



Alliance for the Betterment of
Citizens with Disabilities

Empowering People: Providers Shaping Policies

FY 2023 New Jersey State Budget

The Best Form of Crisis Management is Prevention

Ensure Sustainability of Day Programs for Individuals with Developmental Disabilities

Please Annualize Current Rate

We support the annualization of the full FY'22 Day Program 16.5% rate increases for day habilitation, career planning, community inclusion services, group prevocational training and group supported employment which was an enactment and expansion by the Legislature of the Murphy Administration's policy, originally proposed in FY'21 but delayed due to the immediate need for additional resources to combat the pandemic.

One of the main axioms of the Fee for Service system is that agencies which retained earnings resulting from efficiencies were to use these funds to address planned capital expenditures such as major maintenance and vehicle replacement; expenditures which the Division of Developmental Disabilities would no longer fund directly. But this only works when the rate covers costs as evidenced when following the system 2016 rolled, day-only providers scrambled to find other means of support while residential jeopardized their sustainability by "floating day."

In the pandemic of 2020/21, it became clear that continued exclusion of certain factors such as absence, nursing, and transportation in the calculation of the day rate left our programs particularly vulnerable to the vagaries of the pandemic labor market; starting in May of 2021, the 93% of day programs which are opened significantly restrict services to individuals mainly because they do not have enough staff.

It is our mutual missions, to ensure that individuals continue to have a life and opportunities in the community. To this end, in a fee for service, market-based system, our day programs require a rate architecture which will sustain their operations and enable them to plan for the future. We respectfully request that the current rate be maintained and annualized.¹

November 19, 2021

¹ The impact the 16.5% increase has had on the financial burdens facing day program providers who care for individuals who are chronically absent due to their disability is difficult to assess, given that our programs are not fully open. We will continue to monitor and hope to have more concrete information sometime next year.