

## **STATE OF THE SECTOR:**

**Unprecedented Cuts Will  
Lead to Failure of System of  
Supports for People with I/DD**

**NOVEMBER 2020**

In the midst of the worst public health crisis in a century, and months after the passage of the budget, the Governor, through OPWDD, is enacting almost half a billion dollars in funding cuts and impoundments. These actions are guaranteed to destroy programs and services for well over 10,000 people with disabilities.

Facing two rounds of horrendous cuts attacking the core supports provided to people with disabilities, NYDA surveyed a sample of agencies representing over 38% of the residential support system in NYS. The cuts that are moving forward, over the objection of legislators, include rate cuts related to people no longer in their homes as a result of COVID-19 deaths, COVID-19 complications or other medical and therapeutic reasons, as well as a withhold or impoundment of 20% for a variety of programs that support families and people trying to live and work independently.

In addition, people waiting for services, including those who are homeless and in hospitals/nursing homes, have had the funding for their programs slashed by the State.

## SURVEY RESULTS

### VACANCY CUTS

The cuts related to vacant beds are insidious in that the State (OPWDD) actually controls the filling of every vacant bed.

While **15%** of the respondents found OPWDD helpful in filling beds, nearly two thirds of respondents (64%) found OPWDD to be the obstacle in filling beds and a hindrance to doing what was best for the people the voluntary community supports.

In addition to being an obstacle, OPWDD's inefficiency suggests there is a fiscal driver to their slowness to assist providers in filling vacancies, as **55%** of providers stated it takes more than half a year to fill a vacancy and **20%** said they typically are forced to wait longer than 9 months to fill a vacancy. What is particularly stunning about these delays, is the State has almost 1,000 people on their emergency need list (many who are homeless or stuck in hospitals and nursing homes) and at least another 7,000 or more who are waiting for placement!

The inefficiency of the State's funding and support for filling vacancies has led to 1 in 5 respondents reporting they have been forced to take beds out of use (decertify beds) in the last four years as the expenses pile up.

*The Governor, through OPWDD, is enacting almost half a billion dollars in funding cuts and impoundments. ”*

The COVID epidemic has thus far taken almost 500 people from our certified residential programs, creating an equal number of vacancies. The effect of the slow placement process and non-support for residential providers is part of a policy to reduce beds statewide, limiting and ultimately reducing access to needed supports.

**The cuts in vacancies will have a policy impact of drastic proportions.** Not only does OPWDD control who is allowed to enter the homes, OPWDD also monitors vacancies with recent reports that vacancies of over 1 year for any bed will result in the loss (decertification) of that bed from the total available statewide. These vacancy cuts will result in a **5.2%** reduction to IRA providers and another **4.9%** reduction to ICF providers. If the cuts are implemented as announced by the state, providers state they would:

- **Close beds – 39% of providers**
- **Close homes – 35% of providers**
- **Combine/consolidate residences – 56% of providers**

Overall, 4 out of every 5 providers said that the cuts in residential rates will result in closing or reducing existing services and supports.

Providers estimate that the October 1st cuts will have an impact of cutting almost 1,200 more beds, on top of the 611 beds already lost to COVID 19 and previous bed closures. These 1,800 beds comprise 6% of the beds in the system.

Not only is the state cutting its costs based upon the deaths of those we lost to COVID, they are capitalizing upon this pandemic to implement a harmful policy that abandons all hope for individuals and families in need of residential help.

In addition to abandoning the emphasis on person-centered planning and choice, the State is driving down the number of opportunities for families with an estimated cut to the system from these lost beds of more than \$200 million annually, on top of the \$238 million rate cuts.

Finally, the State is refusing to spend more than \$120 million in funds, appropriated in the budget, for supports targeted to people in crisis and in emergency need of placement.

## 20% IMPOUNDMENT

The State has implemented a policy with far-reaching systemic negative outcomes for people with disabilities and their families. Specifically, NYS is also implementing a "cash management" (impoundment) program wherein **20%** of the revenue for certain programs is being withheld until such time as the State determines whether these savings will count as cuts or not. The **20%** withhold policy threatens current services provided to approximately 55,000 people statewide (41% of those served) and impacts 9 out of every 10 provider agencies.

As a result of this impoundment of funds (\$65 million on an annual basis), **30%** of providers said they would need to close or discontinue services if these funds are not restored by the end of the year, which would result in almost 8,000 people being left without services.

***4 out of 5 providers will reduce services. ”***



## SUMMARY OF ANECDOTAL RESPONSES:

Most frequently, providers highlighted:

- **OPWDD's inappropriate referrals for a vacancy, either medically, forensically or behaviorally involved**
- **The disregard for physical plant limitations in the homes**
- **OPWDD's priorities disregard choice and compatibility of those in the home**
- **The inordinate amount of time from identification to filling the bed.**

Among the comments providers made regarding the vacancy cuts and the 20% withhold:

“The proposed cuts do not provide agencies with the option of reducing costs. Vacancies and therapeutic leaves do not equate to an ability to provide a service at less cost. The impact of these cuts will be felt in the quality of life experienced by the people we support. Providers will be faced with attempting to make up lost dollars by maximizing existing staffing patterns in individual residences and reducing community outings which often require an inflation of the staffing pattern. Providers and families will be forced to have honest conversations about home visits and the impact they will have on the operating capital available to support the residence their family member lives in. Finally, family support, state-funded supported employment, and ISS support levels will decrease for existing service recipients, and new people entering into the system will have to wait until an existing service recipient terminates [dies], as the 20% reduction will not support an adequate program oversight structure to accommodate program growth. “

“The referrals provided by OPWDD are almost always those in need of too significant of a level of supervision/supports than the site can accommodate. When we respond they indicate we will not get that same referral again, but they continue to send the same referrals, and we need to repeat our concerns on why we cannot serve them safely, delaying them sending us another referral. Paper responses are time consuming and only get one referral at a time. In addition, many of the people we accept do not have their benefits in order, so we go months without getting paid for room and board. Many people referred to us are declining the opening (e.g., we had 19 people decline for one open bed). The people currently on the waitlist that we are provided need such intensive supports and supervision levels that an agency cannot safely provide these supports with the amount of funding provided.”



“OPWDD consistently creates obstacles by failing to be a part of the creative solution to house people. The number of hoops we have to jump through to allow someone to live with us is mounting. Many creative housing solutions were proposed and on hold with no direction for months on end due to the DDRO’s failure to respond timely. We were also told that “viable options” do not exist and lost a supportive IRA opportunity due to not filling the vacant spot in 6 months.”

“[We are] looking at closing people’s home for consolidation—their home for 10-20 years—ending continuity, discontinuing their role in their community. And while we will try to keep people together, there is no guarantee that they would be able to remain with their housemates.”

“This has been a difficult time for all providers. We are caring for fragile, aging, developmentally disabled people and trying to offer them the best, most fulfilling lives possible. COVID has struck a big blow to the population and to service delivery as agencies fought hard to keep people safe. It seems to be particularly cruel timing to enact these cuts while we are trying to rebuild those services and support those in need. The removal of the vacancy allowance is particularly destructive. Having that allowance enables professionals to seek out individuals who want to be in a particular home, and to ensure that current residents will be welcoming and happy. This is supposed to be a person-centered process, based on both need and the wishes of all individuals involved. Removing the vacancy allowance will have the immediate effect of filling vacancies out of fiscal necessity rather than ensuring a good fit, resulting in inappropriate placements. Ultimately I am afraid that the end result will be a contraction of residential services and a return to under-service of this vulnerable population.”

