

Testimony House Human Services
Department of Disabilities, Aging and Independent Living
Susan Wehry, Commissioner
January 14, 2014

Developmental Disabilities Home and Community-Based Services Funding Reduction Summary

A. Background

- The 2013 Budget Bill passed by the Legislature included a \$2.5 million savings target in Developmental Disabilities Services and directed DAIL to convene a summer work group to come up with ways to manage the service needs within the appropriation for FY14 [Act 50 §E.333(b)(3)].
- The summer group, made up of consumers, advocates, family members, DAIL staff and providers did not come up with any new ways to achieve the savings target in FY2014.
- The budgetary management tool available in the System of Care plan is a reduction in funding of current allocations (rescission). The rescission resulted in a \$2,230,000 budget reduction that was spread across all providers' existing DDS home and community-based caseload allocation.

B. Budget Reduction Instructions

- DAIL advised agencies of their specific reduction in October, 2013. These reductions became effective January 1, 2014. A copy of the instructions sent to the agencies is available on the DAIL website.
- Agencies were required to look for administrative efficiencies where possible and to consider changes to models of services before reducing hours of service for individuals.
 - Individuals, families and guardians must be involved in choosing the reductions.
 - New needs assessments are completed and individual budgets adjusted, as appropriate.
 - Reduce infrastructure and look for administrative efficiencies, where possible.
 - Reducing expenses does not have to mean cutting services

C. Summary of Impact of Reduction

- As of Dec. 30, DAIL had approved all plans. Statewide, 524 individuals were affected by the cuts representing 19% of consumers receiving DD Home and Community based Services (2757)
- Reductions included
 - Home supports (shared living, supervised living, staffed living) (31%)
 - Community Supports (18%)
 - Employment Services (10%)
 - Agency and Program Administration (8%)

- Twenty-five full-time equivalent (FTE) positions were no longer needed as the result of the changes. Agencies did not report whether staff were laid off or whether vacancies simply would not be filled.

- Some reductions had no direct impact on services. Examples are:
 - Utilization reviews and updated needs assessments identified services that had not been used or were under used and could be eliminated from individual budgets without impact.
 - Reduced transportation costs due to reduction in community support hours and move to contracted model.
 - Changed home supports ratio from 2 staff:1 person to 1 staff:1 person.
 - Changed community supports ratio from 1 staff:1 person to 1 staff:2 people and from 2 staff:1 person to 1 staff:1 person.

- Some reductions did have a direct impact on services (over 300 individuals) including service coordination, community supports, employment services, supervised living, clinical services, crisis services and transportation, respite for both families and home providers.

A copy of the complete report is available on our website.

<http://www.dail.vermont.gov/dail-whats-new/whats-new-documents/dd-hcbs-funding-reduction-summary-for-sfy-2014>