

THE  
KENNEDY  CENTER

DATE: Feb. 21, 2020

TO: Appropriations Committee

FROM: Rick Sebastian, President of The Kennedy Center, Inc.

RE: Adjusting the Biennium Budget

Good evening Senator Osten, Representative Walker, Senator Formica, Representative Lavielle and distinguished members of the Appropriations Committee:

My name is Rick Sebastian, and I am a relative newcomer, registered voter and taxpayer to the state of Connecticut, having moved here on December 29, 2017.

I am the dad of a 40-year-old daughter who has multiple, significant disabilities. I've spent my entire personal life and professional career creating opportunities for people with disabilities to thrive in their communities.

I am a practical idealist and, I must say, I am dismayed at our public policy financing decisions, which seem to be focused on creating learned hopelessness in our human services system and promoting a tin cup culture of, year after year, hoping the state will respond to our requests.

I am speaking tonight as the President and CEO of the Kennedy Center, a 501c3, tax exempt, organization and, a state contractor. We will celebrate 69 years in operation on April 11 and it is my honor to carry on the advocacy work of our founder, Evelyn Kennedy. We employ approximately 750 people and support more than 2,400 individuals and their families in 109 communities throughout the state.

My colleagues and I share a unique and unparalleled perspective of viewing this budget through the lens of contractors providing essential state-funded services, as job creators and as social entrepreneurs, who each day bring innovative solutions to complex challenges in our communities. In short, we are assets to the State of Connecticut.

I respectfully request that this committee and the legislature look closely at the burdens placed upon us, the people we support and our communities after more than a decade of being left behind with no or minimal funding. The rate of inflation has increased by nearly 37% and yet the rate of increase we have received is about 9%. Our demand for services, costs and regulatory mandates have risen, and our system has a shortfall of at least \$461M in state reimbursement.

We are not asking for handouts, nor should we hear, 'just have more fundraisers.' We are asking that you financially recognize the vast work and impact we make on your behalf and commit to fully reimbursing us for services rendered, just as you fully reimburse all other state contractors for their services rendered.

I ask that you create a commitment and pathway to:

1. Appropriate a 7% increase of \$128 million (a state net of \$67 million after federal reimbursement) in new funding for community providers in Fiscal Year 2021;
2. Index future increases to inflation, thus ensuring continuity of essential services; and
3. Increase funding by the full \$461 million, or 28%, by Fiscal Year 2025

Further I ask you to support community contractors in ways that do not include additional funding.

The Kennedy Center last year was the recipient of approximately 280 Quality Service Review (QSR) audits conducted by DDS employees, covering more than 2,700 indicators. Consider that each of these audits was in-person rather than via electronic data collection or desk audits, meaning a state employee coming to our service area spent upwards of 2 hours driving to and from before they conducted the audit. The Kennedy Center had to ensure employee support for these audits which meant we absorbed costs and took our professional support staff away from providing essential services and supports to our individuals. And what was the outcome? An average compliance rating above 96%, with no critical value or impact added to the individual, the Kennedy Center or the State. Multiply this across all contractors and this process, in my practical opinion, is an absurd waste of valuable resources. Let's change it now.

I also ask that you fully implement and expand what was approved last session in S.B. 945: An Act Concerning the Innovation Incentive Program for Nonprofit Providers of Human Services. Expand this pilot program immediately so that contractors like The Kennedy Center can retain and invest savings back into our operations where it is so desperately needed. I know of no other state that operates with a cost recovery model that essentially punishes efficient and highly effective service delivery and stewards of taxpayer dollars. I encourage you to work with us to create pathways for solving some of our states most serious issues and challenges.

We are committed to ensuring that your most vulnerable constituents thrive in their communities and we ask you to share this commitment by financially supporting community providers in this biennium budget.

Thank you for the opportunity to provide comment on H.B. 5005 An Act Adjusting the State Budget for the Biennium Ending June 30, 2021.

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