



*Achieve with us.*

*For people with intellectual  
and developmental disabilities*

## **2017 Legislative Session Priorities** (March 2017)

Four years ago, the U.S. Department of Labor published their intent to enforce minimum wage and overtime rules for certain workers in the health care industry. Employees working under the Agency for Persons with Disabilities, APD, Developmental Disabilities Waiver program were impacted when enforcement of these provisions began last year.

The 2016 Legislature responded to what was a looming crisis for this Medicaid Waiver program by reviewing certain rates paid to providers under the waiver. The request from the provider community was a very much-needed 14% increase. The 2016 Legislature responded with adjustments to certain rates to meet the minimum wage requirements out of non-recurring funds as well as an across the board increase for other services.

The Arc of Florida is grateful for the rate increases in the 2016 session. While some of the crisis was avoided, **APD is experiencing a mass exodus of providers, leaving families that are trying to find services.** The 2016 rate increase was approximately 3%. While the remaining 11% from the 2016 request is still needed and funds must be recurring, providers are facing an additional crisis in workers compensation increases in 2017 of up to 14.9%.

### **The facts:**

- *There is a 40% turnover rate in frontline staff positions.*
- *There is a 37% decrease in the number of service providers as of July 2016 compared to July 2007.*
- *3,517 Providers have left services since 2007.*

**The Arc of Florida is seeking the remaining rate increase of 11% for specific services in the 2017 session.**

The details of our request:

**Our request is to increase the following provider rates under the APD Developmental Disabilities Waiver by 11%:**

- *Adult Day Training for ratios that are 1 to 10, 1 to 5 and 1 to 1.*
- *Residential Habilitation Training for all levels at 11%.*
- *Personal Supports for all categories at 11%.*

We must also have continued funding for the 3% funding increase from last year.

## **Support for Waitlist Funding**

We continue to support additional funding to take individuals off of the Developmental Disabilities Waiver

Waitlist. The Governor has placed \$7.5 million in the APD budget to move more than 680 individuals onto the Developmental Disabilities I-Budget Wavier. We must adequately fund the provider rates in order for services to be available when the waiver slot is offered to a family.

While this is good and laudable, for every dollar directed to the Waitlist, Florida's Developmental Disabilities Service Providers must find funding in their local communities to fulfill the promise the State is making to those families to provide those services.

Rates paid to Florida's Developmental Disabilities Service Providers today are woefully inadequate. In fact, they are significantly less than the rates paid for the same services a decade and a half ago. Meanwhile, the cost to provide these services (staff/health insurance/benefits, fuel, utilities, vehicles, general liability insurance, workers comp insurance, etc.) has increased exponentially.

When the State of Florida moves people off of the Waitlist, please do not presume that it will relieve the cost-pressure on your local Developmental Disabilities I-Budget Waiver Service Provider. The reality is, each person moved into needed services, directly increases the demand for local dollars. Until there is a fair and equitable rate structure that is responsive to the cost to provide the services, this will be the unspoken reality.

**Increases for waitlist funding must go hand-in-hand with provider rate increases.**

## **Block Grants**

The Florida House has passed a bill supporting Federal block grants to provide healthcare and long-term care services to certain low-income individuals in lieu of the traditional Medicaid entitlement program.

A block grant would be a fixed amount of money from the federal government to the states to spend on health care for people who are poor, elderly, or have disabilities. States are then given great flexibility to design their programs to operate within this fixed amount of available funds. Based on previous federal block grants and general statements from members of Congress, we expect that a block grant would:

- Cap the amount the federal government spends on services currently funded by Medicaid.
- Not increase this amount to keep up with health care inflation.
- Cut the federal share of the match, of which Florida currently receives approximately 60% in matching funds.
- Some of the coverage guarantees that exist within the current Medicaid program would likely go away as states will be forced to manage within a set amount that may not be automatically adjusted based on actual demand (i.e. coverage no longer an entitlement).

The implementation of the I-Budget Waiver in Florida has brought the Developmental Disabilities Waiver budget into balance. The individuals and families served by this waiver have already experienced service and funding reductions to achieve a balanced budget. **We need assurances that individuals with I/DD will NOT have further service reductions and funding reductions IF block granting is implemented.**

**Families and providers of direct services must be at the table IF the system is redesigned to accommodate block grants.**

**For further information or questions regarding this request, please contact:  
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