

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resource Division
Representative Pollert, Chairman
January 15, 2013

Chairman Pollert, members of the House Appropriations Committee - Human Resource Division, I am Tina Bay, Director of the Developmental Disabilities Division of the Department of Human Services. I am here today to provide you an overview of the Developmental Disabilities Division, for the Department of Human Services (Department). I will provide a separate overview of the Long Term Care Developmental Disabilities Grants under separate testimony.

Programs

The Developmental Disabilities Division (Division) is made up of 10 FTEs who are responsible for staff training, policy development, quality assurance, compliance with federal oversight agency rules, and the implementation and ongoing monitoring functions relating to the Medicaid Home and Community-Based waivers, as well as children who are at risk of developmental delays.

Division staff interact regularly with the developmental disability staff at the regional human service centers and the Developmental Center, federal agency representatives, school system personnel, university representatives, consumer advocates, families, and a variety of public and private entities that play a vital role in the delivery system and monitoring of services.

Caseload/Customer Base

In state fiscal year (SFY) 2012, 5,881 consumers received developmental disability program management through the eight regional human service centers, and 8,287 Right Track screenings were completed for infants and toddlers ages birth to three years of age at risk for developmental delays.

In addition, 414 consumers were served through Catholic Charities Corporate Guardianship services for SFY 2012. However, in March 2012, Catholic Charities began a waiting list because they were unable to serve more consumers with the funding available.

Program Trends/Major Program Changes

During the 2011 Legislative Session, Senate Bill 2043 directed the Department, in conjunction with developmental disabilities service providers, to develop a prospective or related payment system with an independent rate model utilizing the Support Intensity Scale (SIS). The Division has contracted with JVGA to develop the rate structure. The Division also has contracted with American Association on Intellectual and Developmental Disabilities (AAIDD) to access the SIS, and with the Rushmore Group to complete the SIS assessments on consumers throughout the state. The Department will continue this work into the 2013-2015 biennium and expects to implement the new rate structure in the later part of the 2013-2015 biennium.

The Centers for Medicare and Medicaid Services (CMS) has placed greater emphasis on providing evidence of compliance with the health and welfare assurances required in the Medicaid waivers. In addition, CMS is requiring more state reporting and more state oversight of providers.

We continue to see an increase in the utilization of self-directed services. These services allow consumers and families to hire their own staff to provide in-home supports, environmental supports/modifications, equipment and supplies, and transportation.

Overview of Budget Changes

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
Salary and Wages	1,384,336	1,569,954	185,618
Operating	9,147,505	9,179,536	32,031
Grants	438,207	242,327	(195,880)
Total	10,970,048	10,991,817	21,769
General Fund	4,058,095	4,902,711	844,616
Federal Funds	6,761,950	6,089,106	(672,844)
Other Funds	150,003	0	(150,003)
Total	10,970,048	10,991,817	21,769
FTE	10.00	10.00	0.00

The Salary and Wages line item increased by \$185,618 and can be attributed to the following:

- \$32,092 in total funds of which \$15,173 is general fund needed to fund the Governor’s benefit package for health insurance and retirement for state employees.
- \$54,662 in total funds of which \$29,050 is general fund needed to fund the employee increases approved by the last Legislative Assembly.

- \$21,570 in total funds of which \$10,198 is general fund needed to provide for the annual and sick leave lump sum payouts for two FTEs expected to retire in the 2013-2015 biennium.
- During the biennium, the Department recognized an increased need due to additional federal requirements from CMS and transferred an FTE from another area of the Department to accommodate this priority. This position resulted in an additional need of \$79,611 in total funds for salary and fringes all of which are general fund.
- The remaining decrease of \$2,317 includes a combination of increases and decreases to sustain the salary of 10 FTEs in this area of the budget.

The Operating line item increased by \$32,031 and is a combination of the increases and decreases expected next biennium. Outlined below are the areas of change:

- Decrease in travel of \$41,714, due to a decrease in Part C travel, which is offset slightly by travel for other areas.
- Decrease of supplies/material-professional of \$13,000 for Part C, which is all federal funds.
- Decrease in other equipment under \$5,000 of \$150,000 for Part C, which is all federal funds.
- Decrease of printing of \$20,176, of which \$3,502 is general fund.
- Increase of \$259,867 in operating fees and services. The increases and decreases are a combination of:
 - Decrease of \$450,000 due to the reduction of American Recovery and Reinvestment Act (ARRA) funds, which is all federal funds.

- Decrease of \$52,167 for other miscellaneous contracts, of which \$32,862 is general fund.
- Increase of \$330,719 for the Catholic Charities Corporate Guardianship contract for the four percent annual inflationary increase, for an increase in the number of consumers served from 414 to 444, and to fund the second year of the three percent inflationary increase for 24 months versus the 12 months that were contained in the current budget, all of which is from the general fund.
- \$431,315 increase in the fiscal agent contract as the demand for self-directed supports continues to rise, of which \$203,926 is general fund.
- Decrease of \$2,946 in supplies, postage and other office administrative costs.

The Grants line item decreased by \$195,880 mainly due to the following reason:

- Decrease of \$200,000 for other miscellaneous Part C contracts, all of which is federal funds.

This concludes my testimony on the 2013–2015 budget request for the Developmental Disabilities Division. I would be happy to answer any questions.