



Alliance for the Betterment of
Citizens with Disabilities

Empowering People: Providers Shaping Policies

Senate Budget and Appropriations Committee
Assembly Budget Committee

Testimony on the Proposed FY'23 Budget

March 21 and March 29, 2022

Good day, Chairperson Sarlo and members of the Senate Budget and Appropriations Committee; Chairperson Pintor Marin and members of the Assembly Budget Committee. On behalf of ABCD, thank you for this opportunity to share our thoughts as you begin deliberations on the proposed FY '23 Budget.

This is a great budget for our member agencies!

We are thankful for the Murphy Administration's policy to transform a system overly reliant on underpaid workers, many of whom are women and women of color, to one which ensures that these front-line workers receive salaries commensurate with the support they provide. We request that you consider a continuation of the annual increase for DSPs and supervisors who produce human potential, dignity, and freedom.

Simmering Problems

Day Programs/Services

We are very pleased that the administration has proposed to fully annualize the FY'22 increase for day program rates in FY'23.

One of the main principles of the FFS system is that agencies which retained earnings resulting from efficiencies were to use these funds to address planned capital expenditures. But when rates don't cover costs, this reasoning is specious as evidenced when after the system roll out, many day-only providers were left to scramble for other means of support while residential jeopardized their sustainability by "floating day."

Cost omissions in the rate made day programs particularly vulnerable during the pandemic. No one understands this better than DHS who through a relentlessly laborious and grueling effort helped keep the system on life-support. ABCD day programs report March attendance levels are 62.47% of what they were in March 2019 while the latest CNN/ Business *Back to Normal Index* for NJ is at 92%. Our talent pool is draining, leading to service restrictions which, in turn, is taking a toll on organizations'

financial health. In this pay-as-you -go system, our day programs require a government designed and funded rate architecture which will cover costs, sustain operations, and enable planning for the future, which includes pre-crisis management.

We are very pleased and ask for your support of the administration's proposal to annualize the full FY'22 increase for day program rates in FY'23.

Early Intervention

The pandemic exposed the near impossibility of attracting and keeping physical, occupational and speech therapists in Early Intervention with our 2005 rate while competing with hospitals, nursing homes, assisted living facilities and 573 public school districts. Last year's increase is helping providers

- Attract and hire practitioners, especially from non- EI sectors
- Keep or add administrative staff to ensure compliance and quality
- Keep clinical oversight in the field

Our system is beginning to right itself. Thank you! At the same time, service demand is outpacing supply. On March 9, 494 infants and toddlers were listed on the State's No Provider Available list, wait listed for over 30 days compared to less than 100 children, 3 years ago. We will continue to work to hire and retain practitioners and thank the Governor for incorporating in the current budget proposal for FY'23, the full FY'22 increase of 7.5%, 2.5% of which EI began receiving in January of this year.

Covid did not suddenly shine a light on unknown fragilities in day programs and Early Intervention. We've all known and for a rather long time. Our thanks to the NJ Legislature which back in 2021, did something about it.