Support Community Nonprofits

July 16, 2020

Dear Senators,

The CT Community Nonprofit Alliance (The Alliance) urges you to support policy priorities of community nonprofits in special session. The Alliance identified issues that, if addressed, would improve the ability of community nonprofits to meet the increased need of communities across Connecticut.

We urge you to address the following issues:

**Increase funding for community nonprofits. Dedicate federal Coronavirus Relief Funding for community nonprofits and add additional state resources.** Many costs associated with the pandemic response have been unanticipated and unbudgeted. For example:

- **Front line staff risking their lives must be paid much-deserved hazardous duty pay.** In some organizations overtime had to be paid to staff filling in for those who were sick or needed to be home.
- Most organizations **face increased costs for procuring PPE and cleaning supplies** (with a likely limited supply as the virus spreads around the country) and fit-testing staff for PPE.
- Telehealth and telephonic health have made services accessible for people across the state – without risking their health by going into medical facilities or traveling on public transportation to get to appointments. But because Connecticut was the last state in the country to implement telehealth, providers were faced with costs for the infrastructure needed to implement it. Nonprofits have also incurred technical costs to virtually train staff to deliver services virtually.
- **Despite teleservices being available, volume is still down,** costing organizations revenue when paid on a fee-for-service basis. For example, capacity and beds must be left empty and the overall census reduced to leave room for isolation and quarantine. Time needed for cleaning between uses and space imposed for social distancing have reduced capacity, further reducing the number of people who can be served.
- **Additional staff has been needed,** ranging from I.T. positions for online work, oversight of safety measures such as PPE and facilities, additional cleaning of vans and program areas
- Organizations providing education to certain students and paid on per-pupil basis are not paid when families will not register their students out of fear of contracting COVID-19.
- **Some facilities need to make more trips** to take people to appointments or other locations, because social distancing requires fewer people in a car or van.

Extra Costs to Nonprofits:

- Hazardous Duty pay
- PPE/Cleaning materials
- Telehealth infrastructure
- Service volume down
- Extra transportation
- Changes to buildings
- Additional staff

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• The state has said it will probably not provide PPE after December 31, leaving community nonprofits to fend for themselves, subject to price gouging and competition with other organizations and even state agencies that provide direct services.

• Many community nonprofits have or will have to make physical changes to their facilities in order to protect their staff and the people they serve (for example, by installing plastic barriers).

• As with most people, the cost of food and the need to feed clients who are no longer leaving facilities have gone up.

• Why isn't the federal funding enough?
  • Programs such as the Paycheck Protection Program are only available to organizations with fewer than 500 employees and limit their use of the funds to certain areas. Also, the funding is a liability on an organization’s balance sheet until the loan (or portion of the loan) is forgiven if the organization meets the ever-changing criteria for forgiveness.
  • Funding under other federal programs are uncertain and have so far been extraordinarily limited. Community nonprofits have yet to receive any disbursement from the Coronavirus Relief Fund, and guidance for federal programs that fund organizations directly has changed frequently, making compliance difficult in some cases and application difficult in others.

Allow nonprofit providers to retain revenue (e.g., Innovation Incentive program) by suspending/eliminating cost settlement.

• HB-5233, which was passed unanimously by the Human Services Committee before session was suspended, would allow human service providers to retain savings realized at the end of the contract period. Without it, state agencies can take back money that would otherwise be used to provide additional services. This provision would help nonprofit providers address increased demand for services caused by the pandemic.

Pass legislation to codify telehealth flexibility. Nonprofits are on the front lines of the coronavirus pandemic, ensuring the continuity of community services to children, families and communities and access to care has continued in part due to Governor Lamont’s Executive Orders that allow for the temporarily expanded use of telehealth. The ability to bill to Medicaid for telehealth, along with other telehealth related provisions implemented by Governor Lamont through Executive Order has provided people a chance to talk to providers without adding to crowds and risks in waiting rooms, eliminated transportation concerns for low-income and rural patients, and reduced staff exposure to the virus. When taking action on telehealth legislation, please:

• Continue to pay at the same rate as in-person visits and allow services to be delivered from a home setting: Payment should be based on the treatment provided, not the location of from where the service is provided. Telehealth has added costs to providers who are maintaining physical offices as well as paying costs for telehealth
• Allow telephonic/audio-only: This is important to ensuring access to care for people who do not have access to technology needed for video conferencing
• Allow the use of any HIPAA compliant platform: This allows providers to meet clients where they are, on platforms they are comfortable with and knowledgeable using.
• Important Clarification: Most providers did not have telehealth infrastructure in place prior to the pandemic and had to design a system overnight, including the purchasing of laptops, online
security and privacy systems, virtual meeting platform licenses, issuance of smartphones to regular patients, etc. These investments have been made at enormous expense, much of it unplanned, with promising results that suggest continuing to use these systems after reopening the economy will lead to increased service delivery, efficiency and effectiveness. The use of telehealth services will be important during the transition period during which in-person, site-based programs may be operational, but families will continue to experience anxiety in meeting face-to-face. Telehealth services hold the possibility of long-term savings while reaching more people during and beyond the current pandemic.

Policing Reform Should Include Community Nonprofits. Many health and human service providers are social workers who support people who have been involved with police and the criminal justice system. These nonprofits provide assistance to many state and municipal entities, such as:

- Behavioral health and substance use interventions and treatment;
- Assistance and intervention related to sexual assault;
- Interventions related to individuals and/or families who are at risk for or experiencing homelessness;
- Deescalating situations within their communities whenever possible, in an effort to avoid involvement of law enforcement.; and
- Referrals related to medical needs and prevention.

Important Clarification:
- Many of these supplemental services have been provided in the absence of financial support for such programs from the State.

Provide several-month supply of Personal Protective Equipment (PPE).
- Reopening programs and services that have face-to-face interactions will require much more PPE than most organizations have available. The current practice of the State providing supplies in two-week increments is not enough. Additionally, price gouging and product availability remains a concern as cases surge in other states.

Ensure nonprofit provider staff receive priority testing for COVID-19.
- Nonprofit staff provide essential services to vulnerable people more at-risk for severe disease (seniors, people with complex health needs, etc.). Additionally, many program sites are congregate settings (group homes, shelters, etc.) that tend to have a higher risk for spread, so staff and clients need to be able to access testing frequently.