

**TALKING POINTS RE:
21% Cut to the HCS/TxHmL CFC Rate**

Individual provider organizations companies (both public and private) are encouraged to include details specific to your organization (noted in blue highlight).

Cutting rates for services to people with intellectual disabilities will put one of the most vulnerable populations in our state at high risk.

As a cost containment measure, HHSC proposes a 21% rate cut to habilitation services provided to more than 11,000 individuals with intellectual disabilities in community-based services.

1. Cuts will increase financial and human costs.

- Cuts to this service reduce the state's ability to draw down enhanced federal match, resulting in little cost savings.
- Cut will require providers to cut wages for direct service workers.
- Decreased direct service worker wages leads to:
 - increased turnover
 - increased staff recruitment and training costs
- Instability in direct service workers affects individuals supported, leading to:
 - exposure to abuse and neglect
 - skill regression, increase in maladaptive behaviors, poor health outcomes
 - increased reliance on more costly institutional settings, away from family and friends.

2. Cuts reduce valuable resources in an already stressed system.

- HCS/TxHmL rates cut significantly in 2011; partial restorations in 2015 did not apply to this service; HCS Providers were paid 3% less in 2015 than in 2005 (see chart in IDD Issue Brief).
- Providers have not received financial relief to address increased costs of unfunded mandates, costs of underfunded services in these programs, and multiple regulatory reviews.
- Describe the effect of the 2011 rate cuts on your programs and the impact a 21% cut would have on your current programs.

3. Stability in direct service workers is key to supporting individuals in community.

- Stable direct service workers provide a safe environment, quality services, and continuity of care.
- Staff retention increases positive health outcomes for individuals, reducing costs to the state.
- Describe the specific services you provide through HCS/TxHmL CFC and the importance and benefit to the people you support.

4. Rates must be commensurate to responsibilities and responsive to distinct vulnerabilities of ID populations.

- A direct service worker supporting a person with intellectual disabilities in his or her own home must exercise independent judgment, operate with little direct oversight, and provide services that meet the unique needs of each individual.
- The HCS/TxHmL habilitation service rate was structured to enable providers to attract a qualified workforce, reduce turnover, support continuity of care and promote the safety and well-being of individuals who rely on these services to remain in community.
- Individuals with IDD have a higher prevalence of mental illness than general population.
- Individuals with IDD are 4 to 10 times more likely to experience abuse and neglect than peers without disabilities. Quality direct service workers and continuity of care reduce likelihood of abuse/neglect.
- Describe your experience with turnover, noting differences across programs and the importance of retaining quality staff to ensure safety of people with IDD.