



## Media Release

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### Protect Disability Support Budgets As Economy Tightens

*Industry urges lawmakers to protect people with disabilities if state budgets turn south*

SAINT PAUL, Minn. - ARRM, an association representing more than 200 direct care providers and supporting service providers for people with disabilities in Minnesota, responded today to the 2017 November Budget and Economic Forecast released by the Minnesota Office of Management and Budget, calling attention to the need to maintain investments in a strong support system for people with disabilities during tightening economic conditions.

"I encourage lawmakers to remember in upcoming legislative sessions that funding for people to access supportive, community-based residential and employment services is essential and generates significant savings over people being driven into more expensive institutional and emergency health care settings," said Sue Schettle, ARRM CEO. "Too often we've seen scenarios where government budgets start seeing red and they turn to line items that exist to serve the most vulnerable in society who do not have large, expensive lobbying efforts representing them."

The November Forecast projects a \$188 million deficit for the current 2018-2019 budget biennium, which legislators could seek to balance during the 2018 Legislative Session. The projected deficit grows to \$586 million for the 2020-2021 biennium, which the State Legislature would be required to balance during the 2019 Legislative Session. The deficits are driven by an overall lower U.S. economic forecast and increased expenditures from 2017 legislative items.

"Those of us who operate in the Human Service fields are just beginning to emerge from the shadows of the last round of budget balancing cuts on the backs of people who rely on Medicaid and other state supports for safe and healthy lives with the dignity of independence," said Schettle. "The state is in the early stages of implementing a new rate setting method that bases funding for community-based supports on economic realities, providing a fair and stable environment for providers to continue innovating supports that help people achieve their goals. A shock to the system at this point, which is also dealing with a major workforce shortage, could deal significant harm to Minnesota's ability to meet its obligation to people with disabilities."

The shortage of Direct Support Professionals (DSPs) throughout the state is one example of the need to maintain strong and stable funding for people with disabilities to access supportive services. Community-based providers currently report approximately 9,000 open direct care positions in Minnesota, with state-set service reimbursement rates allowing for an average wage of just over \$12 per hour.