

### **DDA Budget Reduction Exercise: Possible Client Eligibility Cuts**

The COVID-19 pandemic has done significant damage to Washington's economy. With state revenue collections projected to decline sharply for the foreseeable future, the Office of Financial Management (OFM) directed all state agencies to identify various options for reducing their spending. The information below provides details on the possible reductions that could potentially begin July 1, 2021. DDA will continue to work with OFM to review and refine savings options for the governor and ultimately for the Legislature to consider in the next two-year budget for state government.

The data reflect preliminary savings related to changes in client eligibility. This is not a formal proposal and does not necessarily reflect the priorities of Governor Inslee or what his proposed budget may include. It also does not mean the reduction will actually happen, or happen at the level shown, as the Legislature will have the final say in the budget along with the governor.

After considering staffing and administrative cuts, provider-rate cuts, and other options, for DDA to reach a goal of a 15 percent general fund-state budget reduction is to reduce the number of clients receiving services. This is done by increasing the eligibility standard for paid services. To achieve the savings in the 2021-23 Biennium, DDA cannot accept new clients who do not meet revised standards and will have to cut services to current clients without "grandfathering" that would allow them to maintain temporary services or time to transition to less expensive services.

Under this option, approximately 6,500 clients receiving a paid service in a typical month would lose eligibility. As many DDA services are intermittent, approximately 8,100 clients will lose eligibility for services. The possible reduction affects a greater proportion of individuals assessed as having lighter-care needs than those with higher-care needs.

Two different Level of Care standards are used to determine eligibility for individuals who receive services through DDA. One is the Intermediate Care Facility for Individuals with Intellectual Disabilities Level of Care (ICF/IID LOC), and the other is Nursing Facility Level of Care (NFLOC). The ICF/IID LOC eligibility standard is used for individuals receiving services through a DDA Home and Community Based waiver, which includes State Operated Living Alternatives (SOLA). DDA eligible clients receiving services through the Community First Choice Program may be eligible with ICF/IID LOC or NFLOC. The NFLOC standard also applies to clients who receive services in a nursing facility and children receiving Community First Choice who are not DD eligible.

**DDA Level of Care eligibility is based on the following:**

Program	ICF/IID LOC	NFLOC
DDA HCBS waivers	x	
CFC- DDA eligible	x	x
CFC-Children that are not DD eligible		x
State Operated Nursing Facility		x
State Operated Community Intermediate Care Facility	X-Active treatment standard is used for admission and continued service. ICF/IID LOC is used her to estimate reduction	

**Estimated Reductions by Paid Service (Includes RHC)**

Summary	FY22	FY23	21-23 Biennium
Clients Terminated	6,521	6,521	6,521
FTE Reduction	(99.3)	(125.4)	(112.3)
State	(121,065,000)	(122,760,000)	(243,825,000)
Federal	(122,459,000)	(123,704,000)	(246,163,000)
<b>Total</b>	<b>(243,524,000)</b>	<b>(246,464,000)</b>	<b>(489,988,000)</b>
<b>H51 Community Residential</b>			
	FY22	FY23	21-23 Biennium
<b>Total</b>	<b>(124,319,000)</b>	<b>(124,319,000)</b>	<b>(248,638,000)</b>
<b>H52 Personal Care</b>			
	FY22	FY23	21-23 Biennium
<b>Total</b>	<b>(63,059,000)</b>	<b>(63,059,000)</b>	<b>(126,118,000)</b>
<b>H53 Individual &amp; Family Services</b>			
	FY22	FY23	21-23 Biennium
<b>Total</b>	<b>(1,408,000)</b>	<b>(1,408,000)</b>	<b>(2,816,000)</b>
<b>H54 Professional Services</b>			
	FY22	FY23	21-23 Biennium
<b>Total</b>	<b>(2,648,000)</b>	<b>(2,648,000)</b>	<b>(5,296,000)</b>
<b>H55 Employment &amp; Day Services</b>			
	FY22	FY23	21-23 Biennium
<b>Total</b>	<b>(20,614,000)</b>	<b>(20,614,000)</b>	<b>(41,228,000)</b>
<b>H58 Other Services</b>			
	FY22	FY23	21-23 Biennium
<b>Total</b>	<b>(9,000)</b>	<b>(9,000)</b>	<b>(18,000)</b>
<b>H82 Respite Services</b>			
	FY22	FY23	21-23 Biennium
<b>Total</b>	<b>(2,848,000)</b>	<b>(2,848,000)</b>	<b>(5,696,000)</b>

H59 SOLA	FY22	FY23	21-23 Biennium
<b>Total</b>	<b>(8,352,000)</b>	<b>(8,352,000)</b>	<b>(16,704,000)</b>
H31/H33/H34/H35 RHC	FY22	FY23	21-23 Biennium
<b>Total</b>	<b>(9,000,000)</b>	<b>(9,000,000)</b>	<b>(18,000,000)</b>
Staffing	FY22	FY23	21-23 Biennium
<b>Total</b>	<b>(11,267,000)</b>	<b>(14,207,000)</b>	<b>(25,474,000)</b>

Estimated Reductions by Assessment of ICF/IID Eligibility (Does not include RHC)

Client Waiver	Estimated Client Count	Client Age Group	Estimated Client Count
No waiver	2,094	00-02	59
Basic Plus	2,878	03-04	214
CIIBS Waiver	6	05-15	2,014
Community Protection	221	16-17	205
Core	976	18-21	578
IFS	1,929	22-54	4,211
<b>Grand Total</b>	<b>8,104</b>	55-64	571
		65+	252
		<b>Grand Total</b>	<b>8,104</b>

Client Age Group	Estimated Client Count
Group Supported Employment	111
Community Inclusion	163
Individual Employment	2,644
<b>Grand Total</b>	<b>2,918</b>

Reductions based on assessed classification level

Supp Living Classification	Estimated Client Count
	1
	2
3A	203
3B	199
	4
	5
	6
<b>Grand Total</b>	<b>1,052</b>

Group Home Classification	Estimated Client Count
3A	1
3B	4
4	4
5	6
<b>Grand Total</b>	<b>15</b>

In Home Personal Care	Estimated Client Count
A High	100
A Low	404
A Med	199
B High	462
B Low	784
B Med	1,384
B Med-High	368
C High	43
C Low	33
C Med	409
C Med-High	223
D High	8
D Low	45
D Med	97
D Med-High	29
E High	54
E Med	28
<b>Grand Total</b>	<b>4,670</b>

Residential Personal Care*	Estimated Client Count
A High	1
A Low	8
A Med	12
B High	40
B Low	70
B Med	87
B Med-High	50
C Low	1
C Med	10
C Med-High	6
D High	1
D Low	5
D Med	6
D Med-High	1
E High	4
E Med	3
<b>Grand Total</b>	<b>305</b>

\*Includes Adult Family Homes and Assisted Living