



TESTIMONY BEFORE THE APPROPRIATIONS COMMITTEE
Governor's Proposed Budget FY22 and FY23
(HB 6439 AAC the State Budget for the Biennium Ending June 30th, 2023)
Department of Mental Health and Addiction Services
TUESDAY, MARCH 2ND, 2021

CHELSEA ROSS
DEPUTY DIRECTOR
PARTNERSHIP FOR STRONG COMMUNITIES

Senator Osten, Representative Walker, Representative Gibson, Senator Hartley, Representative Kennedy, Senator Somers, and distinguished members of the Appropriations Committee, thank you for considering my testimony in support of imperative investments made through the Department of Mental Health and Addiction Services (DMHAS). I serve as the Deputy Director at the Partnership for Strong Communities (PSC), a statewide nonprofit policy and advocacy organization dedicated to ending homelessness, expanding affordable housing, and building strong communities in Connecticut.

PSC staffs and manages the statewide *Reaching Home Campaign* to prevent and end homelessness in Connecticut. *Reaching Home* brings together over 120 state and non-profit partners to identify and implement data-driven policy solutions and prepare a consensus legislative agenda. We, and our many partners, know that homelessness is an unacceptable condition and an expensive public policy problem, and we know what works to end it. DMHAS provides critical services and supports to ensure that those with the greatest needs in our state have a safe place in their communities to thrive. We respectfully request that the Appropriations Committee support the following proposals and expansions from the Governor's budget for the Department of Mental Health and Addiction Services:

- 1. We strongly support the proposed budget for DMHAS's Housing Supports and Services line at \$23.4 million** in each year of the biennium. The Governor's proposed budget provides critical funding for the housing and homelessness services and supports needed to assist individuals and families facing the most complex challenges to live with stability, autonomy, and dignity. Supportive services are individualized, flexible, and focus on improving housing stability, increasing income and employment, addressing health and wellness issues, and enhancing connections to community resources. Without the availability of these services and supports, households may not be able to meet their obligations of tenancy and can experience costly returns to crisis systems including hospitals, shelters, and justice settings.

Connecticut has achieved great strides in addressing the needs of individuals and families experiencing homelessness by pairing rental subsidies with the wrap around supports and



services DMHAS provides. In the last 8 years, the number of people in the homeless system has decreased by 57%, from over 14,000 people enrolled in emergency shelter and transitional housing in FFY 2012, to just over 6,000 in FFY 2020¹. Over the last 5 years, Connecticut has seen a 60% reduction in individuals and families experiencing chronic homelessness².

While we have made significant progress, there is still more work to do. As of February 23, 2021, there are 1,843 individuals active on the statewide By Name List of individuals experiencing homelessness, including at least 128 individuals verified as experiencing chronic homelessness³. Cuts to supportive housing services would risk reversing the substantial progress we have made to end chronic homelessness, and could mean increases in unsheltered, high-need homelessness – taking us in the wrong direction and imposing greater costs on our communities.

- 2. We support an additional investment in the DMHAS Housing Supports and Services Line Item of \$2.5M in FY22.** This additional funding request is necessary to provide critical supportive housing services to an additional 300 households with persistent obstacles to maintaining housing stability in both scattered-site and development rental units. Past budget rescissions have led to a gap in housing stabilization supports and wraparound services that keep highly vulnerable people stable in their housing and improve their social determinants of health.

Supportive Housing is a combination of affordable housing and supportive services designed to help vulnerable individuals and families use stable housing as a platform for health, recovery, and personal growth. In 2020, roughly 5,300 households were served in supportive housing. 62.3% of these folks maintained or increased their income. Only 2% of these households returned to homelessness⁴. Supportive housing continues to be one of the most effective housing models and has been proven to cut public system costs by up to 70%, and a CT demonstration showed a cost reduction of \$7,800 per person per year⁵. With the average cost of supportive services at \$7,500 per person, supportive housing not only leads to better outcomes for the individual or family served but can mean a cost savings to the state.

In 2020, statewide partners through the Reaching Home Campaign, including the Corporation for Supportive Housing, developed a model to quantify the need for Supportive Housing throughout CT. That model demonstrates that we will likely need just over 1,000 units of supportive housing over the next four years to effectively serve higher-needs individuals and families who will enter our homeless service system.

¹ 1HUD SPM 1a: Unduplicated count of persons served by emergency shelter, transitional housing, and safe havens in the federal fiscal year (October 1-September 30).

² CT Point-In-Time Count 2020

³ CTCANdata.org: CT BNL Weekly Status Report

⁴ CTCANdata.org Supportive Housing Performance dashboard

⁵ <https://www.csh.org/wp-content/uploads/2018/01/CSH-SIF-Evaluation-One-Pager-02-02-18-Final.pdf>

- 3. We support an additional investment in the DMHAS Housing Supports and Services Line Item of \$375,000** in each year of the biennium. Based on the 2020 Point in Time Count, we know at least 324 individuals and families were experiencing unsheltered homelessness⁶. In order to effectively locate and engage folks facing the most complex challenges, our system must include essential outreach services. These services offer to assist individuals living outside under bridges, in cars, or encampments. Outreach capacity is extremely limited at present, leaving people outside and vulnerable to severe and unsafe conditions.

A \$375,000 investment in outreach services would allow experienced outreach providers across the state to reach approximately 145 more individuals experiencing unsheltered homelessness across our state. Additionally, investments by the state in outreach leverage federal PATH funding. Most importantly is helping to ensure those who are experiencing unsheltered homelessness during a global pandemic are being connected to critical and life-saving resources. We must continue to work to ensure people are safe and supported during the public health crisis, especially those most at risk of contracting and dying from this virus. This investment in outreach is an investment in aiding these individuals and families in accessing safer, healthier, and more stable places to be.

- 4. We support the Governor's proposal to provide an additional \$4M in FY22 and \$7.2M in FY23 in DMHAS** to support successful community integration for people preparing to discharge from Connecticut Valley Hospital (CVH) and other psychiatric institutions, including 30 new MFP placements. The ADA requires that services be provided in the most integrated setting appropriate to the needs of qualified individuals with disabilities. "The unjustified segregation of people in institutions, when community placement is appropriate, constitutes a form of discrimination prohibited by Title II [of the ADA]"⁷. We know that quality, safe, affordable housing combined with intensive, coordinated services is a proven solution for people with serious mental illness to live successfully in their community.

This funding provides resources to a community-based system of care which includes affordable and accessible housing as well as voluntary services and supports. Community care models have consistently shown better outcomes than segregating individuals in institutions that are often cited for inadequate care and high cost. The annual per capita cost of inpatient care at Connecticut Valley Hospital was over \$547,000 annually as reported in the last state auditor's report⁸, while the average annual cost of supportive housing is \$18,700 including services and housing subsidy.

⁶ CT Point-In-Time Count 2020

⁷ Olmstead v. L.C. and E.W., 1999

⁸ https://wp.cga.ct.gov/apa/wp-content/cgacustom/reports/Mental%20Health%20and%20Addiction%20Services,%20Department%20of_20200806_FY2017,2018.pdf

We request an additional \$352,500 in each year of the biennium for wrap-around services for 47 individuals anticipated to receive federal HUD Mainstream vouchers during FY22. Mainstream vouchers are administered using the same rules as other housing choice vouchers but are targeted to assist non-elderly persons with disabilities. Providing supportive services that can be paired with these vouchers are crucial to help residents overcome barriers to self-sufficiency and independent living and ensure stable tenancies.

- 5. We support increasing funding to support non-profit agencies with a focus on those entities working to end homelessness via the CT Nonprofit Community Alliance proposal to restore \$461M over five years.** Since 2007, community non-profits have lost at least this amount in state funding that has not kept pace with inflation. Over the years, non-profit grants have been the target of repeated budget cuts, holdbacks, and rescissions. On top of those losses, non-profits have been particularly impacted by costs and revenue losses associated with COVID-19. The state must invest in the social services that are the safety net of our state.

Non-profits, including housing and homeless service organizations, are facing unprecedented challenges as they work to meet demand for essential services during the COVID-19 crisis and beyond. Our partners have reported that due to low wages in the industry, their employees themselves are struggling with stable tenancies and meeting their basic needs as they selflessly work to help others. The *Reaching Home Campaign* implores the legislature to increase funds to non-profit services to keep pace with increased costs and demand over the last thirteen years, and to invest in the essential non-profit housing and homeless providers that have dedicated themselves to the safety and service of others.

Allowing our neighbors to experience homelessness is unacceptable. Allowing our neighbors to languish in institutions when they can be served in their community is unacceptable. Allowing those that show up every day to prevent and end homelessness to continue to be paid at wages that do not allow them to provide for their families is unacceptable.

We must preserve and expand investments in housing supports and the agencies delivering these critical services. Not doing so risks reversing the substantial progress we have made as a state, and will result in increases in high-need, vulnerable, disabled individuals and families experiencing homelessness—taking us the wrong direction and imposing even greater costs to the state. Thank you for considering my testimony and thank you for your commitment to the thousands of individuals and families DMHAS works to serve.

Sincerely,



Chelsea Ross
Deputy Director
Partnership for Strong Communities

