



Public Hearing on:
H.B. 6439 An Act Concerning The State Budget For The Biennium Ending June Thirtieth, 2023, And Making Appropriations Therefor.
Health Subcommittee
Tuesday, March 2, 10:00 am

Good afternoon Senator Osten, Representative Walker, Senator Miner, Representative France and distinguished members of the Appropriations Committee:

My name is Beth Fisher, Executive Director for Kuhn Employment Opportunities, Inc., a nonprofit, community-based human services agency. Our agency serves approximately 400 individuals with disabilities each year via contracts with the State Department of Developmental Disabilities and the Department of Mental Health & Addiction Services. Our services are delivered throughout central Connecticut with our headquarters in Meriden, Connecticut and an office in Middletown Connecticut.

Thank you for the opportunity to testify on H.B. 6439 An Act Concerning The State Budget For The Biennium Ending June Thirtieth, 2023, And Making Appropriations Therefor.

Community nonprofits provide essential services in every city and town in Connecticut, serving people in need and employing tens of thousands. They are what make Connecticut a great place to live and work.

I am here to respectfully **request that the legislature appropriate \$461 million over 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. Please:

1. Commit to increasing funding by the full \$461 million, or 28%, by Fiscal Year 2026;
2. Appropriate \$128 million (a state net of \$67 million after federal reimbursement) in new funding for community nonprofits in Fiscal Year 2022, a 7% increase;
3. Index increases to inflation, to ensure that state funding will keep pace with increased costs in the future.
4. Hold nonprofits financially harmless from the impact of COVID-19.

Throughout the COVID-19 PANDEMIC our staff has continued to work to keep our program participants engaged in services; some in-person, and some virtually. Job placements for individuals seeking competitive employment continued with many of our individuals obtaining essential jobs during the pandemic as grocery store workers, companions for the elderly, and fast food workers with the support of their Kuhn Employment Specialist. Group supported services provide employment through Kuhn contracts with businesses, and is a critical service model for nearly one-hundred of our individuals with developmental disabilities. In order to protect those jobs, our staff filled those positions when program participants were not able to; many of this work was cleaning and sanitizing State office buildings, including three Department of Labor buildings, at the peak of the pandemic even when exposures were reported. While our staff continued to provide these critical services, our agency's costs for PPE, cleaning supplies, technology & equipment for remote work/ services, and premium pay for staff with high risk of exposure to COVID-19 skyrocketed.

Throughout our service system, 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;

- Creating telehealth services seemingly overnight, and purchasing necessary computers, cybersecurity, online meeting platforms and training for both staff and people receiving services.
- Many community nonprofits never closed their doors even as the pandemic worsened.

The years of inadequate funding haven't taken a toll on community nonprofits and the individuals we serve. An example that I have included in previous testimony to this committee continues to puzzle me and illustrates the short-sightedness of inadequate and decreased funding for nonprofits:

In FY '17, our agency saw cuts to our DMHAS-funded employment services in Meriden and Middletown; 20% and 15% respectively. This translated to the loss of services for seventy (70) individuals living with mental illness in our community. In FY'18, we faced an additional 5% cut to our Middletown DMHAS-funded employment services. While we have since been able to restore services for twenty (20) of the seventy (70) program slots lost, and saw a 1% restoration, the need remains significantly greater than funding allows.

Still in 2021, service capacity remains unchanged, and fifty less people who live with severe and persistent mental illness can access supported employment in our service area. Why not fully and adequately fund services that assist people with disabilities to gain employment and earn a living? Individuals who have the support to go to work and be productive, valued members of our community over time can become less dependent on public assistance; why is that not a priority? Research shows us that employment is a key component to recovery. Instead, while nonprofit agencies scramble to make ends meet, services are further eroded.

And, demand continues to increase as funding is cut. Therefore, I urge you to take action as follows:

Department of Developmental Services

- Please reinvest the proposed savings of \$4.1 million by transitioning approximately 300 people to Individual Supported Employment Services from group-supported employment or day services to serve people with I/DD, rather than balancing the budget.
- Please reinvest the proposed savings of \$2.3 million from funding reductions in the Behavioral Services Program to serve people with I/DD, rather than balancing the budget.
- Please ensure that the proposed savings of \$1 million in each fiscal year from closing one public Community Living Arrangement is reinvested to serve people with I/DD, rather than balancing the budget.

Department of Mental Health and Addiction Services

- The need for mental health and substance abuse treatment services is expected to grow significantly as we emerge from the pandemic. Now is the time to invest in substantial improvements and enhancements to the behavioral health system, not to time to flat-fund the DMHAS budget.

In closing, please keep in mind that nonprofit providers deliver quality services with dedicated staff, receive high marks from State reviews of services and, are cost effective when compared to State delivered services. We are mission driven and committed to the individuals we serve, and deeply connected to the local communities that we serve. Community-based nonprofits must be funded at a level that covers our cost of delivery the critical services the State depends on us for as a partner with the State of Connecticut.

Thank you for your time and attention to these issues.

Sincerely,

Beth Fisher

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