



Survival Coalition

of Wisconsin Disability Organizations

The Wisconsin Legislature's **- REPORT CARD -** on Disability Issues 2011-2013 Biennial Budget



A Report Card: How People with Disabilities Fared in the 2011-2013 Biennial Budget

The state budget recently passed with the message that Wisconsin is facing challenging financial times and all residents must share the pain. However, focused analysis shows that people with disabilities were disproportionately harmed in this budget. In fact, disability advocates count this year as the most dismal in recent history and anticipate dire consequences for some of the state's most vulnerable residents.

In reality, there is an imbalance in shared sacrifice in this budget. Despite reports of falling revenues and the call for significant cuts in education and health care, the budget contains new or expanded tax breaks for corporations and the wealthy at a cost of more than \$90 million over the biennium and \$1.6 billion over the next 10 years. At the same time the budget raises taxes on the working poor and prioritizes spending for highways and voucher schools.

The Survival Coalition of Wisconsin Disability Organizations specifically analyzed budget issues impacting people with disabilities and developed this report card to increase awareness among both advocates and policymakers.

Budget losses and expected impacts for people with disabilities include:

- A freeze on Family Care, IRIS and other community long-term care programs, ending more than a decade's worth of bipartisan work to improve long-term care for our state's elderly and people with disabilities and resulting in the creation of waiting lists in counties that have not had a wait for vulnerable people in years.
- An increase, acknowledged by the Legislature, of people forced into expensive nursing homes.
- A freeze on new slots for children with disabilities in need of long-term supports, despite the commitment of previous governors and legislatures to reduce the children's wait list.
- Historic cuts to education expected to impact children with disabilities through larger class sizes, more clustering of students and self-contained classes, and an elimination of community-based transition programs.
- Flat funding of categorical aids in special education, resulting in overall lower funding to local districts while costs continue to rise.
- Deep cuts to local transit services, which many people with disabilities rely on to live, work and participate in their communities.
- Major reductions in shared revenue to counties, resulting in systemic impacts on people with disabilities who rely on county funding for mental health services and other programs, for their daily support.

*Disability advocates count this year as the **most dismal** in recent history and anticipate **dire consequences** for some of the state's most vulnerable residents.*

The Legislature's Grade



Community-Based Long-Term Care for Adults

The budget freezes all enrollment in Family Care, IRIS and Partnership and cancels expansion to any new counties. Current wait lists exceed 9000 people and DHS estimates that wait lists will grow to 16,000 people by mid-2013. New graduates from high school will have few, if any, options. DHS also anticipates that approximately 484 more people will enter nursing homes over the next two years as a result of the freeze. The legislature added \$5 million GPR each year for individuals in crisis, which advocates consider inadequate. Nursing home care costs an average of \$4000 per month compared to \$2800 for Family Care.



Community-Based Long-Term Supports for Children

Funding to serve those currently receiving supports is maintained, but no new funding to reduce the wait list for children with disabilities. Approximately 2000 children continue to wait. In addition, the freeze on adult long-term care means more young adults will remain on the children's waivers until 21 rather than 18, delaying available funds to serve children who are waiting.



Medicaid – Incomplete

The budget reduces Medicaid by \$446.58 million in unspecified cuts that will be developed behind closed doors at the Department of Health Services (DHS). Some savings measures will override state statute. No hearings are required when these changes are made. The legislature gave away their authority to provide input on these changes, except through passive review. It is premature to issue a grade before the DHS proposal for savings is made public.



Education

The legislature enacted an historic \$800 million cut in general school aids, which impacts all public school students and has particular ramifications for students with disabilities in Wisconsin. Cost-savings that districts are implementing include larger class sizes, more self-contained programs, fewer resources to address challenging behavior, and elimination of community-based transition programs that prepare students with disabilities for employment and independence after high school. The legislature's flat funding of special education categorical aids amounts to an additional cut in services and supports to students with disabilities.

At the same time cuts were made to public schools serving the vast majority of students with disabilities, the legislature voted to expand school voucher programs that siphon off public school dollars to fund private institutions that offer no legal protections, no assurance of certified special education teachers or established curriculum, and no guaranteed supports or specialized services for students with disabilities. Historically, these voucher programs do not serve students with the most significant needs.



Counties

Cuts to shared revenues, youth aids and the Family Care freeze will impact counties by reducing revenues they use to provide services to people with disabilities. The potential for additional cuts in Medicaid may exacerbate this. Property tax limits constrain the ability of counties to increase their local revenues, which have taken a hit from the national recession. All in all counties will be challenged to maintain current programs, much less address emerging needs. The only bright spot is that the Governor's proposal to privatize income maintenance was modified by the Legislature to retain a significant county role and more individualized supports to people with disabilities seeking help.

The Legislature's Grade



Mental Health

Because counties provide half of all funding for public mental health services through tax levy and shared revenues, the cuts to shared revenues and youth aids in the budget, along with stringent requirements related to property tax increases are likely to negatively impact people who require mental health services. The Family Care freeze also increases potential financial liability for counties which, again, can jeopardize the availability of funds for mental health services. The exact impact is impossible to know until counties develop their budgets for CY 2012. Since Medicaid is also a significant funder of mental health services, the required cuts in that program have the potential to negatively impact mental health services. Additionally, reductions in school funding are expected to impact the ability of local schools to adequately address the needs of students with behavioral health issues.

However, the budget does increase funding for mental health services in the correctional system and maintains funding for the Becky Young fund, which has been successful in reducing the rate at which individuals are returning to prison by ensuring that, among other things, they are receiving adequate mental health treatment.



Health Care - *Incomplete*

The budget bill outlines expected cuts to BadgerCare Plus and Medicaid that include reducing income eligibility, reducing services covered, increasing premiums and co-pays, ending eligibility for anyone with access to any sort of employer coverage, and increasing the frequency of reviews of eligibility. DHS must get federal permission for many of these changes. Advocates predict an increase in the number of uninsured people requiring care, as well as an increase in emergency use and cost-shifting as a result of an increase in uncompensated care. It is premature to issue a grade before DHS releases its federal waiver request.



Transportation

The legislature rejected the Governor's harmful proposal to move transit funding from the segregated fund to the general fund. At the same time a 10% cut in state transit aids to local transit systems will result in dramatic service cuts that will cut people with disabilities off from their jobs and communities and limit their access to caregivers and local businesses. The 85.21 Specialized Transportation Program funding remains flat. A new \$5 million paratransit fund was created that will provide some limited help to maintain services, however the combined impact of the reduction in local shared revenue and state transit aids creates significant pressure particularly on small communities who nonetheless have to provide for 20% to 50% of the cost of transportation services. While overall the budget significantly decreases support for transportation services, public education and other supports for people with disabilities, it allocates an additional \$350 million for road construction.



Vocational Rehabilitation (Employment) Services

Flat funding by the legislature for VR services at the minimum maintenance of effort level allowed Wisconsin to keep its federal standing and avoid penalty. However, people with disabilities waiting for these services are penalized by the state's unwillingness to invest enough to draw down full federal match dollars, which means significant waiting lists will continue to exist for people with disabilities who want to work but require support in order to find and/or keep jobs.



Guiding Principles: Survival Coalition is a cross-disability coalition which works in partnership with local organizations, coalitions, consumers, advocates, and families throughout the state and makes intensive efforts to ensure that our priorities promote and advance the wishes of people with disabilities and their families. The Coalition will promote policies, programs, and practices that advance integrated, individualized, community-based supports and services.

Our Vision: The Survival Coalition of Wisconsin Disability Organizations is committed to creating a society in which people with disabilities of all ages receive the services and supports needed, throughout their life span, and can choose to live their lives as they wish and be full participants in community life.

Organizational Structure

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