

Legislative Budget Committee

PUBLIC DEVELOPMENTAL DISABILITIES SYSTEM

CONCLUSIONS AND RECOMMENDATIONS

The Legislative Budget Committee recommends that the Legislature establish a phased-in effort to accomplish the programmatically linked goals of community capacity expansion and the elimination of the waiting list for services from Home and Community Based Services waiver for persons with Developmental Disabilities (HCBS DD). This effort would consist of the following:

- Expand community capacity through rate adjustments to achieve rates which would more closely reflect a parity between community wages and state institutional wages by adding \$15 million SGF in FY 2008 and \$10 million SGF in FY 2009 and FY 2010; and
- Eliminate the waiting lists for developmental disability (DD) services by adding \$10 million from the State General Fund in both FY 2008 and FY 2009, and \$15 million in FY 2010.

Additionally, the Committee recommends that the Senate Ways and Means and House Appropriations Committees request information during the 2007 Legislative Session on items including but not limited to the following:

- To assure that all programs are designed to meet the intent of the DD Reform Act for greater emphasis on independence, inclusion, integration and productivity;
- To examine, and replicate if appropriate, models in other states which are better designed to assist families of dependent children, rather than relying solely on the current HCBS DD waiver;
- To establish minimum standards for all persons and entities who provide services to persons with DD;
- To assess current capacity planning at the Department of Social and Rehabilitation Services to upgrade the State's ability to provide monitoring and oversight for the expanded numbers of community service providers; and
- To propose ways by which to upgrade employment related services for persons with DD, including providing the Legislature with a fiscal estimate on unbundling supported employment services so as to allow providers of such services to build employment service capacity in the community, and therefore be able to reduce reliance on facility-based employment services.

Proposed Legislation: None.

BACKGROUND

The Legislative Coordinating Council directed the Legislative Budget Committee to study the state's system for serving individuals with developmental disabilities. Specifically, the Committee was directed to review the updated Department of Social and Rehabilitation Services' (SRS) strategic plan and quality assurance and enhancement activities. In addition, the Committee was to examine current and proposed models to meet the demand for community based services.

COMMITTEE ACTIVITIES

At the September meeting the Committee heard full-day testimony from nearly 20 conferees regarding the developmental disabilities system. Conferees included representatives of state agencies, consumer organizations, Community Developmental Disability Organizations (CDDOs), Community Service Providers (CSPs), provider associations, and other advocacy organizations.

Staff presented an overview of the developmental disabilities system to orient the Committee and lay the foundation for testimony. Following the staff presentation, SRS briefed the Committee on the number of persons served, or waiting for services, and the impact the additional funding approved by the 2006 Legislature is having on waiting lists. In addition, the agency presented information on the Developmental Disabilities (DD) Strategic Plan, quality assurance activities, targeted case management services, and the Federal Deficit Reduction Act.

Although, many comments and suggestions were made by conferees, testimony centered on the following primary themes:

- Closure of remaining state hospitals and private large bed facilities;

- Reduction of the waiting list for Medicaid Home and Community Based Services (HCBS) waiver services and expansion of community based services;
- Increased wages for direct care professionals;
- Improved quality assurance and monitoring;
- Focus on the vision set out in the Developmental Disabilities (DD) Reform Act; and
- Service requirements for individuals with severe, and sometimes violent, behaviors.

The expansion of community based services and the elimination of the waiting list for HCBS waiver services are underlying themes in nearly all of the testimony. However, cautions were expressed regarding the need for capacity expansion, quality oversight, funding and other measures to ensure the expansion is successful. Conferees commented that a quality system of services requires both access for individuals needing services and service providers reimbursed at levels sufficient to recruit and retain employees with the right skills and abilities.

A number of conferees addressed issues with having adequate direct care professionals in the community. The most common comment was regarding the salary of direct care professionals, especially in relation to what staff at the state hospitals are paid. According to testimony, the current state-wide average wage for direct care staff in the community is \$8.83 per hour while the beginning wage for a similar position at a state hospital is \$11.81 per hour. According to testimony, the estimated cost to increase community based staff wages to \$11.81 per hour is \$35 million from the State General Fund. Several conferees commented on the amount of work required

from direct care staff and the difficulty in hiring, training and retaining qualified staff to provide around-the-clock services.

The closure of the remaining two state hospitals and private facilities was discussed by two conferees representing advocacy organizations. According to conferees, institutional services are not the most economical way to serve persons with developmental disabilities. Additionally, federal pressure is building to re-balance funding in favor of community based services. Conferees recommended that all savings generated from closing institutions be directed into the community to fully fund services. The suggestion also was made to set a binding date for closure to facilitate the process. Finally, one conferee suggested the Committee review the report on the closure of Winfield State Hospital and Training Center which reported that individuals moved into the community had better outcomes than when they were in the hospital.

Improving the system for quality assurance and monitoring was cited as a principal of providing quality community services. Conferees indicated that the current system has not kept up with the expanding community system resulting in a concern about whether people are receiving the appropriate services and if state dollars are being spent effectively. Conferees cited the lack of new funding for quality monitoring, both at the state and local level, despite increases in the numbers of consumers, providers and service models. In addition, one conferee commented on the reduction in day-to-day contact that SRS staff have to monitor the provision of services due to staffing reductions and reorganization. Conferees asked for additional resources dedicated to the development of outcome measurements and the establishment of minimum standards for all providers.

A refocusing on the vision of the DD Reform Act, particularly with respect to

adult independence, was a key in a number of presentations. Multiple conferees commented on the need for timely transition of services when youth graduate from high school and move into adult services. According to conferees, these services are critical to moving people into the community and out of the family home where their adult independence may be hampered by overly paternalistic families. Integral to this process and to the provision of better services during school age years, is better communication between SRS and the Department of Education about program requirements and service coordination. Another challenge to adult independence noted by conferees was payments made to families to provide care. According to the testimony, paying family members to provide service may provide a disincentive to those families to move the child out of the home for fear of losing a source of income. The result is a lack of independence for the now adult child to gain independence and integrate into the community.

Another piece of the adult independence theme was testimony about the importance of Supported Employment and Supported Living programs. Testimony was presented that stressed the importance of these two types of services to ensuring adults were integrated into the community. Conferees requested additional support for these programs.

Challenges with dealing with developmentally disabled persons who have severe behavioral issues in the community were addressed by two service providers. According to the testimony, service providers have very little ability to reject clients whose behaviors pose dangers to staff or exceed the providers ability to serve the individual. The providers commented that, particularly in light of the relatively low wages, direct care staff were being put in harms way without sufficient recourse. It was suggested that the state needed to look

at alternatives to deal with persons who exhibit criminal, predatory, violent or other aggressive behaviors.

Other topics presented to the Committee included the value of consumer self-advocacy; gaps in services for children; and the need for Ombudsman services. With regard to consumer self-advocacy, the following three steps were given to ensure consumer rights: consumer participation in quality assurance; increased opportunities for choice and control of services; and increased education and awareness of service delivery options. In addition, more financial support for statewide self-advocacy training was requested. Gaps in services for young children were identified that results from a system designed to serve adults. These gaps include: the lack of HCBS waiver services for persons under age five; in-home supports not designed to meet families' needs; lack of billing system for mental health services; inflexible systems that do not support community collaboration and limited discretionary funds. Finally, one conferee noted the need for Ombudsman services to support and educate persons with developmental disabilities.

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