

Decision Package Template

Developmental Disabilities

040 – PL – N5 – Employment/Community Inc. Rates

Agency Submittal: 2023-25 Biennial Agency Request

Budget Period: 2023-25

AGENCY RECOMMENDATION SUMMARY

The Department of Social and Health Services (DSHS), Developmental Disabilities Administration (DDA), requests \$170,832,000 (\$94,680,000 GF-State) and 3.0 FTE to fund projected increases in the costs of supported employment and community inclusion services for DDA Medicaid waiver clients.

PACKAGE DESCRIPTION

PROBLEM STATEMENT:

The current rates for DDA contracted individual employment of \$75.00 per hour, group supported employment of \$65.00 per hour, and \$40.07 per hour (\$35.00 base rate plus information ed and administration) for community inclusion are too low to maintain the current provider network, much less add new capacity for the growing number of eligible clients. During 2021 legislation, there was significant interest from the Association of County Human Services (ACHS) and Community Employment Alliance (CEA) service providers to address the rates paid for supported employment and community inclusion. The rates have been stagnant since 2011. CEA formally requested that the consumer price index percentage be used to adjust the rates as a valid methodology. [Senate Bill 5693 Sec. 203](#) directed DDA to conduct a comprehensive study of the rate structure paid to supported employment and community inclusion providers and to prepare a report with a recommendation of the rates needed for providers to cover their costs and maintain the infrastructure required to achieve and support client outcomes.

During the pandemic, there has been a loss of provider capacity as providers have struggled to hire staff in an increasingly competitive labor market. When HB 1980 is implemented January 1, 2023, there will be approximately 6,800 clients receiving supported employment who can then choose to additionally engage in community inclusion services and approximately 1,500 clients receiving community inclusion who can then choose to additionally engage in supported employment. If funding is not available to support the recommended rates, the provider capacity to support new services may not be available. Concurrent services may not be able to support requested services or to be implemented as desired. Families counting on these additional supports may request more costly out of home placement in order to meet their adult child's daily support needs and make a full, meaningful day.

PROPOSED SOLUTION:

[Senate Bill 5693 Sec. 203](#) directed DDA to conduct a comprehensive study of the rate structure paid to supported employment and community inclusion providers and to prepare a report with a recommendation of the rates needed for providers to cover their costs and maintain the infrastructure required to achieve and support client outcomes. The report to the legislature recommends that the current rates paid to employment and day providers are inadequate to cover provider costs and maintain the infrastructure required to achieve and support client outcomes. Based on the study, DDA requests \$170,832,000 (\$94,680,000 GF-State) and 3.0 FTE to increase rates for employment and day services. This would increase the contracted individual employment to \$129.00 per hour, group supported employment to \$110.00 per hour, and community inclusion to \$103.58 per hour (\$88 base rate plus information ed and administration) by the end of the biennium.

HOW IS YOUR PROPOSAL IMPACTING EQUITY IN THE STATE?

INSTRUCTIONS: Answer the questions below into Equity Impact statement.

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1. Which target populations or communities benefit from this proposal? How will the population/community benefit? Include both demographic and geographic communities.

This legislative mandated proposal benefits individuals with developmental disabilities (IDD) who participate in employment and day programs through provider rate increases. This proposal will increase equity in both health and human services and jobs and job training.

2. Describe how your agency conducted community outreach and engagement by relationally partnering with communities and populations who have historically been excluded and marginalized by governmental budget decisions.

The Legislature issued [Senate Bill 5693 Sec. 203](#) that directed the DSHS DDA to conduct a comprehensive study of the rate structure paid to supported employment and community inclusion providers and to prepare a report with a recommendation of the rates needed for providers to cover their costs and maintain the infrastructure required to achieve and support client outcomes.

3. How did your agency revise this proposal based upon the feedback provided through your community outreach and engagement?

This proposal did not need revision. This legislation was drafted and supported from the community to the legislature and enacted into law.

4. Which target populations or communities are not included, would be marginalized, or disproportionately impacted by this proposal? Explain why and how these equity impacts will be addressed.

Unenrolled /Ineligible clients would be excluded. Meanwhile, DDA has a legislative mandate to increase opportunities for unenrolled /ineligible clients to learn more about DDA services and what health and human service options are available for their individual situations.

EXPECTED RESULTS:

The existing network of supported employment and community inclusion providers will be better able to remain in business with rates that make operations economically viable. As a result, the growing number of eligible DDA clients will live the lives they want, contribute to, and participate in their local communities. Supports and services shall be offered in ways that ensure people have the necessary information to make decisions about their options and provide optimum opportunities for success in their community. Eligible clients will have the opportunity to receive requested services as providers will have capacity to serve.

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Program Contact: Saif Hakim, (360) 407-1505

ASSUMPTIONS AND CALCULATIONS

EXPANSION OR ALTERATION OF A CURRENT PROGRAM OR SERVICE:

Where a proposal is an expansion, reduction, elimination or alteration of a current program or service, provide detailed historical financial information for the prior two biennia (2017-19 and 2019-21).

Not applicable.

DETAILED ASSUMPTIONS AND CALCULATIONS:

Provide detailed caseload/workload and cost information associated with adopting this proposal. Identify discrete expenditure/revenue calculations. Many decision packages contain multiple components to achieve a desired outcome.

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If this package contains discrete funding proposals, the fiscal models or details must break out the complete costs/savings of each component part. Clearly explain all one-time expenditure or revenue components.

See attached document, "040 - PL - N5 - Employment_Community Inc. Rates Fiscal Model."

WORKFORCE ASSUMPTIONS:

Include FTE information by job classification, including salary and benefits, startup costs and any additional staff related ongoing costs.

See attached document, "040 - PL - N5 - Employment_Community Inc. Rates Fiscal Model."

STRATEGIC OUTCOMES and GOVERNOR'S RESULTS WASHINGTON

STRATEGIC FRAMEWORK:

Describe how this package relates affects the Governor's Results Washington goal areas and statewide priorities? How does the package support the agency's strategic plan? Identify how this proposal affects agency activity funding by amount and fund source.

INSTRUCTIONS: Select a Strategic Plan from the dropdown list.

AVAILABLE STRATEGIC PLANS Click on "SELECT STRATEGY HERE" below for dropdown list
DDA 3 - USE AVAILABLE FUNDING TO PROVIDE THE SERVICES AND SUPPORTS NEEDED.

GOVERNOR'S RESULT WASHINGTON GOALS:

INSTRUCTIONS: Select a Goal from the dropdown list.

Goal 2. Prosperous Economy, 2.1 Economic Recovery: Equity Lens

PERFORMANCE MEASURES AND OUTCOMES

PERFORMANCE MEASURES

AVAILABLE PERFORMANCE MEASURES:	INCREMENTAL CHANGE FY1	INCREMENTAL CHANGE FY2	INCREMENTAL CHANGE FY3	INCREMENTAL CHANGE FY4
001345 - PERCENT OF LONG-TERM SERVICES AND SUPPORT CLIENTS SERVED IN HOME AND COMMUNITY-BASED SETTINGS	0	0	0	0

PERFORMANCE OUTCOMES:

OTHER COLLATERAL CONNECTIONS

INTERGOVERNMENTAL:

Describe in detail any impacts to tribal, regional, county or city governments or any political subdivision of the state. Provide anticipated support or opposition. Impacts to other state agencies must be described in detail.

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The state DDA contracts with counties to procure employment and day services for people with developmental disabilities. Additional funding means that their programs can provide more services to more people that are eligible and need long-term support.

STAKEHOLDER IMPACTS

Agencies must identify non-governmental stakeholders impacted by this proposal. Provide anticipated support or opposition.

Parents of adult children with developmental disabilities rely on services and supports during the day so that they may continue to work and support family existence. Advocacy groups such as the ARC, Parent to Parent, Self-Advocates of WA, Community Employment Alliance, who provide employment and community inclusion services, and the Association of County Human Services, who administer employment service, will support this proposal.

LEGAL OR ADMINISTRATIVE MANDATES:

Describe in detail if this proposal is in response to litigation, an audit finding, executive order or task force recommendations.

None.

CHANGES FROM CURRENT LAW:

None.

STATE WORKFORCE IMPACTS:

None.

STATE FACILITIES IMPACTS:

None.

PUGET SOUND RECOVERY:

Not applicable.

IT ADDENDUM

INFORMATION TECHNOLOGY:

Does this DP include funding for any IT-related costs including hardware, software (to include cloud-based services), contracts or staff? If the answer is yes, you will be prompted to attach a complete IT addendum. (See Chapter 10 of the budget instructions for additional requirements.)

- No
- Yes (Include an IT Addendum) [2023-25 Biennial IT Addendum](#)