

PROGRAM: Developmental Disabilities--Benefits

| <u>Current Services</u>  | <u>FY 1982</u>     |                    | <u>FY 1983</u>      |                     | <u>FY 1984</u>    |                     | <u>FY 1985</u>      |                   |
|--------------------------|--------------------|--------------------|---------------------|---------------------|-------------------|---------------------|---------------------|-------------------|
|                          | <u>Exec.</u>       | <u>LFA</u>         | <u>Exec.</u>        | <u>LFA</u>          | <u>Difference</u> | <u>Exec.</u>        | <u>LFA</u>          | <u>Difference</u> |
| Day Programs             | \$ 4,351,942       | \$ 4,995,648       | \$ 5,536,357        | \$ 5,515,817        | \$ 20,540         | \$ 5,868,538        | \$ 5,846,766        | \$ 21,772         |
| Transportation           | 622,559            | 773,479            | 794,130             | 794,130             | -0-               | 841,778             | 841,778             | -0-               |
| Adult Home               | 1,629,966          | 1,628,748          | 2,306,944           | 2,306,944           | -0-               | 2,445,361           | 2,445,361           | -0-               |
| Child Home               | 616,359            | 667,460            | 798,334             | 798,334             | -0-               | 846,234             | 846,234             | -0-               |
| Semi-Independent         | 415,268            | 404,985            | 727,483             | 727,483             | -0-               | 771,132             | 771,132             | -0-               |
| Respite Care             | 216,180            | 232,260            | 242,577             | 242,577             | -0-               | 257,132             | 257,132             | -0-               |
| Family Services          | 843,782            | 976,272            | 987,470             | 987,470             | -0-               | 1,046,718           | 1,046,718           | -0-               |
| Evaluation & Diagnosis   | 170,411            | 190,262            | 422,102             | 422,102             | -0-               | 447,428             | 447,428             | -0-               |
| Adapt Equipment          | 60,828             | 46,143             | 62,729              | 62,729              | -0-               | 66,493              | 66,493              | -0-               |
| <b>Total</b>             | <b>\$8,927,295</b> | <b>\$9,915,258</b> | <b>\$11,878,126</b> | <b>\$11,857,586</b> | <b>\$20,540</b>   | <b>\$12,590,814</b> | <b>\$12,569,042</b> | <b>\$21,772</b>   |
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| <u>New Services</u>      |                    |                    |                     |                     |                   |                     |                     |                   |
| Intensive Homes          | \$ 592,829         | \$ -0-             | \$ 592,829          | \$ 628,399          | \$ -0-            | \$ 628,399          | \$ -0-              | \$628,399         |
| Vocational Placement     | 30,459             | -0-                | 30,459              | 32,287              | -0-               | 32,287              | -0-                 | 32,287            |
| <b>Total</b>             | <b>\$ 623,288</b>  | <b>\$ -0-</b>      | <b>\$ 623,288</b>   | <b>\$ 660,686</b>   | <b>\$ -0-</b>     | <b>\$ 660,686</b>   | <b>\$ -0-</b>       | <b>\$660,686</b>  |
| <hr/>                    |                    |                    |                     |                     |                   |                     |                     |                   |
| <u>Expanded Services</u> |                    |                    |                     |                     |                   |                     |                     |                   |
| Provider Salary          | \$ 145,600         | \$ -0-             | \$ 145,600          | \$ 145,600          | \$ -0-            | \$ 145,600          | \$ -0-              | \$145,600         |
| Foster Home              | 200,000            | -0-                | 200,000             | 400,000             | -0-               | 400,000             | -0-                 | 400,000           |
| BRS & H Clients          | 524,616            | -0-                | 524,616             | 444,096             | -0-               | 444,096             | -0-                 | 444,096           |
| <b>Total</b>             | <b>\$ 870,216</b>  | <b>\$ -0-</b>      | <b>\$ 870,216</b>   | <b>\$ 989,696</b>   | <b>\$ -0-</b>     | <b>\$ 989,696</b>   | <b>\$ -0-</b>       | <b>\$989,696</b>  |
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## DEVELOPMENTAL DISABILITIES - BENEFITS

### Issue No. 1: Intensive Group Homes

Intensive group homes are approximately four times as expensive as regular group homes. The marginal cost of keeping a person in Boulder is less expensive than the cost of putting him in the community. In addition, both Boulder and Eastmont receive medicaid reimbursement. Only two of the present four intensive group homes have qualified for the medicaid waiver; the other two are supported by general fund. The following table shows the costs of Boulder, Eastmont, and the community.

Cost of Caring for a DD Person  
Fiscal 1984

|  | <u>Total Cost</u>   | <u>General Fund</u>   |
|--|---------------------|-----------------------|
| Community  | \$29,000 - \$34,000 | \$29,000 - \$34,000 * |
| Eastmont   | 37,000              | 16,421                |
| Boulder  | 54,000              | 32,515                |
| Boulder Marginal Cost for Four Residents               | 5,000               | (16,485)              |
| Boulder Marginal Cost per resident<br>for 25 Residents | 23,000              | 1,515                 |

\* (without waiver)

At the new rates for Boulder and Eastmont, it costs less general fund to have these people in Eastmont and about comparable general fund costs at Boulder.

The committee may consider the following options:

Option a: Fund the present intensive group homes and direct SRS not to expand this service.

Option b: Fund the present intensive group homes and specify that future intensive group homes may be started only if they qualify for the medicaid waiver.

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## Issue No. 2: Boulder Deinstitutionalization

By moving ten Boulder residents to Eastmont and 16 to the community, one cottage at Boulder can be closed. Considering the costs of Eastmont and SRS and the savings at Boulder, there would be a savings in total funds, but a cost in general fund. SRS has requested \$524,616 in fiscal 1984 and \$444,096 in fiscal 1985 to move the 16 Boulder residents to the community. The following table displays the costs and savings involved.

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Table 1  
Effect of Reducing Boulder's Population by 25  
(Some to Eastmont; Some to Community)  
Fiscal 1984 Rates

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|           | <u>Total Cost<br/>(Savings)</u> | <u>Increase (Decrease in Medicaid<br/>Reimbursement-Federal Portion Only)</u> |
|-----------|---------------------------------|---|
| Boulder   | \$ (629,175)                    | \$ (537,143)  |
| Eastmont  | 94,509                          | 308,679   |
| Community | <u>408,672 *</u>                | <u>-0- **</u>   |
| Total     | \$ (125,994)                    | \$ (228,464)  |
|           | =====                           | =====   |

\*Annualized cost; does not include start up cost.

\*\*Assumes medicaid waiver will not be used for these persons.

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The above table shows that there is a savings in total funds of \$125,994. However, Medicaid reimbursement (federal portion), which is a revenue source, will decrease \$228,464. Thus the cost to the state will be \$102,470. If the 16 deinstitutionalized persons do qualify for the medicaid waiver a savings may be realized.

Option a: Allow the deinstitutionalization of the 16 Boulder residents.

Option b: Do not allow the deinstitutionalization of the 16 Boulder residents.

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Issue No. 3: Provider Salary Increase

The executive budget includes \$300,000 over the biennium to increase the salaries of direct care workers. The committee may or may not appropriate this money.

Issue No. 4: Foster Homes

The executive budget includes \$200,000 in fiscal 1984 and \$400,000 in fiscal 1985 to provide foster homes for DD persons. The department has also maintained a cost savings which would occur, although other budgets have not been reduced. Does the committee wish to appropriate the \$600,000 over the biennium for foster care?

Issue No. 5: Expanded Slots

SRS was appropriated \$1.8 million for expanded services in the 1983 biennium. To support the services which were added during the 1983 biennium, it will cost over \$4 million in the 1985 biennium. The committee may want to slow this growth by specifying the number of slots to be funded.

Issue No. 6: Payment for Services

Residents at Boulder are required to pay for their services on an ability to pay basis. For residents under age 18, the parents' ability to pay is considered. The Governor's Council on Management has recommended charging for services on an ability to pay basis. The council believes this procedure will save approximately \$1.1 million per year. SRS says they are looking into this.

Option a: Require SRS to charge for DD services provided on an ability to pay basis.

Option b: Direct SRS continue to studying the feasibility of charging for services.

Option c: Continue to let DD persons in the community receive services at no cost.

## GRANTS

There is a single funding source:

### Developmental Disabilities Services Act

|                         | <u>OBPP</u>    | <u>LFA</u>     |
|-------------------------|----------------|----------------|
| Expected Grant          | \$250,000      | \$250,000      |
| Administration Cost     | <u>111,653</u> | <u>160,904</u> |
| Remainder if for Grants | \$138,347      | \$ 89,096      |
|                         | =====          | =====          |

DDPAC has the discretion in determining for which purpose the grants shall be used. The 1981 session put the following restrictions on these funds:

Within other appropriated funds in item 1 is no more than \$175,000 for the biennium for the operation of the developmental disabilities policy advisory council. Any federal money received above this amount may be spent only to improve direct client services as recommended by the council and approved by the SRS director.