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**Testimony to Senate Health and Welfare re: [H.720, An act relating to the system of care for individuals with developmental disabilities](#)**

The Department of Aging and Independent Living (DAIL) and the Agency of Human Services (AHS) fully support the core focus of H.720 and are grateful to the House Human Services Committee and the stakeholders who have put valuable time and effort highlighting the need for additional residential options for people served by the Developmental Services Division.

DAIL is already working to engage in much of the work the bill covers and is excited to facilitate systems improvements in the coming months and years. This work is comprehensive, and includes updating the State System of Care Plan, managing the one-time Home and Community Based Services Federal funding to support new residential alternatives and other opportunities, addressing conflict of interest in case management, and working on payment reform. DAIL is working on a comprehensive workplan with a timeline outlining key milestones, including stakeholder feedback for all of these activities and initiatives. We expect to have this workplan completed by the middle of April 2022.

H.720 does have two areas of concern that need further development:

The first area pertains to the requirement in Section 3 that DAIL perform annual quality reviews for Designated and Specialized Service Agencies. Conceptually, DAIL supports annual quality reviews across different programs and providers. The Governor's Recommended budget included ten positions that would address needed capacity within Adult Protective Services, Survey and Certification, Adult Services Division Quality Management, and the Office of Public Guardian. These positions were identified by the Agency and the Department as the most pressing priorities due to the most significant gaps between current capacity and workload. These areas serve all populations- including but not limited to people with developmental disabilities.

The Big Bill, as passed out of the House, would reallocate five of these positions to address the request of the House Human Services Committee in H.720. However, the current version of that bill does not define which five positions would be reallocated to Developmental Services, nor would it address the capacity needed to perform annual quality reviews across all of systems of care - Choices for Care and Brain Injury, in addition to Developmental Services. While annual quality reviews in Developmental Services would require five additional positions, the Department opposes moving five positions from the ten prioritized in the Governor's

Recommended budget to accomplish this, as this would negatively impact the initial priorities, while also failing to support annual quality reviews across programs. At this time there is no funding in the Governor's proposed budget to add an additional five positions to cover annual reviews as proposed in H.720.

The second area involves Section 6, specifically pertaining to the proposed requirement of legislative approval for payment reform and changes to address conflict of interest in case management in Developmental Services. These two activities are complex and are highly regulated at the federal level. The Department welcomes input from the General Assembly and will invite key legislators to participate in the planning and stakeholder feedback processes, but does not believe that such legislative approval is in the best interest of the activities or the citizens being served. Below please find suggested edits to this section:

\* \* \* Payment Reform and Conflict-Free Case Management \* \* \*

#### Sec. 6. PAYMENT REFORM AND CONFLICT-FREE CASE MANAGEMENT

(a) Prior to implementing system-wide payment reform impacting individuals with developmental disabilities, their families, and designated and specialized service agencies, the Department of Disabilities, Aging, and Independent Living shall report on the process to seek approval from the General Assembly. At a minimum, the following shall be included in the payment reform process:

- (1) in addition to any standardized assessment utilized by the Department, a process for consideration of additional information relevant to the life circumstances of service recipients or applicants;
- (2) in addition to any standardized rates or rate ranges developed by the Department, a process for consideration of budgets to reflect the individualized support needs of service recipients or applicants; and
- (3) a process for evaluating the fiscal and service impact on individual service recipients and the designated and specialized service agencies.

(b)(1) Prior to implementing the federally required conflict-free case management system, the Department shall seek and consider input from a variety of stakeholders, including individuals with developmental disabilities, their families, designated and specialized service agencies, and other providers and advocates and report on the process to seek approval from the General Assembly.

(2) As part of the changes necessary to come into federal compliance, consideration shall be given to performing initial clinical eligibility and service planning within the Department.