

*Alaskans take a flexible approach to administering programs for persons with disabilities that allows each person to participate actively, with assistance based on the person's strengths and abilities, in managing the person's support services so that the person can achieve a meaningful life in the person's home, job and community.*

*Alaska Statute 47.80.130 (a)(7)*



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To Members of the 32<sup>nd</sup> Alaska Legislature:

Above is Alaska's Shared Vision, signed into law in 2018. Programs associated with the Vision, and other systems of support for Alaskans with disabilities, are stretched precariously thin. While the current pandemic clearly demonstrates the essential nature of home and community based services for people with disabilities, these services can only be provided if there is a workforce to provide them. As advocates for home and community-based services to children, adults and elders with disabilities, we urge you to protect the direct support workforce that delivers essential care to over 40,000 Alaskans every day. This includes people who need daily support related to disabilities due to aging, mental illness, injury or developmental disabilities.

These daily critical support services are primarily funded through Medicaid, with a combination of federal and state funding. Reduced reimbursement rates and increasing costs will exacerbate/worsen an incredibly fragile system.

Reductions will result in increased costs to the state because people will be forced into nursing homes and hospitals where the cost of care is at least doubled.

Medicaid allows people with disabilities and elders with age-related disabilities to live in their own home or with a small group instead of in a much more expensive nursing home or long-term care facility. It allows parents of medically fragile children to work while continuing to parent their children, instead of resorting to an out-of-home placement.

- ⇒ The state's "option" is to either provide services in an institution or in a less expensive and better-quality home and community-based system. *Olmstead v. L.C., 527 U.S. 581, 587 (1999)*
- ⇒ Average annual cost per person who qualifies for these supports is \$87,718, compared to \$171,904 in nursing homes, \$214,423 in out-of-state institutions and \$531,312 at the Alaska Psychiatric Institute. *Note: Institutional costs increased 20% FY18 to FY19; while community services increase minimally.*
- ⇒ With COVID – community-based services are saving the lives of Alaskans who would otherwise live in larger congregate settings as well as keeping them out of the hospital.

Currently direct support professionals are working in high-risk settings for inadequate compensation, often without healthcare coverage for themselves. Only 36% of the Alaskan employers provide health insurance, compared to 70% nationally. Almost 99% of the funding for these services comes from state and federal Medicaid dollars, which providers cannot negotiate. Unlike some other federal programs, the rates are fixed.

We, the undersigned, stand in support of this workforce that is so at-risk. Please keep Direct Support Professionals, and the economic segment they represent, in mind as you make critical, life-changing decisions this session.

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