



Appropriations Committee Talking Points

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:

I am Linda Iovanna and I am the President and CEO of MARC Community Resources. We are a 7.5-million-dollar private provider of a continuum of residential, day and employment services for people with intellectual and developmental disabilities. We have 250 families associated with MARC and employ over 140 people. We serve all of Middlesex County and as far as Old Saybrook and into Harford County. I am a resident of Cromwell.

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.

As you have heard from numerous nonprofits, we provide the services that keep our communities intact. We help your brother, your cousin, your mother, your son, and your neighbor. We are hired by the state of Connecticut to support all people in need. We are a key component of Connecticut being a great place to live and work and keeping families together and safe. The people who work in these nonprofits are both highly educated with numerous degrees as required by the state, and people with no formal education, but significant level of training also as required by the state. Yet, these bright committed people must sacrifice personal comfort and gain to pursue their desire to serve. Cuts, rescissions, and flat funding over the past 14 years has necessitated a duct tape approach to infrastructure and maintenance and has kept direct support professionals at or near poverty levels. Middle managers with significant responsibility make only in the mid 30's. Despite Covid – MARC is open and operating. We have a waiting list of people who want to return to program, as well as new referrals. We have had to delay their return because of staffing shortages, not because of Covid. We have many heroes who work at MARC. The Direct support professionals are compassionate, dedicated people, but they too need to worry about their families. We simply are not able to pay wages high enough to attract and retain well trained staff. Post Covid, I see a staffing shortage as the nonprofit number one crisis. Without staff, we cannot provide the services that families are desperate for.

Covid-19 has created another level of hardship. Our agency closed from March 19th through July 15th, 2020. We opened our doors again as requested by the state. Prior to doing so, we were required to implement social distancing and other safety protocols including items like touchless thermoscanning, touchless soap dispensers, PPE, sanitizing products, Plexiglass, Special equipment to clean vans, HVAC filters and heap filters, and virtual services technology and training. The list is endless. MARC has spent in excess of a half a million dollars to provide services in a safe manner. We have had 3 homes with

Covid positive residents, and staff who became positive as a result of providing services. We have paid exorbitant fees for temporary agencies to assist us while staff quarantined. We had other staff that stayed in hotel rooms with positive residents for the 14 days to prevent others from being exposed. DDS has kept us stable and I am very thankful for that. We have done our best to use appropriated funds to help cover overtime, hazard pay, and quarantine costs but expenses continue to pile up. Nonprofits should be held financially harmless from the impact of Covid-19.

Nonprofits have suffered a significant loss of fundraising income as well. This is from loss of event revenue and loss of donations that were diverted to Covid relief and the Black Lives Matter movement. We have also had foundations realign their giving priorities in order to respond to immediate needs.

I am here to respectfully **request that the legislature appropriate \$461 million over five years for community nonprofits**. Since 2007, community nonprofits have lost more than \$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.

Demand continues to increase as funding is cut.

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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.
- Please support the \$6.3 million increase in Discharge & Diversion Services. Community nonprofits can help people avoid most costly care (EDs, jails, or shelters) and get them on a path toward recovery.

Department of Public Health

- Please oppose the funding reduction to LGBTQ Health and Human Services Network. The State needs to continue to provide safe environments for people recovering from mental health and substance use.

Respectfully submitted by:

Linda Iovanna, CEO MARC Community Resources, 25 Industrial Road Middletown, Ct
Resident Cromwell