



Connecticut Early Childhood Alliance

Testimony of Merrill Gay on HB 6439

Good afternoon Sen. Osten, Representative Walker, and members of the Appropriations Committee. My name is Merrill Gay and I am the Executive Director of the Connecticut Early Childhood Alliance, a statewide membership organization committed to ensuring that all children in Connecticut are healthy, safe and ready for lifelong success. Additionally I serve on the Benefit Cliffs work group of the 2 Gen Advisory Committee.

Thank you for this opportunity to provide testimony on the Governor's Human Services Budget. We are a year into a pandemic that has been devastating. Beyond the illness and death of over 7,650 state residents, the pandemic has resulted in hundreds of thousands of people losing their jobs and in many cases their employer provided health insurance. As the lines at food pantries make clear, there is great need in our state right now. That's why it's disappointing that the Governor's budget doesn't do more to address the very real problems that people face.

Most obvious of the shortcomings in this budget is that it doesn't help undocumented people get health coverage and does not expand lift the income eligibility threshold for parents on HUSKY back up to 201% of the federal poverty level. When this income threshold was lowered, 11,000 parents lost health care. At the time, the previous Governor told us those parents buy coverage through Access Health Care. Not surprisingly parents in that income bracket are struggling to pay their rent. Most could not scrape together the money to pay health care premiums even if subsidized. Many of those parents who lost insurance when the limits were reduced still don't have coverage.

We also worry that as we start to work our way out of the pandemic recession many parents who got on Husky after losing income will be in for a rude awakening in August when the minimum wage increase kicks in. At 160% of the



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federal poverty level HUSKY has one of the lower income thresholds of the various benefit programs. So imagine a mom who before the pandemic was working, had employer sponsored health insurance and was supporting her family. With the pandemic her employer closed, she lost her job and insurance. She got on HUSKY and survived on unemployment for a while and then found work somewhere else. She's not earning as much as she used to and doesn't always get as many hours as she hoped. Being on HUSKY helps but then when the minimum wage goes up she hits the benefit cliff. The raise isn't enough to pay premiums on the exchange but she's no longer eligible for HUSKY. The obvious answer to the problem of benefit cliffs is to raise the income threshold. If ever there was a time to do it, during a pandemic would be that time.

There are other disappointments in this budget. One that is a real head scratcher is the 50% cut to the Diaper Bank. With hundreds of thousands still out of work, there is real need out there. If there is one thing that is clear about this pandemic, it is that it has hurt poor people incredibly hard. When we think about the things that keep poor people up at night, we think about the obvious things like: can I pay the rent; will the lights get turned off; how do I fix the car so I can get to work. Unless we have a baby in our life it's easy to forget about the cost of diapers and how not having any can be an urgent stressor. Please restore the cut to the Diaper Bank line item in the DSS budget.

As the state stares at the coming "Silver Tsunami" of impending state employee retirements it's not too soon to start thinking about how the state can do things differently that will save money. One suggestion is to get rid of the mean spirited and expensive to administer asset test for TFA recipients. Due to the state's failure to provide a regular COLA for TFA recipients the value of the TAF cash benefit has eroded. The case load is small and quite frankly it costs more to employ DSS staff to enforce the asset test than the value of any "fraud" it detects. The reality is that people with means don't try to sign up for TFA to cheat the state out of the measly cash assistance benefit.



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Finally, I would like to address something in the DCF budget. For the past 2 years, members of the Early Childhood Alliance as well as many other child care providers, have complained about the abusive relationship they find themselves trapped in by DCF. The Department is supposed to protect children from abuse, but it abuses the child care providers that in many cases make it possible for DCF to make foster care placements. This abuse takes the form of not paying child care providers for the work that they do in anything that resembles a responsible time period. We took this up with the Department in February of 2019. We held repeated in person meetings with Department staff and then zoom meetings. The Department hired additional accounting clerks who managed to make the process for child care providers even harder to figure out. All of this stands in stark contrast to the Care4Kids system that every month pays child care providers for the care they provided during the previous month.

Last week a provider told me that after repeated calls and emails, she finally got paid in January of this year for care she provided last March. On Monday a different provider told me that DCF owed her center \$15,000. These payment delays have real consequences. You heard earlier from a child care provider who told you that she had to delay payroll because without the money DCF owed her the checks would bounce. These are not problems isolated to one DCF region. They are systematic problems related to the fact that the DCF payment system is still done on paper. Please move the money that pays child care providers out of DCF and over to Care4Kids so that we can end the abuse that child care providers are suffering.