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Public Comment of Susan Tousignant on Behalf of the Massachusetts Union for Human Service Workers and Educators (SEIU Local 509)

Proposed Changes to 808 CMR 1.00: Compliance, Reporting and Auditing for Human and Social Services

As Prepared for the Operational Services Division – August 22, 2016

I offer this public comment on behalf of nearly 20,000 human service workers and educators represented by SEIU Local 509, many of whom offer critical care and support through state-supported human service agencies and early education programs. Each year, these workers provide services for thousands of at-risk children, elders and people who struggle with mental illness and developmental disabilities – as well as high-quality child care and early education opportunities for low-income families.

Human service workers and educators have serious concerns about the proposed amendments to the state's procurement regulations for human and social services (808 CMR 1.00 - Compliance, Reporting and Auditing for Human and Social Services) and the resulting new policy on commercial fees – specifically as the proposals relate to human service and childcare agencies.

Despite their critical mission, many of these agencies offer salaries well below \$15 per hour. Direct care workers and group home coordinators, for example, must hold down two or three jobs just to make ends meet. Through Chapter 257 reforms, the Commonwealth recently invested hundreds of millions of dollars for rate increases to these vendors – in large part to address these chronically low wages.

Based on the challenges front-line workers face in providing for their own families, these rate increases apparently have not been sufficiently utilized for their intended purpose. Yet the same vendors that received these taxpayer investments – including those operating as for-profit corporations – now want the Commonwealth to allow them a margin of up to a 20% on their allowable expenses.

(continued)

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Similarly, home-based early childhood educators are among the lowest paid in the state – despite the significant impact they have on the futures of thousands of at-risk children whose families receive state affordable care vouchers. Making matters worse, educators’ pay is docked at least 15% to cover administrative costs for Child Care Systems. Child Development, the largest of these systems, already draws more than a million dollars in profit each year from taxpayers. Like their counterparts in human services, these Systems propose the Commonwealth offer them a significant increase that in no way is guaranteed to reach low-income children or their teachers.

As employees in the affected programs and as taxpayers in the Commonwealth, human service workers and educators are alarmed that the Commonwealth could allow its vendors to generate additional profit or surplus at a time when investments in front-line workers and services are so desperately needed.

We therefore ask the Commonwealth to make no changes to 808 CMR 1.00 - Compliance, Reporting and Auditing for Human and Social Services). Further, we call upon state regulators to fully investigate and disclose how human service vendors are spending existing Chapter 257 funds prior to allotting any additional resources or rate increases.