



ADMINISTRATIVE OFFICE

March 17, 2021

TO: Representative Troy Waymaster, Chair and Members of the House Appropriations Committee
FROM: Jerry Michaud, President/CEO, Developmental Services of Northwest Kansas, Inc. (DSNWK)
RE: Hearing on HB 2046

Chairman Waymaster and members of the House Appropriations Committee,

My name is Jerry Michaud and I am the President of Developmental Services of Northwest Kansas (DSNWK), a non-profit organization serving 550 individuals with intellectual and developmental disabilities (IDD) for over 50 years. I am grateful for the opportunity to share my support of HB 2046, a bill which calls for critical funding adjustments for community services for people with IDD. Services like these are long term services and support (LTSS) for these citizens in Kansas. It is vitally important to share the current status of our system. DSNWK and others across our state have been working together for decades in partnership with the state of Kansas to serve people with IDD. Following nearly a decade with static rates, the legislature appropriated intermittent rate adjustments which helped our system but, in all honesty, did not address the need. For those vital steps forward, we are grateful, however, closing the gap to meet those needs has grown more complex. The Pandemic has stressed an already stressed system. The bill passed by this body last session was a step in the right direction, and for that we are grateful. However, at the end of the 2020 session, that legislative intent did not come to fruition. We are also grateful for this body's effort of recent to include rate adjustments for our system as part of the KDADS budget.

This bill today lays out a responsive, stepped approach to strengthen our community service system. It does so in two ways: First - Addressing resource shortages and Second - addressing the growing waiting list challenge for those who need services of which there are no resources. This bill addresses both aspects. **My testimony focuses first on existing services and the need to shore up the capacity to serve individuals in community services today. Secondly, as individuals we serve age and we've experienced a number of them pass away, utilizing freed up capacity should be part of the equation in planning to meet the needs of persons served who have been waiting for community services for upwards of nine year.**

The community service system for people with IDD, workforce is a critically valuable component that requires a closer look.

Community Services Workforce Challenges:

Open Positions: The first aspect of our workforce challenge relates to vacant, or unfilled positions. As we finished the month of January 2021, this difficult reality meant DSNWK had **36 open positions across the six communities** of Hays, Stockton, Hill City, Russell, Norton and Atwood. In this troubling reality

there are too few applicants for open positions. Recruiting during a pandemic has further challenged the effort making this a constant moving target for organizations like ours all across Kansas.

Turnover: For 2020, the average tenure of those employees who terminated was 2.24 years. The average tenure of the workforce was 8.8 years. **DSNWK's annual turnover rate is 44%**, high but below the troubling 51% national average. In human services, the **cost of turnover is in both human and financial terms**. The loss of a trusted staff member represents a difficult change. Change is hard for people in general, but amplified for individuals with disabilities. **Receiving support in the most personal of circumstances, like toileting and other forms of personal care, and understanding each persons' communication, it's not hard to see that a revolving door of turnover carries much greater gravity**. The financial cost of each position that turns over is in the thousands of dollars. For over a decade, little could be done to improve wages for our staff and attracting employees into low wage positions has made recruitment and retention very difficult. The limited rate adjustments have helped, and we are grateful. Additional action is necessary to help continue the recovery from the years of erosion caused by the extended period of time without rate adjustments. The annual income for a 40 hour position, at our starting wage of \$9.00 per/hour is \$18,720; hardly a living wage.

Labor Force Supply and Demand: Providing Community IDD services, whether in northwest Kansas or elsewhere in the state, requires qualified staff. The skills required of these workers are in demand today and that demand is expected to grow. In Kansas, it is estimated by 2026 that 74,000 more direct support professional positions will be needed to meet the demand of serving not only those with IDD/LTSS, but those among us aging who will require similar types of support. Those earlier rate adjustments were helpful to us in getting to this new base. Professionalizing this career path is among the valuable actions needed. Concurrently, **providing a living wage merits action. The rates afforded community services are legislatively driven and the basis for our support of HB 2046.**

In Summary:

- ❖ The earlier rate adjustments have only started the recovery from the damage caused by decades of erosion. **HB 2046 continues the course-correction efforts to address the critical needs through a common sense, multi-year action plan.** HB 2046 is a practical and stepped approach building upon the positive action started by the Legislature.
- ❖ **HB 2046 and the future year rate adjustments help address both erosion and inflation.** The first, shoring up damage from decades of underfunding and second, taking action that helps keep pace from one year to the next.
- ❖ The community **IDD service system is and has been an economical model for serving our citizens with IDD**, operating at a fraction of the cost of the alternative, institutional model. Legislative action, HB 2046, is needed to continue shoring up that community system so it remains a smart, strong and viable model for Kansas.
- ❖ The **study of the waiting list**, an important element included in HB 2046, will help us as a State to turn the corner, work collaboratively as a state and community service system **to lay out a plan that addresses the needs of those who have been waiting** for community services far too long.