic underpayment to all providers or the waiting list. Without more information, we are not certain that **a simple transfer without new funding will solve either of these problems.**

Finally, **community nonprofits and families must be at the table throughout all aspects of writing a state plan amendment, rate setting methodology and the setting of a rate at DSS.** Without this assurance from the administration, we cannot support moving Community Residential Services to DSS. One way to ensure family and provider input is through the creation of an Intellectual Disabilities Partnership, with a similar model to the Behavioral Health Partnership. We support this aspect of the Governor's proposal, as it will provide families and nonprofits with the opportunity to collaborate with all types of stakeholders to improve upon the DD service delivery system.

Connecticut's community nonprofits deliver the state's core services, yet they are forced to operate on limited funding, the result of repeated rescissions and chronic underfunding. Doing more with less is not an option.

The individuals served by community nonprofits are some of the state's most needy citizens, and in many instances, those who strive every day to increase or regain their independence. The services they receive are life sustaining. They are our children and parents, our neighbors and friends. Without community services, they will have no place to go to meet their needs, or they may be forced to more costly alternatives, such as emergency departments, hospitals—even jails.

In the past, the legislature has proven that it takes the needs and well-being of Connecticut residents seriously. Please continue to support the hundreds of thousands of individuals, children and families served by community nonprofits across Connecticut.

Please do not hesitate to contact me with any questions at bshaiken@ctnonprofitalliance.org or 860-257-7909.

XXX