
My name is Gian-Carl Casa, President and CEO of the CT Community Nonprofit Alliance. The Alliance is Connecticut’s statewide association of community nonprofits. Our members deliver essential services to more than half a million people each year and employ almost 14% of Connecticut’s workforce.

Thank you for the opportunity to testify in support of increasing funding to support people with Intellectual/Developmental Disabilities (I/DD) through the Department of Developmental Services (DDS). It has been eleven years since community providers of services with DDS were granted a rate increase to cover the ever-increasing fixed costs of doing business, including employee wages.

Section 1: Funding for New Graduates

First, let me comment on Section 1 of the proposed bill, which provides a mandate for Connecticut to provide funding each year for people with I/DD who turn 21, aging into the DDS system. This is referred to as “graduate funding,” and Section 1 of this bill mandates that DDS fund services for each eligible person beginning on January 1, 2019. We are concerned that the language in line 18 of the bill could be interpreted to mean that the State shall directly provide the service, rather than contract out to providers, as it does currently for over 90% of services for people with disabilities. Line 18 states (emphasis added):

“...the Department of Developmental Services shall provide services”

We request that the Committee clarify this language so that it is clear that the Department shall fund the services for people with I/DD who turn 21 at the end of a school year, rather than providing services themselves.

We support funding services for everyone who is eligible to receive them. There are currently thousands of people and their families in Connecticut waiting for funding to be made available. Many must wait until their caretakers turn 70 or their situation becomes an emergency before they are able to move into supported residential services. As we fight against budget cuts each year, we must also struggle year in and year out to ensure that funding is in the next year’s budget for new graduates. Section 1 of this bill will mandate that DDS provide services to new graduates each year.

Section 2: Rate Increases for Private Providers

Section 2 of the proposed bill directs DDS and DSS to increase rates to nonprofit providers to raise the wages of their direct support professionals. We thank the Committee for raising this bill on the important issue of wages for nonprofit employees. The legislation recognizes that community providers pay their employees based on what it is the State pays to them. Community nonprofits want to pay their employees more, but the State needs to build-in protections and resources for such adjustments in all current and future contracts and grants.
For nonprofits that contract with the State to provide essential services on behalf of government, the legislation should guarantee increased funding that will:

1. Cover the increase in wages; and,
2. Provide that community nonprofits are not required to pay the higher wages in any year in which the State does not meet the commitment. This is especially important as the language in the bill requires the increases “within available appropriations.”

State contracts do not automatically adjust to increases in the minimum wage and do not adjust wages for those making above minimum wage. Without additional funding, such changes will bust budgets and force reductions in services. The State is facing years of budget deficits and budget cuts have already put even more fiscal pressure on nonprofits to meet increasing demand for services.

As employers, nonprofits strive to compensate their employees fairly to recognize their incredible dedication and passion to caring for the most at-risk and vulnerable people - children, families, seniors and individuals with complex needs. These employees provide high quality care, give people hope, purpose and the help they need to be self-sufficient and enrich their communities. While wages vary widely by job type, organization, and state agency with which a nonprofit is contracting, nonprofits whose employees are paid below fifteen dollars per hour do so because the State does not pay enough for a higher wage.

As I mentioned at the beginning of my testimony, providers of services for people with Intellectual and Developmental Disabilities have not had a rate increase since 2007, when minimum wage in Connecticut was $7.65 per hour.

Providers have been paid by the state to pay an average starting wage of approximately $12.80 per hour since 2007, but minimum wage has increased to $10.10 per hour since then while nonprofit wages have remained stagnant. This has made it harder and harder for these community providers to recruit qualified staff, as other sectors like retail have raised their starting wages to $10.10 or higher.

We are concerned that the bill as proposed excludes wage increases for managers. This will create wage compression, when wages for managers are not adjusted to reflect the higher wage floor. Wage compression is just not a theoretical concern – direct care professionals depend on better wages to move into managerial positions. If rates are increased as this bill proposes without increase the compensation of managers, direct care professionals will lose the ability to earn better wages through promotion.

Raising wages will improve employee retention and reduce costs associated with turnover and with hiring new employees and we appreciate the efforts of this Committee to raise this important issue.

Section 3: Training and Development Advisory Council

Section 3 of the proposed bill creates an advisory committee to study the training offered to direct support professionals in Connecticut. We thank the Committee for including providers in the list of appointees to this taskforce, and we support working to create a training pipeline for direct support professionals to advance in their field. However, we offer the following areas of concern:

1. We caution that direct support professionals in Connecticut are already highly trained. One of the charges of the advisory committee is to determine “the extent to which such direct support professionals who serve people with high levels of need may require additional training to adequately serve such persons.” Direct support professionals in the private provider workforce are already adequately trained to support people with I/DD at the highest level of need and we are concerned that this charge implies that the training levels are substandard.
2. We also caution the Committee that **providers must be funded to offer any additional training requirements or programs.** Without adequate funding to increase training levels for staff to give them a pipeline to advance, providers cannot offer them.

Thank you for your consideration of these important issues. I would be happy to answer any questions you have.

Gian-Carl Casa  
President & CEO  
gcasa@ctnonprofitalliance.org