HCI
Howard
Center
Inc.

Mission Statement: My Life, My Choice

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Vocational Services
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Sheltered Work
Supported Employment
POS and H.C.B.S.
Transitional Service
Voc. Evaluation
Job Coaching
Selective Employment
Other DVRS Services

Residential Services
Adults 712-662-7844
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Supervised Apartments
H.C.B.S. Med. Waiver
Ill and Handicapped
Frail Elderly
Supported Comm. Living
Respite
Brain Injury Waiver
C.D.A.C.
Home & Vehicle Modification

Mental Health Services
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Outpatient Psychotherapy
(Counseling)
Emergency Services
Evaluation Services
Psychiatric Consultation

To: Health and Human Services Appropriations Sub Committee

Legislative Proposal for Changing Iowa's County-based MH/MR/DD Services Delivery System

From: John Winkelman, Executive Director, Howard Center, Inc., Sac City, Iowa

February 15, 2007

I want to thank so many of you for already listening to my concerns about the failure of our county-based services delivery system for the MHMRDD population. I have been the Executive Director of the Howard Center, a small non-profit in Sac City, Iowa for the past 27 years. I have been doing social work in Iowa for about 35 years. The Howard Center provides HCBS services to persons with disabilities, and also provides Mental Health Services in this very rural area.

For those of you new to the issues, and did not see my plea for help to DHS Director Concannon last August, I would share that with you upon request, or I would encourage you to read Iowa Protection and Advocacy's position paper on the same subject. That organization based part of their position on the hardships that have been experienced by individuals Howard Center serves.

To summarize last August's plea, the main Counties I sell to, have had mental health budgets running deeply in the red, for about two years, and people with mental retardation had lost hundreds of thousands of dollars worth of community support services. In tandem with this, the counties were making many questionable consumer-funding decisions that were geared simply to find ways to balance their budgets.

My letter and attachments showed that illegal Medicaid cuts were being made, and that services overall were being cut, not based on assessment or team process, rather on the CPC's directives. After the letter, it was found that the counties were also holding illegal appeals for those consumers unhappy with the decisions.

Another concern was that because Sac County, our home county, is so financially strapped, they continually block my agency's ability to increase Medicaid rates. The rules allow them to do that. I believe what is happening to us is restriction of free trade since we are selling services to 15 other counties. Howard Center rates are very competitive, and much lower in some services, with our nearest competitors.

My concern remains today, that the MH/MR/DD services delivery system is failing. It has failed where I live. People with disabilities are now losing supports for community living on a statewide basis, or soon will.

We all know that the system is failing financially and why, but it is also failing philosophically and politically. Where the County System really fails is when it comes to **"Equal Access"** to funding for services. What that means is that the services you may receive will vary greatly depending on which county you have legal settlement in.

A person from Sac County for example has not received the same opportunities as a person from BV County has received. A good point on this issue is that a consumer from Sac County has $62 dollars of support available to them from Medicaid sitting in Des Moines, but is denied access to these service dollars because his county does not have the $38 to match it.

I am also concerned that the county system is already on its way to destroy national and statewide standards and best practices for community services for persons with disabilities. I believe some counties will deny Iowa's 40-year evolution and improvement of community-based services. I heard parents be told at a local county stakeholders meeting to get used to the fact that Iowa may be back to 3 hots and a cot very soon. Parents were also told that there is no need to call your legislators, as nothing will change this course. As most Agencies are nationally accredited, most agencies already have achieved national standards and best practices. They will continue to be required to be accredited by the state, but if they have a home county that does not care about national standards, they will not be able to operate in this environment.

Because of all of this, and the fact that I have little left to lose as a professional and provider, my agency has already been fairly crippled, I felt compelled to propose to you a simple one-sentence legislation that I think would solve most of the problems with our system.

In order to provide a service system in Iowa that treats all Iowans with disabilities equally, and puts all providers on a level playing field, **"the State of Iowa needs to move its' MH/MR/DD services to a State Based Services Delivery System."** The first step is to have the **State of Iowa pay the local match for all Medicaid services to the disabled population**. The State already does this for children, and this part of the system has been working well for us with no conflicts of interests intervening. This step would solve most of the problems of equal access because most services are Medicaid matched. **It will not solve them all.**

Another change is necessary because other MR services are 100% county pay. Sheltered work for example is available in some counties but no longer in others. This too is an equal access concern. Also, due to budget shortfalls, persons who are not mentally retarded but developmentally delayed have no state mandate to allow them to receive services. That means that persons with IQ scores that may be 2% percent over the definition of mental retardation will definitely be out of luck. That does not mean they don't need supports. Before the lack of county funds, many counties would fund services for these individuals. We have seen that kindness dissipate quickly. Something must be done to get basic services to the developmentally disabled that are not based on some counties are kind enough to do so. That is where it is currently.

A state system, must develop and implement **basic core services** that must be available to everyone equally. Current 100% County pay services must not be forgotten for the mentally retarded or other developmental disabilities.

The other citizens I am concerned about are those with mental illnesses. Having the Counties be responsible for the chronically mentally ill is just not working. Recently, due to lack of county funds, Sac County put needy people on waiting lists to see therapists and the Psychiatrist. Howard Center served at least two of these individuals without pay to prevent institutionalization. I also recently received a call from Cherokee wanting to bring a patient out of the Hospital and back to Sac County. The person was put on a waiting list and the person remained hospitalized until local officials decided to remove the waiting lists. The State needs to take over the responsibility of services to indigent persons with mental illnesses.

What is the upside?

For Consumers

No matter where you are from in Iowa, if you qualify for Medicaid services, and developed core services currently county paid, you will have **"equal access"** to all available resources. This is currently not happening. This would not only help consumers in poor counties on an immediate basis, it would also stop possible litigation by those Iowans who are not receiving fair access, based on county of legal settlement.

For the State

Medicaid is supposed to be a State managed system. With 99 counties and 76 CPCs interpreting the rules and regulations, it is almost impossible for the Medicaid staff to manage it consistently. State payment would take out a layer of bureaucracy with the removal of the counties which is causing much of the inconsistencies. Remember, none of us want to see Medicaid paybacks.

To save the system, the State will likely need to invest an additional $20 million to services for adults with disabilities this year. If the State pays for the Medicaid services directly, they will maintain control over how it is spent. The State could add the estimated $20 million needed to shore up the County Mental Health Budgets to the amount they already pay counties for property tax relief, and buy out the Medicaid system.

If the State simply gives funds to, or allows the counties to levy more funds for the Mental Health Budgets, many counties may not support property tax increases for this. That means that there will continue to be unequal access to all Iowans, and the state could be held responsible.

For Counties

Counties may not have to dramatically increase property taxes. Keeping the current system would call for property tax increases that many will not support.

The County employees are not taken out of the loop as they can still do case management. County Case Management is in my opinion, the number one most important and needed local control issue.

County supervisors, in my opinion, rarely want to know about human services, and often complain that they have to deal with it. In my opinion they rarely do know enough, and will always refer me to the CPC.

For Providers

All providers would work to please one entity, not numerous counties.

Medicaid services are not easy to provide. Documentation requirements could become more clear, universal, and standardized. The difficulties of serving multiple counties, which is the overall reality for providers, would be improved dramatically. Many counties have differing documentation and cost report requirements.

All providers would be more likely to receive the same answers, interpretations, or remedies for problems with a state system. When there is a problem, all providers could work together with one statewide entity to solve that problem. The number of interpretations of services eligibility and definitions often depends on the personality of one county employee on a given day.

All providers would be on a level playing field when it came to rate setting. Currently, some home counties are blocking agencies from being able to increase Medicaid rates even when they charge less than their competitors. As in my personal situation, my closest competitors charge more than I can because my county has inadequate available funds and blocks rate requests. The result is that my competitors can pay better wages. This is an unfair business practice that few other types of business would tolerate.

Local Control

Real Local Control will not be lost. Through County Case Management, local people will continue making decisions and looking out for the welfare of, local consumers. What other local control is really important.

I believe in local control, but some interpretations of local control can be counter productive if each county gets to decide independently what kinds of services they believe are adequate. We need one set of statewide standards. As I said earlier, three hots and a cot were discussed at a county meeting I attended last fall, and quite frankly it frightened me. I'm convinced it was being considered to go back to the dark days of the 60's. Pushing back community services to that time-line would mean our evolution of services would be lost. Fewer people with disabilities would have opportunities to work and live productive lives in the communities.

In the national perspective, there are generally accepted best practices for everything, including the provision of Community Based services for MR/DD. Nearly all providers in Iowa are accredited by national organizations. Providers are striving for best nationally accepted practices. With lack of funding in the current system, and lack of local understanding of national perspectives on quality, those best practices are being threatened. I believe Iowa is on its' way to a multitude of different levels of acceptable quality.

As an example, Iowans would never stand for vastly different educational standards in their schools due to the county they live in. Yes there are some differences, but they all follow statewide and national standards. If they didn't, some schools would be great and some would be lacking. I see this happening now for adults with disabilities in the current system.

Finally, with the State receiving $51 million in Federal funds to integrate institutionalized consumers into the communities, we first need to make sure those community services are available, safe, operated on national standards, and fairly funded.

In the current system, I myself, a life-long advocate for community integration for persons with disabilities, would be scared to move my family member from an ICFMR into community services. Where are the guarantees of continued services? Their care would be protected in an ICFMR. If my family member was from a poor county, and once the federal dollars disappear, is that county going to be able to afford the services my family would need? What would prevent county officials from once again making unilateral services cuts? My experience showed me that the team process is only good if it suites the counties. The rights of the disabled in this process have been so ignored. What is to say they would not be ignored again.