



**MARCH 25, 2021**

**Human Services Committee**

**Public Hearing on:**

**H.B. 6636 An Act Concerning COVID-19 and Enhanced Federal Medicaid Funding**

Good afternoon Senator Moore, Representative Abercrombie, Senator Berthel, Representative Case and members of the Human Services Committee:

My name is George Reid-Perry, Senior Director of Adult Services at SARAH Inc. Our agency delivers Early Intervention services to children and families and supports for adults with intellectual disabilities to more than 1400 people in 50 towns across 5 counties. We are able to do this work thanks to our more than 130 employees that live and work in your communities.

Thank you for the opportunity to provide testimony in **support of H.B. 6636. An Act Concerning COVID-19 and Enhanced Federal Medicaid Funding**

The American Rescue Plan is expected to bring \$10 billion into Connecticut, with over \$4 billion going directly to state and local governments.

Connecticut is set to receive a significant increase in federal matching funds for Medicaid, including a 10% increase for Home and Community Based Services as well as the continuation of the 6.2% increase that began in the Spring of 2020.

While nonprofit providers were allocated a portion of the Coronavirus Relief Fund, those funds were spent months ago, and the State **has not used** the increased federal Medicaid match to increase rates or otherwise compensate providers.

As you know, and the Governor acknowledged, Community non-profits provide essential services in every city and town in Connecticut, serving people in need and employing tens of thousands. This past year has shown the resiliency and dedication of the Non-profit community and all those we employ and provide services to.

COVID-19 brought unanticipated and unbudgeted costs and operational challenges for community providers, and for many, Medicaid is a primary or significant source of funding.

During this time, we have:

- Procured expensive and hard to find Personal Protective Equipment (PPE) and cleaning supplies;
- Created virtual services seemingly overnight, and purchasing necessary computers, cybersecurity, online meeting platforms and training for both staff and people receiving services
- Had to train staff on Electronic Visit Verification EVV and comply with Medicaid rules regarding data entry for services provided in less than 2 months' time.

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- Most importantly during COVID we did not layoff or terminate any staff as a result of the pandemic, which we are very proud to share.

As you may know, community nonprofits have **requested that the legislature appropriate \$461 million over the next five years for community nonprofits**. Since 2007, community nonprofits have lost at least \$461 million in state funding that has not kept pace with inflation or adequately covered increased costs and demand for services over the last thirteen years. COVID-19 has only exacerbated those challenges.

CHRONIC UNDERFUNDING has put our agencies in a constant staffing crunch as we are unable to compete with Big Box stores who compensate employees at higher starting wages than we can afford due to lack of appropriate funding, not to mention the uncertainty of reliable funding year to year. This is not how businesses should be forced to operate.

We are consistently asked to do more year after year for some of CT's most vulnerable residents, with inadequate funding to often provide staff all the necessary resources to do their job successfully.

The requirements and demands of supporting those with Intellectual and Developmental Disabilities can be very rigorous. Without adequate funding we will continue to see a decline in the ability to hire a dedicated and highly skilled workforce that this field requires.

Because a substantial portion of the \$461 million restoration for community nonprofits will be to provide increased Medicaid rates, the **enhanced FMAP is the opportunity for the Connecticut General Assembly to address these needs head on**. This influx of federal funding combined with the state's strong Rainy Day Fund, and more than \$400 million in unexpended Medicaid funds, puts the state in the unique position to use those funds to directly support nonprofit programs and fulfill their needs without complicating the state budget process.

Congress intended for the American Rescue Plan to help Americans across the country get to the other side of COVID-19, and this bill would provide significant support to help community nonprofits emerge from COVID-19 stronger and more ready to meet the needs of our communities.

We urge the Committee to support H.B. 6636.

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