



TESTIMONY BEFORE THE
SENATE FINANCE SUBCOMMITTEE ON HEALTH AND HUMAN RESOURCES:
ON
MENTAL RETARDATION RESTRUCTURING PROPOSAL
Sandra Hermann, Board Chair
January 16, 2006

Good afternoon Chairman Wampler, members of the subcommittee. I'm Sandy Hermann, Chair of the Virginia Board for People with Disabilities.

The Board is the Commonwealth's Developmental Disabilities Planning Council, and in accordance with its federal and state mandate and mission, supports full inclusion of persons with developmental disabilities in all facets of community life. **The Board applauds Governor Warner for his proposed investment in community services for persons with mental retardation.** The Board recognizes the extensive work that went into development of the proposal and that hard decisions and compromises had to be made.

The Board is concerned, however, that the proposal provides very limited investment in services for people with developmental disabilities, other than mental retardation. The focus on one disability at the expense of the broader spectrum of neurological, cognitive, physical and sensory disabilities continues to be a significant gap in Virginia's service system.

The Board shares the concern of a number of advocacy and other organizations regarding the proposal to build two new MR institutions to replace Central Virginia and Southeastern Virginia Training Centers. In its legislative agenda, the ARC of Virginia stated: "The Arc strongly supports the continued state policy and funding direction of community-based care. The Arc, however, has strong reservations about the proposed plan to rebuild training centers..... Most states are ahead of Virginia in reshaping their MR waiver programs to ensure needed supports are available to individuals. These states are using more flexible waivers focused on individual need rather than maintaining antiquated large facilities."

The Region 10 CSB expressed its concern as well at the recent Budget hearing in Lynchburg, stating the following: "It is clear that some short term capital expenses to improve and maintain the physical plants of the training centers must be part of moving forward, but making capital investments that replace any of the centers is a long term capital expense and not the right course of action for the Commonwealth.... Parents of current children with mental retardation are not looking down the road 5, 10 or 15 years and expecting institutions to be an option."

The Virginia Medicaid Waiver Network has, as part of its vision statement, the following: Large institutions are phased out over the next 10 years and rebalancing the system is achieved by investing in community supports that meet individuals' needs and build community capacity."

No new comparable institutions have been built in this country for over 20 years. Research has shown that persons with even the most significant disabilities can be served successfully in the community. Numerous states have replaced institutional care with successful community-based care and strategies.

- Virginia is one of only 13 states that have not closed any public institutions and one of only 5 states that continues to operate an extensive network of institutions. (*Status of Institutional Closure, Institute on Community Integration, University of Minnesota, 2005*) Rebuilding institutions is the wrong direction for Virginia to take and will result in a continued institutional bias for decades to come. Practices that segregate and isolate people with disabilities must end.

It is clear that the leadership of the Department of Mental Health, Mental Retardation, and Substance Abuse Services supports the vision of community inclusion and is trying to move Virginia towards that vision. However, the philosophical intent of the Department is at odds with the plan that has come forth.

- While that plan calls for fairly significant downsizing over the next 8 years, it is not tied to any guaranteed funding which would ensure that this would occur and the system is already severely under funded. For example, the DMHMRSAS Cost and Feasibility Study of Alternatives to the State's Mental Retardation Training Centers, submitted to the money committees in December 05, proposes a 20 increase in MR and DS waiver rate reimbursement. No increase in DD waiver rates was proposed. The current budget, however, provides for a 5 percent increase for services under the MR waiver and a 10% increase for congregate living providers. The only guaranteed outcome of the plan proposed by DMHMRSAS is that new institutions will be built and maintained.

The Board recognizes current health and safety concerns with respect to the current training center facilities and strongly agrees that persons with disabilities must receive the quality of care and safe environment to which they are entitled. We disagree that this can only be done within the confines of a large institutional setting and would encourage the exploration of alternative means of ensuring health and safety while building community capacity.

- Experts in the field, who visited Virginia on December 8, for a meeting convened by DMHMRSAS and the Partnership for People with Disabilities as part of a Rebalancing grant, confirmed that there are no services that can be provided in an institution that cannot also be provided under a Medicaid Waiver if the Waiver is designed with sufficient flexibility to meet individual needs.

The Board is also cognitive of economic and political concerns related to the closure or downsizing of institutions.

- Other states have successfully addressed these issues by developing and supporting jobs in the community for workers who would be affected by down-sizing. Community services provide economic benefits to large and small communities across the state, not just in a few selected localities. Provider agencies employ people that generate local and state revenue through their taxes and purchases.

Virginia continues to support a high-cost system which further limits the ability to fund community services. The FY05 average annual cost for supporting an individual in a training center was over \$129,000 whereas the average cost in FY05 of supporting an individual on the MR waiver was approximately \$45,000.

RECOMMENDATIONS: Over the next 8 years, the Commonwealth should:

- Replace the current institution-based service model with a defined core set of community-based supports and services that are available on an equitable basis statewide. The identification of core services should be regarded as a minimum step and not preclude the development of flexible, new services or the creative utilization of natural supports for which funding may be needed.
- Place a moratorium on new admissions to training centers and conversion of waiver homes to ICFs/MR contingent on the immediate development of new community-living opportunities as an alternative to institutionalization.
- Revise all Medicaid Waivers to provide the flexibility needed to support persons with severe disabilities in the community and implement a fair and equitable statewide system for managing waiver waiting lists that do exist.
- Fund MR and DD Waiver slots in sufficient numbers to move people off the waiting list at a reasonable pace.
- Invest in community services by increasing provider rates and ensuring that direct care workers receive a competitive wage to further enable providers to attract and retain trained, capable, and committed care direct care workers.
- Maximize available federal funding for services to individuals with disabilities and their families. Increased utilization of federal funds allows maximization of state and local dollars that help to fund the system.
- Provide incentives for community based providers, including medical providers, so that persons with severe disabilities have access to quality health care without having to travel to an institutional site to receive this care.

Thank you very much for the opportunity to speak with you today.