



**GILEAD**

COMMUNITY SERVICES, INC. • Serving Middlesex County

Improving Lives, Building Futures

Various programs  
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DATE: February 21, 2020

TO: Appropriations Committee, Health Subcommittee

FROM: Daniel Osborne, CEO Gilead Community Services

RE: H.B.5005 An Act Adjusting The State Budget For The Biennium Ending June 30, 2020

Good afternoon Senator Osten, Representative Walker, Senator Formica, Representative Lavielle and distinguished members of the Appropriations Committee. My name is Daniel Osborne and I am the CEO of Gilead Community Services in Middletown. Gilead provides a full continuum of mental health services through 19 programs that are spread across Middlesex County.

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

I am here tonight on behalf of our 300 staff, 2000 clients and thousands of community members who actively support and benefit from the work that we do in the community to urge you to protect and fully fund the essential services that organizations like Gilead provide to the community. More specifically, I am here to support the proposal that the CT Nonprofit Alliance has outlined which would appropriate \$461 million over the next five years for community nonprofits. As you know, we have lost at least that much over the last 13 years through funding cuts and a lack of funding adjustments to address inflation and our growing costs.

So, as I am sure many other people have asked of you today, please:

- Commit to fund the full \$461 million (28% increase) by Fiscal Year 2025
- Appropriate \$128 million in new funding for community nonprofits in Fiscal Year 2021 (7% increase)
- Index future increases to inflation to ensure that future funding keeps pace with increase costs

It is important that we clearly communicate what it will take and what it will cost for our services to be adequately funded after years of cuts and flat funding. However, I am not just here today to talk with you about what these increases would cost. I am sure that you are well aware of these numbers and more aware than I am of the challenge that lies before you to support our request. I am here tonight to talk about what it will COST our state if we do not adequately fund Connecticut's nonprofit providers now while we have the opportunity to act.

I have worked at Gilead for 18+ years. Over the past several years, we have decreased our program staffing levels and we have reduced client capacity in several critical programs including our ACT Team, CSP Program and Social Rehabilitation Center. At a time when the need for mental healthcare is rising, our services are shrinking.

So, what will it cost if we don't act now and address the chronic underfunding of nonprofit human service providers in Connecticut?

- Staffing Levels and Client Capacity will continue to decrease. In other words, less people will be served through the essential case management, clinical and residential services that are supporting thousands of people in need throughout our state every day.
- Utilization of expensive emergency services will continue to rise due to insufficient community resources that can prevent or provide early interventions to support the onset of symptoms that will otherwise develop into more complicated and difficult to treat outcomes.
- Agencies across the state will continue to close. Last year, I shared with you that a 150 year old Middletown agency was forced to close its doors because of their inability to survive the chronic underfunding that they had endured for years. There will be more like this one. Nonprofits in

Connecticut are disappearing. The state is losing valuable partners in the nonprofit community because we are failing to invest in cost effective and high quality services.

- People will die. I am not being dramatic when I say that our lack of action as a state to adequately fund nonprofit community providers will result in tragedy. And, in fact it already has. I understand that we will never be able to reach everyone. But we can do so much better. There just are not enough services to reach even some of the most high risk people in our community. Since Fiscal Year 2013, grant funding for substance abuse services has been cut by 29%. Funding for behavioral health has been cut, even as demand increased. From 2013 to 2017, opioid-related overdose deaths increased from 417 in 2013 to a record high 1,200 in 2019. This is unacceptable.

Community providers operate at a loss for nearly every service that we provide. In 2015, the annual loss for the top ten clinical services by volume was more than \$27 million for approximately 250,000 service hours. With inadequate reimbursement rates, the State not only fails to maximize its federal matching funds, it risks the provision of some of the most highly utilized, critical behavioral health services.

Essential services have closed, key programs have been forced to reduce their census while needs have risen and people have died. We can't change what has happened. We can't bring the people back who we have lost, but we have a chance to save so many of these lives in the future. And we have new and innovative tools to accomplish great things. It is time to change. We have the ability as a state to begin to change this story. Please partner with us and advocate for the funding increases that we need to fulfill our mission. Thank you!

Respectfully,

Daniel Osborne  
Chief Executive Officer  
Gilead Community Services

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