



Shelly Chandler, Executive Director

Iowa Association of Community Providers

7025 Hickman Road, Suite #5 · Urbandale, Iowa 50322

P: 515-270-9495 · F: 515-270-1035 · www.iowaproviders.org

Iowa Association of Community Providers
February 2, 2011


Concerns Faced by Community Providers

- **Accessibility** to services throughout the state is fragmented (medications, services to persons with brain injury & developmental disabilities)
- **Uniformity** of cost reporting (HF 309 to address this passed in 2006 - still has not been completed!)
- **Cost reporting** is currently done retroactively; rates are set 18+ months in arrears with NO ability to carry a margin through the interim period.
 - **Methodology** utilized by CMS/State of Iowa contracts for Medicaid funds are reduced by counties once set by IME.
 - **Administrative costs** in HCBS rules do not reflect Generally Accepted Accounting Principles & include indirect costs. They are capped at 20% (example – mandatory staff training is disallowed)
- **Accountability** of agencies charged with administering state funding is non-existent. Currently, counties submit management plan to MH/DS division administrator. Once submitted there is no oversight of the implementation of that plan.
- **Community-based services** are encouraged but state institutions & out-of-state placements are funded much higher rates
- **Community employment** is being pushed heavily by state departments but services have been decimated due to unsustainable rates for service providers.

Systems Recommendations

- **Increased accessibility** for all Iowans experiencing disability through development of a regional or statewide system
- **Increased Uniformity:** Development of **single cost reporting system** that is based on rates **set prospectively**
- **Cost Reporting:** Medicaid rates are set based on **methodology** as outlined in State of Iowa contract with CMMS, & may not be reduced by other local funding agencies
- **Accountability:** Agencies charged with administering state funds are held **accountable** to standardized rules & regulations as set forth by Iowa Code. There is oversight by IME of Medicaid state match dollars & service implementation.
- **Increase viability of Community-based services:** Build the capacity of community based services through fair fiscal policy & technical assistance. The rate of state services may not exceed those of community providers.
- **Increase access to Community employment:** Development of incentives to clients & providers to seek & retain integrated, competitive employment within the community of choice.


Iowa
Association of
Community
Providers



Iowa Statehouse – Room 116
February 2, 2011


IACP LEGISLATIVE DAY

IACP's Mission



The mission of the Iowa Association of Community Providers (IACP) is to promote quality services to children and adults with disabilities (*mental health / intellectual disabilities / brain injury / developmental disabilities*) in Iowa's communities by strengthening association members.

IACP's Mission



The association is committed to promoting healthy and secure communities in which people served have access to appropriate services and supports which enable them to be a part of the community of their choice.

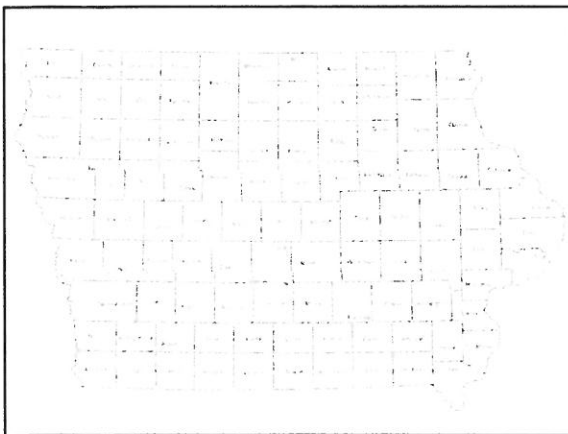


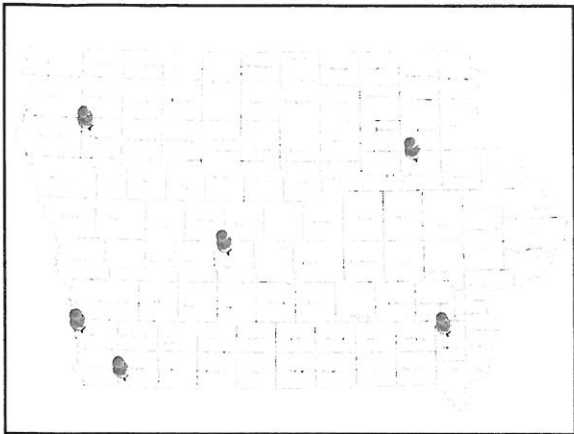
IACP's 140 Member Agencies
Provide Services to
Iowans in ALL 99 Counties

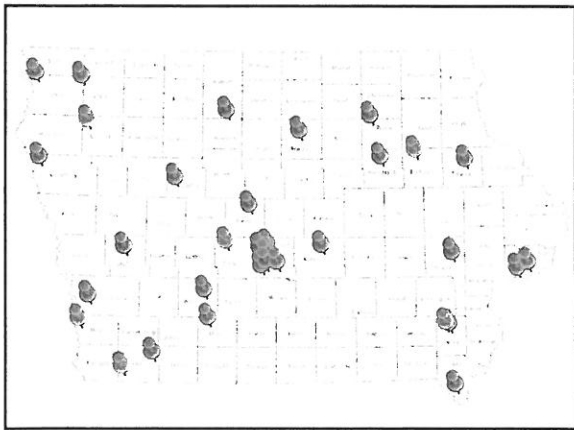


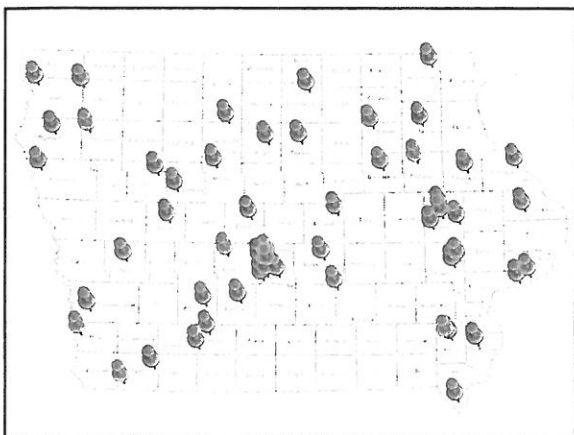
The State of Iowa has 6 Institutions

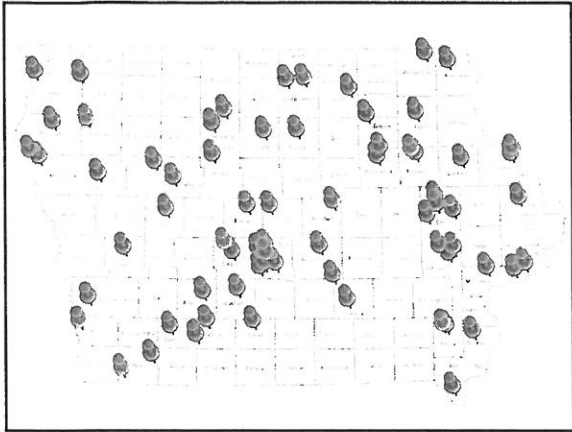
- Cherokee
- Independence
- Mt. Pleasant
- Clarinda
- Glenwood
- Woodward

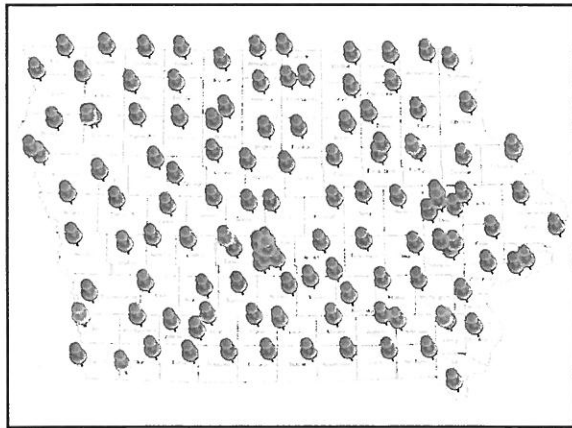













Facts & Figures 

In 2010, the annual operating budget of the 140 IACP agencies amounted to approximately..

\$900 million

Facts & Figures



In 2010, the annual Iowa payroll of the 140 agencies belonging to IACP amounted to slightly more than...

\$500 million

Facts & Figures



In 2010, the statewide employment numbers for the 140 agencies belonging to IACP averaged more than...

25,000 employees

Facts & Figures



In 2010, the 140 agencies that belonged to IACP compiled the most important number of all; providing compassionate services and support to more than...

136,000 individuals

Iowa's Community Providers
Operate as a Public/Private Partnership



The cost to taxpayers to support individuals at the state run institutions averages **\$800 a day**

- Out of state placements for Iowans not being served locally can often exceed **\$1,000 a day**
- When individuals are supported by community providers, the rate is capped at **\$314 a day**
- Iowa's provider community frequently supports the most severely disabled children and adults

Understanding the Math of Medicaid



- Providers absorbed a 2.5% cut last year
- The impact to IA providers: \$7,600,000
- This cut resulted in lost Medicaid funds
- Savings to the State Budget: \$385,000

Concerns Faced By Providers



- **Accessibility:** Services vary greatly depending on where you live.
- Agencies that provide identical services and supports in multiple counties must operate under multiple standards and accept a wide range of reimbursements.

Concerns Faced By Providers



- **Uniformity:** Much discussion has been given to the topic of Uniform Cost Reports, including the passage of HF 309 which was approved in 2006.
- To date, little has been done on this.

Concerns Faced By Providers



- **Methodology:** Providers' rates are set by CMS and the State of Iowa.
- However, once the rates have been approved by Iowa Medicaid Enterprises (IME), some local government entities continually reduce these approved rates.

Concerns Faced By Providers



- **Community-Based Services:** If the goal in our state is to serve as many individuals as possible in their own community, then adequate financial resources are a necessity.
- Our providers support individuals at less than 1/2 the rate of the state institutions.

2011 Legislative Initiatives



- IACP members are thrilled to see the growing focus this year on addressing the needs of our mental health system.
- The state's investment of \$25 million over the next 18 months is a tremendous first step in the right direction.

2011 Legislative Initiatives



- Iowa's Community Providers understand the complexity of operating under our currently fragmented Mental Health System and look forward to offering their input regarding the future transformation of the current disability delivery system.

Thank you for joining us today.



We hope you will consider us a resource.

Shelly Chandler, IACP Executive Director
schandler@iowaproviders.org

George Appleby, IACP Lobbyist

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