

2016 Administrative & Legislative Agenda

Approved October 23, 2015

In preparation for the 2016 Indiana General Assembly Session, the INARF Governmental Affairs Committee reviewed and discussed the major issues facing the industry and their impact on Hoosiers with Disabilities. As issues were discussed, the committee identified three overarching areas of focus to organize and communicate legislative and administrative goals. The three areas of focus include:

Systems Changes/Initiatives: Over the past year, the Family and Social Services Administration has implemented several significant systems changes, including the Vocational Rehabilitation Hybrid Model and the Daily Rate for Residential Habilitation and Support. Over the next year, it is anticipated that the state will make additional significant system changes in response to the Workforce Innovation and Opportunity Act, CMS' Home and Community Based Services Settings Rule, in-state litigation, and other issues / trends impacting the industry. It is anticipated that some of these changes will occur rapidly requiring the Association to be fully engaged and prepared to represent the membership's interests. Over the next year, the Committee will focus on monitoring various initiatives, advancing opportunities to influence the development of these initiatives, and educating members, legislative partners, and others on the various initiatives and their anticipated impact. The Committee will also seek to initiate activities that create opportunities for new or expanded programs, funding, or other resources.

Workforce Issues: The current funding environment for services for Hoosiers with disabilities continues to be challenging. Of most impact, the current funding levels make it difficult for provider agencies to be competitive in recruiting and retaining a quality direct support professional workforce. During the 2015 Legislative Session, the Indiana General Assembly included critical investments to restore key waiver and group home rates to their 2010 levels. These investments have been an extremely helpful start in addressing these issues. Over the next year, the Committee will focus on creating opportunities that improve and diversify funding, focus on workforce development, and result in a long-term strategy for improvement.

Quality as an Outcome: Indiana's provider community strives to provide Hoosiers with disabilities with high quality services that meet the individual's health and safety needs, as well as supports the individual in being an active community member. Further, legislators, the administration, and the provider community have a shared obligation to find collaborative ways to address the needs of individuals while still maintaining the highest level of service under considerable budget constraints. Over the next year, the Committee will focus on building awareness of quality as an outcome, identifying opportunities to align funding and program policies and developing system competencies toward that end.

The following legislative issues have been approved by the INARF Governmental Affairs Committee as the 2016 legislative agenda for the organization and are listed in order of priority.

Legislative Issues

Public Safety and Health Care Professional Education

Potential Author: Representative Dan Leonard (R-Huntington)

Background:

HEA 1242, authored by Representative Dan Leonard (R-Huntington), required six hours of training of police reserve officers in the interaction with persons with intellectual disabilities, among others. This was an important first step toward further integration of people into the community. As individuals with disabilities become more active in the community, it is important that people in positions of public safety and health care be trained in appropriate interaction.

Legislative:

INARF seeks to expand on what was accomplished in HEA 1242 by identifying opportunities for local governments to partner with agencies to facilitate trainings and regular interactions with people with disabilities. In addition to trainings offered at law enforcement training schools or academies, INARF supports the inclusion of the following strategies prioritized below:

- The Indiana Department of Homeland Security, in conjunction with the fire and public safety academy training system as well as the Indiana Emergency Medical Services Commission, shall develop curriculum for training public safety personnel in the proper treatment of and interaction with individuals with disabilities. To develop this training curriculum, they must consult with persons or agencies approved by the Secretary of Family and Social Services.
- Require annual training of public safety personnel on the proper treatment of and interaction with individuals with disabilities.
- Require Psychologists with a Health Services Provider in Psychology (HSPP) endorsement, regardless of the issuance date of the HSPP endorsement, to complete three (3) hours of continuing education in the effective treatment of individuals with disabilities. The three (3) hours of continuing education must be earned in category I courses. The required three (3) hours would not be in addition to the current forty (40) hour continuing education requirement.

Area of focus: Quality as an Outcome

State Use Law

Potential Author: Senator Mike Young (R-Indianapolis), Senator Sue Glick (R-LaGrange)

Background:

Since the enactment of the State Use Law in 1978, the program has continued to grow and now includes more than \$10,000,000 in total sales and employs approximately 363 individuals with disabilities each month.¹ The program is a preferential purchasing program that encourages state, county and other units of government to purchase products and services from approved

¹ Data taken from the Indiana State Use 2014 Annual Report.

State Use employment centers outside the competitive bidding process in order to create employment for Hoosiers with disabilities.

Legislative:

In order to increase employment opportunities for Hoosiers with disabilities through state and local government contracting, INARF recommends consideration of such strategies prioritized below as

- changing the State Use law to include a goal of 3% state contracts with qualified nonprofit agencies for persons with severe disabilities as defined in IC 5-22-13. Currently, the State Use Program receives less than 1% of state contracts. This can be done legislatively or by securing an Executive Order.
- amending the State Use law to provide incentives for prime contractors to partner with organizations participating in the State Use Program.
- amending the State Use law to encourage the Indiana Economic Development Corporation to include a list of qualified nonprofit agencies for persons with severe disabilities and the services and products they provide on their website and help the state identify which purchases are most appropriate from a qualified nonprofit agency for persons with severe disabilities.
- amending the State Use law to include a provision that requires the Indiana Department of Administration to develop purchasing policies and procedures to ensure that qualified purchases are being made from through the State Use Program before they solicit for the purchase.

Area of focus: Systems Changes/Initiatives, Workforce Issues

Tax Credits, Deductions and Exemptions

Potential Authors: Senator Jim Buck (R-Kokomo), Representative Eric Koch (R-Bedford)

Background:

In recent years, legislation has been introduced which would eliminate certain tax credits. Through the session, the legislation has evolved into a study of tax credits including their utilization and the fiscal impact they have on the state. House Enrolled Act 1142 required Legislative Services Agency to report on tax credits by October 1 of each year based on a previously defined schedule.

In addition, during the 2015 legislative session a bill was introduced to provide a tax credit for charitable donations to a qualified developmental disability care provider. The bill did not receive a hearing.

Tax credits, deductions and exemptions that benefit the intellectual and developmental disability community include, but are not limited to, disabled deduction, blind deduction, sales tax exemption of charitable organizations, charitable property tax exemption, dependent child exemption, elderly/blind exemption, neighborhood assistance program, and the county income tax credit for the elderly or permanently disabled. For example, organizations can use the Industrial Recovery Tax Credit to offset the cost of rehabilitating a vacant building and creating

a housing structure which can be used to provide housing for clients or the community at-large.

Legislative:

Tax credits are vital incentives which can benefit our industry and must be maintained. They are tools INARF members can use to encourage charitable giving as well as use them for projects to diversify their revenue. In addition, families that receive support will also benefit from certain tax exemptions currently in place that could lower their income tax liability. As the momentum grows to eliminate tax credits, deductions, and exemptions, we must advocate for the continuation of these important incentives

Achieving a Better Life Experience (ABLE) Act

Potential Author: Senator Randy Head (R-Logansport), Senator Ron Grooms (R-Jeffersonville)

Background:

The Stephen Beck, Jr., Achieving a Better Life Experience (ABLE) Act was signed into law December 19, 2014. The law allows individuals with disabilities to create an ABLE account which can receive contributions to help pay for the care of the individual. Similar to a qualified tuition program, the money in the account can be used for specific expenses related to the care, health, and well-being of the beneficiary. In March 2015, the Internal Revenue Service issued a notice allowing states to enact enabling legislation for qualified ABLE programs prior to the issuance of federal regulations.

Administrative:

In most states that have introduced enabling legislation, the Treasurer of the state is the administrator of the qualified ABLE program. INARF, along with the Arc of Indiana, will work closely with Treasurer of State Kelly Mitchell to identify the best approach to a new qualified ABLE program.

Legislative:

INARF, along with the Arc of Indiana, will work with legislative champions to create and support legislation that enables the creation of a qualified ABLE program. Recommended legislation would exclude the ABLE account funds from being considered assets.

Area of focus: Systems Changes/Initiatives

Early Childhood Services

Potential Authors: Senator Jim Buck (R-Kokomo), Senator Dennis Kruse (R-Auburn), Representative Bob Behning (R-Indianapolis), Representative Randy Truitt (R-West Lafayette), Representative Mike Karickhoff (R-Kokomo)

Background:

Studies have shown that early identification and intervention can have a positive impact on the

life of a child with a disability. Services provided from ages birth to three years can improve their quality of life, as well as provide them with tools to be more independent as they grow and enter school. Early intervention services, such as physical therapy, occupational therapy, and speech therapy provided through the First Steps program can provide the resources children and families need to address developmental delays and developmental vulnerability. A new First Steps Director was hired in June 2015 and INARF Staff has met with her and will continue to have regular dialog with her and her staff about the future of First Steps and the projects they are engaged in.

Administrative:

In 2015, the Bureau of Child Development Services is undertaking two studies. The first is a Systems Point of Entry contract rate study and the second is a direct service provider rate study. Based on the studies' findings, INARF will work with members to provide feedback in anticipation of future systems changes. To ensure the system's sustainability, it is imperative that funding for First Steps be addressed in the way of increased rates for services and efficiencies in process.

Legislative:

Early education is a popular topic in the Indiana General Assembly; however, it is not often discussed with reference to its impact on children with disabilities. As such, it is vital that we inform and encourage the General Assembly to look at model legislation that will address the needs of children in the First Steps program and other early education programs in order to potentially lower the need for more intensive and costly interventions over the child's lifetime.

Area of focus: Systems Changes/Initiatives

Administrative Issues

Long-Range Plan for Sustainable Funding *(Being converted to a Workgroup)*

Background:

Although rates were restored in the 2015 budget, there are still industry concerns regarding workforce retention and recruitment and availability of a skilled workforce. As the daily rate is implemented and phased-in rate restoration begins, our members are still having difficulty competing with private sector businesses and their wages.

In collaboration with the Membership Development Committee, the Governmental Affairs Committee will develop an in-depth, long-range plan to secure sustainable funding to address on-going workforce concerns. This plan will establish reasonable benchmarks over the course of an 8 -10 year period to gradually increase funding to more appropriate levels. The plan will also include research identifying the economic impact likely from these investments.

In addition, the plan should consider strategic alternatives to traditional funding and work with the Administration on those alternatives including

- exploring the extension of the provider tax to the waiver program
- exploring ways to structure current funding toward training and outcomes

- looking to opportunities for programming and funding within other state agencies such as the Indiana Economic Development Corporation, the Office of Community and Rural Affairs and the Department of Workforce Development.

Area of focus: Workforce; Quality as an Outcome

Shared Living

Background:

Structured Family Caregiving is an approved waiver service in Indiana which is currently utilized by less than 1% of waiver recipients receiving home-based supports. In spite of the cost effectiveness of this program, historical issues with the provision of services, lack of public knowledge, and lack of promotion of the service have inhibited growth. Many states have expanded, or are in the process of expanding these services, which are also known as Host Home, Shared Living and Adult Family Care settings.

Administrative:

INARF will continue the work of the Shared Living workgroup and partner with the Family Social Services Administration to discuss an improved shared living model which considers the current adult foster care model and the structured family caregiving model. Looking to other states, INARF members will identify models and best practices for discussion with FSSA. Throughout these discussions, rates, guidelines, and appropriate oversight mechanisms should be developed and considered.

Area of focus: Workforce Quality as an Outcome

Incentives for Group Home Conversion

Background:

Over time, there has been an increased emphasis on encouraging individuals to consider Medicaid waiver programs over more traditional group home services. While INARF believes that group homes are an important part of the service continuum, we also recognize that members may be interested in converting some of their homes to the waiver program in response to the shifting market and/or local customers.

Administrative:

In order to support members interested in exploring these options, INARF will engage the Division in exploring incentives to support successful group home transitions that are based on the experience of other states and include:

- Adding limited time rate enhancement for services
- Adding pre-transition case management services
- Providing housing counseling under the waiver
- Improving wellness coordination to match group home healthcare

Area of focus: Systems Changes/Initiatives
