

MANHATTAN DEVELOPMENTAL DISABILITIES COUNCIL

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LEGISLATIVE AGENDA:

New York State Services

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Office for People with Developmental Disabilities (OPWDD)

THE EXECUTIVE BUDGET RECOMMENDS CUTS OF UNPRECEDENTED MAGNITUDE TO SERVICES FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES. WE URGE YOU TO SUPPORT AN ALTERNATE PLAN TO REALIZE THESE SAVINGS WITHOUT CAUSING HARM TO THE EXTREMELY VULNERABLE PEOPLE WHO DEPEND ON OPWDD SERVICES FOR THEIR VERY SAFETY AND WELL-BEING.

➤ **The Legislature must ensure that reductions do not endanger the health and safety of people with developmental disabilities.**

This budget evokes families' greatest nightmare: the neglect and abandonment of their children. The proposed cuts to the not-for-profit sector of roughly \$100 million in state funds will double to \$200 million due to the loss of matching federal Medicaid funds. About 95% of OPWDD services are funded through Medicaid; in comparison, hospitals are only 28% Medicaid funded. Other agencies can take cuts in non-Medicaid areas and avert some of this double loss, but for OPWDD services, there is no escape. OPWDD services have already been cut to the bone by over \$150 million in reductions over the past few years. There are no more efficiencies, no more waste and no possibility of cutting fixed costs such as rent or mortgage, utilities, food, or insurance. There is nothing left to cut but staffing, which comprises about 75% of program budgets. But staff are the safety net for people with developmental disabilities: they protect our people from fire, from a traffic fatality, from a medication error. They keep our relatives clean, fed, and healthy, and enable them to participate in their communities. This budget will result in massive staff layoffs that will, absolutely, endanger people. No wonder families are alarmed!

Once again, the Executive Budget turns its back on families in need of residential services with 24-hour staffing. Although the budget includes some funding for less costly services, there is absolutely nothing for those with more severe disabilities, including anyone who requires enhanced staffing for complex medical or behavioral needs. In Manhattan alone, 147 families need residential placement within the next two years. These families are living in fear, knowing that family support services—helpful as they are—will not sustain them through illness or crisis. Their only hope is a vacancy in an existing residence—and only if that particular residence can meet their child's needs. For families in crisis, there will be no option but the emergency room.

➤ **The Legislature must fight to enact an alternative solution that will produce the targeted savings without jeopardizing people with developmental disabilities.**

Experts in the field have proposed a combination of revenue enhancements, assessments, and greatly reduced cuts that will achieve the Governor's \$100 million savings goal:

- An additional Health Care Adjustment and/or a Medicaid trend that will yield federal matching funds and also net additional federal revenue. Savings: \$56 million.
- An increase of 0.5% in the ICF Medicaid assessment. Savings: \$4 million.
- A 2%-3% cut to not-for-profit providers. Savings: \$40 million.

It is utterly irresponsible to squander available Medicaid matching funds during this fiscal crisis. This plan preserves the Medicaid match, avoids massive staff layoffs, and thereby protects from harm the 126,000 people served by OPWDD. We urge you to do your utmost to enact it.

Department of Health

➤ **Reject the 10% cut to Early Intervention (EI) services. Increase revenue to EI by maximizing private-insurance reimbursement.**

EI is an investment that actually pays for itself in the long run. EI provides critical services, enabling infants and toddlers with significant developmental disabilities to increase their skills, thus decreasing their future reliance on government supports. EI providers are operating on their original, inadequate 16-year-old budget, with only one tiny 3% increase in all that time. Programs have been closing in every locality. Last year's 10% cut drove additional providers from the field. This year's 10% cut could well be the death blow, forcing even more providers to terminate EI services, thereby slamming the door in the face of these young children.

A partial solution is to increase insurance reimbursement of EI services. While 40% of the children enrolled in EI have private insurance, only 2% of EI costs are paid by insurance companies. Maximizing insurance reimbursement is essential, but in order to prevent insurance denials, legislation must be enacted that defines EI as a covered service.

➤ **Reject the Medicaid Redesign Team recommendation to impose utilization controls on OPWDD mental hygiene clinics.**

This recommendation is a sneak attack on providers who serve people with developmental disabilities with the most intensive clinical needs. People with developmental disabilities have permanent disabling conditions, often requiring long-term physical, occupational, speech, and other therapies. For the general population, such therapies are time-limited, and the expected outcome is recovery of lost skills. However, for people with developmental disabilities, who may never have acquired these skills, therapy is geared to the acquisition and/or maintenance of skills, or the prevention of physical deterioration. By reducing reimbursement for treatment of high-needs patients who exceed a predetermined number of visits, this plan is a disincentive to providers to serve people appropriately, based on the nature and extent of their specific medical

needs and disabilities, not on arbitrary limitations. Patients will pay for this relatively small savings with a loss of function and a deterioration—a shameful and unnecessary consequence.