



PO BOX 30444, ALBUQUERQUE, NEW MEXICO 87190 • PHONE 505.232.2238 • FAX 505.232.2254

July 8, 2013

## **DEVELOPMENTAL DISABILITY MEDICAID WAIVER PROGRAM**

The Developmental Disability Medicaid Waiver (DDMW) program is a Medicaid program administered by the Developmental Disability Support Division (DDSD) of the Department of Health (DOH), through an agreement with the Medical Assistance Division (MAD) of the Human Services Department (HSD).

HSD and DOH redesigned the DDMW program with changes taking place effective May 1 for new persons entering the service system and persons currently receiving services whose plans of care and budgets need to be revised beginning May 1. The purpose of the redesign was to save money, by reducing services to individuals currently in the system, to fund services for persons on the Central Registry waiting list for DDMW services.

### **The DDMW redesign included the following changes:**

- Increases in Service Standards, provider responsibilities and reporting, and unfunded mandates;
- Evaluation for services through the use of a new assessment tool, the Supports Intensity Scale (SIS);
- Implementation of new service packages which reduce the number of hours of care a person can receive for certain critical, core services;
- Rate reimbursement reductions for most critical, core services, per recommendations made by Burns and Associates, an out of state contractor that conducted a rate survey for DDMW.

### **The implementation of the redesigned DDMW program has caused the following problems/concerns:**

- Service standards have increased from 48 pages in 2000 to 266 pages currently, creating additional burdens on an overburdened system;
- Many individuals were assessed incorrectly through the SIS and will receive less services than are needed to ensure their health, safety and welfare;
- Some services were reduced, leaving people without care for a period of time;
- On January 1, 2011, rates for services were reduced 5%, across the board and Annual Resource Allotments (ARA - individual budgets) were reduced 8%;
- Additional cuts in reimbursement rates, per the Burns survey, range from 6% to more than 40%;
- Generally, rate recommendations made by Burns and Assoc. inaccurately reflected costs and were based on unaudited data;
- Due to new rate reductions, some providers have stopped delivering certain critical, core services and other providers are threatening to eliminate services and/or stop providing DDMW services completely;
- Providers have had to cut staff salaries and/or freeze staff salaries for the past several years, and reduce or eliminate employee benefits, resulting in increased staff turnover and the need for the remaining staff to work overtime, which is not reimbursed to private providers by the State;
- Hundreds of budgets for services beginning May 1 have not been approved, forcing providers to deliver services without compensation, creating a financial crisis.