



JANET SCHALANSKY, SECRETARY

K A N S A S

KATHLEEN SEBELIUS, GOVERNOR

SOCIAL AND REHABILITATION SERVICES

TO: MR/DD Stakeholders

FROM: Margaret Zillinger
Director, Community Supports and Services

DATE: August 5, 2004

SUBJECT: DD Waiver Expenditures

As many of you know, during FY 2004, the MR/DD waiver did not expend the total amount of funding that was allocated to the program. This resulted in a carryover of funds to FY 2005. As a result, Health Care Policy/Community Supports and Services held a conference call on June 25, 2004 with a wide range of DD stakeholders to receive recommendations on how the carryover funds could best be utilized to enhance the current DD system.

During the call with stakeholders, we received many good ideas for the use of the funds. The majority of individuals on the call focused on two (2) different uses of the funds, serving individuals on the waiting list and providing rate increases for DD waiver services. During the call there was also discussion regarding the need for using the funds for capacity building including staffing and recruitment.

After listening to stakeholders, discussions with SRS Leadership and meeting with the Division of Budget, the following decisions have been made regarding the use of the FY 04 carryover funds.

1. \$4.5 million be will be used for targeted rate increases (using current rate study as guide).
2. \$300,000 will to be set aside for start-up funds to assist individuals leaving state hospitals and ICFs/MR facilities.
3. \$50,000 to further the rate study regarding extraordinary funding and to continue the research project regarding persons who receive extraordinary funding.
4. \$210,000 to continue the workforce development efforts that are currently in progress, but need funding to continue. This would further breakdown to: \$100,000 for continued access to the College of Direct Supports for direct support professionals employed by the 15 CSPs involved with the original grant and \$110,000 for all CSPs and CDDOs to provide training for frontline supervisors and copies of the target marketing tools developed by the University of Minnesota. These materials are designed to permit each entity to customize them to fit their area and needs.

5. If expenditure projections in October 2004 show that there is funding available, individuals who are on the waiting list will have access to services. The number of individuals to access services will be determined by the amount of funding available.

In the next couple of weeks, Community Supports will be getting you information regarding the implementation of the rate increase, including the amount of increase for each service, as well as the implementation information regarding the other projects that have been listed above.

SRS understands the saving from FY 2004 being used for DD Waiver rate increases has raised some questions and concerns. SRS has reviewed this issue very closely. We have found that providers of services for individuals who are developmentally disabled are having a difficult time recruiting and maintaining staff. This is a result of funding available for staffing. If we do not have sufficient and qualified staff providing services to individuals, we cannot add additional persons to services. Therefore the decision was made to use a portion of the savings from FY 2004 to increase provider reimbursement rates.

In relation to all of this, there has been some confusion regarding the use of the additional funding that was allocated to the DD Waiver during the 2004 Legislative session. For FY 2005, the Governor recommended and the legislature approved a funding increase for the DD Waiver. This resulted in a \$7.5 million all funds increase for the DD Waiver. The above proposals for the use of saving from the FY 04 budget does not effect the allocation of the additional funding for FY 2005. The additional funding for FY 2005 will result in;

- * The DD Waiver serving and additional 270 individuals from the waiting list.

I hope this information is of assistance to you. If you have any questions regarding this, please contact me at (785) 296-3561 or by e-mail at mmz@srskansas.org.

cc: Laura Howard
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CSS Staff