

The Arc of New Jersey's Budget Request for the Division of Developmental Disabilities, Fiscal Year 2013

Issue

Although the Governor's FY2013 budget proposal addresses the needs of people with intellectual and developmental disabilities and provides increased funding to serve emergencies, individuals on the waiting list and individuals aging out of their educational entitlement, it does not include funding increases to the community provider agencies to whom these critical tasks will be entrusted. New Jersey's programs for individuals with disabilities have been dangerously under-funded for several years, and services are now limited to only those deemed an "emergency." Our developmental disabilities service system was precarious before the financial crisis and has been decimated by the recession. In fact, New Jersey's inflation-adjusted developmental disabilities spending during 2006-2009 decreased by 7% as compared with a national average 3% increase in inflation-adjusted spending. The most recent available illustrates the dire circumstances that the developmental disabilities service system is facing in New Jersey. From 2006-2009, New Jersey was one of 23 states that reduced family support funding, one of 19 states that reduced total inflation-adjusted spending and one of only 11 states that reduced supported living/personal assistance spending.

Concern

Despite ranking 3rd in per capita income in a 2010 U.S. Bureau of Economic Analysis report, New Jersey currently ranks 40th in the nation in our fiscal effort on community services. At the same time, the demand for services is constantly growing with the number of individuals registering with the Division of Developmental Disabilities (DDD) steadily rising.

Recommendations

1. Preserve the funding in Governor Christie's proposed budget for individuals with intellectual and other developmental disabilities.

The Arc of New Jersey is pleased to see that many of the needs of individuals with intellectual and developmental disabilities were addressed in Governor Christie's proposed budget. The proposal totaled \$56.7 million in new money, including \$38.6 million to serve individuals on the waiting list, emergencies, and individuals aging out of their educational entitlement, and \$18.1 million for the state's *Olmstead* commitment. With no mention of co-pays or contribution to care, we are grateful that the Governor has made people with disabilities a priority in his budget.

2. Include a 3% increase for community agencies to cover the true cost of providing care.

Community provider agencies will be the ones called upon to serve the new people funded in the Governor's budget proposal, on top of the thousands of others already receiving services. Provider agencies, support staff and other professionals that people with disabilities rely on each day continue to struggle to make ends meet. With no contract increases in the past four years, provider agencies are desperately trying to figure out how to pay the bills and give their staff salary increases without any adjustment to reflect the true cost of providing care. A 3% increase for providers will help address staff salaries and the rising costs of gasoline, health care benefits, utilities and other expenses which these agencies incur at an increasing rate each year. With SSI recipients receiving a 3.6% increase in 2012, our request is modest, but will take pressure off of community agencies in the coming fiscal year and allow them to continue to provide the high quality care and services that New Jersey's citizens deserve.

March 20, 2012