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**Testimony of Sheldon Toubman before Republican members of the Finance, Revenue and Bonding Committee in Support of the Finance Committee's Proposed Revenue Package**

Senators and Representatives:

My name is Sheldon Toubman and I am a staff attorney with New Haven Legal Assistance Association. Thank you for holding a hearing so that members of the public can be heard on the proposed revenue package passed by the Finance, Revenue and Bonding Committee last month, and on the Appropriations Committee budget which is supported by that revenue package. I am here today to testify:

- against the many severe cuts to the social services safety net as contained in the Governor's proposed budget,
- in support of the Appropriations Committee alternative budget which restored the vast majority of those harmful cuts; and
- in support of the Finance Committee's revenue package, including its tax increases, which is necessary to support the Appropriations Committee's budget

I understand that there is little interest in raising taxes. No one wants to see that happen absent a compelling reason. Unfortunately, that reason has been established now, given the severity of the cuts to the safety net which will be necessary without such a balanced approach, as the Governor's proposed budget plainly makes clear. Among the many cuts he has proposed:

- Cutting Medicaid Providers \$43 Million
- Cutting 34,000 HUSKY A parents and pregnant women from the Medicaid program
- Ending all support for the Centers for Independent Living which help severely disabled individuals avoid institutionalization
- Ending the early childhood autism treatment waiver
- Ending support for the teen pregnancy prevention program
- Eliminating grant funding for Healthy Start, which provides health services and case management to low-income pregnant women and young children

Along with the many other cuts in the Governor's budget, these cuts would unravel the social services safety net which the legislature has worked so hard to construct and protect. Although the Appropriations Committee budget also includes some painful cuts, overall it saves

the safety net, upon which about one quarter of Connecticut residents now rely. For example, in the case of each of the above cuts, the cut is either restored entirely or it is reduced to about 10% of what the Governor had proposed for a cut.

It would certainly be easier if it was not necessary to increase taxes to adopt the Appropriations Committee's budget. Unfortunately, the Republican budget, which attempts to do this, would leave many of the Governor's cuts in place. Indeed, of the cuts listed above, the only cut avoided by the Republican budget is to pregnant women on HUSKY. The rest of the cuts would go forward.

But the Republican Budget would cause further harm to the safety net. This would result from its attempt to cut payroll, and particularly overtime expenditures. Why does this matter? Here is a clear example: As you probably have heard from your constituents, processing and customer service by DSS is at a very low level. The problems with the agency affect nearly every aspect of its eligibility processing and customer service. Here are just some of the problems:

- Enrollees being cut off of medical or food benefits (Medicaid or SNAP) despite timely submitting redetermination forms showing they are still eligible
- Trying to reach the DSS call center and waiting for over an hour or even two hours before they can reach a human (or having to discontinue the call because they ran out of time)
- Going to a DSS regional office to apply for medical, food or cash benefits (Medicaid, SNAP or TFA) and **being turned away from applying that day**—told to come back another day or call the call center because they got there too late in the day- which could be as early as 9:30 AM
- Requesting a DSS hearing because of a denial or termination of benefits, and waiting months for a hearing date and even longer to get a hearing decision

At bottom, many of these problems at DSS can be remedied, at least partly, by additional staff. The level of staffing is wholly insufficient to meet the current need, given how grossly understaffed the agency was when the Malloy Administration took over in 2011, how dramatically the caseloads have increased particularly for Medicaid and SNAP, and how few staff have been added by the administration. But what is saving the agency from going completely underwater right now is paying overtime to DSS workers to help them address the never-ending backlog.

Accordingly, if overtime is cut back or ended at DSS, as will be necessary under the Republican budget, access to basic benefits and services for our neediest residents will become even more difficult, compounding the un-restored cuts in the Governor's budget.

The only answer, therefore, is that the legislature has to restructure our revenue system to make it more equitable and able to generate funds necessary to meet the needs of our most vulnerable citizens. And the revenue side has to include increasing taxes somewhat on those in our state most able to afford to pay them. And that is what the Finance Committee has done, in its balanced revenue package, which also cuts the sales tax rate even as it more fairly applies the sales tax. I urge you to support that package, as well as the Appropriations Committee budget.

Thank you for the opportunity to speak with you today.