

Budget Overview & Talking Points for ARRM Members

*This side of the page provides a condensed overview of the proposal.
See reverse side for ARRM's guided talking points for you to highlight to legislators.*

The Governor's Budget Proposal

1. Reduce Disability Waiver Growth: DWRS Rate Exceptions & Input Monitoring

- a. Place more stringent parameters around leave days. Leave day exceptions would only be available for Hospital or Crisis stays. No exceptions to be granted for over 351 days.
- b. Limit exceptions to behavioral needs and require a Behavior Diagnosis or completed assessment.
- c. Require positive supports to be billed as a distinct service and not bundled with a CRS rate exception.
- d. Shift exceptions with requests for increased community time/transportation into the framework components (like 1:1 for community time).
- e. Request additional FTEs for DHS, to increase monitoring of provider cost reporting. Require additional documentation for rate exceptions including payroll documentation for requests related to staff wages. The additional Department FTEs would help oversee these new documentation requirements.

2. Reduce Disability Waiver Growth: Residential Services

- a. Limit billing for residential services to 351 days.
- b. Limit access to all Customized Living services for people under the age of 55.
- c. Conduct a residential overnight staffing reform study, specifically looking at homes where only one person is assessed to need awake overnight staff but all individuals in the home are accessing the service.
- d. Create a 5% county share for residential services in all provider-controlled settings.

3. Reduce Disability Waiver Growth: Day and Unit-Based Services

- a. Implement daily time limitations of 8 hours on Individualized Home Supports with Training services.
- b. Reduce the absence and utilization factor in day services.
- c. Create a new, lower rate for Night Supervision asleep overnight services.

4. Reduce Disability Waiver Growth: Cap Inflationary Adjustments

- a. Cap inflationary adjustments for the Disability Waiver Rate System at two percent per year.

Make Your Voice Heard with Action Alerts

Send a message to your legislator to remind them of the work we do and why it matters. Visit <https://www.arm.org/advocacy> and click TAKE ACTION under Active Action Alerts. Thank you for taking action!



Budget Overview & Talking Points for ARRM Members

*This side of the page provides ARRM's guided talking points for you to highlight to legislators.
See reverse side for a condensed overview of the proposal.*

Highlighting the Impact of Cuts to Disability Services

- 1. A Workforce Shortage Crisis Made Worse:** Capping the 2-year inflationary adjustment for disability waiver services means taking a projected 11% down to 2% in 2026. This cut will deepen the workforce crisis.
 - a. Professionals in this field are already only paid an average of around \$17 per hour in Minnesota.
 - b. Rates of DSP turnover and open positions sit at 45% and 20%, respectively.
 - c. Reimbursement rates are the only way providers can increase wages.
Reducing the reimbursement rate will take away critical wage increases for Direct Support Professionals.
- 2. Diminished Care Quality and Access is Inevitable:** Low pay and rising costs will drive more workers away, leading to increased turnover, impacting care.
- 3. A Harsh Reality for Families:** Families will be forced to find alternative care if homes close, meaning loved ones may not be able to live nearby.
- 4. Not an Inconsequential Sum of Money:** It's unrealistic to assume the industry will not face disruption in the face of a \$600 million cut.
- 5. A Call for Leadership:** Resources are already strained. We need Governor Walz to prioritize Minnesota's vulnerable communities and front-line workers (DSPs).

Addressing the Governor's Statement on "Protecting Progress"

- 1. Empty Promises of Progress:** Governor Walz stated, "We want to protect the progress we've made." Yet this budget proposal actively dismantles the progress in the disability waiver services space.
- 2. Progress Isn't a One-Time Achievement:** The recent progress we've made in disability services, which have been chronically underfunded, requires ongoing investment to be sustain.
- 3. Minnesota Standard of Living:** Minnesota has always prided itself on being a state that leads with compassion and fairness. This proposal betrays that legacy.
- 4. Disingenuous Claims About Service Levels:** The Governor claimed these cuts "will not impact the number of people receiving services, just the cost of the services themselves." It's disappointing that the administration is attempting to downplay the inherent consequences of its proposed actions.
- 5. Failure to Address Inflation Undermines the System:** Maintaining the full inflationary adjustment is needed to keep up with rising costs. Reducing this adjustment below the rate of inflation is harmful to the stability of the workforce.