

Commission on NonProfit Health and Human Services

**Cost Comparisons – Private and State Services Workgroup
(Wage and Benefit Comparison)**

November 15, 2010

Minutes

Meeting was Held in Room 1A of Legislative Office Building

Members Present: Cinda Cash (co-chair), Patrick Flaherty (co-chair), Melodie Peters, Doreen Del Bianco, Daniel O’Connell, Peter O’Meara, Carolyn Parler-McRae, Margaret Glinn, Ronald Fleming

Others Present: Ron Cretaro, CT Association of NonProfits, Terry Edelstein, CT Community Provider Association, Wanda Dupuy, OPM

The meeting was called to order by Co-Chair Cinda Cash

1. Introductions

Those present introduced themselves and their affiliations.

2. Review of schedule

The co-chairs reported that the next workgroup meetings would be held on November 29 and December 13. The purpose of the November 29 meeting will be for the workgroup to provide guidance to the co-chairs with regard to a draft preliminary report. The co-chairs will then prepare a draft for distribution to the workgroup by December 8, 2010. This will give workgroup members a few days to review the draft before a December 13, 2010 workgroup meeting. The goal of the December 13 workgroup meeting will be to finalize the preliminary report, which will then be presented to the full Commission on December 14 for inclusion in the Commission’s preliminary report.

3. Reports and Review of Materials

Workgroup members had provided the workgroup with many documents. Co-Chair Cash led the group through a review of the documents.

Patrick Flaherty reviewed the charts and table he had produced using data from the Department of Labor. He had selected a number of occupations based on previously expressed interests of the workgroup. Charts and table showed annual wages for both state employees and private sector (does not

make a distinction between profit and not-for-profit). For some occupations, the difference between state and private wages seemed small to workgroup members, while others showed a disparity. Patrick suggested that the the DOL data might be useful to identify areas for further investigation. DOL wage data is collected by occupation as defined in the Standard Occupational Classification system (SOC). Different jobs within the same occupation might have significantly different experience and educational requirements which might cause differences in wages. Workgroup might consider more detailed examination of certain occupations, perhaps by looking at specific job descriptions and requirements.

Ron Fleming called the workgroup's attention to the memo from Terry Edelstein dated November 11, 2010 that had been distributed by the co-chairs. Data show hourly wages for selected occupations from the CCPA Salary Survey 2010.

Margaret Glinn provided the committee with a table with information on 10 DCF positions and 10 positions identified as "Private Provider Equivalent." For DCF positions the data showed starting hourly, maximum hourly and DCF hourly rates. For private provider equivalents the data showed Minimum and Maximum Provider Salary from SCAR, Equivalent hourly rate per FTE.

Commissioner O'Meara discussed information that had been compiled by DDS with input from DMHAS and provided to the Workgroup in an email from Joseph Drexler. Data included benefit ratios for private sector benefits based on annual reports submitted to DDS. He agreed that a similar table could be compiled for state employee benefits and he would find someone to do this. There was also information on the number of employees at DDS and DMHAS in a number of job categories as well as hourly pay ranges. Documents were formatted to facilitate comparison of DMAS and DDS positions. There was also a table of hourly salaries of DDS positions and Private Provider Equivalents that had been emailed by Peter Mason.

Melodie Peters distributed the Executive Summary of the cepr/PERI report on the "Wage Penalty for State and Local Government Employees in New England" as well as a page of benefit ratios for state employees. She noted that comparison work has been done in other studies including the Commission on Enhancing Agency Outcomes (CEAO). She noted that while some have questioned the CEAO numbers, other information received by the workgroup is

largely consistent with the CEAO summary sheet previously distributed. She suggested the workgroup should not to too dismissive of the CEAO data.

Doreen del Bianco noted that she had sent out a great deal of material, including job specifications. The co-chairs noted that they had not seen the job specs but were assured by Wanda that they had been posted on the workgroup's website. She had information regarding the salaries of DMHAS employees as well as positions that might be considered comparable at DDS. She noted that for some groups, the average longevity of employees was above the necessary years to reach the maximum of the payscale (11 years) the average annual wage was significantly below the maximum.

4. As a next step, the workgroup would like to look at job descriptions for state and private positions in those areas where the data suggest the largest differential between state and private employees. State agencies will contact some of their providers to obtain job descriptions or position specifications/requirements for those positions. The workgroup also aksed the nonprofit community to provide samples of job descriptions from a selection of private providers.

5. The next meeting will be held on Monday, November 29, 2010 in the Finance Committee Conference Room (Room 3700) of the Legislative Office Building.

Respectfully submitted,

Patrick Flaherty
Co-chair