

**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.