



Testimony of

Marek Kukulka, Chief Executive Officer, Catholic Charities Archdiocese of Hartford

Re: Judicial Department Budget

H.B. No. 6439 (COMM) AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE THIRTIETH, 2023, AND MAKING APPROPRIATIONS THEREFOR

Appropriations Subcommittee on Judicial & Corrections, February 26, 2021 Public Hearing

Senator Osten, Representative Walker, Senator Miner, Representative France and distinguished members of the Appropriations Committee, Thank you for the opportunity to testify on H.B. No. 6439- AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE THIRTIETH, 2023, AND MAKING APPROPRIATIONS THEREFOR, my name is Marek Kukulka and I am the CEO of Catholic Charities, Inc. - Archdiocese of Hartford.

Catholic Charities is a family and children's human services agency which employs nearly 400 human service delivery professionals and provides services to over 18,000 individuals and families without regard to race, religion, or economic circumstances each year. As a multiservice agency we serve adults and children with significant mental illness, substance use disorders, physical and intellectual disabilities, and victims of domestic or community violence. Our services also include early childhood education, infant toddler care, elderly services, migration and refugee services, as well as family support and education to name a few. CC provides essential services in 29 locations in Hartford, New Haven and Litchfield counties serving people in need. We are among the 500+ member agencies of The CT Community Nonprofit Alliance.

I am here to respectfully **request that the legislature appropriate funding for community nonprofits for contracted services in the Judicial budget.** 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.

As a result of inadequate funding our organization has not been able to provide for our case managers and clinical staff a market competitive wage for over 10 years. This presents a significant struggle in maintaining a quality workforce as on many occasions our employees have moved on to state employment or similar jobs elsewhere for significantly higher wages and better benefits.

Specifically, CSSD funding does not directly fund clinical and medical/psychiatric staff costs. Third party reimbursement is expected to fund these positions. In fact, the hourly cost to pay a clinician is higher than the Medicaid reimbursement for such services. This means we lose money on providing such services. To balance costs, operational hours and staffing have had to be reduced in both our Milford and New Haven contracted locations.

In addition, the COVID-19 pandemic exacerbated the impact of inadequate funding and brought unanticipated and unbudgeted costs and operational challenges. Typically, CSSD program referral sources include bail commissioners, probation, and parole officers who oversee court mandated clients to treatment. Catholic Charities CSSD-Adult Behavioral Health Services contract suffered a reduction of greater than 50% in losses from new referrals.

During the pandemic, Catholic Charities never closed our doors. However, our organization provided hazard pay for essential workers in our residential program for individuals with intellectual and developmental disabilities, covered the cost of expensive and hard to find Personal Protective Equipment and cleaning supplies, created telehealth services and purchased necessary computers, cybersecurity, online meeting platforms and training for both staff and people receiving services. Courts are just beginning to refer new cases, however, the staffing reductions from the pandemic are now stressing the system to provide adequate services and require additional funds.

The legislature has an opportunity to address this reimbursement gap by properly investing in the nonprofit sector. At this time when Connecticut's projected surplus continues to grow, and additional federal dollars are provided, policymakers simply can't afford not to do this. **Our employees are some of the hardest working professionals across the state who have worked on the frontlines during this pandemic! Our staff have had to bear the burden of underfunding, going years without salary increases while simultaneously watching benefit packages deteriorate!**

This investment of resources represents an opportunity to improve the quality of life and economic activity in your communities for your constituents. Investing in nonprofit providers will improve service delivery, increase economic activity, and save taxpayer money. I ask for your commitment now to invest in community nonprofits like Catholic Charities.

Failure to act will have dire consequences. There is a myth that nonprofits will continue to deliver services in the face of budget cuts. The truth is budget cuts and flat funding have resulted in harm to people who depend on nonprofit services and those who deliver those services, and without significant investment now, the nonprofit human services delivery system will be further pushed to its limits and many of us will have to further reduce operations or close programs and locations all together.

Thank you again for your time and consideration. Please do not hesitate to contact me with any questions, or for additional information.

Contact information Marek Kukulka, CEO, Catholic Charities, Inc. Archdiocese of Hartford, 839-841 Asylum Avenue, Hartford, CT 06105, 860-728-2566, mkukulka@ccaoh.org