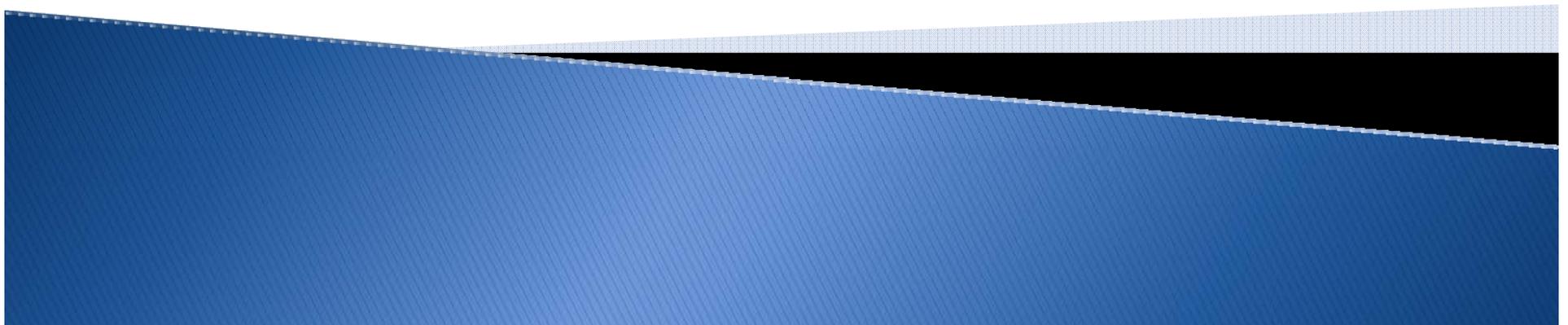


# Presentation to Senate Finance Subcommittee on Health and Human Resources

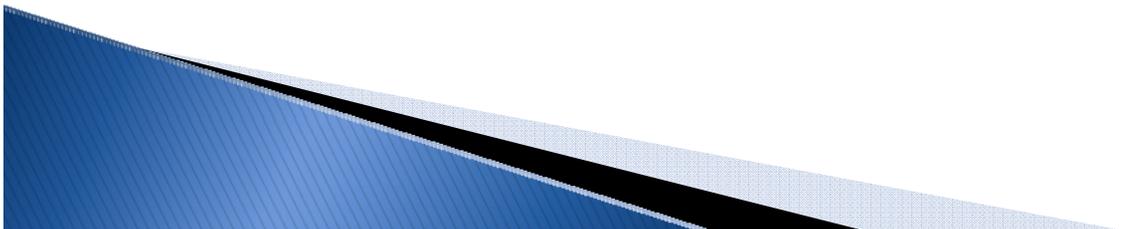
Howard Cullum, President  
The Arc of Virginia  
February 8, 2010



# Staff request to The Arc

**If Gov. Kaine budget cuts for ID/DD are doubled;**

- Impact on recipients/families, access to care and services
- Impact on jobs and services to consumers



# Recap of Gov. Kaine proposed cuts to ID/DD community

- Cuts 200 ID waiver slots scheduled for Jan. 1, 2010
- Cuts 400 ID waiver slots scheduled for FY 11
- Cuts 400 ID waiver slots scheduled for FY 12
- Cuts 67 DD waiver slots scheduled for FY 11
- Cuts 67 DD waiver slots scheduled for FY12
- Freezes ID, DD and EDCD waiver vacancies during calendar 2011
- Cuts provider reimbursement by 5%
- Cuts respite hours for families from 720 to 240 hours per year
- Other Medicaid cuts
  - Eliminates Optometry and Podiatry services
  - Reduces Speech, Occupational and Physical Therapy
  - Reduces incontinence supplies

# Impact of proposed cuts

- Loss of at least 1,200 ID waiver slots
- Loss of at least 150 DD waiver slots
- Disproportionate hit on ID/DD community

## Hidden impact

- No services for special education graduates for next two years; family caregivers will be leaving jobs.
- No services to persons with autism for next two years; this will make 4 years of no help for these families.

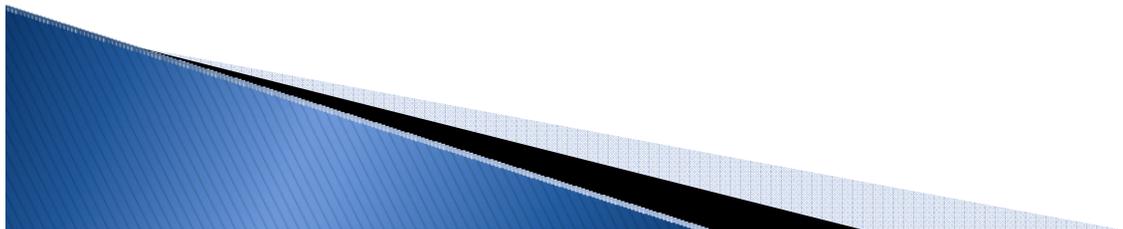
# Cutting Medicaid

## To do it you must :

- Cut eligibility
- Cut amount, scope and duration of services
- Cut provider rates

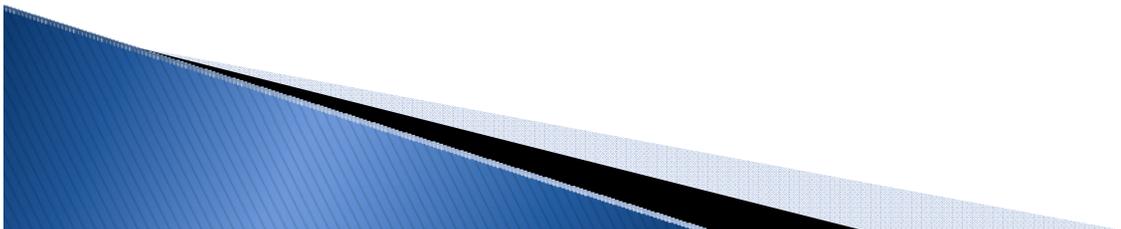
## None are easy:

- Legal problems if cutting eligible recipients or services
- Destroy community care if providers go under
- Waiver equivalency issue
- Health and Safety Issues–federal reimbursement



# Impact of Cuts

- Virginia goes backwards; already 46<sup>th</sup> in community fiscal effort.
- 1,350 families don't receive a critically needed waiver slot
- Providers financially at risk
  - No other payers, i.e. no insurance or private sector offsets
- Higher staff turnover—reduces quality of care
- Nothing for autism families
- Nothing for special education graduates
- Waiting lists grow
- Families in crisis
- System of care in crisis



# ID Waiver Waiting List

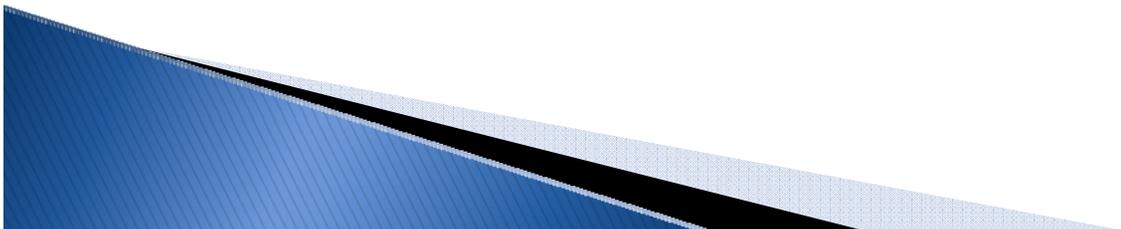
- Last year (Jan.'09) – 4,503
- Current wait list – 5,193
- Growth last year – 890 with the 200 new slots last 7/1/09
- Projected growth over next biennium – 1,460

**Cuts & freezes mean ID Waiver wait list  
of 6,653 by July 1, 2012**

# State Budget Dilemma

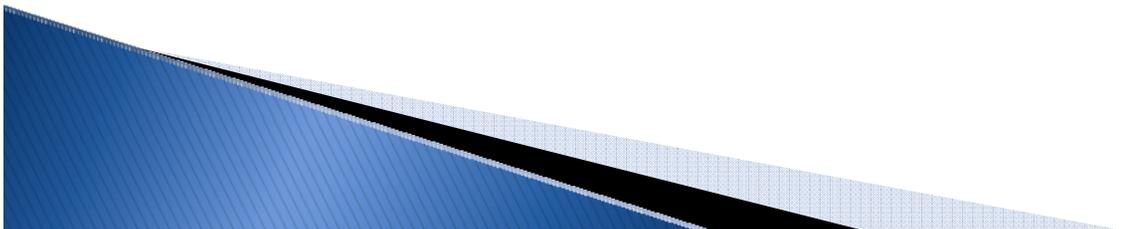
- Unprecedented revenue drop
- Many question why Virginia is only looking at expenditure side of equation in the form of cuts
- Revenue side is apparently off limits politically

**This Subcommittee knows the difficulty of balancing the budget by only looking at expenditure side**



# Community ID/DD families are asking:

- Why are legislators only looking at the community side of ID/DD system?
- What about the state's ID facilities?
- See clear parallel with revenue–expenditure issue



# Capital Costs–SEVTC

## Rebuild

- \$23 million
- 75 institutional beds
- 15 “houses” on a campus
- \$306,000 per bed
- Study concluded everyone could live in the community

Rebuild costs for all Training Centers=\$1 /4 Billion

## Community

- \$8.4 million
- 90 community beds
- 18 homes in the community
- \$93,033 per bed

There are no state capital funds for families living in the community

**Are there no homes available in Tidewater/Peninsula for less than \$1.5 M.?**

# Operating Costs

## Institutions

- \$31.9 million in new GF for Medicaid match for a total of \$63.8 M. (all funds)
- State ID Training Centers average annual operating cost per resident—\$194,000

## Community

- \$140.5 million in GF cut for a Medicaid match total of \$281M. (all funds)
- Community ID waiver average annual operating cost (with residential) – \$95,000

Does anyone understand and care about the math?

Does anyone understand the impact on the wait lists?

## Remember what community “Waiver” means...

- Families waive their legal right to institutional care.
- If just half of people on urgent care wait list asked for institutional care, the cost to the Commonwealth would be \$250 Million dollars a year
- Families want community care – that is why they waive their legal right to place their family member in a state institution and then sit on a waiting list.

# Time to Turn the Page

- Decisions at this budget cycle need to be made looking into the future
- Demographic reality;
  - 8,200 current ID waiver slots
  - 4,260 of these living in community homes
  - 12,661 people with ID/DD in Virginia public schools; 4,153 have severe/multiple disabilities
  - 3,043 special education grads with ID/DD exiting school in next 4 years
  - 17,000 ID/DD persons living in Virginia with caretakers over 60 years of age

**It is time for Virginia to aggressively pursue  
“Community for All” Strategy**

# Community for All

- Issue of segregation and civil rights
  - To our families, these proposed budget cuts represent increased segregation and unwanted, forced institutionalization of persons with ID/DD.
- Stop the rebuild of state ID facilities
  - Shift money to community homes
- Consider state operation of community homes/safety net
  - Protect current facility direct care/medical support staff

**More ID/DD cuts; don't go there.**