



Alliance for the Betterment of
Citizens with Disabilities

Empowering People: Providers Shaping Policies

FY 2023 New Jersey State Budget

Ensure Sustainability of Day Programs for Individuals with Developmental Disabilities

**Please Support the Annualization of the Current Rates
\$9 Million State Share**

We support the annualization of the FY'22 Day Program full 16% rate increase for day habilitation, career planning, community inclusion services, group prevocational training and group supported employment enacted by the NJ Legislature which expanded upon an administrative policy 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 would no longer fund directly. But this only works when the rate covers costs as evidenced when after the system was rolled out in 2016, day-only providers scrambled to find other means of support while residential jeopardized their sustainability by "floating day."

In the pandemic of 2020/21/22, 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, day programs which are opened significantly restrict services to individuals mainly because they do not have enough staff.

It is our mission to ensure that individuals continue to have a life and opportunities in the community. To this end, in a pay as you go system, our day programs require a rate architecture which will sustain their operations and enable them to plan for the future. We respectfully request support for the Governor's recommended increase to day programs in the proposed FY'23 Budget which will annualize the full funding amounts advocated for and appropriated by the NJ Legislature in FY'22.

March 9, 2022