

# THE DELAWARE ASSOCIATION OF REHABILITATION FACILITIES (DELARF) POSITION PAPER

## ANNUAL SUPPORT PLAN FOR THE COMMUNITY BASED SERVICE SYSTEM

### The Issue

Delaware's community-based service system (CBSS) supports or serves thousands and thousands of people with disabilities and other barriers. However, the State lacks a fiscal plan that adequately and annually calculates or re-calculates the resources needed to support this system of service delivery, even though this system is regulated and primarily funded by the State.

Readily available economic indicators provide a basis for calculating the annual adjustments needed to maintain the current CBSS:

- The Social Security Administration (SSA) annually analyzes the economy and calculates a cost-of-living-adjustment (COLA) for all individuals receiving SSA benefits. The COLA for 2007 is 3.3%. It is fiscally conservative, but a sound plan, because it is based on economic indicators, data, and reasonable economic projections.
- The Employment Cost Index (ECI) adjustment for 2007 is 3.3%.
- The Consumer Price Index (CPI) adjustment for the Mid-Atlantic Region for 2006 is 3.9%.
- The Center for Medicare/Medicaid Services (CMS) adjustment for 2007 is a 3.3% increase.

These familiar economic indicators tell us what is happening with our economy and what it will cost to stay in business and to maintain our current level of operation and current level of quality. So, what are the options for an annually calculated sound plan? Three suggestions:

1. One or more of the indicators should be selected as the basis for the annual analysis and calculation.
2. The economic indicators could be averaged to eliminate any unusual spikes up or down.
3. The analysis and calculation should be completed by Department or by division to be able to determine the total annual adjustment needed to maintain the CBSS.

### The Recommendation

This recommendation is based on an assumption—we collectively want to maintain and regularly improve and expand the CBSS. We are recommending that the State adopt a two-step process:

- **Step one is to identify a task force represented by all stakeholders or an office to annually calculate the resources needed, including annual adjustments, to support the CBSS.**
- **Step two is for all public and private stakeholders to work together to find the resources that can be assigned or allocated to the CBSS by the General Assembly, the Governor, and private sources.**

A precedent has been set. SB 1 approves the use of the CPI for Workers Comp annual service schedules adjustments. Also the Budget Bill Epilogue language, Section 213, from last year also suggests regular adjustments.

By focusing on the issue and adopting this or a similar recommendation a plan can be put in place to address the annual adjustments needed to maintain the CBSS.