



# The FACTS of the ASK

## OUR ASK

The Arc of Florida and its affiliates, the leading organizations serving individuals with intellectual and developmental disabilities (IDD), firmly request that the state legislature affirms its commitment to the disability community by increasing appropriations to meet voter-passed minimum wage increases, and honors its mandatory obligations to fund high-quality services for individuals with IDD.

## We need your help to initiate immediate increases to Medicaid Waiver rates.

The \$15 per hour minimum wage mandate will involve making annual adjustments to the appropriations for six consecutive years to keep pace with the full implementation of the mandate in 2026. Year one, we ask the Legislature to approve a 16% increase to specific Medicaid Waiver rates to meet the September 2021 mandate of \$10 per hour. A 16% increase would cost a total of \$140 million. The state of Florida would contribute 40% or \$54 million, and the federal government would contribute 60% or \$86 million. These funds would support in-home and companion services, Residential Habilitation services, Adult Day Training, Personal Supports, and Respite.

Across the state, 38 Arc affiliates are in desperate need for the state Legislature to increase rates for providers so that they may continue to provide essential, mandated services. Current rates do not support the costs of provider operations. The COVID-19 pandemic has threatened many providers' ability to stay in business. Providers face the increasingly arduous task of hiring and retaining qualified workers amid unsustainable turnover rates caused by low wages. Now, the voting citizens of Florida have passed an amendment to increase the minimum wage to \$15 per hour by 2026.



At first glance, this ask may seem daunting. Yet it does not compare to the enormous costs the state would incur if current systems of care were to fail and state institutions were forced to carry the burden. Last year, Arc affiliates and many other providers were unfortunately denied urgently needed rate increases due to Governor DeSantis' veto, leaving services for 35,000 individuals with IDD in significant jeopardy. Each year that passes without the vital support needed to maintain essential services, threatens the well-being, safety, and security of our state's most vulnerable citizens.

We implore you to support our effort to ensure our most vulnerable citizens are cared for in the best way possible and satisfy the regulations and mandates set out by the American Health Care Association, Agency for Persons with Disabilities, and Centers for Medicare & Medicaid Services, including Medicaid Waiver.

## THE PROBLEM:

### The fragile system of care

The state of Florida has an obligation to provide either direct services for individuals with IDD or indirect services through community providers via funding with established, workable rates. Current funding rates for provider agencies do not cover the cost of operations and have been inadequate for far too long. Shrinking budgets and lack of state support leave the system of care strained. Low pay and high employee turnover rates have resulted in a lack of capacity to support everyone who is promised services by the state.

#### Fast Facts:

- There are 352,730 caregiving families in Florida.<sup>1</sup>
- Only 6% of caregiving families are directly supported by the Agency for Persons with Disabilities.<sup>1</sup>
- As of August 2020, there were still 22,832 people on Florida's waitlist for IDD services.<sup>2</sup>

Florida's citizens with IDD and their families represent our state's most vulnerable. Persons with IDD need reliable services to protect their health, dignity, and ability to participate in their communities. Arc affiliates not only support individuals who receive state-funded services, but also additional community members who do not require a full scope of IDD care. However, the state of Florida lacks adequate funding to provide services for all those eligible across the state. Waitlisted individuals desperately need these services, but are currently being left behind. Bringing people off the waitlist without addressing the rate issue further destabilizes the system.



## **Together, we must develop a sustainable funding plan that complements the economic vision of our state.**

Regardless of the finer methodology and conclusions of the State of States in Intellectual and Developmental Disabilities, it is safe to say that these figures paint a grim picture of the state of disability spending in Florida, placing the state among the lowest in the nation.

**We are better than this, Florida. Let's work together to formally assess the true needs of this community and the level of support required – and get this right.**

Florida's IDD providers go above and beyond to ensure that individuals receive the highest quality of services. Arc affiliates are forced to raise additional funds through grants, private donations, county assistance, and other partnerships to supplement Florida's inadequate reimbursement rates. These rates do not cover the full cost of service operations, yet they come with a full contractual agreement holding providers accountable to meet all mandated requirements. Fundraising is an essential tool for nonprofits to pilot new programs, fund capital projects or equipment costs, etc., and should not be relied upon to bridge the gap between inadequate rates and the costs of delivering essential contractual services. Further, many Arc affiliates that serve rural communities have greater challenges to source additional funding, creating a never-ending struggle to keep their doors open.



Without community providers and the additional funding they bring to the table to make the system work, the state would be obligated to care for all those served by Arc affiliates. It would face the nearly impossible challenge of creating an infrastructure for service delivery and financing those activities. The state's resources would be further strained, leaving it vulnerable to the types of unacceptable and grotesque cases of abuse and neglect such as those witnessed at Carlton Palms. APD consistently overspends its budget year after year and does not have the capacity to deal with such a crisis.

**We must work together to ensure that we avoid a collapse of the current system of care by ensuring the system's financial sustainability.**

## **CRISIS WITHIN A CRISIS:**

### **Impact of COVID-19**

The continued, poor state of IDD funding in Florida has left many community providers vulnerable to financial ruin during times of economic turbulence. The unprecedented COVID-19 pandemic has created huge economic consequences for providers, the majority of which were never addressed by government.

#### **Fast Facts:**

- People with IDD are 3 times more likely to die if they become infected with COVID-19.<sup>4</sup>
- Florida made no attempt to lead nor prioritize special funding to assist individuals with IDD with COVID-19 priority status, guidance in the procurement of personal protective equipment (PPE), or testing.

Agencies across Florida continue to scrape together whatever resources they can to ensure the health and safety of their clients and staff while keeping their doors open. Some providers have used lines of credit to meet basic operational expenses. Wherever possible, providers have launched virtual services to keep vulnerable clients engaged due to prolonged quarantines and closures of in-person services. Providers also continue to procure personal protective equipment and COVID-19 tests despite not being prioritized by the state. Providers have continued to do their jobs despite these struggles and barriers, because people with disabilities are a vibrant part of our community, and it is the right thing to do.



**We ask the Legislature to chart a path forward to financial security in recognition of the dedication and determination displayed by providers in serving the disability community – both before and throughout the crisis.**

## **THE TIME IS NOW:**

### **Urgent crisis due to minimum wage increases**

In November, the people of Florida passed an amendment to increase the minimum wage from \$8.56 per hour to \$15 per hour by 2026, a total increase of 75.2%.

No plan exists to help providers meet or exceed these wage requirements.

These minimum wage requirements will impact already strained agencies and providers who will contend with sharply increasing wage requirements, job competition from easier, less stressful entry-level positions such as retail cashiers or gas station attendants, and salary compression that forces agencies to increase wages across the board for lower- and mid-level positions in order to attract and retain staff.

#### **Fast Facts:**

- The average annual Direct Service Provider (DSP) turnover rate is 45%.<sup>3</sup>
- Most DSPs work for low wages and minimal, if any, benefits.<sup>3</sup>

Too often, DSPs are forced out of their jobs due to the poor compensation they receive for a very taxing position. Providers have great difficulty finding qualified candidates with the heart to go the extra mile for those they serve to make them feel important, worthy, and cared for. The pandemic has only exacerbated staffing issues due to social distancing requirements and the constant close contact required by some of our clients. Those workers we are able to retain are too often not valued for their contributions by our larger community, a fact that is echoed by their low wages.



**We must keep pace with minimum wage increases and stay ahead of the minimum wage in order to retain a qualified workforce.**

## **THE RIGHT THING TO DO: Our Work Is Essential – NOT Minimum**

Agencies and DSPs perform essential and front-line roles in our community. We care for one of our state's most vulnerable populations, ensuring individuals are clothed, bathed, and fed; protected against abuse and neglect; safeguarded against COVID-19 infection; receive their daily medications; and are able to live their lives full of meaning and dignity.

### **Fast Facts:**

- DSPs in Florida earn an average of \$9.50 per hour.
- In comparison:
  - Target's starting wage is \$15 per hour.
  - Walmart's average wage is \$14.76 per hour.

DSP positions should not be minimum wage jobs. They are critical, difficult jobs with enormous consequences. Their pay should reflect the vital nature of their work, their varied skill sets, the emotional investment demanded by the job, the previous experience required for a position, the extensive training they receive, their impact on our community, and the weight of their obligations to the law, regulations, and human decency. These jobs are vital to people's lives in a way that the likes of McDonalds, Target, and Wawa are not. Yet a person can earn more starting an entry-level position at Target than as a second-year DSP responsible for assisting a human being with IDD in showering and toileting, and dispensing medications to meet their many daily challenges.



**We need to ensure Florida's citizens with IDD are cared for and that our state's front-line and essential workers are compensated fairly for the hard work they do each and every day.**

#### References

- <sup>1</sup>Braddock, D.L., Hemp, R.E., Tanis, E.S., Wu, J. & Haffer, L. (2017). *The State of the States in Intellectual and Developmental Disabilities: 2017*. Boulder, CO: University of Colorado, Coleman Institute for Cognitive Disabilities, Department of Psychiatry.
- <sup>2</sup>Florida's DD Waitlist Campaign. (2021). [Home Page]. *Florida Center for Inclusive Communities, University of South Florida*. Retrieved from <http://ddwaitlist.cbcs.usf.edu/>
- <sup>3</sup>President's Committee for People with Intellectual Disabilities. (2017.) Report to the President 2017, America's direct support workforce crises: Effects on people with intellectual disabilities, families, communities, and the U.S. economy. *The Administration for Community Living*. Retrieved from [https://acl.gov/sites/default/files/programs/2018-02/2017%20PCPID%20Full%20Report\\_0.PDF](https://acl.gov/sites/default/files/programs/2018-02/2017%20PCPID%20Full%20Report_0.PDF)
- <sup>4</sup>Rabin, R.C. (2020, Nov. 11). Developmental Disabilities Heighten Risk of Covid Death. *The New York Times*. Retrieved from <https://www.nytimes.com/2020/11/10/health/covid-developmental-disabilities.html>