



December 13, 2016

Robert DeLeo
Speaker of the House
State House, Room 356
Boston, MA 02133

Rep. Brian Dempsey
Chairman, House Ways and Means Committee
State House, Room 243
Boston, MA 02133

Dear Mr. Speaker and Mr. Chairman,

On behalf of the combined memberships of Mass Home Care, the Massachusetts Council on Adult Foster Care and the Association of Developmental Disabilities Providers, The Arc of Massachusetts, and the Providers' Council, we are writing to urge the House to restore funding caused by recent 9C cuts made to the Adult Foster Care (AFC) program, one of the state's premier "community first" programs.

We share the position of the General Court that these cuts are untimely with respect to the overall status of the Commonwealth's fiscal condition. We also wish to share with you our concern that the cuts targeted within MassHealth, which reduce \$5.6 million for the Adult Foster Care program in FY 16, and \$22.6 million annualized in FY 17, are unwise and likely to cause instability and quality erosion within a program that has saved the Commonwealth millions of dollars in savings that otherwise would have resulted in nursing home placements or other out-of-home placements.

As you know, the Adult Foster Care program is an innovative and highly effective cost alternative to out-of-home placements that currently supports more than 10,000 elders and people with disabilities to live in their own homes or the homes of individual caregivers at a tremendous cost savings to the overall budget of MassHealth and the Commonwealth. Between the years 2000 and 2015, nursing facility patient days paid for by MassHealth have fallen by 37%, in part because of community-based alternatives like AFC. It gives elders and people with disabilities an inclusive opportunity to continue to live in a home setting and be part of a family. It is a program beloved by the participants and the wonderful caregivers who open their homes and hearts to others. AFC is one of the few 24/7 residential support programs that uses volunteer caregivers on a stipend, and keeps members living in the least restrictive setting, which is the mission of MassHealth.

We have spoken with and met with the leaders of MassHealth and continue to share our concerns with them. They believe that a reduction in requirements on provider agencies to employ nurses and care managers to conduct home visits justifies a 10% rate reduction to agencies. We believe that a substantial and unprecedented rate reduction for this program will:

- Undermine the ability of quality agencies to provide the level of clinical and social support that lay caregivers need to take on caregiving responsibilities for individuals with complex health and behavioral conditions.
- Negatively impact the ability of provider agencies to recruit individual caregivers willing to share their homes and the capacity of those agencies to train and provide quality assurance to individual caregivers.
- Erode the confidence of families to take on around-the-clock commitment to caregiving at home and thereby the utilization of more costly alternatives.
- Place some provider programs into a fiscal deficit for the current year and going forward, having built programs, staffing, training and administration based upon their contract assurance of funding with the Commonwealth, the needs of Mass Health members and the Commonwealth's current regulatory requirements.

We will continue to meet with MassHealth leaders to convince them this rate reduction is untimely and unwarranted. We believe that these cutbacks will result in program damage and negative impact upon the lives of people served within the AFC program.

If the General Court chooses to reverse the AFC 9C reductions, we request that there be inserted into line item language for 4000-0600 a proviso that requires MassHealth to maintain the rate for Adult Foster Care in force at the level it was at as of July 1, 2016.

Thank you for your support of "community first" programming.

Sincerely,



Gary H. Blumenthal
ADDP President & CEO



Al Norman, Executive Director
Mass Home Care



Linda Andrade, President
Mass Council for Adult Foster Care



Leo Sarkissian, Executive Director
The Arc of Massachusetts



Michael Weekes, President & CEO
The Providers' Council