

COMMONWEALTH OF PENNSYLVANIA  
HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE HEARING

STATE CAPITOL  
MAJORITY CAUCUS ROOM  
ROOM 140  
HARRISBURG, PENNSYLVANIA

FRIDAY, MAY 22, 2009  
10:02 A.M.

PRESENTATION ON SENATE BILL 850

VOLUME II OF IX

BEFORE:

HONORABLE DWIGHT EVANS, MAJORITY CHAIRMAN  
HONORABLE WILLIAM C. KORTZ III  
HONORABLE DEBERAH KULA  
HONORABLE TIM MAHONEY  
HONORABLE JOSH SHAPIRO  
HONORABLE MATTHEW SMITH  
HONORABLE MARIO J. CIVERA, JR., MINORITY CHAIRMAN  
HONORABLE GORDON DENLINGER  
HONORABLE JOHN R. EVANS  
HONORABLE MAUREE GINGRICH  
HONORABLE DAVID R. MILLARD  
HONORABLE RON MILLER  
HONORABLE DOUGLAS G. REICHLEY  
HONORABLE RICHARD R. STEVENSON

ALSO IN ATTENDANCE:

HONORABLE KEVIN P. MURPHY

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**JEAN DAVIS REPORTING**

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ALSO PRESENT:  
MIRIAM A. FOX  
MAJORITY EXECUTIVE DIRECTOR  
EDWARD J. NOLAN  
MINORITY EXECUTIVE DIRECTOR

HEATHER L. ARTZ, RMR, CRR  
REPORTER

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1  
2  
3 MAJORITY CHAIRMAN EVANS: That's what this  
4 is -- what I'm going to do. What I'm going to do is  
5 this is now citizen participation time. What I want  
6 to do is put them in a panel, for as many people who  
7 are here. Vincenza Portzline, Disability Budget  
8 Coalition, is he or she here? Kelly Jellison,  
9 president, Service Employees International Union, if  
10 you're here can you just -- just grab a seat there.  
11 Sheila Stasko, a citizen. That's a very good role,  
12 citizen. April Williamson, greater Philadelphia  
13 Cultural Alliance, are you here? Is April here?

14 MS. HAWKINS: April's not but I am.

15 MAJORITY CHAIRMAN EVANS: You're handling  
16 for April?

17 MS. HAWKINS: Yes.

18 MAJORITY CHAIRMAN EVANS: Have a seat up  
19 there. Alan -- Alan here? We do have plenty of  
20 chairs. Fran, can you get another chair for Alan,  
21 please. Fran will get you a chair.

22 This is what I'd like to do. The way this  
23 process works is very simple process: You just  
24 really identify yourself for the purpose of the  
25 record so the stenographer can have your name for the

1 purposes of that and we'll go down the line and  
2 you'll get your chance to just voice. This is really  
3 a friendly group, if you've never testified before  
4 the House Appropriations Committee. We want you to  
5 understand we are here to hear your comments on  
6 Senate Bill 850. Give us your comments on the Senate  
7 Bill 850. Members, if they choose to, you know,  
8 after you give your comments they may want to ask you  
9 questions, they will. We'll start -- why don't we  
10 start down this end and --

11 VOICE: I'm not speaking.

12 MAJORITY CHAIRMAN EVANS: Okay. Move the  
13 mic a little closer, please. Just identify yourself  
14 and just tell us who you are.

15 MS. PORTZLINE: Okay. I'm Vincenza, Vini  
16 Portzline. And I'm with the Disability Budget  
17 Coalition.

18 MAJORITY CHAIRMAN EVANS: And the next  
19 person, introduce themselves.

20 MS. HAWKINS: I'm Julie Hawkins with the  
21 Greater Philadelphia Cultural Alliance.

22 MS. JELLISON: Kathy Jellison, president of  
23 the Service Employees International Union, Local 668.

24 MS. STASKO: Sheila Stasko, I'm a parent of  
25 a young man with disabilities and Pennsylvania

1 Waiting List Campaign.

2 MR. HARTL: I'm Alan Hartl. I'm the CEO of  
3 Lenape Valley Foundation. I'm also representing the  
4 Pennsylvania Community Providers Association.

5 MAJORITY CHAIRMAN EVANS: Sure. We'll start  
6 with you.

7 MS. PORTZLINE: Yes. Thank you for the  
8 opportunity to speak. I'm a person with a disability  
9 who acquired it 19 years ago when my son was three.  
10 At the time the doctors suggested that I move to a  
11 nursing home. I refused and instead found the  
12 Attendant Care Program. An aide now comes to my  
13 house for about 27 hours a week and helps me with my  
14 daily activities. With that assistance, I've been  
15 able to raise my son, participate in many community  
16 activities, and be part of the workforce. I am a  
17 wife, a mother, an activist and a taxpayer because of  
18 the Attendant Care Program.

19 Without attendant care, I might have wound  
20 up in a nursing home. My husband might have had to  
21 quit his job, and my son, who was three at the time,  
22 would have certainly had subsidized care. Instead of  
23 paying taxes like I do now and purchase goods and  
24 services and contributing to my community, I would  
25 have been using up many more tax dollars in an

1 institution.

2           If Senate Bill 850 becomes law, I could lose  
3 my attendant care, and so could a lot of other people  
4 like me. Senate Bill 850 would make major cuts to  
5 the program. There would be no money to add new  
6 people to the program -- people who acquire their  
7 disabilities, people who want to come out of nursing  
8 homes and live in the community, and people who want  
9 to stay in our homes but can't do so without help.  
10 And the cut is so deep that hundreds of people like  
11 me who are already on the program could lose their  
12 services. The results would not only be shattered  
13 lives but added costs to the state.

14           Attendant care is just one of the programs  
15 of great importance to people with disability. There  
16 would be no money to serve additional older people  
17 with disabilities in the aging waiver. Several  
18 hundred current recipients could lose services.  
19 There also would be no money to provide for  
20 additional people in several other home and community  
21 waiver programs.

22           State funding for assistive technology in  
23 the Labor Industry budget would be eliminated.  
24 Funding in the DCED budget for home modifications  
25 would be slashed. I've been focussing on programs

1 which serve people with physical disabilities.  
2 Programs for people with mental illness and mental  
3 retardation would also be drastically reduced, as  
4 would many other important programs like health care  
5 and childcare. We are very concerned about those  
6 cuts as well.

7 I know that these times are tough and money  
8 is scarce. But I also know the answer is not to cut  
9 these programs. No one likes to pay taxes, but the  
10 alternative is much worse. If I need to pay a little  
11 bit more taxes so that these programs could continue,  
12 then I'm willing to do that.

13 I ask you do the right thing, not only for  
14 people like me, but for the financial well-being for  
15 Pennsylvania. Do what you need to do to find the  
16 funds to continue these critical programs and I will  
17 support you. Thank you.

18 MAJORITY CHAIRMAN EVANS: Thank you. I want  
19 to make sure we get a copy of that testimony. I want  
20 to make sure we get your --

21 VOICE: We have it.

22 MAJORITY CHAIRMAN EVANS: Do we have it?  
23 Okay, yes.

24 MS. HAWKINS: Good afternoon, Chairman  
25 Evans. Good morning -- it's not afternoon yet,

1     though it feels like it -- and members of the  
2     Appropriations Committee. My name is Julie Hawkins.  
3     I'm vice president of the Greater Philadelphia  
4     Cultural Alliance. We represent more than 375  
5     nonprofit artisan cultural organizations in the five  
6     counties of southeastern Pennsylvania. And I'm here  
7     on their behalf today to testify in support of  
8     preserving arts and cultural funding in the 2010  
9     state budget. I've also submitted testimony from two  
10    other organizations, Art Reach, which serves  
11    economically and physically disadvantaged children in  
12    providing them arts experiences, and from the  
13    Philadelphia Museum of Art as well.

14             Senate Bill 850 seeks to eliminate all arts  
15    and cultural funding in the Commonwealth, including  
16    that for the Pennsylvania Council on the Arts and the  
17    Historical and Museum Commission, and frankly those  
18    cuts are disproportionate, extreme, and short  
19    sighted.

20             First, that's because the arts are a good  
21    investment. In southeastern Pennsylvania, arts and  
22    culture is a \$1.3 billion industry. It generates  
23    close to \$160 million a year in state taxes. Every  
24    dollar invested in the arts by Pennsylvania returns  
25    two fifty in state tax revenue, yet of over dollar in

1 the general fund only half of a penny is spent on  
2 culture.

3           You eliminate the funding and you're  
4 eliminating a return that's two and a half times its  
5 initial investment. If every penny counts, culture  
6 is clearly one investment worth continuing.

7           Second, because in Southeastern Pennsylvania  
8 there are 15 million visits to cultural organizations  
9 each year, these are activities that are accessible  
10 to everyone. 43 percent of admissions are free of  
11 charge. These are organizations that build and  
12 strengthen communities. They provide a neighbor a  
13 place for learning and for positive change.

14           Third, because our arts and culture educate  
15 our children, 35,000 school groups visit Greater  
16 Philadelphia's cultural organizations every year.  
17 After-school programs, free performances for all  
18 grade levels, all of these things teach important  
19 skills, enhance the classroom experience, and help  
20 children understand and get to know their own  
21 heritage.

22           And fourth, because cultural organizations  
23 create jobs, and retain them. The arts in  
24 Southeastern Pennsylvania support 40,000 jobs. If  
25 cultural organizations are forced to close, the

1 domino effect could be devastating.

2           When they have limited resources, travellers  
3 don't just select a location because they like the  
4 hotel. They're also looking to visit exciting places  
5 with a wide array of options for families. Arts and  
6 culture is one of the state's defining brands, and  
7 thus it's a critical investment to maintain. And as  
8 residents here look to save money, the idea of going  
9 on a statecation to an affordable local attraction  
10 becomes more and more prominent. But you can't take  
11 the statecation if there's nowhere to go. And the  
12 funding levels in SB 850 make that a real  
13 possibility.

14           Should this bill become Pennsylvania's next  
15 budget, arts programs will fold, historical sites  
16 will shut their doors. Children won't get to  
17 experience science experiments at the Franklin, suits  
18 of armor in the Philadelphia Museum of Art, ship  
19 building at the Seaport Museum, or singing with the  
20 Chester Children's Chorus.

21           It's a rough economy. Every sector is  
22 feeling the pain. The arts and culture sector pain  
23 is felt because they're seeing an increase in public  
24 demand, coupled with a decline in resources  
25 available.

1           For now, layoffs and other budget cuts have  
2 kept some programs alive and ticket prices low or  
3 free, but without continued public support that will  
4 change. Unlike most businesses, we don't have the  
5 ability to raise prices to make up for the loss. We  
6 serve the public. And so we're dedicated to give the  
7 public wide access to these experiences.

8           Closing the doors of arts and culture closes  
9 the opportunity for people to learn about their own  
10 history and their own culture. These are the things  
11 that define us as Pennsylvanians. And in the  
12 Philadelphia region the history of the country is no  
13 better illustrated than in those organizations.  
14 People need access to this heritage, and part of that  
15 is your responsibility as well.

16           And let me just add that it's not just the  
17 cultural agency funding levels that circle low in  
18 this bill. The proposed elimination of the  
19 educational and improvement organization side of the  
20 EITC will further hurt a lot of these organizations  
21 because they're providing educational programing to  
22 public schools.

23           The Wagner Free Institute of Science is a  
24 perfect example of this. They're looking at 17th and  
25 Montgomery Streets in North Philadelphia, and they've

1 been providing free science education for more than  
2 150 years. Free. For 150 years. They have an EITC  
3 supported program called GeoKids. Serves 400  
4 students in three North Philadelphia public  
5 elementary schools to a yearlong science curriculum.  
6 Since 1992 it's helped more than 4,000 kids get  
7 excited about and succeed in science and learning.  
8 It's received a national and local awards for its  
9 work. EITC support helped this program expand into  
10 more classrooms. And so if the funding is  
11 eliminated, the program is gone too. On top of that,  
12 cuts in support that the Wagner would receive from  
13 the Pennsylvania Historical Museum Commission cuts  
14 would force closures of other programs, including a  
15 Saturday family open house program, adult science  
16 courses that serve more than 2,500 people, and free  
17 access to a natural history museum and library  
18 collection.

19           So in one budget bill you could wipe out  
20 150 years' worth of free science education in one of  
21 Philadelphia's most economically disadvantaged  
22 communities.

23           That's the full impact of what's going on  
24 here. A single society doesn't have to make these  
25 kinds of choices -- forcing individuals to pick and

1 choose among essential services, whether it's food  
2 for the body, food for the mind, food for the soul.  
3 The opportunity to explore culture and heritage  
4 shouldn't be taken away from Pennsylvanians. The  
5 public demand for arts and culture is clear and  
6 decisions made in General Assembly should reflect the  
7 constituents and communities that are represented in  
8 Harrisburg. Cultural organizations aren't in this  
9 for the profit. They're in this for the public good.  
10 Pennsylvania's budget needs to reflect sound  
11 investments and community programs and services that  
12 support residents and arts and culture is a perfect  
13 match.

14           So as you consider the 2010 budget, I urge  
15 you to maintain your investment in Pennsylvania arts  
16 and cultural organization through the cultural  
17 agencies and other programs. Quick-fix decisions  
18 like Senate Bill 850 can lead to long-term problems.  
19 The domino effect would be costly not just to every  
20 Pennsylvanian's quality of life and their education,  
21 but it will prove even costlier to the state itself.  
22 Thanks for the opportunity to present this testimony  
23 today. And on behalf of all Pennsylvanians from the  
24 southeastern region, I hope you'll see fit to  
25 maintain the Commonwealth's investment in one of its

1 most valuable assets -- its arts and culture.

2 MS. JELLISON: Good morning. Thank you for  
3 the opportunity to speak today about Pennsylvania's  
4 budget. Our union represents over 20,000 members who  
5 work in state and county government and deliver human  
6 services to the most vulnerable populations in the  
7 state, including children, the elderly, and people  
8 with mental illnesses, mental retardation, and  
9 disabilities. Our members work every day with our  
10 fellow citizens who are most vulnerable and have been  
11 hit the hardest by the economic crisis that we're  
12 currently experiencing that's sweeping this country.

13 These people are precisely the ones who will  
14 be harmed the most by budget cuts in basic human  
15 services. When the urgent need for human services is  
16 at an all-time high, it is exactly wrong time for the  
17 Governor and the republican senators to be proposing  
18 cuts to these vital services.

19 During these difficult economic times our  
20 members are on the front lines, continuing to deliver  
21 vital human services for state and county  
22 governments. We see every day how the need for these  
23 services is increasing, while the funding has been  
24 flat lined for the last decade. This has resulted in  
25 severe program cuts, huge waiting lists, and families

1 suffering all across the state.

2 Pennsylvania is 50th out of 50 states in the  
3 number of state employees per capita. Previous  
4 budgets have cut our workforce to the bone and  
5 beyond. Yet Senate Bill 850 would result in even  
6 more staffing cuts. In fact, over 3,000 additional  
7 positions would have to be cut. This would have a  
8 devastating impact on these vital services.

9 In addition, these serious staff shortages  
10 are causing more tax dollars to be wasted because so  
11 many of our citizens can't even get the basic  
12 services that they need and they will end up needing  
13 more costly services later.

14 At the same time that our workforce has been  
15 cut, the Governor has continued to hire more  
16 managers, a total of 1,664 more managers since he  
17 took office. We have lost over 5,100 workers in that  
18 same period, with over 1,000 of those lost workers  
19 being cut from county assistance offices across the  
20 state.

21 And while the county assistance offices have  
22 lost about 15 percent of their workforce since  
23 Governor Rendell took office, the medical assistance  
24 funds these workers administer have increased by over  
25 34 percent.

1           To add insult to injury, now the Governor  
2 says he expects our members to work without pay if  
3 the budget isn't passed by July 17th. Our members  
4 again are being used as pawns in the budget process.  
5 And that is just wrong. We pay taxes; we do our jobs  
6 every day. Why should our members suffer because  
7 others don't get their job done on time?

8           Because our members are on the front lines,  
9 actually delivering the services, doing more with  
10 less, we know how to make government more efficient  
11 and stretch taxpayer dollars as far as possible.  
12 We've been doing that for years. That's why our  
13 members have identified millions of dollars in  
14 wasteful spending that could be cut and operational  
15 improvements that could be done, in order to make our  
16 government more efficient, while still providing  
17 vital services for the most needy citizens in  
18 Pennsylvania.

19           In fact our union has made many proposals to  
20 streamline government, simplify the eligibility  
21 process, decrease fraud, and maximize the down draw  
22 of federal dollars. These proposals, if implemented  
23 would also do a better job of protecting the safety  
24 of our client population.

25           Many of these ideas have been presented to

1 Governor Rendell and members of his administration  
2 over the last several years, but our suggestions have  
3 fallen on deaf ears. We hope that state legislators  
4 will step up and implement some of these ideas in  
5 order to avoid the Draconian budget cuts proposed by  
6 the Senate Republicans.

7 I am providing the committee members with  
8 copies of the major cost savings suggestions made by  
9 our members over the last several years. If these  
10 ideas were implemented, the Commonwealth could see an  
11 increase of over \$1 billion per year in the state's  
12 coffers. We're not talking about paying less for  
13 paperclips. Our suggestions will save real dollars  
14 for Pennsylvania taxpayers, dollars that can be used  
15 to keep the arts open, to provide services to the  
16 most needy and vital citizens of Pennsylvania. This  
17 list is an overview and we would be happy to provide  
18 more details about any of these ideas. Please feel  
19 free to contact me or our legislative director Bill  
20 Bacon.

21 Our union members have also found many  
22 examples of taxpayer dollars being wasted. With a  
23 budget deficit approaching \$3 billion, we cannot  
24 afford to waste any of our citizen's hard-earned  
25 dollars. For example, Governor Rendell has signed

1 over \$1 billion in no-bid contracts since he became  
2 governor. Many of these contracts are for work that  
3 has been done or could be done by state workers. In  
4 some cases, huge no-bid contracts were awarded to the  
5 Governor's friends and campaign contributors. The  
6 biggest example is Deloitte Consulting, which has  
7 been awarded contracts totalling nearly \$600 million  
8 since 2004. These secretive no-bid contracts were  
9 awarded to Deloitte at the same time when individuals  
10 employed by the company donated almost \$40,000 to the  
11 Governor's campaign. And the company itself gave  
12 \$50,000 to his 2007 inaugural celebration.

13 In addition, a former Deloitte partner and a  
14 senior manager both had served as the state's chief  
15 informational officer before and/or after they worked  
16 for Deloitte.

17 Another example of wasted tax dollars can be  
18 found in the huge amounts the state has paid to  
19 Ballard Spahr, the Governor's former law firm. While  
20 we understand that there are times when the state has  
21 to hire outside legal counsel, the billing rates for  
22 these firms should be capped as they were in previous  
23 administrations. The Ridge administration, for  
24 example, capped outside attorneys' hourly rates at  
25 less than \$200. On the other hand, Ballard Spahr,

1 the Governor's former law firm, has been paid rates  
2 as high as \$600 per hour and the firm has received  
3 over 1.1 million in just the last two years.

4 The bottom line is this, the legislature  
5 should demand that the Governor open the books on all  
6 of the private contracts he has signed. There should  
7 be much more legislative oversight and public  
8 scrutiny of these contracts. There are literally  
9 millions of dollars being wasted without any public  
10 accountability.

11 In some cases, the outside no-bid contracts  
12 are just plain wasteful spending. I draw your  
13 attention to a recent pilot program that the state  
14 wants to implement. The program would require  
15 employees to clock in using fingerprint technology  
16 and will cost \$2 million in start-up costs for a  
17 biometric time system, plus millions more for  
18 equipment and maintenance. However, we were also  
19 told that managers will need to sit and monitor the  
20 fingerprint time clock to make sure that they're all  
21 working properly.

22 If a manager has to baby-sit each machine,  
23 why not just have the employees use a pen and a paper  
24 to sign-in and spend that \$4 million or more to  
25 provide more services to our citizens.

1           As far as Senate Bill 850, this is an  
2 outrage. The Senate Republicans simply took an axe  
3 to the state budget and then left town. Rather than  
4 look for responsible ways to balance the budget, they  
5 just slashed programs without regard to those who  
6 would be hurt.

7           We understand that these budget negotiations  
8 and the current state of our economy present a real  
9 challenge to state legislators. However, we also  
10 believe this challenge presents an opportunity to  
11 transform human services in this state. Rather than  
12 just making cuts in programs, we need to deliver  
13 these vital services in the most cost efficient way.  
14 That's what our members work hard to do every day.  
15 And that's why we're asking our legislators to do  
16 that as well. Thank you very much.

17           MS. STASKO: Good morning. I thank you for  
18 the opportunity to speak this morning before this  
19 committee. My name's Sheila Stasko. I live in  
20 Lehigh County and am the mother of John who presently  
21 receives services from the Office of Developmental  
22 Programs through a consolidated waiver which is both  
23 federally and state funded. Last week we heard that  
24 the Senate passed Senate Bill 850 which would  
25 effectively devastate community programs for people

1 like John who are diagnosed with mental retardation  
2 throughout the state.

3 In my other role I am the statewide  
4 coordinator for the Pennsylvania Waiting List  
5 Campaign where we work to secure services and  
6 supports for the thousands of other Pennsylvanians  
7 like John who have no supports.

8 John is one of six children. He lives at  
9 home with us and we'd like to keep it that way as  
10 long as we can provide the care for him. Our family  
11 life with John growing up was incredibly different.  
12 We went to therapy sessions together, we went to lots  
13 and lots of meetings, and we went to a lot of doctor  
14 offices and a lot of operations.

15 My husband, children, and I have all made  
16 sacrifices and have grown in understanding and  
17 compassion. And despite all these things, we  
18 wouldn't change a thing. John is 32 years old and  
19 significantly disabled. Besides mental retardation,  
20 he has a significant hearing loss and very limited  
21 speech. However, John can light up a room with a  
22 smile and his laughter is contagious. John does need  
23 constant support. He is surrounded by people who  
24 really care about him. He's out in the community.  
25 His life is rich and full.

1           As we get older it's becoming obvious that  
2 plans need to be put in place to support John. I  
3 have had two heart attacks. And I have other  
4 significant health issues. His father also has  
5 health issues. Because of John's needs, we must rely  
6 on a system that was set up to assist him in this  
7 life. We, with the help of the system, have been  
8 able to support John. Now, if the cuts that the  
9 senators want to make come into being, and if the  
10 House embraces their bill, his world would completely  
11 crash. It would be reduced to him sitting at home  
12 watching TV or even worse with a threat of an  
13 institution hanging over his head.

14           The initial reaction by all families and  
15 advocates we are in constant contact with regarding  
16 Senate Bill 850 was disbelief and then panic. Senate  
17 Bill 850 developed -- devalues our children's lives  
18 to nothing more than potholes. If the goal of 850  
19 was shock value, then it accomplished this goal. If  
20 the goal is to strip and dismiss our needs and cause  
21 great harm to a population of people and their  
22 families who must rely on services and supports just  
23 to live, then I question the very fiber of society's  
24 humanity.

25           We respect the rights of dogs and animals in

1 this Commonwealth more than we do people. There is  
2 no bullet to bite. And there is no belt to tighten  
3 when you're speaking about vulnerable people who are  
4 dependent on others.

5 People with autism and those needing  
6 attendant care will suffer the consequences of Senate  
7 Bill 850. There are 4,600 people in this state who  
8 are on an emergency waiting list for mental  
9 retardation services. Their situations are so dire  
10 that if they don't receive these services Senate Bill  
11 850 could actually be a death sentence for them. And  
12 I'm not being overly dramatic here. There are people  
13 who will die if they don't receive this funding.

14 Another 10,000 people are in critical  
15 situations. They're teetering on the edge. The  
16 Department of Public Welfare is counting people, and  
17 the legislature has requested these numbers, as well  
18 as a plan to end the waiting list. With the  
19 knowledge of numbers and developed plans, how, then,  
20 has the Senate reached a point where they can justify  
21 removing 3,550 people currently receiving services  
22 from funding? You are asking aging caregivers to  
23 continue providing these services and care well past  
24 the time that they are able. We know that  
25 approximately 800 young people will graduate from

1 high school each year without supportive funding, not  
2 only will they sit at home, but one of their family  
3 members will have to quit a job to remain at home.

4 This is financially devastating for single  
5 moms and dads. Not only is Pennsylvania losing  
6 taxes, but much worse, you're devastating a family.

7 Each year people with disabilities struggle  
8 up the steps of the capitol to bring you our message  
9 to end waiting lists. How many ways can it be said?  
10 How often have we said it? Which one of you has  
11 heard us? Where is the champion that's going to  
12 stand up and end this social injustice? Thank you.

13 MR. HARTL: Good morning. Thank you,  
14 Chairman and members of the committee. Again, my  
15 name is Alan Hartl. I'm the CEO of Lenape Valley  
16 Foundation and represent the 200-plus member agencies  
17 of the Pennsylvania Community Providers Association,  
18 also known as PCPA.

19 Like many PCPA members, Lenape Valley  
20 Foundation provides an array of services to persons  
21 of all ages experiencing the challenges of mental  
22 illness, substance use, intellectual disabilities,  
23 and serious developmental disabilities. Evaluation,  
24 treatment, rehabilitation, case management,  
25 vocational, residential, and crisis services are a

1 sample of what PCPA member agencies offer the one  
2 million Commonwealth residents annually. PCPA  
3 members are also major employers and small business  
4 entities in Pennsylvania communities. My agency  
5 employs more than 300 employees. Combined, PCPA  
6 members employ more than 40,000 Pennsylvania  
7 citizens.

8 Pennsylvania long ago accepted its core  
9 responsibilities to provide its citizens with the  
10 most severe behavioral health conditions and  
11 disabilities the care essential to ensure their  
12 health and welfare. State psychiatric hospitals and  
13 state centers for persons with intellectual  
14 disabilities have existed for decades and were once a  
15 primary treatment and residential site for most  
16 consumers. But the passage of the MH/MR Act of 1996,  
17 Pennsylvania began to support community based care as  
18 a more humane and effective alternative to  
19 institutionalization. And there is no doubt that the  
20 care that we community providers have delivered is  
21 effective.

22 Today our state hospital census for  
23 psychiatric patients is less than 2,000 compared to  
24 more than 27,000 in 1969. And ten state hospitals  
25 have been closed. Research also shows that the

1 community based services developed by higher skill  
2 levels and consumer independence in state  
3 institutions costs less than institutional care and  
4 are strongly supported by consumers and families.

5           For these reasons, it is imperative that  
6 Pennsylvania not pull the rug out from underneath  
7 this vulnerable population. Senate Bill 850  
8 threatens the viability of the community based system  
9 of care developed over the past half century and in  
10 the process places the welfare and lives of those it  
11 serves in jeopardy. The community based system of  
12 care is the safety net for everyone, not just those  
13 with the most severe, chronic issues. In fact, job  
14 loss, elimination of health insurance coverage,  
15 catastrophic declines in savings, and home  
16 foreclosures have become all together too common in  
17 the current economic meltdown and have overwhelmed  
18 many Pennsylvania residents and families.

19           As a result, the demand for our services is  
20 greater than ever. At LVF, calls for potential new  
21 clients now number 50 to 75 per day and the recent  
22 past the norm was 10.

23           Even more alarming, our admissions are on  
24 the decline because more people, while seeking  
25 assistance, are unable to pay for it, end up

1 foregoing something they believe is needed.  
2 Additionally, our crisis service is now encountering  
3 consumers clearly adversely affected by the economy  
4 who did not engage in treatment and things got out of  
5 hand and resulting in more expensive care and even  
6 the loss of life due to suicide.

7           This is not isolated to Bucks County. In  
8 Southwest Pennsylvania, Allegheny and Westmoreland  
9 County providers report a 29 percent increase in  
10 requests for service. And this is accompanied by a  
11 25 percent increase in the number of uninsured  
12 consumers seeking treatment.

13           PCPA members collectively cover all 67  
14 counties of the Commonwealth and report similar  
15 experience.

16           The safety net has been stretched too far,  
17 and this is before the funding cuts called in 850.  
18 Senate Bill 850 contains major cuts to mental health,  
19 intellectual disability, autism, and drug and alcohol  
20 funding. These reductions will directly affect the  
21 ability of community providers to serve the  
22 Commonwealth's most vulnerable citizens.

23           The impact on access to care in Pennsylvania  
24 is undeniable. Community mental health allocations  
25 are cut by more than 9 million -- \$9 million.

1 Behavioral health services initiative funding is cut  
2 by more than 25.6 percent. Intellectual disabilities  
3 funding for emergency waiting lists and -- is cut by  
4 more than 12 million. Waiting services list is cut  
5 by more than 32 million. Funding for autism services  
6 is reduced by more than 15 million. The combined  
7 effect of all of these is that more than 11,000  
8 Pennsylvanians will not receive services critical to  
9 their health and welfare, risking catastrophic  
10 results for them and their families.

11           The critical needs of persons with  
12 behavioral health issues and intellectual or  
13 developmental disabilities do not disappear with a  
14 poor economy or the reduction in budget allocations.

15           It is well established that when such  
16 critical needs are not met, other services more  
17 costly to Pennsylvania and disruptive to lives, such  
18 as involvement in the judicial system, corrections,  
19 homeless shelters, child welfare, emergency rooms,  
20 and inpatient hospital care, will come into play. If  
21 it is difficult to fund community based systems of  
22 care, it is more difficult to fund or defend the  
23 consequences.

24           Conversely, it is fact that community  
25 providers have been able to intervene effectively,

1 thereby contributing to the overall health and  
2 vitality of our communities by saving families,  
3 keeping children out of foster care, and keeping  
4 people working, which argues that the funding of such  
5 services is a wise investment on the part of  
6 taxpayers.

7           Not only will those in need not receive  
8 services, but the proposed cuts in funding will lead  
9 to programs being closed and staff positions  
10 eliminated. PCPA members estimate that passage of SB  
11 850 will result in the loss of approximately 1,300  
12 jobs in their agencies, at a time when Pennsylvania  
13 needs to be protecting jobs. SB 850 fails to  
14 recognize community based providers as part of the  
15 business solution in keeping overall state  
16 expenditures down, generating more tax revenues, and  
17 improving the economy in the Commonwealth.

18           The community based system of care for  
19 persons with mental illness, substance use disorder,  
20 intellectual disabilities, and developmental  
21 disabilities has been pivotal in the improved  
22 outcomes for these individuals and their families in  
23 Pennsylvania. This is the safety net for all of the  
24 Commonwealth's citizenry.

25           Over the last 15 years funding for this

1 system has fallen 30 percent short of covering  
2 inflation. As a result, providers have struggled and  
3 the safety net has holes in it. The cuts in funding  
4 and as Senate Bill 850 would be devastating.  
5 Thousands of Pennsylvania residents would not receive  
6 care, placing more lives in danger; jobs would be  
7 lost and programs curtailed or closed in an industry  
8 that already experiences significant staff  
9 recruitment and retention problems.

10 Recovering from this, even in an improved  
11 economy, could take years, all the while reducing our  
12 eliminating services that make personal recover for  
13 those in need unlikely.

14 In tough economic times, it is imperative  
15 that we make wise choices. Senate Bill 850, as it  
16 pertains to the funding of these services, is not  
17 wise.

18 The Commonwealth historically has understood  
19 and accepted its responsibility to provide for the  
20 welfare and safety of those facing these challenges.  
21 A bad economy is not a basis for walking away from  
22 this commitment, especially when it is accompanied by  
23 an even greater need among our citizens.

24 Pennsylvania cannot afford even the most  
25 more modest cuts in funding of these services in the

1 Governor's proposed budget. We ask that funding for  
2 these critical services be maintained as allocated in  
3 the fiscal year 2009. We urge you to vote against  
4 the drastic cuts outlined in Senate Bill 850 and the  
5 dangerous consequences inherent in not providing  
6 necessary and effective care, and protecting the  
7 safety net that have been hallmarks of the  
8 Pennsylvania community based system of care. Thank  
9 you.

10 MAJORITY CHAIRMAN EVANS: One, I think we  
11 have -- is there any questions from any members? --  
12 yes, Representative Bill Kortz.

13 REPRESENTATIVE KORTZ: Thank you,  
14 Mr. Chairman. I want to thank all of you for coming  
15 today. I just have a comment. I want to thank you  
16 for bringing to us the human impact of what's going  
17 to happen with Senate Bill 850. Thank you very much.  
18 It was very well-taken.

19 MAJORITY CHAIRMAN EVANS: I, too, I know my  
20 staff said we have all your testimony. I want to  
21 thank all of you, one, for what you do every single  
22 day. Believe me, your testimony will not go unheard.  
23 We have expressed, Chairman and I here, spending this  
24 time together. We'll be spending a lot of time  
25 because this will have to be done bipartisan.

1           The purpose of this hearing is really to do  
2 an education process. I don't think that the members  
3 didn't know those issues, but it's good to put a face  
4 on it. So we're going to try to work together in  
5 this. Again, I like to thank you sincerely for  
6 coming to present your testimony and I want to make  
7 sure, I know our staff has all your testimony. Thank  
8 you very much.

9           (The panel concluded at 10:38 a.m.)

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1           I hereby certify that the proceedings and  
2 evidence are contained fully and accurately in the  
3 notes taken by me on the within proceedings and that  
4 this is a correct transcript of the same.

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\_\_\_\_\_  
Heather L. Artz, RMR, CRR  
Reporter

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