

Legislative Health and Human Services
Committee

**Recommendations for Sustainability of
Developmental Disabilities Program**

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Presentation Outline

- Review of the *LFC 2010 Program Evaluation of Developmental Disabilities Program: Recommendations and Progress Report* (**see handout**)
- Present Data on Numbers Served, Costs and Funding for Developmental Disabilities Medicaid Waiver (**see handout**)
- Discuss Status of Jackson Litigation

The LFC 2010 Program
Evaluation of Developmental
Disabilities Program:
Recommendations and
Progress Report

Progress Report on the LFC's 2010 DD Waiver Evaluation

- Background
- Key Recommendations
- Key Findings
- Agency Reported Progress to Date
- Outstanding Issues

Numbers Served, Costs and Funding for Developmental Disabilities Medicaid Waiver Program

FY07-FY14 DD Waiver

- Funding increased annually, except when offset with federal ARRA funds.
- Average annual cost per client grew annually by an average 8 percent with a peak in FY10 of approximately \$85 thousand.
- Number of clients served on DD waiver remained relatively flat.
- Number of people on waiting list increased annually.

FY12-FY13 DD Waiver Funding

- The 2011 General Appropriation Act (GAA) appropriated \$1 million for FY12 to reduce the number of individuals on the DD Medicaid waiver waiting list by approximately 50 people.
- The 2012 GAA appropriated \$2.8 million for FY13 to reduce the number of individuals on the waiting list by approximately 150 people.
- Despite these increases, the Developmental Disabilities Support Program reverted \$4.1 million to the general fund for FY12, and \$2.8 million for FY13, and made only modest increases to clients served by the DD waiver.

FY13 Summary

- In FY13, the DOH reports the DD Waiver added 339 people to the program from the waiting list, but concurrently, the waiting list grew by approximately 300 individuals.
- At a minimum, the DD Waiver needed to serve an additional 300 new clients annually to maintain the status quo of clients served.
- The DOH reports the DD Support Program reverted \$6.9 million back to the general fund in FY12 and FY13 due to slower than usual entry into the program by new clients and subsequent under utilization of services.
- The DOH indicates a “ramp-up” situation occurs annually as newly allocated participants do not fully utilize services until their second year in the program.
- The DD Support Program reports it has addressed these issues through better management of attrition, program redesign, and changes to its allocation procedures.

FY14 To Date

- The Legislature appropriated an additional \$4.6 million to serve approximately 225 more clients in FY14.
- The Department of Health (DOH) sent 500 letters in April in anticipation of enrolling up to 385 new people to the DD Medicaid waiver program in FY14.
- The funding for the 385 new clients is comprised of \$4.6 million of new general fund appropriations to serve 225 clients, plus savings achieved from projected attrition and redesign of the DD waiver to serve 160 clients.

DD Medicaid Waiver Performance

- Over the last 4 years, a net increase of 126 clients was added to the DD Medicaid waiver program, with approximately 3,800 currently being served.
- Over the last 4 years, the waiting list for DD waiver services grew by 1,260 people, with approximately 6,300 people currently on the waiting list.
- The DD Medicaid waiver program implemented cost-containment measures in FY11 and began lowering the average cost per client from \$85.3 thousand to \$73.3 thousand in FY13.

Status of Jackson Litigation

Jackson Lawsuit in FY13

- The Jackson lawsuit, filed in 1987, requires the state to provide services to DD clients in an integrated community setting, as opposed to a state facility.
- The DOH was ordered to complete and comply with a plan of action and other items to ensure compliance with the findings of the court.
- A hearing, held in October 2012, indicated the DOH was noncompliant with certain disengagement activities including adequate health care, a reasonably safe environment, and supported employment services.
- The court also indicated the DOH made progress in several areas and could endeavor for disengagement perhaps within FY14 or FY15.
- For FY13/FY14, the DOH received a \$2 million special appropriation for lawsuit disengagement activities.

Jackson Lawsuit to Date

- The Department of Health (DOH) appeared before the court this summer regarding the Jackson lawsuit.
- The court did not move to disengage the DOH from the terms of the case and ordered the DOH to continue:
 - maximizing resources for services to the Jackson class members;
 - increasing jobs for the members;
 - establishing an employment institute;
 - improving DOH information management; and
 - supporting prevention, early intervention, and monitoring services related to aging and chronic health conditions for the Jackson class members.
- The plaintiffs' attorneys have increased their legal fees and hourly rates which are paid by the DOH. The attorneys' rates are over \$200/hour with some making over \$300/hour.