

Budget Detail Request - Fiscal Year 2016-17

Your request will not be officially submitted unless all questions and applicable sub parts are answered.

1. Title of Project: iBudget Rate Increase
2. Date of Submission: 01/12/2016
3. House Member Sponsor(s): Jose Diaz

4. DETAILS OF AMOUNT REQUESTED:

- a. Has funding been provided in a previous state budget for this activity? Yes
If answer to 4a is ?NO? skip 4b and 4c and proceed to 4d
- b. What is the most recent fiscal year the project was funded? 2015-16
- c. Were the funds provided in the most recent fiscal year subsequently vetoed? No
- d. Complete the following Project Request Worksheet to develop your request (Note that Column E will be the total of Recurring funds requested and Column F will be the total Nonrecurring funds requested, the sum of which is the Total of the Funds you are requesting in Column G):

FY:	Input Prior Year Appropriation for this project for FY 2015-16 (If appropriated in FY 2015-16 enter the appropriated amount, even if vetoed.)			Develop New Funds Request for FY 2016-17 (If no new Recurring or Nonrecurring funding is requested, enter zeros.)			
	Column: A	B	C	D	E	F	G
Funds Description:	Prior Year Recurring Funds	Prior Year Nonrecurring Funds	Total Funds Appropriated (Recurring plus Nonrecurring: Column A + Column B)	Recurring Base Budget (Will equal non-vetoed amounts provided in Column A)	INCREASED or NEW Recurring Requested	TOTAL Nonrecurring Requested (Nonrecurring is one time funding & must be re-requested every year)	Total Funds Requested Over Base Funding (Recurring plus Nonrecurring: Column E + Column F)
Input Amounts:	994,793,906	0	994,793,906	994,793,906	29,378,194	0	29,378,194

- e. New Nonrecurring Funding Requested for FY 16-17 will be used for:
 Operating Expenses Fixed Capital Construction Other one-time costs
- f. New Recurring Funding Requested for FY 16-17 will be used for:
 Operating Expenses Fixed Capital Construction Other one-time costs

5. Requester:

- a. Name: Suzanne Sewell
- b. Organization: Florida Association of Rehabilitation Facilities
- c. Email: ssewell@floridaarf.org
- d. Phone #: (850)942-3500

6. Organization or Name of Entity Receiving Funds:

- a. Name: iBudget Rate Increase for Priority Services
- b. County (County where funds are to be expended) Statewide
- c. Service Area (Counties being served by the service(s) provided with funding) Statewide

7. Write a project description that will serve as a stand-alone summary of the project for legislative review. The description should summarize the entire project's intended purpose, the purpose of the funds requested (if request is a sub-part of the entire project), and most importantly the detail on how the funds requested will be spent - for example how much will be spent on positions and associated salaries, specifics on capital costs, and detail of operational expenses. The summary must list what local, regional or statewide interests or areas are served. It should also document the need for the funds, the community support and expected results when applicable. Be sure to include the type and amount of services as well as the number of the specific target population that will be served (such as number of home health visits to X, # of elderly, # of school aged children to receive mentoring, # of violent crime victims to receive once a week counseling etc.)

iBudget Rate Increase: Today's Agency for Persons with Disabilities (APD) iBudget Waiver serves approximately 30,000 individuals with intellectual and developmental disabilities across the State of Florida who meet the states criteria for institutional placement. If not for the iBudget Waiver, many of these individuals would require institutional placement and all would experience decreases in their quality of life. Although the program has received substantial funding increases over the last few years, reimbursement rates are on average 14% lower than they were in 2003.

In July 2003, the State of Florida adopted a provider rate system that established uniform rates for most waiver services. The system was based on direct care wages funded at the 25th percentile compared to national averages for direct care wages paid. These same rates have been ratcheted down multiple times.

Since 2003, Florida's minimum wage has increased from \$5.15 per hour in 2003 to \$8.05 per hour, a 56% increase, while provider agencies have experienced significant rate reductions in services that rely heavily on direct care staffing ? 14% on average. Provider agencies are also facing increased insurance costs such as employee health care, unemployment compensation, workers' compensation, and property insurance. Concurrently, the state has added multiple unfunded mandates in the form of additional billing requirements, background screening of staff, new licensure standards, more staff training, and experience requirements.

Remaining on the current path will continue the deterioration of a network that exists to provide for Florida's most vulnerable citizens. Florida has seen a 35% drop (loss of 3,500) in the number of providers actually providing services since FY 07-08. Many direct care staff have not received pay raises for several years because of the low reimbursement rates. Providers report difficulty in competing with private businesses who pay \$10 or above for hourly starting wages when

recruiting direct care staff.

Florida's expenditures on its most vulnerable individuals are quite low compared to other states recovering from the Great Recession. According to The State of the States in Intellectual and Developmental Disabilities, (10th Edition, 2015, Braddock), Florida's fiscal effort in 2013, or spending for I/DD services per \$1,000 of aggregate statewide personal income, ranked 50th out of 51 entities (50 states + District of Columbia). Florida's provider reimbursement rates are low compared to other states.

The 2016-17 Governor's Recommended Budget requests funds to consult with a vendor to develop a methodology that reduces the variance in the iBudget Waiver program rates to different providers for similar services and begins the transition to a uniform and comprehensive prospective payment system. While this may be an ultimate fix, the math alone shows iBudget reimbursement rates are too low and immediate relief is needed. Providers cannot wait for yet another rate study - ample data exist to show the iBudget reimbursement rates are not adequate. While local effort has been helpful for many agencies, local contribution sources have been "tapped out." We must have a solution to the rate increase issue before more community agencies close their doors!

8. Provide the total cost of the project for FY 2016-17 from all sources of funding:

Federal: 685,010,925

State: 393,639,949 (Excluding the requested Total Amount in #4d, Column G)

Local: 0

Other: 0

9. Is this a multi-year project requiring funding from the state for more than one year?

Yes