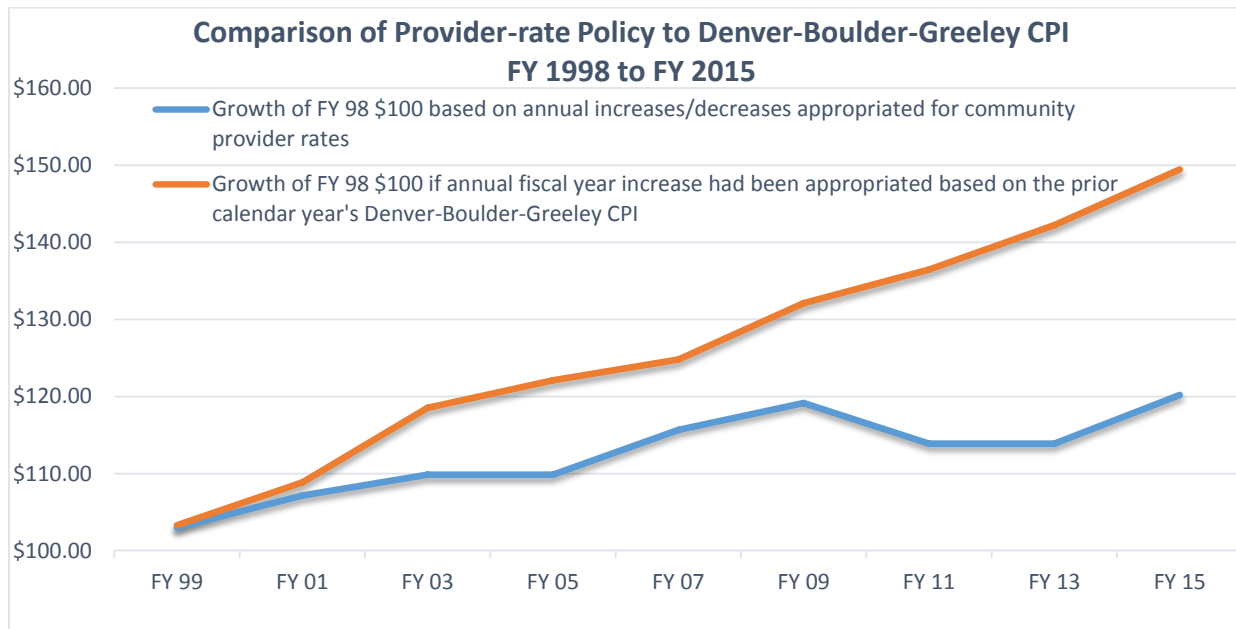


2015-16 Provider Rates

Community providers for people with intellectual and developmental disabilities (I/DD) continue to struggle to recover from the economic downturn. Alliance respectfully requests a 2.7% provider rate increase to continue the legislature's commitment to strengthen services and supports for individuals with I/DD.

Rates Remain Significantly Behind Inflation

As the graphic below demonstrates, community provider rates continually fail to keep pace with inflation. Meanwhile, the cost of providing quality services continues to rise each year.



2.7% Increase

This increase would be consistent with the JBC's action to increase the provider rate to keep up with the current projected Denver-Boulder-Greeley CPI.

Targeted Provider Rates

Although we support the Department's goals to address funding inequities and to prioritize services that provide high value for clients, Alliance cannot support the Department's proposed approach when rates remain inadequate overall.

A Provider Rate Increase Would Strengthen Services for People with I/DD

Increasing I/DD provider rates would strengthen access to quality services for vulnerable Colorado citizens and their families. Increasing I/DD provider rates would provide the resources necessary to attract, reward and retain the most committed and talented staff.

Importance of Community Rates

Inadequate Rates Hurt People with I/DD

Inadequate rates prevent providers from responding to Requests for Proposals to serve individuals with I/DD at the very time when Regional Centers seek viable referrals to community placements and Colorado is working to eliminate waiting lists. This access issue is compounded for individuals who are assessed at lower support levels because the funding they receive does not support the services they need, especially if the services they are requesting are those that cost more than the current reimbursement. In the end, individuals' choice of services and providers is restricted by inadequate rates.

Recession Cost-Containment Strategies Are Still Hurting People with I/DD

When lagging rates are combined with cost-containment strategies implemented during the recession (such as service caps), the result is an inevitable erosion of services to people with I/DD. Some examples of this erosion include:

- Cutting Day Services from five days to four days per week, leaving families to fill the void
- Increased use of group programs and reduction in more costly, individualized programs
- Discontinuation and/or consolidation of programs and reduced staff-to-client ratios
- Closure of group homes and interruption in continuity of services

Inadequate Rates Cause Loss of Purchasing Power by I/DD Providers

Providers of services to individuals with I/DD are particularly impacted by inadequate rates because Medicaid pays for approximately 95% of these services. For these agencies, Medicaid reimbursement is their lifeblood, and they have few, if any, opportunities to supplement or offset costs with other sources of funding.

Community I/DD providers face an increasingly daunting task in attracting and professionalizing a stable workforce necessary to ensure continuity of care. The present situation is bleak; in many communities, reimbursement rates can only support wages on par with local fast food restaurants. Yet the work of Direct Support Professionals requires patience, skill and dedication deserving of robust compensation.

