

PROGRAM: DISABILITY DETERMINATION

ADMINISTRATION

		1982 Actual	1983 Approp.	1984 Executive Level	1985 Current Level	Executive Difference	1985 Current Level	Difference
FTE	33.13	33.13	41.13	33.13	(8.00)	41.13	33.13	(8.00)
Personal Services	\$ 771,932	\$ 899,351	\$ 1,087,431	\$ 802,915	\$ (284,516)	\$ 1,086,752	\$ 801,618	\$ (285,134)
<u>Operating Expenses</u>								
Contracted Services	\$ 557,456	\$ 366,332	\$ 782,297	\$ 782,291	\$ (6)	\$ 941,476	\$ 941,467	\$ (9)
Supplies	5,476	3,443	16,352	16,345	(7)	17,333	17,324	(9)
Communications	50,370	30,227	71,992	80,613	8,621	80,950	92,596	11,646
Travel	10,217	5,749	16,803	16,797	(6)	17,666	17,653	(13)
Rent	67,507	70,840	91,392	89,512	(1,880)	96,876	93,983	(2,893)
Repairs	5,160	2,948	9,398	5,797	(3,601)	10,146	6,144	(4,002)
Other	963	1,427	1,083	1,078	5	1,148	1,141	(7)
Total Equipment	\$ 697,149 7,868	\$ 480,966 385	\$ 989,317 41,039	\$ 992,433 37,539	\$ 3,116 3,500	\$ 1,165,595 -0-	\$ 1,170,308 18,400	\$ 4,713 18,400
Total Admin.	\$ 1,476,949	\$ 1,380,702	\$ 2,117,787	\$ 1,832,887	\$ (284,900)	\$ 2,252,347	\$ 1,990,326	\$ (262,021)
<u>Funding</u>								
General Fund	\$ 1,476,949	\$ 1,380,702	\$ 2,117,787	\$ 1,832,887	\$ (277,900)	\$ 2,252,347	\$ 1,990,326	\$ (262,021)
Voc. Rehab.								
Total	\$ 1,476,949	\$ 1,380,702	\$ 2,117,787	\$ 1,832,887	\$ (277,900)	\$ 2,252,347	\$ 1,990,326	\$ (262,021)

Service Slots

The following table compares the current level number of services anticipated by the legislature to services the department said they provided in fiscal 1982.

Table 35  
Comparison of Actual Anticipated Service Slots  
Fiscal 1982

<u>Service</u>	<u>-----Service Slots-----</u>		
	<u>Anticipated</u>	<u>Actual</u>	<u>Difference</u>
Day Programs	944	959	15
Transportation	882	945	63
Adult Homes	396	388	8
Children's Homes	46	46	00
Semi-Independent	133	147	14
Respite Care	474	453	(21)
Family Services	344	344	00

The current level service slots for the 1985 biennium include the expanded service slots made available through the additional general fund and medicaid waiver. Table 36 shows the number of service slots available July 1, 1983 for the 1985 biennium.

Table 36  
Number of Service Slots for Community Developmentally Disabled  
at July 1, 1983

<u>Services</u>	<u>Current Level</u>	<u>Expansion</u>	<u>Total</u>
Day Programs	959	161	1,120
Transportation	945	73	1,018
Adult Homes	388	37	425
Children's Homes	46	0	46
Semi-independent	146	78	224
Respite Care	453	3	456
Family Services	344	28	372
Intensive Home	0	32	32

Cost Per Service Slot

During the 1983 biennium there has been considerable variation between the cost per service slot contracted for by SRS and the cost per service slot anticipated during the appropriation process. Table 37 compares the anticipated cost to the contracted cost per service slot.

Table 37  
Anticipated versus Contracted Cost Per Service Slot  
1983 Biennium

<u>Services</u>	<u>FY '81</u>	<u>-----FY 1983-----</u>		<u>Percent</u>	<u>Increase</u>
	<u>Actual</u>	<u>Contracted</u>	<u>Anticipated</u>	<u>Anticipated</u>	<u>Contracted</u>
Day Program	\$ 4,496	\$ 5,292	\$ 4,646	17.7	3.3
Transportation	652	877	736	34.5	12.9
Adult Homes	3,298	4,113	5,121	24.7	55.3
Children's Homes	11,636	14,510	16,374	24.7	40.7
Semi-Independent	2,587	3,045	3,064	17.7	18.4
Respite Care	416	490	502	17.8	20.7
Family Service	2,411	2,838	2,504	17.7	3.9

As shown in the tables, adult homes and children's home costs increased substantially above the cost increases anticipated. Day programs and family service costs increase substantially less than the inflation costs anticipated in the appropriation.

Current Level Costs

Table 38 shows the cost per service that is included in the current level budget. The costs are inflated at 6 percent annually from the contracted fiscal 1983 cost per service.

Table 38  
Cost for Current Level Services  
1985 Biennium

<u>Old Services</u>	<u>Service Slots</u>	<u>Cost per Service</u>		<u>-----Total Cost-----</u>	
		<u>FY '84</u>	<u>FY '85</u>	<u>FY '84</u>	<u>FY '85</u>
Day Programs	1,120	\$ 4,925	\$ 5,220	\$ 5,515,817	\$ 5,846,766
Transportation	1,018	780	827	794,130	841,778
Adult Homes	425	5,428	5,754	2,306,944	2,445,361
Children's Homes	46	17,356	18,398	798,334	846,234
Semi-Independent	224	3,249	3,442	727,483	771,132
Respite Care	456	532	564	242,577	257,132
Family Services	372	2,654	2,813	987,470	1,046,718
Evaluation/Diagnosis	269	1,569	1,663	422,102	447,428
Adaptive Equipment	160	392	416	62,729	66,493
Total				\$11,857,586	\$12,569,042
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Issue 1: Waiting List Expansion

The following table compares the number of service slots needed as determined in the Legislative Finance Committee study of developmentally disabled and the anticipated number available at the beginning of the 1985 biennium.

Table 39  
Comparison of Service Slots Available  
and Service Slots Needed for the  
1985 Biennium

<u>Services</u>	<u>Slots Needed</u>	<u>Slots Avail.</u>	<u>Difference</u>
Day Services	1,345	1,120	225
Transportation	1,271	1,018	253
Children's Group Home	87	46	41
Adult Group Home	708	425	283
Semi-Independent Support	274	224	50
Family Training	470	372	98
Respite	406	456	(50)
Total	4,561	3,661	900
	=====	=====	====

The number of slots needed may change over time due to uncertainties in movement through the system and the number of special education students graduated.

The SRS expansion plan calls for placing an additional 321 clients over the 1985 biennium in the program by placing a strong emphasis on expansion in supervised, semi-independent living, supported semi-independent programs, and day services. These represent the least restrictive and less costly alternatives for DD clients. Expansion in these areas promotes movement through the system and frees up current level slots for new clients to enter the system. This prevents expansion in more costly, highly staffed group home services.

If 321 new clients are to be served basically in semi-independent and day program services, the department needs to explain who needs these services, as the waiting list from early 1982 shows only 55 needing semi-independent and 215 needing day programs.

The following table shows the department's assessment of the costs associated with the expansion proposal. As with the current biennium, start-up costs are dominant in the first year and operating costs make up the majority of the second year costs.

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Table 40  
DD Program Waiting List Expansion  
1985 Biennium

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	<u>FY 1984</u>	<u>FY 1985</u>	<u>Biennium</u>
Start-up Costs	\$ 880,000	\$ 280,000	\$1,160,000
Operating Costs	740,725	2,199,917	2,940,642
State SSI	<u>29,952</u>	<u>96,099</u>	<u>126,051</u>
Total Cost	\$1,650,677	\$2,576,016	\$4,226,693

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The more relevant information on the expansion would be the cost to develop a service slot, the number and type of service slots to be developed and the annual cost per year per service slot developed. This information should be presented to the legislature during session.

OPTIONS

Option a: Adopt the expansion proposal as drafted by the division. General fund costs increase \$1,650,677 in fiscal 1984 and \$2,576,016 in fiscal 1985.

Option b: Do not provide funding for expansion, or provide funding for an alternative level of expansion.

Issue 2: Deinstitutionalization

The 1981 Legislature did not specifically appropriate funds for deinstitutionalization in the 1983 biennium. Consequently, it is anticipated that about seven individuals will be deinstitutionalized in the 1983 biennium. The department has indicated that there are approximately 80 individuals residing in Boulder River School and Hospital and Eastmont that have been identified as being a priority for placement and able to benefit from community-based services. The proposed plan provides for deinstitutionalization for 33 persons. Total biennium costs of the proposal are \$1,531,832 distributed as follows.

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Table 41  
Deinstitutionalization Costs for 33 People  
1985 Biennium

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	<u>FY 1984</u>	<u>FY 1985</u>	<u>Biennium</u>
Start-up Costs	\$175,000	\$ 120,000	\$ 295,000
Operating Costs	320,812	868,388	1,189,200
State SSI	<u>13,728</u>	<u>33,904</u>	<u>47,632</u>
Total	\$509,540	\$1,022,292	\$1,531,832
	=====	=====	=====

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Again, information on the number of service slots to be provided is not available. It should be presented during session.

The costs are based on providing day service, transportation and group home services to 19 clients in fiscal 1984 and 33 clients in fiscal 1985. The expected annual cost of providing these services is presented in the following table.

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**Table 42**  
**Annual Cost per Service - Deinstitutionalization Proposal**

<u>Service</u>	<u>FY 1984</u>	<u>FY 1985</u>
Day Program	\$ 5,580	\$ 6,024
Transportation	996	1,152
Intensive Training Homes		
Lower Functioning Clients	21,300	23,424
Behavior Problem Clients	26,616	28,800
Physically Handicapped Clients	21,300	23,424

The following table shows the difference in cost between institutionalized and community-based services in fiscal 1984 and 1985, assuming normal inflationary growth and the department's estimate of community-based service costs for this proposal over the biennium.

**Table 43**  
**Difference in Cost between Community-Based Services  
 and Institutional Services**

<u>Service Location</u>	<u>FY '84</u>	<u>FY '85</u>
Boulder	\$44,412	\$45,166
Eastmont	37,708	38,257
Community-Based Services		
Behavior Problem Clients	33,192	35,976
Physically Handicapped	27,876	30,600
Lower Functioning Clinets	27,876	30,600
Special Education	3,350	3,350
Day Services	5,580	6,025

The above costs are not directly comparable in that some medical costs are included in the costs for Boulder. No medical costs are included in the Eastmont or community-based services costs.

As the table shows, community based service costs, which include costs for group homes, day services, and transportation, are lower than costs at Boulder and Eastmont. If the client being placed required special education services rather than day services, community-based services

would be approximately \$2,230 lower in fiscal 1984 and \$2,475 lower in fiscal 1985.

Also, removing a client from Boulder for community placement will not save the difference in cost between Boulder and a community setting. While there will be some savings realized through marginal reductions in FTE, food, and miscellaneous costs, the majority of costs at Boulder are fixed costs not changing with variations in client load.

#### OPTIONS

Option a: Adopt the deinstitutionalization program as proposed. General fund expenditures increase \$509,540 in fiscal 1984 and \$1,022,292 in fiscal 1985.

Option b: Do not provide funding for deinstitutionalization, or fund at an alternative level.

#### Issue 3: Group Home Salaries

The program is requesting additional funding of \$1,400,000 annually to increase group home direct care providers' salaries. The request is based on estimates of what it would take to make group home workers' salaries comparable to state employee salaries, where state employees are performing comparable jobs. Department figures indicate that group home employee salaries increased by about 21 percent between fiscal 1981 and fiscal 1983. An analysis of a sample of 15 group homes indicates that between 1981 and 1983 average salaries increased from \$8,652 to \$10,482. The number of FTE in the sample homes over the period remained the same at 92.

#### OPTIONS

Option a: Provide for the increase in salaries. General fund costs rise \$1,400,000 annually over the 1985 biennium.

Option b: Do not provide for the increase in salaries or fund for a different level of salary increase.

#### Issue 4: New Services

Intensive home and vocational placement services were started in fiscal 1982. Continuing to provide intensive home and vocational placement

services is anticipated to add \$1,283,966 to cost over the 1985 biennium. The following table shows the anticipated costs and slots for these services over the 1985 biennium.

Table 44  
Anticipated Slots and Costs for New Services  
1985 Biennium

<u>Service</u>	<u>Slots</u>	<u>-Cost per Service-</u>		<u>----Total Cost----</u>	
		<u>FY '84</u>	<u>FY '85</u>	<u>FY '84</u>	<u>FY '85</u>
Intensive Homes	32	\$18,526	\$19,635	\$592,832	\$628,384
Vocational Placement	10	3,046	3,229	30,460	32,290
Total Cost				\$623,292	\$660,674
				=====	=====

OPTION

Option a: Provide appropriations to continue the new services. General fund costs increase \$623,292 in fiscal 1984 and \$660,674 in fiscal 1985.

Option b: Do not fund the new services.