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**Collaborative Recovery Fund partners issue update
on charitable response to the Sandy Hook tragedy**

Groups have been covering enormous mental health costs for those affected by the 12/14 tragedy

NEWTOWN, CT. – July 3, 2014. In light of the recent report from the CT Attorney General’s Office regarding the charitable response to the December 2012 tragedy a group of charitable funds would like to update the community on their efforts and offer insight into the realities facing the Newtown Community in the months and years to come. The group includes the Newtown-Sandy Hook Community Foundation, Inc. (NSHCF), Newtown Lions Club Foundation, Newtown Memorial Fund, Newtown Rotary Club and United Way of Western CT.

Shortly after the tragedy the Newtown Rotary Sandy Hook School Fund partnered with the United Way and the CT Office of Victim Services to assist with out of pocket mental health and other financial costs for those impacted. In October 2013 the effort transitioned to cover reimbursement of mental health expenses only and the Newtown Memorial Fund joined the effort at that time, pooling their funds dedicated for mental health costs with the other two groups to maximize efficiencies. More recently the Lions Club and the NSHCF joined this collaborative effort with NSHCF recently assuming responsibility of the payout of the funds to service providers on behalf of the over 400 individuals who are being assisted by the funds. Prior to joining the partnership the Lions Club made direct payments to providers on their own. “We are happy that the NSHCF is now in a position where we are able to assume the payout process from the United Way and streamline payouts from the participating funds” stated Jennifer Barahona, Executive Director of NSHCF. The United Way recently provided a grant to the NHSCF to help offset overhead costs associated with managing the process. “Receiving grant dollars is important so that the Foundation can continue to operate without the need to use any of the donated funds for that purpose”, said Barahona.

The Foundation pays providers directly using pooled resources from all the partners in what is now called the ‘Collaborative Recovery Fund’. In May of this year alone the fund paid over \$90,000 in out of pocket mental health costs for individuals. “If the current rate of spending holds, the Rotary funds will be depleted in a matter of months” states Alan Clavette, board member of the Newtown Rotary. The group argues that looking at data in the Attorney General’s report that in many cases is over 9 months old does not accurately reflect the amount of money remaining in the community. “The inflow of new contributions is slow at best but the output is enormous”, states Clavette.

“One of our biggest concerns is the illusion that Newtown has more money than we need when in fact the opposite is true” states Peter McNulty, President of the Lions Club. “The Lions originally estimated having enough funds to last 10 years and the \$344,000 we raised was completely depleted by May of this year”. The Lions, along with some of the other groups, are continuing to raise funds to support the mental health needs being addressed by the Collaborative Recovery Fund.

The group of funders is currently examining ways to preserve the dollars for the longest time possible. Brian Mauriello, founder of the Newtown Memorial Fund, states that central to his organization’s mission and purpose is to provide for the mental and medical health needs of those directly affected, to support the community’s resiliency efforts, provide assistance in the creation/maintenance of suitable

tributes/memorials, and establish an endowment for post-secondary scholarships for those identified in its criteria as eligible. “Establishing a suitable spend rate based on need while keeping in mind the time horizon of that need has challenged us to look very carefully at the most successful venues for raising additional funds in a sustainable way”.

With all the funds focusing on the mental health recovery, the group is anxious to help the community better understand the challenges faced in sustaining the support. One thing that many people don’t understand is the out of pocket costs for mental health. Recent changes in health care have had a huge impact on the out of pocket costs for families. “We are no longer talking about a \$20 co-pay for a session of therapy”, states Dr. Charles Herrick, psychiatrist and Chair of the NSHCF. “Families have very high deductibles and many providers are not accepting health insurance because of low reimbursement rates and the red tape required to get those reimbursements”. The funds have not wanted families to have to make the choice between paying household bills and seeking necessary mental health treatment. “The group is looking at reasonable and customary fees for mental health treatment and may need to move to putting caps on payments if we want these resources to be available for impacted children and adults in the years to come”, states Herrick.

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