

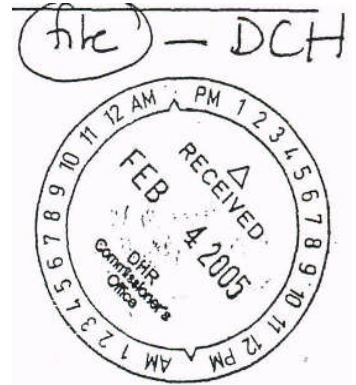


GEORGIA DEPARTMENT  
OF COMMUNITY HEALTH

*Tim Burgess, Commissioner*

*Sonny Perdue, Governor*

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February 3, 2005

Honorable Glenn Richardson  
Speaker House of Representatives  
332 State Capitol  
Atlanta, Georgia 30334

Dear Mr. Speaker:

Pursuant to House Resolution 1307, you will find the attached multi-year funding proposal to "unlock the waiting list" for persons awaiting home and community based services.

Please accept my apologies for not having the proposal delivered to your office prior to this date. It was my understanding that this had been previously accomplished.

The multi-year plan outlines projected costs, waiting lists, and potential growth expected in the various waiver programs, currently funded through the Medicaid program, as called for in the resolution. You will notice the State's commitment would be substantial to accomplish these objectives.

I look forward to working with you as we fully explore the feasibility of this effort.

Sincerely,

Tim Burgess

cc: Commissioner B. J. Walker, DHR

**Recommendations to the Georgia House Of Representatives  
in Support of a Multiyear Funding Commitment to Unlock the Waiting List for  
Individuals with Developmental Disabilities and Physical Disabilities  
(House Resolution 1307)**

The 2004 Georgia House of Representatives passed House Resolution 1307 which urged the Department of Human Resources and the Department of Community Health to provide to the General Assembly a recommendation to support a multiyear funding commitment to unlock the waiting list for home and community based services for people with developmental and physical disabilities and that the plan should address both the short and long term planning lists.

**I. Background**

**Waiting List Status:**

**The Independent Care Waiver Program (ICWP)** allows the Division of Medical Assistance to use Title XIX funds to purchase services for adult individuals with physical disabilities or traumatic brain injuries to live in their own homes and communities as an alternative to nursing facility placement. The focus of the ICWP is to provide services, consistent with the needs of the individual, which are effective in developing, improving and maintaining the member's independence and ability to live in successfully in the community. The goal of the program is to provide cost effective services to assist individuals in living as independently as possible in their home and community and to involve the individual's representative in the provision and decision-making process regarding their care. The waiver offers a full range of services to assist in community living.

There are currently 229 applicants on the waiting list of the ICWP administered by the Department of Community Health. Based on historical activity there are 250 new applicants for services each year.

**The Mental Retardation Waiver Program (MRWP)** and the **Community Habilitation and Support Services Waiver Program (CHSS)** like the ICWP were created to allow a community based alternative to institutional care. These two waivers were created as an alternative to Intermediate Care Facilities for Mental Retardation and serve individuals with developmental disabilities. The two waivers offer basically the same services with a different payment approach. The MRWP and CHSS waivers provide a broad range of habilitative services including day supports and training and residential supports and training. The focus of these two waivers is to provide the necessary training and supports to individuals with developmental disabilities so that they may live contributing lives in their communities.

There are currently two waiting lists for these waived services. The short-term waiting list is designed to capture individuals who need services within the next six months. There are currently 2,039 individuals on the short-term list. 57 percent of the individuals on the short-term planning list are on the list due to the loss of a caregiver or the individual's parents are no longer able to care for them due to the parents' age or failing health. 64% of the individuals on the short-term planning list are waiting for residential services. The long-term waiting list captures individuals who will need services within the next two years. There are currently 2,803 individuals on the long-term planning list. This list is made up of individuals who will be leaving the school system or individuals who will need placements in the future due to the age of their caregiver. 67% of the individuals on the long-term planning list are waiting for residential services.

The last significant funding for the two DD waivers occurred in FY 2002 with the addition of 1,232 slots. Since 2002 the total of the long-term and short-term waiting lists has grown over all by 2,061 individuals. The short-term list grew by 1,127 individuals. It is estimated that an average of 750 individuals with developmental disabilities age out of the school system each year. Not all of these individuals will require the level of services provided under the waiver programs, however recent experience is showing a growth in the planning list of approximately 1,000 individuals a year and individuals leaving the waiver is between 2 and 8%. Sixty six percent of the individuals on the waiting list are waiting for residential or community living supports. This type of growth in demand, low turn over and increased need for more expensive services is typical in many states. Individuals with developmental disabilities are experiencing longer and fuller lives than in recent history. Individuals with more complicated needs are now able to live lives in the community and they need more intensive supports that have resulted in increased cost.

## II. Funding Plan

It is estimated that for the **ICWP** over the next five years we need to increase the number of individuals served hi a year from 321 to 2,101 individuals. This represents an increase in funding from the current FY 04 funding of \$34,224,960 to \$168,470,786 for FY 09. This increase will match the current growth in need for these services. The chart below shows how the funding could be staged over the next five years.

| <b>Fiscal Year</b> | <b>Previous Year Funding</b> | <b>Additional Funds</b> | <b>Total Funds Including Federal</b> | <b>State Funds Needed for Increase</b> |
|--------------------|------------------------------|-------------------------|--------------------------------------|--|
| FY06               | \$34,224,960                 | \$29,852,249            | \$64,077,209                         | \$12,093,146                           |
| FY07               | \$64,077,209                 | \$23,650,590            | \$87,727,799                         | \$9,580,854                            |
| FY08               | \$87,727,799                 | \$25,226,887            | \$112,954,686                        | \$9,979,757                            |
| FY09               | \$112,954,686                | \$26,885,884            | \$139,840,570                        | \$10,636,056                           |
| FY10               | \$139,840,570                | \$28,630,216            | \$168,470,786                        | \$11,326,113                           |

A five-year plan for funding the short-term and long-term planning list for the **DD Waivers** is complicated because of the number of individuals waiting and the lack of provider capacity to serve a large increase in eligible individuals. A phased in approach is needed to allow time to increase provider capacity. The table below starts with funding for 1,000 individuals currently on the short term planning list and builds to placements for 2,500 individuals in years four and five of this plan. All funding is based on actual service needs identified by the consumers currently on the planning list and using those needs to project future needs. This represents an increase of 9,500 individuals, more than doubling the total number of individuals served on MR waivers. However with a growth rate of 1,000 a year and a current waiting list of over 4,800 individuals and a 2% turn over rate this appears barely adequate to address the need.

| <b>Fiscal Year</b> | <b>Increased Number of individuals</b> | <b>Previous Year Funding</b> | <b>Additional Funds</b> | <b>Total Funds Including Federal</b> | <b>State Funds Needed for Increase</b> |
|--------------------|--|------------------------------|-------------------------|--------------------------------------|--|
| FY06               | 1,000                                  | \$215,843,924                | \$44,223,759            | \$260,067,683                        | \$20,765,251                           |
| FY07               | 1,500                                  | \$260,067,683                | \$67,181,024            | \$327,248,707                        | \$30,378,222                           |
| FY08               | 2,000                                  | \$327,248,707                | \$80,049,965            | \$407,298,672                        | \$38,016,969                           |
| FY09               | 2,500                                  | \$407,298,672                | \$103,846,106           | \$511,144,778                        | \$51,093,828                           |
| FY10               | 2,500                                  | \$511,144,778                | \$103,846,106           | \$614,990,884                        | \$51,093,828                           |

The cost to fund the DD Waiting list includes a four percent increase in the reimbursement rates. DD providers have been providing services with only one rate increase over the past 14 years. Cost such as transportation, health care and staff salaries have increased without a corresponding rate increase. If the Department is to be successful in recruiting new providers and encouraging existing providers to increase capacity to provide services to the increased number of individuals, a rate increase is necessary.

### **HI. Conclusion**

This plan addresses both the short-term and long-term waiting list and the anticipated growth in the planning list over the next five years. Given both Departments' experiences in managing these waivers, after the five-year push to do away with the waiting lists, a continued level of increased funding will be needed to keep from having a build up of new waiting list.

Community based services enhance the lives of those individuals served and has a real return to our state and our communities through individuals being able to lead productive and contributing lives. In keeping with House Resolution 1307, both Departments are committed to increasing community-based services for individuals with developmental and physical disabilities and thank the General Assembly for the opportunity to share this plan.