

Recommended Budget Fiscal Year 2012

The Department of Intellectual
and Developmental Disabilities



STATE OF TENNESSEE



Program Update



- **Developmental Centers**
 - Arlington Developmental Center closed October 2010.
 - Clover Bottom's census is down to 56 people with planned closure in 2012.
 - Greene Valley's census continues to decline. By the end of FY2012, census will be at 141.
- **Waiver Services**
 - 7,630 people are served in the three home and community based services (HCBS) waivers.
 - 6,675 are on the waiting list for waiver services.
 - Waiver amendments which set limits on certain services have been approved by the Centers for Medicare and Medicaid Services (CMS).
 - Complaints have been filed with the Office of Civil Rights regarding the limits on personal assistance and nursing.
- **Resource Centers**
 - Resource Center in West is operational and serves the West Community Homes and serves as a safety net for individuals served in the waivers.
 - FY2012 budget funds the creation of Resource Centers in East and Middle.

Program Update

Continued



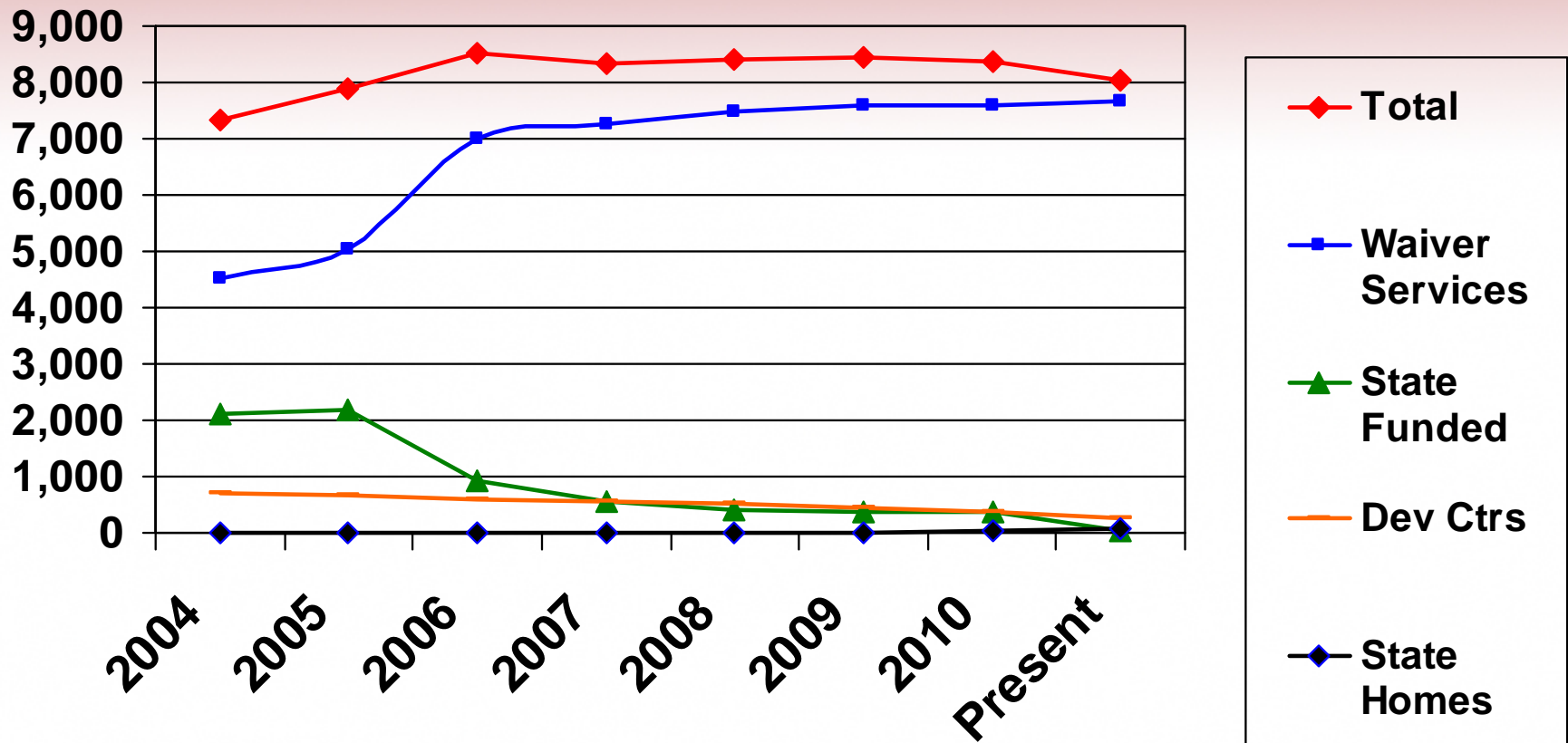
- State-operated Community ICF/MR Homes
 - All 12 homes in West are open. The 2006 Arlington Settlement Agreement required the state to develop and operate these 12 homes.
 - 5 homes in East are open. 8 will open in early FY2012. Last 3 will open in late FY2012. These 16 homes are a requirement of the court order granting partial termination of Greene Valley Developmental Center from the settlement agreement in the People First v Clover Bottom lawsuit.
 - 9 homes in Middle will open mid to late FY2012. These homes are necessary to provide care to the most medically fragile and behaviorally challenged residents remaining at Clover Bottom.
 - A total of 37 ICF/MR homes across the state will be state-operated.
- Family Support
 - Served 4,156 individuals in fiscal year 2010.
 - Funded in FY2012 Recommended Budget with non-recurring funds as part of the Core Services Restoration.
 - Change in census across the state may impact the amount allocated to each local family support council.

Budget Highlights



- Continues the state's direction and follows the national trend of moving from institutional settings to home and community based services.
- Continues the department's effort of maximizing federal revenues.
- Fully funds with recurring dollars the three home and community based waivers.
- Allows for net growth of 258 people in waiver services.
- Does not include funding to maintain the current residential rates paid to providers. The current fiscal year includes non-recurring funds to prevent a 3.6% overall reduction in payments for residential services.
- Includes non-recurring funds to continue the Family Support Program.

Census Changes FY2004 to Present



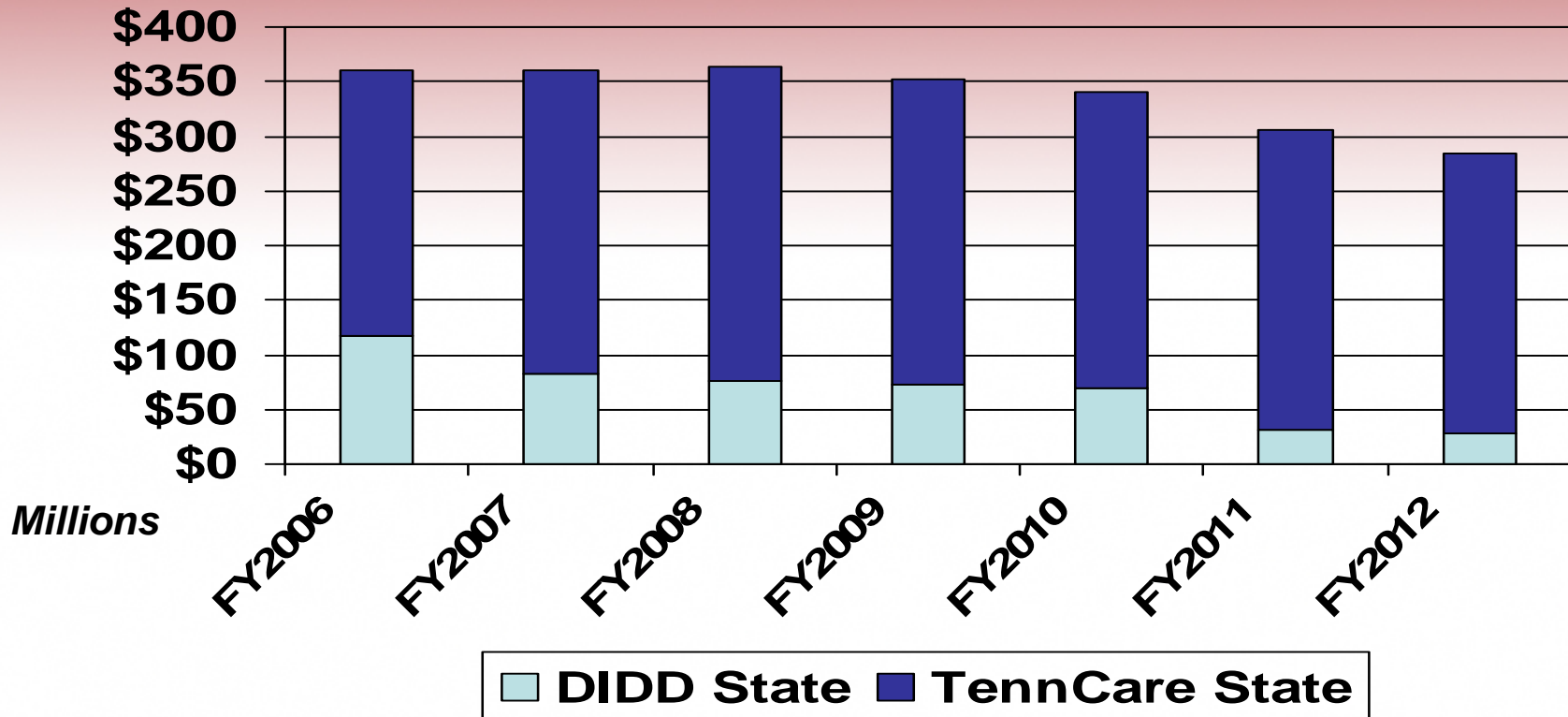
Recommended Budget



Funding Source	Preliminary Base	Reductions	Improvements	Total Recommended
State	\$28,792,100	(\$1,878,900)	\$1,196,000	\$28,109,200
Federal	1,768,900	-	-	1,768,900
TennCare*	675,953,500	(1,452,000)	52,782,200	727,283,700
Other Revenue	13,817,900	(34,200)	2,205,000	15,988,700
Total	\$720,332,400	(\$3,365,100)	\$56,183,200	\$773,150,500
Positions	2,233	(28)	44	2,249

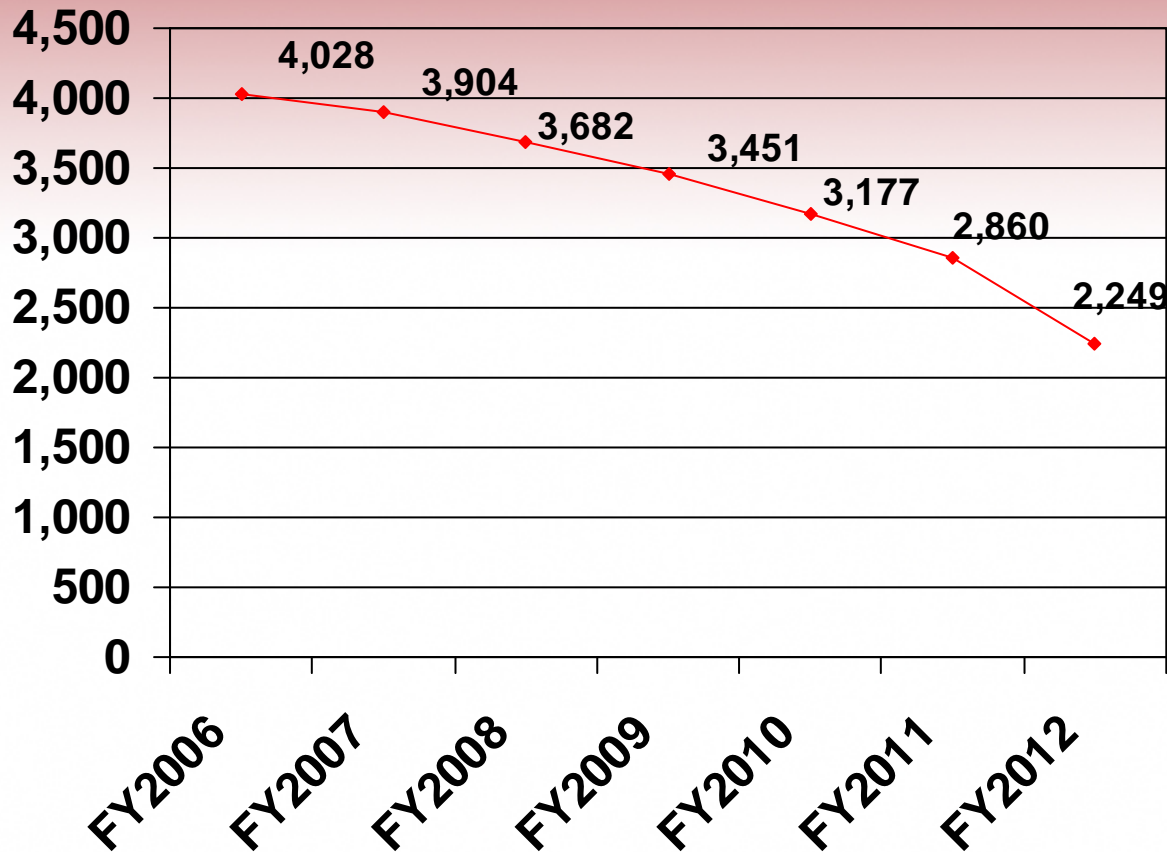
*The \$727,283,700 of TennCare revenue includes \$255,676,300 state funds and \$471,607,400 in federal Medicaid matching funds. Total state funds between DIDD and TennCare for DIDD programs is \$283,785,500.

State Appropriation



For comparison purposes, the recurring match rate was used for TennCare state dollars instead of the lower, enhanced federal financial participation (FFP) the state received in FY2009 through FY2011 due to the American Recovery and Reinvestment Act.

Position Reductions FY2006 to FY2012



The Department has reduced the number of authorized positions by 1,779 (44%) since FY2006. Most of these reductions are from the downsizing and closing of developmental centers.

Position Change FY2011 to FY2012



Program	Filled	Vacant	Total
Quality Assurance	-	(2)	(2)
Middle Regional Office	-	(8)	(8)
East Regional Office	-	(9)	(9)
West Regional Office	-	(17)	(17)
Harold Jordan Center	-	(22)	(22)
Clover Bottom Developmental Center	(113)	(169)	(282)
Greene Valley Developmental Center	(210)	(128)	(338)
Middle TN Community Homes	42	-	42
Middle Resource Center	25	-	25
Total	(256)	(355)	(611)

Base Reductions (1%)



Budget Item	DIDD State	DIDD Other	DIDD Total	TennCare State	Total State
Quality Assurance – 2 vacant positions	\$14,000	\$125,400	\$139,400	\$62,700	\$76,700
West Operational Funding (Regional Office and Resource Center)	96,000	1,000,900	1,096,900	483,300	579,300
East Regional Office – 4 vacant positions	40,000	359,900	399,900	179,900	219,900
Harold Jordan Center Capacity (25 to 19) – 22 vacant positions	1,728,900	-	1,728,900	-	1,728,900
Total	\$1,878,900	\$1,486,200	\$3,365,100	\$725,900	\$2,604,800

Improvements Non-Recurring



Budget Item	DIDD State	DIDD Other	DIDD Total	TennCare State	Total State
Waiver Svcs - leap year	-	\$1,582,300	\$1,582,300	\$534,300	\$534,300
Middle Homes Start-up	810,000	180,000	990,000	60,800	870,800
East Homes Start-up	360,000	80,000	440,000	27,000	387,000
Total	\$1,170,000	\$1,842,300	\$3,012,300	\$622,100	\$1,792,100

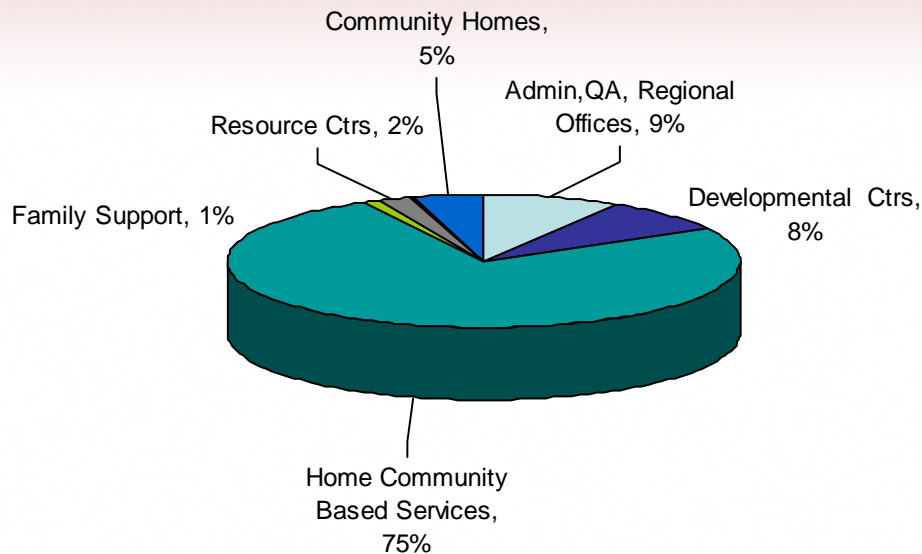
Improvements Recurring



Budget Item	DIDD State	DIDD Other	DIDD Total	TennCare State	Total State
Waiver Services at \$223 per person per day	-	\$26,651,800	\$26,651,800	\$8,999,500	\$8,999,500
Waiver Services – net growth of 258 enrollees	-	21,922,900	21,922,900	7,402,700	7,402,700
Middle Comm. Homes - 1 additional 4 person home (19 positions)	-	1,052,400	1,052,400	355,400	355,400
Middle Resource Ctr- Creation (25 positions)	26,000	3,517,800	3,543,800	656,400	682,400
Total	\$26,000	\$53,144,900	\$53,170,900	\$17,414,000	\$17,440,000

Funding by Program

FY2012 Recommended



Home and Community Based Services	\$583,119,900
Administration, Quality Assurance, Regional Offices	66,877,900
Developmental Ctrs	64,173,600
Community Homes	35,295,900
Resource Centers	14,116,700
Family Support	7,383,600
TN Council on Developmental Disabilities	2,182,900
Total	\$773,150,500

FY2011 Supplemental State Funds



- Waiver Amendments – \$8,400,000
 - Department submitted waiver amendments to CMS which established or modified limits on various services.
 - These waiver amendments were presented in last year’s budget hearing.
 - FY2011 Budget assumed waiver amendments would be implemented October 1, 2010.
 - Department did not receive approval from CMS until February 16, 2011.
 - Department is working with families, conservators, case managers and providers to implement these changes.
- Clover Bottom Downsizing Delay – \$3,000,000
 - FY2011 Budget assumed Clover Bottom’s census would be 32 on December 31, 2010.
 - Budget also assumed 8 homes would be constructed for the 32 residents.
 - New plans are for 9 homes for 36 residents.
 - Today, there are 56 people at Clover Bottom.

Capital Budget (state funds)

FY2012 Recommended



- Capital Projects - \$800,000
 - \$250,000 Greene Valley Storage Shed
 - \$100,000 Clover Bottom/ Harold Jordan Center Preplanning
 - \$450,000 Greene Valley Gym/Pool Air Handler Units
- Capital Maintenance - \$1,180,000
 - \$1,000,000 Clover Bottom Essential Maintenance
 - \$100,000 Arlington Facility Services Complex Exterior Updates
 - \$80,000 Greene Valley Laundry Building Boiler Replacement

Audit Findings



- Audit released May 2008 for the period April 1, 2005 through May 31, 2007 had 10 findings.
- In July 2010, the Comptroller's office issued a follow-up report.
- This report found that 4 of the findings have been resolved.
- As of March 2011, the Department deems a 5th finding to be resolved.
- Processes and procedures, including the development of a new IT system, the downsizing of 2 of the developmental centers and revisions to the Provider Manual, are being implemented which should resolve the other findings.