

**Testimony on SB 2012  
Developmental Disabilities  
Senate Appropriations Subcommittee  
January 17, 2007**

**Barb Murry, NDACF President**

Chairman Fischer and members of the Senate Appropriations Subcommittee, thank you for the opportunity to testify on SB 2012, which includes the budget for developmental disability providers and services. My name is Barbara Murry, and I'm the President of the North Dakota Association of Community Facilities.

NDACF, the life long care industry, is made up of 27 nonprofit and for profit agencies in the state. We provide services to 4,000 individuals who are developmentally disabled, and 6,400 people, in total, when looking at all populations served. We serve people in 89 communities. Approximately 4,800 North Dakotans work for member agencies.

As providers, we are proud of the work we do and are committed to providing quality services. We support a very vulnerable population and strive to provide services that assist people to live as independently as possible.

I will give a brief overview of our needs and call on several other providers, staff, and family members to testify. Former Senator Russ Thane will testify on the impact of current funding on families and on the industry over the years. Tammy Amundson, supervisor at Development Homes in Grand Forks and parent of a son with disabilities will testify on turnover and the impact on services. Pat Crotty, full-time staff at Enable, Inc. and part-time staff at Pride, Inc. will testify on working in developmental disabilities as a career. Donna Byzewski, Catholic Charities is available for questions on guardianship. Jon Larson, Executive Director of Enable, Inc. in Bismarck will testify on ISLA and Developmental Center transition.

I support the starting point for DD in Governor's budget and request budget enhancements in several areas.

1. **A \$1.50 per hour increase for all staff working for DD providers.** The Governor's budget currently includes \$.60 per hour. Each \$.10 per hour increase costs approximately \$641,000 in general funds. A wage study

conducted in 2002 concluded that the average wage should increase by \$2.19, when adjusted for inflation. Turnover, which slowed significantly after the \$.87 per hour was given four years ago, has again risen to just above 50%.

Turnover experienced by providers does not result in “roll-up” dollars. Instead, providers are forced to pay overtime, as shifts must be covered. Turnover is extremely costly due to training, advertising and overtime. Recent national studies have indicated that staff turnover in DD is associated with pay, the support needs of the individuals, and paid leave and health benefits. NDACF has worked hard to address some of the non monetary issues associated with turnover by offering a mid management certificate program and the Steven Covey management training program.

2. **An inflationary increase of 5% each year of the biennium.** This would cost approximately \$9,711,000 in General Funds and \$17,000,000 in Federal Funds. The Governor’s budget supports a 3% increase each year of the biennium. To give you an example of our wage dilemma - the 20 year old daughter of one of my staff currently makes more as an assistant supervisor at Kohl’s, where she has worked for a year, than mid management supervisors who have been with my agency for 15 years. Three of 27 DD business managers have resigned in the last three months. One of the local business managers - a 20 year veteran in the DD field, recently resigned to go work for the state where she will receive a significant salary increase and health plus retirement benefits of close to \$12,000 a year. Providers have received 17% less in inflationary increases than state employees during the past 20 years.

Providers have experienced significant increases in costs. Our fixed costs continue to increase more than 3%. For example, our utility costs have increased over 35% between 2005 - 2007. 3. **A additional 3% increase in benefits.** Health insurance costs rose more than 25% for providers during the 2005 - 2007 biennium and our employees have had to pick up much of the additional costs. Most companies have reduced benefits and increased the cost to employees. Our benefits include mandatory costs for FICA, Medical FICA, workers compensation and unemployment.

4. **Staff enhancements are needed to support individuals with developmental disabilities who are medically fragile or have increased behavioral needs.** Staff enhancements are an increased staffing ratio, based on the specific needs of one person served. The Department of Human Services has not been able to grant staff enhancements for a number of years.

School age individuals who may require enhanced staff due to behaviors or medical concerns do not get the same level of enhancement in adult services. As individuals get older and stronger, severe behaviors become more dangerous to others served and to staff. Staff at my own organization have been bitten, whipped with a broom handle and punched in the face in the last six months. We serve a person who frequently becomes violent. When this occurs, staff must rush over from various parts of the building to assist his primary staff. They sometimes must restrain him on the floor until he is calm.

5. **ISLA (Individualized Supported Living Arrangement)** or the apartment support program, can be a less costly option for some people. It has increasingly become the option of choice by people with disabilities because of the program's flexibility. We request that additional dollars be added to DHS's budget to support increased placements. We strongly support the funding of the Department's optional adjustment request number 4, the *Developmental Center's Transition Plan*, which would move an additional 30 individuals into the community, allowing additional ISLA placements and moves towards rectifying the administrative allocation disincentive.
6. **Guardianship** - The need continues for corporate guardianship services for people with developmental disabilities. We support the Governor's budget which covers the cost of the daily rate, petitioning and elimination of the current waiting list.

The average age of a staff person working in Developmental Disabilities is 37. Our staff are the most compassionate, committed, and hardest working people out there. They are asked to assume difficult jobs. They want to remain in North Dakota and be a part of the community, and stay in this field, supporting people with disabilities. However, they see others getting much larger wage increases. They are then left with difficult choices: staying in this profession and working two or even three jobs, or leaving the field and the individuals they love to support their family. They are painfully aware that turnover creates a huge sense of loss, and know the problems that will arise with trust and skill retention for the individuals they support. They worry what will happen to the individuals with disabilities when they leave.

I urge you to value the most vulnerable and adopt our platform, which I have attached. Please increase wages by \$1.50 an hour and increase the inflationary adjustment to 5% to support these 4,800 unsung heroes working in our agencies.

I would be happy to answer any questions. Thank you for the opportunity to testify.