

April 3, 2024

The Honorable Montgomery County Council Members  
Developmental Disability (DD)-Supplement

Dear Council Members:

We are writing on behalf of the 41 InterACC/DD providers who provide over 3,500 services to residents with intellectual and/or developmental disabilities in Montgomery County. These services include residential, day, employment, and personal support in their home and community. In addition, many residents also receive behavioral support, housing support services, nursing services, and peer mentoring support. The InterACC/DD requested a 4.5% increase to the DD-Supplement and the County Executive's budget included a 3% increase. We are asking the County Council to fully fund the 4.5% requested increase. This is an additional \$315,993 from what is proposed in the FY25 County Executive Operation Budget.

This increase includes funding for new individuals entering the DDA system, as well as CPI to maintain pace with the Montgomery County minimum wage and the higher costs of operating a business in Montgomery County. Your support will make a difference in the lives of Montgomery County residents with intellectual and /or developmental disabilities.

Thank you for your years of support for the much-needed supplement, and we urge a positive response to our recommendation.

Rick Callahan

*Rick Callahan*  
Co-Chair of InterACC/DD

Patricia Ritter

*Patricia Ritter*  
Co-chair of InterACC/DD

# **Long-Term Care Workforce Support Act**

**Senators Casey, Kaine, and Baldwin**

## **Why do we need the Long-Term Care Workforce Support Act?**

As the number of older adults and people with disabilities continue to increase in the country, the number of direct care professionals – including personal care aides, home health aides, direct support professionals, and many others – will also need to increase. The four million direct care professionals currently employed provide services to people living in their homes, in group homes, assisted living facilities, nursing homes, intermediate care facilities and other long-term care settings. Studies also estimate that, by 2031, 9.3 million direct care professionals will be required to meet the caregiving demands of older adults and people with disabilities.

A recent survey revealed 92% of nursing home respondents and nearly 70% of assisted living facilities reported significant or severe workforce shortages. In 2022, a survey of nursing homes showed more than 50% of the facilities were limiting the number of new admissions due to staffing vacancies or shortages. Another recent survey of home and community-based services (HCBS) providers showed all 50 states experiencing home care worker shortages, and 43 states reported that some HCBS providers have closed due to worker shortages.

In 2022, the median hourly wage for all direct care professionals was \$15.43, with home care aides earning \$14.51. One in eight direct care professionals live in poverty, 75% earn less than the average living wage in their state, and 46% rely on public assistance, such as Medicaid, food assistance, or supplemental benefits. In addition to low wages, these workers report high levels of burnout and professional fatigue due to the daily physical and emotional demands of their jobs, lack of respect for the care that they provide, and health and emotional effects from battling the COVID-19 pandemic. Most direct care professionals are women, immigrants, and people of color, further perpetuating racial, gender, and economic inequalities.

## **What would the Long-Term Care Workforce Support Act do?**

Stabilizing, growing, and supporting the direct care professional workforce is essential to ensuring a strong, qualified pipeline of workers to provide needed services to older adults and people with disabilities. Ensuring that direct care professionals are fairly compensated and protected will also benefit them, their families, and their communities.

Specifically, the Long-Term Care Workforce Support Act will:

- Increase the number of direct care professionals, including in rural communities;
- Provide pathways to enter and be supported in the workforce for women, people of color, and people with disabilities;
- Improve compensation for direct care professionals to reduce vacancies and turnover;
- Ensure that the direct care professionals are treated with respect, provided with a safe working environment, protected from exploitation, and provided fair compensation;
- Improve access and quality of long-term care for families;

- Document the need for long-term care, identify effective recruitment and training strategies, and promote practices that help retain direct care professionals.
- Strengthen the direct care professional workforce in order to support the 53,000,000 unpaid family caregivers who are providing complex services to their loved ones in the home and across long-term care settings.

**The bill is endorsed by:** Caring Across Generations, the Long Term Care Community Coalition (LTCCC), PHI, the National Alliance for Direct Support Professionals (NADSP), the National Disability Rights Network (NDRN), the National Association of Councils on Developmental Disabilities (NACDD), the National Organization of Social Security Claimants' Representatives (NOSSCR), Cure SMA, the Gerontological Advanced Practice Nurses Association (GAPNA), the Gerontological Society of America (GSA), the Muscular Dystrophy Association (MDA), the Academy of Doctors of Audiology, the American Academy of Audiology, the American Physical Therapy Association, the Hartford Institute for Geriatric Nursing at New York University, the National Association of State Ombudsman Programs (NASOP), the Council on Social Work Education, the National Association of Social Workers (NASW), the Coalition to End Social Isolation and Loneliness, the American Geriatrics Society (AGS), the National Domestic Workers Alliance (NDWA), Care in Action, and the National Coalition on Aging (NCOA).

**MONTGOMERY COUNTY DEVELOPMENTAL DISABILITY PROVIDERS  
FISCAL YEAR 2025  
ANNUAL GENERAL ASSISTANCE FUNDING REQUEST**

**The Inter-Agency Coordinating Committee on Developmental Disabilities (InterACC/DD)** is a coalition of 41 service providers operating community-based support services in Montgomery County, funded primarily through the State of Maryland Developmental Disabilities Administration (DDA). Provider agencies are expected to receive approximately \$244 million this year from DDA to support about 4,000 Montgomery County citizens with intellectual and developmental disabilities and their families.

For over 40 years, the Montgomery County government has provided supplemental funding for DDA-funded services delivered in the county. County support is designed to mitigate the higher cost of doing business in Montgomery County and to enhance the quality and range of services providers are able to offer some of our most vulnerable citizens.

**For FY 25, InterACC/DD requests an increase of 4.5% to the DD-Supplement to keep pace with the rise in the cost of living and to account for the expansion of services. To calculate the increase for FY25 DD-Supplement, we propose using the Social Security Cost-of-Living Adjustment of 3.2% in FY24 plus the increase in Montgomery County citizens served, which was 1.3% in FY23. The FY25 request is \$22,009,970, to be distributed between 41 provider agencies.**

Despite the significant negative impact of the COVID-19 pandemic on people with disabilities, coupled with the ongoing changes in the state system to fund support services by DDA, providers in Montgomery County continue to meet and exceed the outcomes and goals established for direct services. Individuals express high levels of satisfaction with services, providers maintain health and safety for individuals and staff, direct service hours have returned to pre-pandemic levels despite extreme staffing shortages, and several county providers have transitioned fully into the new LTSS billing system.

All providers of DDA services will likely transition to the new rates and billing system during FY 25. While rates appear to be higher than current rates, the service definitions in the new system are different, and some necessary components of these services are not billable. Providers will need to increase administrative staff and other costs associated with implementing documentation and billing systems. Payments for services under the new state system are retroactive, so providers will require a larger reserve of funds to maintain adequate cash flow. As providers continue to struggle with a dual funding system in FY25, continued support from Montgomery County is a high-priority need.

The provider community in Montgomery County is committed to the provision of person-centered services that focus on the inclusion of all people with developmental disabilities in work, school, recreation, and social life. Stakeholders will face many challenges together in the next year including:

- To continue providing high-quality services to Montgomery County citizens with intellectual and developmental disabilities in need of residential, employment, and other individualized support services.
- To build capacity to support more county residents made eligible for state funding as the End the Wait bill is implemented.

- To work collaboratively with Montgomery County Public Schools to transition Maryland's largest group of transitioning youth into adult services.
- To incentivize employment in a historically constrained labor market by providing higher starting wages, retention, and performance incentives.
- To continue the transition from the current payment system to the LTSS reimbursement system.
- To develop and implement service models that promote individual choice and meet Quality Improvement Organization standards.
- To invest in infrastructure to respond to a changing service industry climate, such as implementing Quality Improvement Organization standards within the DD provider network.
- To continue to plan for hybrid services, including in-person and virtual options.
- To maintain a high-quality direct support professional workforce through higher wages made possible by Montgomery County supplemental funding.
- To successfully operate in an environment where the cost of providing intellectual and developmental disability services, including residential, employment, and other individualized support services, is significantly more expensive than in other Maryland counties.

The annual "DD supplement" provided for many years by Montgomery County has been and continues to be crucial to helping InterACC/DD providers bridge the gap between DDA-funded reimbursable services and the actual cost to provide high-quality intellectual and developmental disability services in Montgomery County.

<b>Fiscal Year</b>	<b>DDA Revenue total</b>	<b>Percent Increase</b>	<b>Total Supplement from County</b>	<b>Percent Increase</b>	<b>County Supplement Percent of DDA Revenue</b>
FY25	\$244,090,742	7.84%	22,009,970	4.50%	9.02%
FY24*	\$226,345,274	-18.61%	21,062,172	4.00%	9.31%
FY23**	\$278,091,397	34.67%	\$20,252,088	5.90%	7.28%
FY22	\$206,504,567	14.61%	\$19,123,785	6.28%	9.26%
FY21	\$180,175,281	12.52%	\$17,993,936	2.46%	9.99%
FY20	\$160,122,829	4.43%	\$17,562,175	0%	10.97%
FY19	\$153,327,769	4.20%	\$17,562,175	19.23%	11.45%
FY18	\$147,152,157	7.12%	\$14,729,712	6.74%	10.01%
FY17	\$137,372,061	5.69%	\$13,800,221	30.91%	10.05%
FY16	\$129,974,130	6.94%	\$10,542,031	11.84%	8.11%
FY15	\$121,537,394	6.81%	\$9,425,923	11.30%	7.76%
FY14	\$113,790,175		\$8,469,101		7.44%
<b>Average Percentage</b>					<b>9.22%</b>

Prior to FY24, provider distribution of the supplement was based on DDA budgeted revenue, not actual revenue.

\* In FY24, the supplement distribution was based on actual FY22 DDA provider revenue.

\*\* FY23 revenue is not actual. Budgeted revenue is estimated based on authorized funding for those in the new LTSS system. In the PCIS system, budgeted revenue and actual revenue were usually close.

For the past ten years, Montgomery County has supplemented the revenue received by providers from the DDA by an average of 9% each year.

InterACC/DD supports the methodology for distributing the supplement between providers by weighting the actual DDA revenue at 75% and the total DSP hours paid at 25% to compute the supplement amount per provider. This data is readily available to the county to facilitate accurate calculation and results in a fair distribution, given the wide range of size and service models among providers.

The partnership between InterACC/DD, the Montgomery County government, and DDA has proven to be an asset in the county's economic development. The InterACC/DD looks forward to working with the County Executive and the County Council to ensure that these critical funds are maintained.

SSA COLA reference:

<https://www.ssa.gov/cola/>

Good evening and thank you for the opportunity to speak with you.

For the record, My name is Rick Callahan, Co-Chair of InterACC/DD and Executive Director of Compass, Inc.

My testimony today is on behalf of the 41 InterACC/DD service providers. This coalition urges the County Council to fully support the DD-Supplement by adding \$315,933 to what is proposed in the County Executive's FY25 Operational budget.

First and foremost, we want to thank the County Executive and the County Council for many years of support. Because of that support, InterACC/DD providers in FY 23 provided over 3500 unique services that include residential, day, employment, and personal supports in the home and community. In addition to these services, people with disabilities also receive behavioral support, nursing support, and newer services such as peer mentoring and housing support services.

**The number of services and the number of service hours being provided by staff has steadily increased the past few years:**

The 3% proposed amount for the DD-Supplement in the County Executive's operations budget addresses the proposed increase in the minimum wage. However, it does not address the rate at which DD services are growing to meet the needs of Montgomery County residents with developmental disabilities.

We all know there are many data points that demonstrate the cost of doing business is higher in our county than in the rest of the state.

- The turnover rates remain high but have steadily decreased from 42% in FY19 to 28% in FY23.
- While providers have steadily increased DSP wages, on average, over \$18 an hour. The livable wage for 2 adults, one working, no children, is \$34.86 an hour.

- As minimum wage increases, it lifts the market's expectations. Business sectors must also increase their wages to remain competitive.

The supplement supports providers to bring services to this county to benefit our citizens. The supplement is a critical factor in the range and variety of service options for our citizens with developmental disabilities.

Our single greatest threat is the continued workforce crisis, bar none. Simon Sinek writes in his book *Leaders Eat Last*. "Leaps of greatness require the combined problem-solving ability of people who trust each other."

All of the strategic investments of time and talent in championing Transitioning Youths and developing the capacity to eliminate waiting lists. All of the great ideas from InterACC/DD, the Department of Health and Human Services, the Individual Developmental Disabilities Commission, and this County Council. ...will never see the light of day without a stable, quality workforce. And, that workforce needs and deserves strategic investment. We are confident, with the support of the County Executive and the County Council, that anything is possible.

Again, InterACC/DD thanks you for all of your support.