



**Alliance for the Betterment of
Citizens with Disabilities**

Empowering People: Providers Shaping Policies

**Governor Murphy's Final Budget Proposal for Individuals with Developmental Disabilities and Delays and
their Service Providers**

The Murphy Administration is responsible for groundbreaking policies and resources that ensure individuals with intellectual and developmental disabilities and delays at every stage of life and at every level of ability can live, grow and thrive in the community.

Despite New Jersey's structural deficit set to expand to more than \$3.8B on July 1, 2025, and the state's \$5.2B in federal matching funds at risk over Medicaid cuts,¹Governor Murphy's FY'26 budget proposal includes:

- \$142 million to meet the projected needs of the DDD community.
 - \$18.2 million (state and federal) for January 1, 2026, CPI increase for Direct Support Professionals and Supervisors
 - 318 individuals off of the waiting list
 - An addition 115 new housing vouchers for 3rd party rentals (this does not have an impact on group homes).
- There are no reductions in the current DDD Community provider billable rates. DHS was able to stave off rate cuts by shelving funds originally allocated for the provider recruitment and retention program.
- \$73 million for the continued support of the WorkAbility program expansion which began its final implementation phase in FY'24. The Workability program allows people with incomes over 250% of the Federal Poverty Level to not lose their NJ FamilyCare benefits.
- No reductions in the current Early Intervention Provider billable rate. Recent past rate increases will continue. Regarding growth projections, at this time DOH is reviewing overall project implications and will get back to ABC with additional information.
- Continued support for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold prescription discount programs and for the Hearing Aid Assistance to the Aged the Disabled (HAAAD).
- \$18.8 million for increased wages in the Preferred Preference Program.
- \$30.2 million to maintain a minimum monthly \$95 SNAP benefit for 40,000 households.

¹ Medicaid programs rely on federal support which covers 50% of DDD community provider costs. The possible federal funding cuts to the program would reduce the match to 37.5% and, thus, are a considerable risk to the state's budget and its ability to provide health and human services for its most vulnerable residents.

Spending on DDD community programs has grown by over \$1.2 billion since FY'18. Governor Murphy has chosen to keep the important ground our sector has gained through his vision and leadership. DHS will see a 3% increase, compared to the 5% reduction anticipated earlier this year.

February 26, 2025.