WHILE CHALLENGES CONTINUE TO MOUNT, NONPROFITS ARE DOING EVERYTHING IN THEIR POWER TO CONTINUE TO SERVE THEIR COMMUNITIES

IMPACTS OF COVID-19 ON NONPROFITS

The COVID-19 pandemic brought unanticipated and unbudgeted costs and operational challenges for many community nonprofits. Examples include a) providing hazard pay for essential workers on the front lines with a higher risk of exposure, b) procuring expensive and hard to find Personal Protective Equipment (PPE) and cleaning supplies, and c) creating telehealth services overnight, purchasing necessary computers, cybersecurity, online meeting platforms and training for both staff and people receiving services.

While challenges continue to mount, nonprofits are doing everything in their power to continue to serve their communities and urge the State to prioritize nonprofit staff and the most vulnerable people being served for vaccine distribution.

KEEP NONPROFITS FINANCIALLY WHOLE

Many community nonprofits never closed their doors even as the pandemic worsened. These organizations provided food, emergency housing, behavioral health supports and other essential services. However, with many in-person services temporarily suspended and capacity for those that are open reduced by social distancing requirements, community nonprofits experienced a drop in revenue.

A recent Alliance survey found that 65% of respondents reported delivering services in a moderately- or severely-reduced capacity and 5% suspended services altogether. Further, 46% suffered a “moderate or major” loss of fee-for-service revenues due to drop in use of services. Community nonprofits need a commitment to be kept financially whole of all their state revenue, including fee-for-service payments and Medicaid-funded services, in order to be prepared to be the safety net during this next wave of infection, as well as be able to meet the increasing demand for services.

The COVID-19 pandemic has exacerbated the impact of inadequate funding for nonprofit services since 2007, which is the reason The Alliance is requesting the legislature appropriate $461 million over five years for community nonprofits.

RECOMMENDATIONS

The State should keep community nonprofits financially whole, procure Personal Protective Equipment for nonprofit providers, and allow nonprofit providers more flexibility in their process to efficiently utilize their contracted state funding to provide services and compensate staff.

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VACCINE PRIORITIZATION FOR NONPROFITS AND THE PEOPLE THEY SERVE

The people who depend on community services, especially those living in congregate homes and community-based settings, such as people with intellectual and developmental disabilities living in group homes, people receiving residential substance abuse treatment, and people re-entering society after serving time in prison living in halfway houses – Connecticut’s most vulnerable residents – need to be protected, too. Often, due to the facility and the population being served in these settings, distancing, masking, and other mitigation measures are unachievable.

The severe outbreaks of COVID-19 in institutional and congregate settings have increased exposure risk for many. As you know, in Connecticut, long-term care facilities have experienced significant mortality. But the risk of COVID-19 spreading among all people living and working in congregate settings is significant, and not restricted to older adults living in Connecticut’s long-term care facilities. In fact, recent data suggest that people with intellectual and developmental disabilities and behavioral health diagnoses are at a heightened risk as well.

ALLOW NONPROFITS FINANCIAL AND OPERATIONAL FLEXIBILITY

Community nonprofit providers need to be allowed to retain any savings at the end of a fiscal year or contract term and reinvest those savings into the provision of services. They should also have flexibility to spend state dollars across line items, at least for the remainder of the public health emergency. These changes will give community nonprofit providers the ability to meet the increasing demand for services.

ENSURE ADEQUATE PERSONAL PROTECTIVE EQUIPMENT (PPE)

Nonprofits need a commitment from the State to continue to procure critical PPE. Many health and human service providers need the same amount and type of PPE as hospitals, as their staff care for people with complicated health needs in congregate settings. The State should have an adequate stockpile and dedicate an appropriate portion of it for nonprofits.