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**March 25, 2021**  
**Human Services Committee**  
**Public Hearing on:**  
**H.B. 6636 An Act Concerning COVID-19 and Enhanced Federal Medicaid Funding**

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

I am Stan Soby, Vice President, Public Policy and External Affairs, at Oak Hill. Oak Hill has been providing services for people with disabilities for 126 years and is a leader in providing the highest quality community-based programs; through education, assistive technology, programs and advocacy, we support people at every stage of life. Oak Hill has over 20 distinct programs, with 152 program sites, classrooms, and homes located in 77 towns. Oak Hill employs over 1,700 professionals to successfully help meet the changing needs of close to 40,000 people with disabilities each year.

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, which has been designated as funding to supplement, not supplant, State funding. It also continues 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 existing increased federal Medicaid match to increase rates or otherwise compensate providers since July.

Community nonprofits have been on the frontlines of the COVID-19 pandemic. Many never closed their doors and have been meeting the needs of the communities they serve despite the risks. 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.

The COVID-19 pandemic exacerbated the impact of inadequate funding for nonprofit services and brought unanticipated and unbudgeted costs and operational challenges for many community nonprofits, such as providing hazard pay for essential workers on the front lines with a higher risk of exposure; procuring expensive and hard to find Personal Protective Equipment (PPE) and cleaning supplies, with these COVID – related costs being upwards of \$125,000 a month. Purchasing necessary computers, cybersecurity, online meeting platforms,

***Our Mission: Oak Hill sets the standard, partnering with people with disabilities, to provide services and solutions promoting independence, education, health and dignity.***

additional software and licenses, and training for both staff and people receiving services in order to create telehealth services and pivot from in-person to virtual service provision and general business activity resulted in spending \$130,000 for the year, none of it reimbursed.

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 (the CPI increased 28% since 2007) or adequately covered increased costs and demand for services over the last thirteen years. COVID-19 has only exacerbated those challenges.

Over the last 14 years, because of underfunding, we have closed 10 programs for which the rates paid by the State no longer covered the costs. This was incredibly disruptive to individuals served, their families and our dedicated staff who supported them.

Because a substantial portion of the \$461 million restoration for community nonprofits will be to provide increased Medicaid rates, the enhanced Federal Medical Assistance Percentage (FMAP) is a unique opportunity for the Connecticut General Assembly to address these needs. 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 to move forward and this bill would provide significant support to help community nonprofits emerge from the pandemic stronger and more ready to meet the needs of our communities.

We at Oak Hill urge the Committee to support H.B. 6636.