
MANHATTAN DEVELOPMENTAL DISABILITIES COUNCIL

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OFFICE FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES

We Must #bFair2DirectCare

We urge our State legislators to add \$18.25 million beginning 1/1/19 to accelerate the move to a living wage.

New Yorkers with developmental disabilities rely on highly trained direct support professionals (DSPs) every day for care and support. DSPs provide intimate care, keep people safe and healthy, teach critical skills, mentor, and much more. Yet DSP salaries hover at the minimum wage level. That is because funding for services for people with developmental disabilities comes almost exclusively from Medicaid, and for years the Medicaid rates have been so inadequate that DSP wages remain unconscionably low. Staff recruitment and retention has been an enormous challenge.

Turnover and vacancy rates in programs for people with developmental disabilities continue to increase in spite of the state's budget commitment of \$145.8 million to begin phasing in a living wage for these low-paid DSPs. A provider survey for 2017 shows that the **turnover rate has increased to 26.7%** (up 7.5% from 2016), and **vacancy rates have increased to 14.4%** (up 30% from 2016). To cover the vacancies, providers have paid over 10 million hours of overtime.

Unable to attract and retain qualified workers, providers are being forced to accept less qualified applicants and/or to reduce the amount of support provided for each person. Labor is by far the largest component of provider budgets and of the growing number of individually managed budgets, with over 80% of funding going directly to compensation for direct supports.

Direct support is not a minimum wage job. DSPs deserve a living wage, calculated to be \$17.72/hour downstate and \$15.54/hour for the rest of the state. Families and providers had requested a phase in of the living wage over 6 years. But despite last year's steps to address the wage gap, the staffing crisis is worsening. Clearly, these efforts are not coming quickly enough and strongly enough to retain this essential support. We therefore request that the phase-in be accelerated to reach a living wage by the beginning of 2020.

Residential Development

NYS should provide capital and operational funding for the development of additional certified residential opportunities for people in urgent need who are living at home.

Again this year, the Governor has included \$120 million (all shares, annualized) for development of all new services. But this amount must be stretched to cover not only residential services, but

also day, respite, and other essential services. However welcome this funding is, it will not come remotely close to meeting the pressing needs of families no longer able to care for their adult children at home.

OPWDD continues to rely on meeting residential needs through placement in vacant opportunities in existing residences. However, this option is often not viable: for example, someone with high medical or behavioral needs would require enhanced staffing or physical accessibility which may not be available in that particular residence.

Manhattan continues to experience additional challenges in residential development because of its high-priced market. Property acquisition purchase and rental cost limits set by the state for agencies serving our population, as well as available housing subsidies for individuals who can live in uncertified settings, are far too low to secure safe, stable, and accessible housing in Manhattan. No system can rely on fiscal support so far below market rates, especially without effective engagement with affordable housing developers.

While we appreciate the recent approval of 459 certified residential opportunities throughout the state, after years of paltry development, it is highly unlikely that any of these new opportunities will occur in Manhattan. The only options for Manhattan families in need may be an inappropriate vacancy...or nothing. Take it or leave it. **The 133 Manhattan families on OPWDD's waiting list who are in imminent need of residential placement appear to have been written off.**

Medicaid Trend for Services

NYS must provide a Medicaid trend for nonprofit providers, based on the BLS Medical CPI, in parity with state-run services.
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Before 2011, Medicaid-funded OPWDD services used to receive annual “trends”—cost of living increases to compensate for inflationary costs. Providers used the trends to increase salaries for direct support professionals and to address rising costs of utilities, food, recreation, workers comp, liability insurance, employee health care costs, etc.

Since 2010, with a couple of negligible exceptions, providers have been deprived of these invaluable trends. The lack of cost adjustments leads directly to widespread instability with agencies in poor fiscal health, unable to retain key staff and respond to the current needs or to needs of those new to adult services or interested in innovative programming. These organizations are crumbling from within because of inadequate fiscal support from government. Meanwhile, state-operated services continue receiving yearly trends.