

# DISABILITY PROGRAMS AND SERVICES

## Scope of Problem and Indicators of Need

In evaluating the needs of people with disabilities, it is important to bear in mind that “disability” is a broad concept that incorporates a wide variety of people and experiences. The Census Bureau defines disability as “a long-lasting sensory, physical, mental, or emotional condition” that “make[s] it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering.”<sup>1</sup> A person with a disability may encounter problems in performing routine tasks, problems that range from slight challenges to profound difficulties. The impact of these disability-related difficulties on her/his ability to work or avoid poverty, however, is a function not only of the degree of disability but also the complex interaction between her/his impairment and the environment. For example, a person living in a third-floor walk-up who can adequately walk but can no longer climb stairs, may be completely housebound. A quadriplegic neighbor living in a building with elevators and ramps, on the other hand, may have relatively few mobility restrictions. In examining the need for disability programs and services in New Jersey, it is essential to understand a variety of dynamics impacting the state’s disabled population. This discussion will first review data regarding the prevalence of disability in New Jersey, with an analysis of how this population breaks down by age. It will then explore the interaction between disability status and poverty, as well as the role of work in this interaction for the working age disabled population. Finally, it notes the impact of disability on the cost of living for people with disabilities as a final factor impacting the needs of this disadvantaged population.

A large minority of New Jerseyans, especially older residents, are disabled. The most recent Census data show that, of all New Jersey residents ages 5 and older in the general population, 12% (about 950,000 people) have a disability.<sup>2</sup> Compared to the population with no disabilities, the population of people with disabilities includes a disproportionate number of older adults. Slightly more than one-quarter (26.5%) of the disabled population is 75 years old and over, whereas only 4.1% of the population with no disability is in this age group. In fact, almost half (46.9%) of the total 75 and over age group population is disabled. Similarly, 14.1% of the disabled population is found in the 65 to 74 age group, compared to 5.7% of the population with no disability. The disabled make up a quarter of this age group, overall. In contrast, working age adults and children are under-represented in the disabled population as compared to their representation in the overall population.<sup>3</sup>

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<sup>1</sup> U.S. Census Bureau, American Community Survey 2005 Subject Definitions. Note that laws and governmental programs such as the Americans With Disabilities Act or Social Security disability benefits can use very different definitions of disability. Note further that disability definitions have been highly contested by scientists and social scientists working on issues of disability and by disability activists. The latest international consensus on disability definitions is the International Classification of Functioning, Disability and Health (ICF). This system views disability “as a complex interaction between the health condition of the individual and the contextual factors of the environment as well as personal factors.” <http://www.cdc.gov/nchs/about/otheract/icd9/icfhome.htm>

<sup>2</sup> Note that the population sampled for this data includes only the civilian population not residing in institutions/

<sup>3</sup> U.S. Census bureau, American Community Survey 2005.

The disabled are disproportionately poor. In 2005, the overall poverty rate for New Jersey residents ages 5 or older was 8.3%, a total of 660,000 people.<sup>4</sup> The disabled represented about 22 percent (144,000 people) of this group, almost double their share of the total population. The share of disabled persons with incomes below the poverty level, when compared to their representation within the total population for each age group, shows the extent to which disability is disproportionately correlated with poverty. For each age group, the share of disabled with incomes below the official poverty level is considerably higher than their share in the overall population. Overall, the poverty rate is more than twice as high for the disabled than the able-bodied—a little more than 15 percent of New Jersey’s disabled residents 5 years and older had incomes below the official poverty level, compared to almost 7.5 percent for those with no disability.

<b>New Jersey Poverty Rates for the Disabled and Able-Bodied by Age Group (Percentage of indicated population group with incomes below poverty)</b>		
<b>Age Group</b>	<b>With Disability and Income in Past 12 Months Below Poverty Level</b>	<b>No Disability and Income in Past 12 Months Below Poverty Level</b>
5 to 15	19.8	10.8
16 to 20	17.0	11.1
21 to 64	17.7	6.1
65 and Over	11.4	6.9
Total	15.2	7.4
<b>Source: U.S. Census Bureau, American Community Survey 2005.</b>		

While the higher poverty rate for disabled versus non-disabled populations is consistent across age groups, the rate of difference is not the same for all age groups. Most notably, the poverty rate of working age people with disabilities was nearly two and a half times the poverty rate of working age adults without disabilities in 2005. The correlation between poverty and disability is also higher than average among children ages 5-15, with the poverty rate among disabled children 75 percent higher than that of their non-disabled counterparts.<sup>5</sup>

A significant factor in the relationship between poverty and disability, at least among the working age population, is likely the low rate of engagement with the labor force, either through employment or active efforts to obtain employment.<sup>6</sup> Among the working age population

<sup>4</sup> U.S. Census Bureau, American Community Survey 2005. The poverty rate for the entire population calculated with this survey (including children under age 5) was 8.7% for 2005, or almost 740,000 people. This rate varies somewhat from the official poverty rate of 7.4%, which is calculated using a different census survey, the Current Population Survey. This survey uses a smaller sample, but allows for comparison over time, since it is an older survey, and is therefore used as the official measure of poverty trends over time. It is not possible to calculate a poverty rate for the disabled population using the Current Population Survey.

<sup>5</sup> U.S. Census Bureau, American Community Survey 2005.

<sup>6</sup> Note, adults who are either working or who are unemployed but seeking employment are considered to be in the labor force.

between the ages of 20 and 64 in New Jersey, about 472,000 have disabilities—about 9.3% of the total population in this age group. However, of all working age adults with disabilities, only about 46.5% (just under 220,000) are in the labor force, compared with 82.6% for the population with no disabilities. About 88% of the disabled who are in the labor force, a little over 192,000 people, were employed in 2005, while the remainder were unemployed but seeking employment.<sup>7</sup>

This relatively low participation in work is likely a significant part of the reason for such high poverty rates specifically among adults with disabilities. The working age disabled are disproportionately poor, with a poverty rate of 17.7% higher than the poverty rate for the overall disabled population. In 2005, the almost 84,000 working age disabled people in poverty in New Jersey made up almost one fourth (22.6%) of the working age population with incomes below the official poverty level. This is more than twice their overall representation within the working age population. The vast majority of this group, more than 62,000 (74.4%), were not in the labor force, and only a little less than 15,000 were employed. On the other hand, only 43.4% of able-bodied New Jersey residents with incomes below the poverty line were not in the labor force.<sup>8</sup>

<b>Comparison of the Employment Status of Working Age Adults with Incomes Below the Poverty Levels, by Disability Status</b> (Percentage of the disabled and non-disabled population in the given employment category)		
	<b>With a Disability</b>	<b>No Disability</b>
In Labor Force	25.6	56.6
<i>Employed</i>	68.3	76.2
<i>Unemployed</i>	31.7	23.8
Not in Labor Force	74.4	43.4
<b>Source: U.S. Census Bureau, American Community Survey 2005</b>		

In considering the needs of people with disabilities, we must also factor in the costs of disabilities that impact their ability to sustain themselves on low incomes. It is likely that federal poverty rates significantly underestimate the numbers of people with disabilities with incomes insufficient to meet their needs. Research on disability-related costs in the United Kingdom indicates that the cost of meeting basic needs can be significantly higher for people with disabilities.<sup>9</sup> Applying the cost models developed in these studies to the real cost of living in Mercer County, New Jersey, reveals that, for a single adult, a disability may increase basic living expenses anywhere from 14% to 107%. For a couple, where both adults have disabilities, living

<sup>7</sup> US Census, American Community Survey 2005.

<sup>8</sup> US Census, American Community Survey 2005.

<sup>9</sup> Kuklys, Wiebke. *A Monetary Approach to Capability Measurement of the Disabled – Evidence from the UK* (2004). <ftp://papers.mpiew-jena.mpg.de/esi/discussionpapers/2004-08.pdf>. Zaidi, Asghar and Tania Burchardt, *Comparing Incomes When Needs Differ: Equivalisation for the Extra Costs of Disability in the UK* (2003). <http://sticerd.lse.ac.uk/dps/case/cp/CASEpaper64.pdf>. Smith, Noel, et al. *Disabled People’s Costs of Living: More Than You Would Think* (2004). <http://www.jrf.org.uk/bookshop/1859352375.pdf>

expenses may be 24% to 136% higher than for couples where neither adult has a disability. Disability-related costs vary by number, type, and severity of disability. Costs may be higher due to special diets, limited housing choices, and specific communication and transportation needs.<sup>10</sup> While the incremental impact on cost of living can vary based on the disability, it is evident that data on the number of individuals with disabilities who have incomes below poverty does not fully capture the group for whom disability needs and income needs intersect.

In moving next to an examination of New Jersey's programs that provide services to individuals with disabilities, we must keep in mind not only the number of people impacted by disabilities, and the varying prevalence in different age groups, but also the interacting factors that add to the challenges of living with a disability. The prevalence of poverty among people with disabilities is a key factor, as is the low labor force engagement of working age adults with disabilities and the relationship of this low work rate to the very high rates of poverty within the working age disabled population. Finally, the impact of disabilities on cost of living should be factored into the analysis of programs that serve people with disabilities.

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<sup>10</sup> Pearce, Diana. *The Real Cost of Living in 2005: The Self-Sufficiency Standard for New Jersey*. The Legal Services of New Jersey Poverty Research Institute, June 2005.

## Disability Programs & Services

Several different state agencies administer programs and services in which people with disabilities participate, including housing assistance through the Department of Community Affairs and the Housing and Mortgage Finance Agency, education services through the Department of Education, and health care coverage through the Department of Health and Senior Services, Divisions of Medical Assistance and Mental Health Services. This section does not address all of the varied ways in which persons with disabilities can encounter a need for accessible services. It concentrates instead on particular programs and services that focus on enabling self-sufficiency for persons with disabilities, such as employment services, training and work supports, personal care assistance, and other programs and services to support independent living. Additional programs and services for persons with disabilities are identified in other chapters of this report, including Vocational Rehabilitation (discussed in the Employment and Job Creation chapter) and NJ Transit transportation assistance, including Access Link (discussed in the Transportation chapter). In addition, developmental disabilities and mental health related disabilities, both of which are categories with substantial government policies and services unto themselves, are addressed separately through a sub-section of this chapter on Developmental Disabilities and a separate Mental Health chapter.

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## Detailed Program Information: General Disability Programs and Services

### NJ WorkAbility (& other mechanisms for disabled workers to maintain Medicaid eligibility)

#### *Program Purpose and Description:*

New Jersey WorkAbility provides a way for employed individuals with disabilities to receive comprehensive Medicaid benefits,<sup>11</sup> even if their incomes and/or resource levels are above the usual eligibility limits.<sup>12</sup> This program removes a major work disincentive, since working people with disabilities would otherwise lose government-funded medical benefits that would be impossible or cost prohibitive to replace in the private medical insurance market. Applicants must be between the ages of 16 and 64, be permanently disabled, and be employed either part- or full-time to be approved for WorkAbility and receive Medicaid benefits. Income and resource eligibility under WorkAbility is extended beyond normal Medicaid eligibility parameters in several ways.<sup>13</sup> Earned income eligibility for this program extends to those who earn up to 250% fpl, after the exclusion of significant portions of earned income under SSI rules. In 2006, this formula limited eligible individuals' gross earned income to \$50,040.<sup>14</sup> Eligibility can also be maintained for those with net unearned income less than 100% fpl, after disregards. Social Security Disability benefits are not counted against this unearned income limit.<sup>15</sup> Finally, recipient eligibility extends to single people with up to \$20,000 in countable assets, and couples with assets of up to \$30,000. Certain assets, like the recipient's home, a car used for work or medical purposes, or certain retirement funds, are excluded from resource calculations. Program recipients are subject to modest monthly premiums (up to \$25 for individuals and \$50 for couples). New Jersey WorkAbility was created by the federal Ticket to Work/Work Incentives Improvement Act of 1999 and Chapter 116 of PL2000 of New Jersey.<sup>16</sup>

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<sup>11</sup> For a description of the array of services available through Medicaid in New Jersey, see the program description of Medicaid in the Health section of this report.

<sup>12</sup> Program eligibility rules are found at NJAC 10:72-9.1 *et seq.*

<sup>13</sup> Note – Although computation of Medicaid eligibility formulas is complicated, in general the normal income ceiling for an aged, blind or disabled recipient of regular Medicaid is 100% fpl, after an income disregard of \$20/month. This means that a single person in 2006 may receive no more than \$10,040 a year in income to remain eligible.

<sup>14</sup> This figure is somewhat higher than the \$49,020 figure provided on the State's Workability website (<http://www.state.nj.us/humanservices/dds/njworkability.html>). The \$50,040 annual figure was derived as follows: Under N.J.A.C. 10:72-9.4(a), a qualified applicant is eligible for Workability if, after disregards, his/her earned income does not exceed 250% of the federal poverty level for a one or two unit family. Under N.J.A.C. 10:72-9.4(c), countable income is calculated according to the rules provided in N.J.A.C. 10:71-5, with the exception of certain rules that are not here relevant. Mirroring rules for accounting income for SSI purposes, the first \$20 of income (whether earned or unearned), N.J.A.C. 10:71-5.3(a)(18), and \$65 plus one-half of the remaining sum are excluded, N.J.A.C. 10:71-5.3(a)(19). Using these exclusions, a person earning \$4170 monthly (\$50,040 annually) would have \$2,042.50 in countable income after exclusions  $\{ \$4170 - \$20 - [(\$4170 - \$20 - \$65)/2] \}$ . This figure is exactly 250% of the \$817 federal poverty level.

<sup>15</sup> While Social Security Disability benefit recipients are eligible for Medicare after two years, they are not generally eligible for Medicaid unless their monthly benefit is for less than 100% fpl. Since Medicaid provides coverage for many types of services uncovered or covered less well by Medicare, WorkAbility provides important incentives to work for Social Security Disability beneficiaries.

<sup>16</sup> Information provided via DDS website at <http://www.state.nj.us/humanservices/dds/njworkability.html>; and by Division of Disability Services staff via phone conversation on November 15, 2004.

A limited number of people whose income exceeds WorkAbility limits are eligible for Medicaid benefits under Section 1619(b) of the Social Security Act.<sup>17</sup> Under this provision, former SSI recipients can maintain their Medicaid eligibility if their income is below an individualized threshold.<sup>18</sup> Since actual Medicaid expenditures and actual government-funded attending care expenditures are counted in establishing the individualized threshold, people who require extraordinarily expensive medical treatment and/or attendant care may be eligible for continued Medicaid benefits under Section 1619(b) at very high income levels.<sup>19</sup> Since this provision applies only to those former SSI recipients who would meet all SSI eligibility requirements if not for their excess income, 1619(b) recipients are subject to the same resource and unearned income limits as SSI recipients. Note that former SSI recipients who meet all SSI eligibility requirements except for excess income are also technically eligible for 1619(b), even without extraordinary medical expenses, if their incomes are less than \$29,905.<sup>20</sup> While a 1619(b) eligible person who would also be income eligible for WorkAbility could maintain his or her Medicaid eligibility through either program, WorkAbility's superior income and resource disregards would work better for most recipients, notwithstanding the requirement to pay modest Medicaid premiums under WorkAbility.

### ***Budget and Performance Trends:***

Both the WorkAbility program and Medicaid coverage provided under 1619(b) are funded through Title XIX of the Federal Social Security Act, otherwise known as Medicaid. In New Jersey, all Medicaid coverage is administered through the Division of Medical Assistance and Health Services in DHS. Funding is rolled into the title XIX money, and is not broken out as a separate line item in state budget materials.<sup>21</sup> Although individual program evaluation and appropriation data is not presented in the state budget materials, Division of Disability Services staff reported that approximately 2,120 people were on WorkAbility in October 2006 (up from 1,5772 in August 2005 and 1,282 in October 2004).<sup>22</sup>

### ***Additional Analysis***

WorkAbility and 1619(b) represent a very important step in removing structural disincentives to employment for people with disabilities. Medicaid represents a critical service for many people with disabilities, who tend to have higher than average medical costs. Even when private health insurance is offered as an employment benefit, co-payments, deductibles, and exclusions on benefits associated with pre-existing conditions can lead to prohibitively high out-of-pocket medical expenses for employed persons with disabilities. Additionally, Medicaid pays for certain essential services, like home healthcare, typically left uncovered by private insurance. WorkAbility provides people with disabilities an opportunity to escape poverty without fear of catastrophic consequences to their health or well-being. By allowing for

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<sup>17</sup> Codified at 42 U.S.C. §1382h(b).

<sup>18</sup> 20 C.F.R. §416.265 *et seq.*

<sup>19</sup> See 20 C.F.R. §416.269.

<sup>20</sup> <http://www.ssa.gov/redbook/eng/page47.htm>

<sup>21</sup> Information provided by Division of Disabilities Services staff via phone conversation, November, 2003.

<sup>22</sup> Information provided by Division of Disability Services staff via phone conversations.

pensions, retirement accounts like 401(k) plans, and reasonable savings in the bank, the program also allows recipients to plan for unexpected life crises that would lead to inevitable re-improvement without these savings. Were it not for these extensions to Medicaid eligibility, many persons with disabilities would choose not to work, since this choice would cost them their eligibility for Medicaid. Such choices would create an additional cost to society and the state in lost productivity, tax revenue, and greater dependence on public assistance programs.

## **Medicaid Personal Care Assistance Services (including the Personal Preference Program)**

### ***Program Purpose and Description:***

Personal Care Assistance Services are an optional benefit for New Jersey Medicaid recipients with either short-term or long-term disabilities who are experiencing some functional impairment. The program pays for up to 40 hours/week of personal care assistance coordinated by home health-care agencies. In-home assistance can include assistance with such daily tasks as dressing or bathing. Pursuant to Title XIX of the Social Security Act, state funding for these services is matched dollar-for-dollar by the federal government. Home health-care agencies are paid \$15.50 per weekday hour<sup>23</sup> and \$16.00 per weekend hour of service, which pays home health-care workers' wages as well as agency administrative costs.

The Personal Preference Program (PPP) was part of a national research project to study the effects of allowing Medicaid Personal Care Assistance Services recipients to direct their own personal care services as an alternative to accepting services arranged by an agency.<sup>24</sup> After a successful trial period, PPP is now fully operational and is accepting applicants from any Personal Care Assistance Program recipient.<sup>25</sup> The program uses a "Cash and Counseling" approach for the delivery of in-home support services. Elderly and disabled Medicaid-eligible recipients direct and manage their own personal care services through a monthly cash allowance, based on the same expenditure guidelines as the Personal Care Assistance Services program. The same maximum hourly funding rates apply, as does the weekly maximum for total hours of care.<sup>26</sup> Participants in the demonstration work with a consultant to develop a cash management plan by which they decide the services they need and the individuals and or agencies they wish to hire to provide the identified services. This program provides the opportunity for participants to hire anyone they want (including relatives, friends, and neighbors), design services around their own schedules, and pay for equipment, devices and home modifications. To be eligible, participants must be 18 years of age or older, be Medicaid-eligible, and qualify for Personal Care Assistance Services.<sup>27</sup>

### ***Budget and Performance Trends:***

Approximately 21,000 individuals were receiving Personal Care Assistance Services in 2006. As of October 2006, there were 450 people receiving services under the Personal Preference Program. This is down from a peak of over 800 recipients in July 2002, but the number of recipients is now steadily increasing on a monthly basis. The Personal Preference Program does not appear as a separate line item in the budget. Under terms of New Jersey's Title

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<sup>23</sup> Soon to increase to \$16.15/hr. Information provided by Division of Disabilities Services staff, November 2006.

<sup>24</sup> New Jersey received a planning grant in 1997 from the Robert Wood Johnson Foundation to participate in a three state national demonstration program to test the effectiveness of the personal preference program.

<sup>25</sup> Information provided by Division of Disabilities Services staff, November 2006.

<sup>26</sup> A client's cash management budget is determined by multiplying the hourly rate the state pays for Medicaid Personal Care Assistance Services times the number of hours per month of service that the client is determined to be eligible for and subtracting a ten percent administrative cost. Information provided by Division of Developmental Disabilities staff, November 2006.

<sup>27</sup> <http://www.state.nj.us/humanservices/dds/personal.html>

XIX Waiver, the Personal Preference Program must be cost neutral in comparison to the delivery model of the broader Personal Care Assistance program.

<b>Personal Care Assistance Grants-In-Aid Appropriation Data (state funding)</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
Payments for medical assistance recipients – Personal Care (PC)	\$81,030,000	\$76,840,000	\$76,791,000	\$89,837,000	\$86,513,000	\$86,513,000
Payments for medical assistance recipients -PC (CRF)	\$60,092,000	\$60,092,000	\$60,092,000	\$60,092,000	\$60,092,000	\$60,092,000
<b>Total Personal Care Funding</b>	<b>\$141,122,000</b>	<b>\$136,932,000</b>	<b>\$136,883,000</b>	<b>\$149,929,000</b>	<b>\$146,605,000</b>	<b>\$146,605,000</b>
<b>Source: State FY07 Budget Book (p. D-212) &amp; FY07 Appropriations Bill S2007 (p. 113)</b>						

***Additional Analysis:***

The appropriation data presented in the chart above reflects New Jersey’s state share of the costs of Medicaid Personal Care Assistance Services. According to the OLS Analysis of the departmental budget, the reduction in funding for the Personal Care Assistance program (approximately \$3.3 million) is based on current cost projections, rather than an artificial reduction in spending, so the reduction should not impact persons requiring services. The program also includes a federal match, as do all Medicaid programs, which is also projected to drop based on current expenditure trends for Medicaid services.<sup>28</sup> The combination of both federal and state funding for the program is reflected in the operating data for the program in the State Budget Book, presented in the following chart. According to this data, the state pays approximately 50% of the cost of the program.

<sup>28</sup> OLS Analysis of DHS Budget, p. 3.

**Personal Care Services  
Operating Data**

<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
\$268,457,000	\$276,227,000	\$306,020,000	\$299,372,000

**Source: State FY07 Budget Book (p. D-211)**

## **Medicaid Home and Community-based Services Waivers**

### ***Program Purpose and Description:***

New Jersey's Division of Disability Services is responsible for the administration of several Medicaid Home and Community Based Services (HCBS) Waiver programs serving people with disabilities.<sup>29</sup> HCBS waivers allow states the flexibility to use federal Medicaid funding in the development and implementation of community alternatives rather than placing eligible individuals in hospitals, nursing facilities and other institutions. States must demonstrate to the federal government that they are providing waiver services only to individuals who are eligible for institutional placement and that, on average, spending for individuals receiving waiver services does not exceed the amount that the state would spend for individuals in institutions. New Jersey operates several HCBS waiver programs, described below.

The Traumatic Brain Injury (TBI) Waiver allows for Medicaid services to people between the ages of 18 and 64 who have sustained a brain injury. People in the program receive full Medicaid benefits plus additional services that include case management, structured day program, personal care assistance, community residential services, transportation, respite care and cognitive therapy.

The AIDS Community Care Alternatives (ACCAP) Waiver allows for services to people of any age with AIDS and children up to age 13 who are HIV positive. It provides full Medicaid benefits plus case management, private duty nursing, medical day care, personal care assistance services, certain narcotic and drug abuse treatments at home, and hospice care. The ACCAP can serve a maximum of 1,000 people statewide at any time.

The Community Resources for People with Disabilities (CRPD) Waiver was developed by blending three long-standing Medicaid model waivers together (previously known as the ABC Waivers) into one large waiver. All individuals served under this waiver must meet, at a minimum, the criteria for "nursing facility level of care," be financially eligible for Medicaid waiver coverage, and require the services offered under the waiver. Services under this waiver are open to individuals with disabilities of all ages. Individuals in the CRPD waiver receive case management services, in addition to all Medicaid State Plan services. Individuals meeting specific clinical criteria can receive private duty nursing services of up to 16 hours a day. This program can serve a maximum of 350 individuals with disabilities.

### ***Budget and Performance Trends:***

The information on Medicaid waiver programs in the state budget materials is very limited. Total state funding for all of the waivers administered by DDS is reported in two line items, one presenting the funding for all waivers that comes from the state's general fund and

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<sup>29</sup> Another substantial Medicaid waiver is the ABCD Waiver program, which serves medically fragile children who are under the care and supervision of the Division of Youth and Family Services (DYFS). It provides full Medicaid benefits plus a number of special services, such as transportation and specialized medical equipment. This waiver is administered outside the Division of Disability Services and no evaluation or budget data is available for this program.

one presenting the funding for all waivers that comes from the Casino Revenue Fund. Information regarding the number of individuals currently being served by each waiver was provided by DDS Staff and is presented in the following table.

<b>Medicaid HCBS Waivers Evaluation Data</b>		
<b>Program</b>	<b>Total Slots</b>	<b>Slots Currently Filled</b>
Traumatic Brain Injury	350	350
AIDS Community Care Alternative	1000	400
Community Resources for People with Disabilities	340	328
<b>Source: Program Data provided by DDS staff; via phone conversation November 9, 2006</b>		

<b>DDS Waiver Initiatives Grants – In –Aid</b>						
	<b>Orig. &amp; --Supple.<sup>s</sup> FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
Payments for medical assistance recipients – Waiver Initiatives	\$2,332,000	\$4,182,000	\$4,182,000	\$5,818,000	\$4,934,000	\$4,934,000
Payments for medical assistance recipients-Waiver Initiatives (CRF)	\$16,502,000	\$16,502,000	\$16,502,000	\$16,502,000	\$16,502,000	\$16,502,000
<b>Source: State FY07 Budget Book (p. D-212) &amp; FY07 Appropriations Bill S2007 (p. 115)</b>						

***Additional Analysis:***

The appropriation data presented in the table above reflects New Jersey’s state share of the costs of Medicaid Waiver Initiatives. These programs, as with all Medicaid programs, also include a federal match. The combination of both federal and state funding for the program is reflected in the operating data for the program in the state budget materials, presented in the following table. According to this data, the state pays slightly less than 50% of the cost of the program.

**Waiver Programs – Division of Disability Services  
Operating Data**

<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
\$34,102,000	\$39,030,000	\$47,577,000	\$45,809,000
<b>Source: State FY06 Budget Book (p. D-194)</b>			

In past years the state share has exceeded the federal share of expenses by a marginal degree because the Division provides temporary services to individuals it has found eligible while their federal eligibility is pending. In some of these cases the federal Medicaid program does not find the individual eligible and the state does not receive reimbursement for what would have been the federal share of services provided. It is not clear why the proportion of costs accounted for in state funding line items has shifted.

## **Personal Assistance Services Program**

### ***Program Purpose and Description:***

The Personal Assistance Services Program (PASP) is a state-funded program that provides routine, non-medical assistance to adults with disabilities who work, attend school or are involved in community and volunteer activities. Personal assistants help with tasks such as light housekeeping, bathing, dressing, meal preparation, shopping, driving and using public transportation. Program participants may receive up to 40 hours of service each week depending on their needs, and participants direct their own services. The statewide hourly payment rate for personal assistants is \$13.26/hr. in 2005. The goal of PASP is to make it possible for adults with physical disabilities to work, attend school or vocational training, participate in volunteer activities and live independently in the community. To be eligible for services, participants must be between the ages of 18 and 65, be New Jersey residents, have a physical disability, be living in the community, and be able to direct and supervise services.<sup>30</sup> Medicaid eligibility is not required. Clients pay cost-shares based on income. Currently, Essex and Hunterdon counties use a cash model to distribute funds. Clients are allocated a monthly budget based on their anticipated needs for personal assistance services. Within that budget, and subject to program approval, clients determine the wage levels of their workers, hire workers of their choice, and are allowed to utilize portions of the funds to purchase items to improve independence. The Division of Disability Services is seeking authorization to extend the Essex and Hunterdon County cash model to other parts of the state. Some counties currently lack sufficient funding to allow all interested people who meet the program's eligibility requirements to receive services. In those counties, a waiting list is maintained. Approximately 25% of PASP recipients also receive Medicaid Personal Care Assistance Services.<sup>31</sup>

### ***Budget and Performance Trends:***

The state budget materials provide statewide figures for total participation and the total appropriation, broken down by funding source (general fund and Casino Revenue Fund). No information is available regarding the county breakdowns, but the total number of individuals on waiting lists statewide is 206 as of August 2005. Additional data provided by the Division indicates that PASP recipients average 20 hours of care per week.<sup>32</sup>

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<sup>30</sup> <http://www.state.nj.us/humanservices/dds/persast.html>

<sup>31</sup> Note that PASP allows recipients to receive funding for services outside the home, including in the workplace. Some recipients are on both programs because of Medicaid restrictions on such services outside the home.

<sup>32</sup> Information provided by Division staff via phone conversation on November 9, 2006.

**Personal Assistance Services Program (PASP)  
Operating Data**

	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Number of clients	475	510	510	510
Total program costs	\$6,985,000	\$6,985,000	\$7,300,000	\$7,335,000

**Source: State FY07 Budget Book (p. D-211)**

**Personal Assistance Services Program (PASP)  
Grants-In-Aid**

	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
PASP	\$3,251,000	\$3,251,000	\$3,251,000	\$3,566,000	\$3,601,000	\$3,601,000
PASP – CRFG	\$3,734,000	\$3,734,000	\$3,734,000	\$3,734,000	\$3,734,000	\$3,734,000

**Source: State FY07 Budget Book (p. D-212) & FY07 Appropriations Bill S20070 (p. 113)**

## **Vocational Rehabilitation Programs**

### ***Program Purpose and Description:***

The Division of Vocational Rehabilitation (DVR)<sup>33</sup> within the Department of Labor and Workforce Development (LWD) is charged with providing employment services to persons with disabilities consistent with the individuals' strengths, needs and abilities.<sup>34</sup> Services are provided to assist recipients in preparing for and acquiring employment. The Division is authorized to provide a variety of services, including, but not limited to, vocational and disability assessment, counseling, training (including higher education), medical services, occupational equipment, transportation, rehabilitation technology services, on-the-job personal assistance, and supported employment.<sup>35</sup> To be eligible, an individual must have a physical, emotional, or psychiatric disability that is an impediment to their employment. Individuals who have never been in the workforce or who have had to leave the workforce due to a traumatic event can receive services. There is no waiting list for DVR programs.

Five of the state's twelve independent living centers are also funded by DVR, using \$625,000 in state general funds and a \$387,000 federal grant to the state. The other seven are funded entirely by the federal government via direct grants that do not pass through the state.<sup>36</sup> The Sheltered Workshop Support Program within DVR is an entirely state-funded program that provides long-term employment and rehabilitation services to severely disabled individuals who cannot be placed in open competitive employment. There are 32 Sheltered Workshop programs throughout New Jersey provided by private agencies that contract with DVR. The agencies provide employment experiences for individuals without the functional capacity to work at full productivity levels in competitive employment. Agencies are provided funding on a per client basis, which is used to subsidize wages.<sup>37</sup> Due to this subsidy, wages earned in sheltered workshops do not have as great an impact on eligibility for and calculation of SSI benefits as do wages from unsubsidized employment.<sup>38</sup>

### ***Budget and Performance Trends:***

In addition to the federal funding provided through Title I formula grants, LWD is also appropriated state funding for vocational rehabilitation services, the majority of which is appropriated for grants-in-aid. The state budget materials provide line-item appropriation detail for state grants-in-aid funding by the types of services funded, but no parallel detail is available for the state funding for direct state services (administration and staffing) or for the federal funding.

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<sup>33</sup> DVR is also described in the Employment and Job Creation chapter of this report.

<sup>34</sup> <http://www.nj.gov/labor/dvrs/vrsindex.html>.

<sup>35</sup> 12 NJAC 45, §1-12.

<sup>36</sup> Conversation with New Jersey Statewide Independent Living Centers staff.

<sup>37</sup> Note – Sheltered Workshops are not subject to normal minimum wage requirements.

<sup>38</sup> Unsubsidized wages are subject to \$85 in disregards and then halved to calculate the earned income that is used to reduce SSI benefit levels. For wages from sheltered workshops, the same calculation is applied only to the unsubsidized portion of the wages. Significant earnings can potentially create problems because of the requirement that SSI recipients not be participating in “substantial gainful employment” but it is generally successfully argued that employment in a sheltered workshop cannot be considered “substantial” employment, even if it is gainful.

In the FY06 Budget Book, funding for Supported Employment services was increased by \$1 million to cover the expense of the expansion of these services for approximately 450 individuals with severe mental illness, in accordance with the recommendations of the Governor’s Task Force on Mental Health. This funding level was maintained in FY07. In addition to the evaluation data provided in the following charts, the State FY07 Budget Book also indicates in language that the Division of Vocational Rehabilitation has increased its technical consultations, as well as making over 2,800 presentations and attending over 2,200 individual employment plan meetings.<sup>39</sup>

<b>Vocational Rehabilitation Services Evaluation Data</b>				
	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Est. FY07</b>
Total persons served	26,959	28,774	28,900	29,000
Total persons rehabilitated <sup>40</sup>	3,901	4,177	4,200	4,250
Total continuing to be served	16,764	18,024	18,100	18,200
Average cost per rehabilitation	\$13,760	\$14,000	\$14,200	\$14,400
Earnings (weekly) before rehabilitation	\$71	\$79	\$84	\$89
Earnings (weekly) after rehabilitation	\$360	\$393	\$385	\$390
<b>Source: State FY07 Budget Book (p. D-261)</b>				

Note: This data is also presented under the Vocational Rehabilitation Program description in the Employment and Job Creation chapter of this report.

<b>Independent Living Rehabilitation Evaluation Data</b>				
	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Est. FY07</b>
Persons served	7,300	7,500	7,240	7,300
Cost per person (from state funds and federal grant to the state)	\$110	\$125	\$150	\$150
<b>Source: State FY07 Budget Book (p. D-261)</b>				

Note – The “persons served” reported in this table reflects all persons served in the 12 independent living centers around the state; however, the “cost per person” reflects only the funding that passes through the state (including state funding and federal grant funding to the state) and does not include the federal funding that is distributed directly to the centers. It is therefore not possible to determine the total cost of independent living centers by multiplying the persons served by the cost per person. This data is also presented under the Vocational Rehabilitation Program description in the Employment and Job Creation chapter of this report.

<sup>39</sup> State FY07 Budget Book, p. D-252.

<sup>40</sup> This data measures the number of service recipients who retain employment for more than 90 days.

<b>Sheltered Workshops Evaluation Data</b>				
	<b>Actual FY03</b>	<b>Actual FY04</b>	<b>Revised FY05</b>	<b>Est. FY06</b>
Persons served	2,721	2,721	2,698	2,698
Appropriation per client	\$6,589	\$6,723	\$6,981	\$6,981
<b>Source: State FY07 Budget Book (p. D-261)</b>				

Note: This data is also presented under the Vocational Rehabilitation Program description in the Employment and Jobs Creation chapter of this report.

<b>Vocational Rehabilitation Schedule 2 (denotes federal revenue)</b>				
	<b>Actual FY05</b>	<b>Estimated FY06</b>	<b>Budget Estimate FY07</b>	<b>Appropriations FY07</b>
Vocational Rehabilitation Act of 1973	\$49,030,000	\$45,325,000	\$46,556,000	\$46,556,000
Supported Employment	\$808,000	\$975,000	\$975,000	\$975,000
<b>Source: State FY07 Budget Book (p. C-28) &amp; FY07 Appropriations Bill S2007 (p. 15)</b>				

Note – In addition to the federal revenue indicated in the preceding table from the revenue section of the State FY07 Budget Book, the department receives smaller federal grants for other vocational rehabilitation programs that are combined with this funding in the line item for “federal funds” in the departmental budget, as indicated in the following table.

<b>Vocational Rehabilitation Services Appropriation Data</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
Direct state services	\$2,367,000	\$2,367,000	\$2,367,000	\$2,446,000	\$2,446,000	\$2,446,000
Grants-in-aid	\$30,365,000	\$30,456,000	\$30,456,000	\$32,044,00	\$32,044,000	\$34,735,000
Federal funds	\$52,030,000	\$68,806,000	\$44,840,000	\$50,442,000	\$51,673,000	\$51,673,000
<b>Source: State FY07 Budget Book (p. D-262,-263, -264) &amp; FY07 Appropriations Bill S2007 (p. 136,138 &amp;254)</b>						

Note: This data is also presented under the Vocational Rehabilitation Program description in the Employment and Job Creation chapter of this report.

**Vocational Rehabilitation Services  
Grants-in-Aid (distribution by fund and object)**

	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/Recommend FY07</b>	<b>Actual Approp. FY07</b>
Services to clients (state share)	\$4,286,000	\$4,286,000	\$4,286,000	\$4,286,000	\$4,286,000	\$4,286,000
Supported employment services	\$2,550,000	\$2,550,000	\$2,550,000	\$3,550,000	\$3,550,000	\$3,550,000
Sheltered workshop transportation	\$1,060,000	\$1,060,000	\$1,060,000	\$1,460,000	\$1,460,000	\$1,960,000
Sheltered workshop transportation (CRF)	\$2,440,000	\$2,440,000	\$2,440,000	\$2,440,000	\$2,440,000	\$2,440,000
Sheltered workshop support	\$18,234,000	\$18,601,000	\$18,601,000	\$19,059,000	\$19,059,000	\$21,059,000
Sheltered workshop employment placement incentive program	\$450,000	\$83,000	\$83,000	\$450,000	\$450,000	\$450,000
Cost of living adjustment (COLA) – sheltered workshops	\$546,000	\$637,000	\$637,000	--- <sup>41</sup>	---	\$191,000
Services for deaf individuals <sup>42</sup>	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000
Independent living centers (state share)	\$625,000	\$625,000	\$625,000	\$625,000	\$625,000	\$625,000
Training (state share)	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
<b>Grand Total Grants-in-Aid</b>	<b>\$30,365,000</b>	<b>\$30,456,000</b>	<b>\$30,456,000</b>	<b>\$32,044,00</b>	<b>\$32,044,000</b>	<b>\$34,735,000</b>

**Source: State FY07 Budget Book (p. D-263,-264) & FY07 Appropriation Bill S2007 (p. 138)**

Note – This table presents line-item detail for the total state Grants-in-Aid appropriation in the preceding table, and indicates that the \$2.7 million increase in the actual appropriation is directed to funding for support, transportation and COLA for sheltered workshops. This data is also presented under the Vocational Rehabilitation Program description in the Employment and Jobs Creation chapter of this report.

<sup>41</sup> Language in the FY07 Budget Book indicates that an appropriation of \$188,000 for cost-of-living allowance adjustments was distributed to the applicable grant account.

<sup>42</sup> Note – This line item is also presented under Services for the Deaf and Hard of Hearing following in this chapter of the report.

## **Services for the Deaf and Hard of Hearing**

### ***Program Purpose and Description:***

The Division of the Deaf and Hard of Hearing (DDHH) is located within the New Jersey Department of Human Services. DDHH is charged with increasing accessibility for people who are deaf or hard of hearing with respect to social, legal, medical, educational, and recreational services. Services include operation of the state's principal sign language referral service, the publication of a monthly newsletter, distribution of accessible phone equipment and smoke detectors, and the operation of an Assistive Device Demonstration Center. Eligibility for equipment distribution varies depending on the particular equipment requested.<sup>43</sup> The Division of Vocational Rehabilitation in the Department of Labor and Workforce Development also provides vocational rehabilitation services for the deaf, designed to assist them in preparing for and acquiring employment.<sup>44</sup>

### ***Budget and Performance Trends:***

Since services for the deaf and hard of hearing are divided between departments, the budget data for these services is also divided. DDHH is a relatively small department, with 9 staff members,<sup>45</sup> and little line-item appropriation detail is available. The direct state services appropriation includes all expenses for the division, including staff costs and services provided by the state. The line-item appropriations for services to deaf clients and communication access services are included in this total. The only details available for the vocational rehabilitation services provided to individuals with hearing impairments are presented in grants-in-aid line-item detail in the departmental budget for the Department of Labor and Workforce Development.

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<sup>43</sup> Conversation with DDHH staff, December 13, 2004.

<sup>44</sup> See information regarding Vocational Rehabilitation Programs discussed earlier in this section and in the Employment and Jobs Creation section of this report.

<sup>45</sup> [http://www.state.nj.us/humanservices/ddhh/about\\_ddhh.html](http://www.state.nj.us/humanservices/ddhh/about_ddhh.html)

**Services for the Deaf - DDHH  
Evaluation Data**

	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Total hearing impaired population	719,600	719,600	719,600	719,600
Deaf population	11,400	11,400	11,400	11,400
Persons served by Interpreter Referral Program	3,300	3,300	3,500	3,500
Interpreter requests	1,100	1,200	1,300	1,300
Newsletter subscribers	8,400	8,500	8,900	8,900
Telecommunications devices distributed	230	230	230	230

**Source: State FY07 Budget Book (p. D-246)**

**Services for the Deaf -DDHH  
Direct State Services - Appropriation Data**

	<b>Orig. &amp;- Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY06</b>	<b>Actual Approp. FY06</b>
Direct State Services	\$714,000	\$669,000	\$579,000	\$747,000	\$747,000	\$747,000
<i>Services to deaf clients</i>	\$290,000	\$290,000	\$290,000	\$290,000	\$290,000	\$290,000
<i>Communication access services</i>	\$55,000	\$10,000	\$10,000	\$55,000	\$55,000	\$55,000

**Source: State FY07 Budget Book (p. D-246) & FY07 Appropriations Bill S2007 (p.131)**

**Services for the Deaf - Division of Vocational Rehabilitation  
Grants-in-Aid - Appropriation Data**

<b>Orig. &amp; --Supple. FY04</b>	<b>Total FY04 Available</b>	<b>Expended FY04</b>	<b>FY05 Adjusted Appropriation</b>	<b>Request/ Recommend FY06</b>	<b>Actual Approp. FY06</b>
\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000

**Source: State FY07 Budget Book (p. D-263) & FY07 Appropriations Bill S2007 (p. 138)**

Note - This data is duplicative of grants-in-aid appropriation data presented under the Vocational Rehabilitation Program descriptions in the Employment and Jobs Creation chapter and earlier in this section of this report.

## **Commission for the Blind and Visually Impaired**

The Commission for the Blind and Visually Impaired (CBVI) in DHS serves approximately 50,000 people annually. The Commission coordinates and provides preventive, rehabilitative, and assistive services to people who are blind or visually impaired or at risk of becoming so. Its primary services include educational services for children,<sup>46</sup> vocational services, and independent living services. The Commission also runs vision loss prevention programs and a sleep-away summer camp.

CBVI provides vocational rehabilitation services to older teenagers and adults who are blind, visually impaired or both blind and deaf to assist them in preparing for work. Eligibility is determined by Vocational Rehabilitation staff, and eligible applicants must have significant visual impairment/be legally blind, face a substantial impediment to employment due to vision, and require vocational rehabilitation to prepare for employment. There is no income eligibility requirement. The program provides counseling and guidance to help clients set employment goals that reflect their abilities, strengths and desires. The program also offers job training for specific types of employment, including cooking/catering, vending stand operation, customer service, health professions, and computer-related professions. The program includes other employment-related services such as job placement, post-employment services, and support services for employers as well as other medical and educational services.

CBVI offers 5 types of independent living trainings and services designed to help people of any age who are blind or visually impaired to gain the skills of daily living they will need to lead full and productive lives. Social casework services employ caseworkers to assess needs, provide information about the resources available through CBVI or the community, and provide or coordinate services appropriate to meet any needs that have been identified. Rehabilitation Teachers instruct participants in home management skills, specialized equipment usage, communication skills such as Braille and typing, and leisure time activities such as crafts. They also provide assessment and counseling to their students and their families. Orientation and mobility instruction teaches methods for safe, independent travel so people who are blind or visually impaired will be able to get to and around their own homes, schools, workplaces, and communities. The training emphasizes how to be aware of the surrounding environment, how to use non-visual senses, and how to make use of any remaining vision. Eye Health nurses arrange for any medical care, including surgery, that is necessary to restore vision and/or prevent further vision loss. They teach people with visual disabilities and their families about eye disorders, the progression of eye diseases, and the medications used to fight them, along with the importance of good nutrition and proper eye care. Nurses also teach clients with diabetes how to administer their own insulin using specialized adaptive insulin devices. The Low Vision program helps people with low vision acquire visual aides appropriate for their degree of vision loss and also helps people learn how to cope with their vision loss in social situations, at work or at school and when involved in leisure time or recreational activities.

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<sup>46</sup> The educational services of CBVI are discussed in the Education chapter of this report.

**Budget and Performance Trends:**

The program evaluation data for the Vocational Rehabilitation and Independent Living programs of the CBVI are indicated below. Evaluation data for the Educational Services program is provided in the Education section of this report. Appropriation data listed is for all CBVI programs together, and the state budget materials do not break out separate appropriations for each program component.

In addition to the line-item appropriations in the state budget materials, the budget book and appropriation bill also note in language authorization to transfer \$900,000 from the Governor's Literacy Initiative to CBVI for increased Braille lessons for blind children.

<b>Services for the Blind and Visually Impaired - Vocational Rehabilitation Evaluation Data</b>				
	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Total clients served	2,489	2,568	2,650	2,700
Clients rehabilitated	274	271	280	290
Wage earners	230	258	270	280
Homemakers	44	13	10	10
Average annual income after rehabilitation	\$20,800	\$21,700	\$22,500	\$23,00
Average cost per client served	\$5,360	\$5,790	\$6,000	\$6,200
Average cost per client rehabilitated	\$11,600	\$11,000	\$12,000	\$12,500
Rehabilitations per counselor	17	16	17	18
<b>Source: State FY07 Budget Book (p. D-233)</b>				

**Services for the Blind and Visually Impaired – Independent Living  
Community Service (State Habilitation)  
Evaluation Data**

	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Total clients receiving independent living services	4,709	3,945	4,100	4,100
Clients receiving orientation and mobility instruction	1,545	1,583	1,600	1,600
Clients receiving basic life skills instruction	1,711	1,827	1,900	1,900
Social casework services	727	761	800	850
Clients over 65 (non-VR)	2,367	2,468	2,600	2,650

**Source: State FY07 Budget Book (p. D-216)**

**Services for the Blind and Visually Impaired  
Appropriations Data**

	<b>Orig. &amp; --Supple.<sup>s</sup> FY05</b>	<b>Total FY05 available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Approp.</b>	<b>Request/ Recomm. FY07</b>	<b>Actual Approp. FY07</b>
Direct State Services	\$6,985,000	\$6,900,000	\$6,828,000	\$7,660,000	\$7,660,000	\$7,660,000
Grants-in-Aid	\$4,178,000	\$4,226,000	\$4,223,000	\$4,235,000	\$4,242,000	\$4,242,000
Federal funds	\$9,508,000 \$38,000 <sup>s</sup>	\$11,373,000	\$9,600,000	\$9,875,000	\$9,909,000	\$9,909,000
Other funds	---	\$1,268,000	\$919,000	\$300,000	\$300,000	

**Source: State FY06 Budget Book (p. D-216-217) & FY06 Appropriations Bill S3000 (p.123, 124 & 251)**

Note: This appropriation information is also listed under the discussion of the educational programs within CBVI, in the Education chapter of this report.

## Programs for the Developmentally Disabled

Developmental disabilities include disabilities such as mental retardation, cerebral palsy, autism, epilepsy, spina bifida, traumatic brain injuries, and certain neurological impairments. Individuals meeting the official criteria for diagnosis with developmental disabilities experience the first occurrence or onset of these chronic impairments before the age of 22, creating substantial functional limitations in at least three major life activities – self-care, learning, mobility, communication, self-direction (i.e., the ability to direct one's own care and well-being), economic self-sufficiency and the ability to live independently.<sup>47</sup> According to the American Association on Mental Retardation, 12,181 persons (142 per 100,000 individuals) with mental retardation/developmental disabilities were utilizing publicly funded residences in 2002 in New Jersey. By size of residence, 6,866 (56%) were in 1-6 person residences, 661 (5%) were in 7-15 person residences, and 4,654 (38%) were in 16+ person residences.<sup>48</sup>

While people with developmental disabilities receive services from the other state programs described in this chapter and in other sections of this report, they are also eligible for a number of targeted services in order to facilitate their federal right "to live independently, to exert control and choice over their own lives, and to fully participate in and contribute to their communities through full integration and inclusion in the economic, political, social, cultural, and educational mainstream of United States society."<sup>49</sup> In New Jersey, most of these targeted services designed for individuals with developmental disabilities, as well as case management and coordination of services, are provided by the Division of Developmental Disabilities (DDD). Given the demand for services and limited resources, DDD maintains two waiting lists. The "Community Services Waiting List" regulates slots in residential programs, while the "Day Program Waiting List" is for the non-residential services offered by DDD. Individuals are served in the order in which their names are added to the list.<sup>50</sup> There is no income eligibility limit to receive most services from DDD, but certain residential subsidies are not available for consumers with higher income levels, and some contribution to the costs of care may be required. Many DDD services would be prohibitively expensive for low-income people, so the availability of these services through DDD plays an important role in preventing further impoverishment for low-income families with a developmentally disabled family member.

Budget information provided in the state budget materials groups the various services provided by DDD into three program classifications. "Social Supervision and Consultation" includes both the case management services provided to all DDD clients and a number of the non-residential services available, including Real Life Choices, home assistance/family support, and guardianship services. "Purchased Residential Care" includes funding for all residential services provided through DDD and the Self-Determination Initiative. "Adult Activities" incorporates the community-based day services provided to DDD clients.

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<sup>47</sup> [http://www.state.nj.us/humanservices/ddd/about\\_ddd.html](http://www.state.nj.us/humanservices/ddd/about_ddd.html).

<sup>48</sup> Rizzolo, Mary C., Richard Hemp, David Braddock and Amy Pomeranz-Essley, *The State of the State in Developmental Disabilities*, American Association on Mental Retardation, Washington, DC, 2004, Table 1.

<sup>49</sup> Congressional findings contained in "Developmental Disabilities Assistance and Bill of Rights Act 2000," codified in 42 USC §15001(a)(1).

<sup>50</sup> *Overview of Services*, Department of Human Services Division of Developmental Disabilities, June 2004.

## **Case Management**

### ***Program Purpose and Description:***

Individuals and families apply for DDD services through eight regional offices throughout the state. Once deemed eligible, all service recipients and their families are assigned a trained case manager to coordinate the consumers' services and supports.<sup>51</sup> Case managers meet with the consumer and other involved parties to ascertain the consumers' needs and preferences and to develop an Individualized Habilitation Plan (IHP), which identifies the programs in which the consumer will participate and the services they will receive from DDD, as well as coordinating services from other sources. The development of this plan should include the active participation of the consumer and family members or friends the consumer chooses to be a part of the process. The inclusion of specific services in the individual's IHP is dependent on the availability of services in the area and may be affected by scarcity of resources.<sup>52</sup>

### ***Budget and Performance Trends:***

<b>Social Supervision and Consultation Evaluation Data</b>				
	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Average number in community supervision	29,584	32,781	33,710	33,710
<b>Source: State FY07 Budget Book (p. D-216)</b>				

<sup>51</sup> [http://www.state.nj.us/humanservices/ddd/about\\_ddd.html](http://www.state.nj.us/humanservices/ddd/about_ddd.html);  
<http://www.state.nj.us/humanservices/ddd/dddservices.html>.

<sup>52</sup> Department of Human Services Division of Developmental Disabilities *Overview of Services*, June 2004.

**Social Supervision and Consultation  
Direct State Services (by fund and program)**

	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
From general fund	\$1,117,000	\$1,310,000	\$1,241,000	\$1,486,000	\$1,486,000	\$1,486,000
From federal funds	\$21,861,000	\$21,861,000	\$16,166,000	\$22,633,000	\$23,797,000	\$23,797,000
<b>Total all funds</b>	<b>\$22,978,000</b>	<b>\$23,171,000</b>	<b>\$17,407,000</b>	<b>\$24,119,000</b>	<b>\$25,283,000</b>	<b>\$25,283,000</b>

**Source: State FY07 Budget Book (p. D-216) & FY07 Appropriations Bill S2007 (p. 115)**

Note: This appropriation represents the costs to the state of administering all social supervision and consultation services, including not only case management services but also guardianship, Real Life Choices, and home assistance services discussed later in this chapter.

***Additional Analysis:***

The direct state services appropriation (i.e., administrative costs) for the social supervision and consultation services of DDD is disproportionately high relative to the other community programs provided through DDD. Total direct state services funding in FY07 is only \$3.6 million for purchased residential care and \$2.1 million for adult activities. In contrast, the grants-in-aid funding for social supervision and consultation is \$71.9 million, compared to \$605.3 million for purchased residential care and \$137.4 million for adult activities. These disproportionately high administrative costs are due to the high staffing levels within DDD related to case management services. The services provided under the other program classifications are primarily contracted out to outside vendors and the staffing costs of these programs are therefore included within the grants-in-aid funding lines. The state personnel data for these community program areas demonstrates this comparatively high staffing level and explains the high direct state services budget line item.

**DDD Community Programs  
Filled Positions by Program Class  
Personnel Data**

	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Purchased residential care	47	48	51	56
<b>Social supervision and consultation</b>	<b>508</b>	<b>518</b>	<b>499</b>	<b>471</b>
Adult activities	26	27	26	27

**Source: State FY07 Budget Book (p. D-216)**

At the same time, this data shows that staffing levels have been decreasing since FY05 and are estimated to be lower in FY07 than they were in FY03 (498). This net 9% decrease in staffing from FY03 to FY07 coincides with a net 20% increase in the average number of individuals in community supervision over the same time period, suggesting that case management case loads are rising significantly.

## **Real Life Choices**

### ***Program Purpose and Description:***

In the fall of 2003, DDD launched a systems change effort<sup>53</sup> that reorganized the Division's resources and provision of services for families caring for members with developmental disabilities at home.<sup>54</sup> This change effort will eventually replace the Self-Determination Initiative as the option that allows DDD service recipients and their families to direct their own care plan with an individual budget. The system change is intended to provide the flexibility to do long-term service planning, while maintaining the option to access additional services, including residential services, if needed in the future. Real Life Choices has four articulated goals<sup>55</sup>:

- Establishing equity in the distribution of resources and services;
- Allowing for more family and individual decision-making;
- Allocating comparable resources for comparable levels of need; and
- Developing individual budgets based on support needs.

In terms of its impact on families, Real Life Choices is supposed to offer more services and supports to assist families in caring for their disabled family member at home for as long as possible. An individualized resource tool is used to identify service needs, which then inform the development of the family's personalized plan of care. Support coordination is provided to help families make decisions in terms of planning for services and to link to service providers and community resources. The financial resources provided to each family by DDD are allotted based on designation in one of four levels of support needed (ranging from \$14,300 to \$62,500 a year).<sup>56</sup> A fiscal intermediary is responsible for providing payment for budgeted services and monitoring consumer satisfaction.

Real Life Choices was initially launched in the Southern and Upper Central services regions and will be phased in through expansion to the Northern and Lower Central services regions.

### ***Budget and Performance Trends:***

A major focus of the Real Life Choices system is assistance to families in obtaining federal Community Care/Medicaid Waiver eligibility, which allows New Jersey to increase federal reimbursement for community services. All participants are required to apply for this federal waiver prior to entering a state-funded waiver service. This large source of federal Medicaid funding provides reimbursement to the state for community services provided to eligible individuals through a variety of other DDD programs, in addition to the anticipated 600 clients to be served through Real Life Choices in FY07. Revenue projections in the FY07 budget

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<sup>53</sup> The initial systems change blueprint was announced in the fall of 2002 and launched the following year.

<sup>54</sup> See the discussion of the Home Assistance/Family Support Program for a description of the existing services available to families.

<sup>55</sup> Real Life Choices pamphlet, available on-line at [http://www.state.nj.us/humanservices/ddd/real\\_life\\_choices.html](http://www.state.nj.us/humanservices/ddd/real_life_choices.html).

<sup>56</sup> OLS departmental budget analysis (p. 8).

book show continuing increases in draw-down of this federal waiver funding (see the discussion below under additional analysis).

In FY06 a new line-item under the departmental grants-in-aid appropriation provided funding for some services provided through the Real Life Choices system. Although this funding appeared as a new line item, the program has simply been separated from the Home Assistance program to differentiate costs, and Home Assistance appropriations have been reduced.<sup>57</sup> In addition to line-item funding, the OLS analysis of the DHS budget indicates that \$4.4 million in federal recoveries not identified in the budget will be available for program expansion.<sup>58</sup>

<b>Real Life Choices Evaluation Data</b>				
	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Individuals served	75	300	600	600
Average cost of yearly plan	\$29,000	\$35,447	\$35,788	\$35,788
<b>Source: State FY07 Budget Book (p. D-216)</b>				

<b>Title XIX Community Care Waiver Schedule 2 (denotes federal revenue)</b>			
<b>Actual FY05</b>	<b>Estimated FY06</b>	<b>Estimated FY07</b>	<b>Est. FY07</b>
\$203,744,000	\$262,235,000	\$268,654,000	\$268,654,000
<b>Source: State FY07 Budget Book (p. C-28) &amp; FY07 Appropriation Bill S2007 (p. 15)</b>			

Note – This revenue line indicates all federal funds drawn down or anticipated by the state from community care waivers. Participants in the Real Life Choices program represent only a small number of the New Jersey residents who receive services funded through this waiver system.

<sup>57</sup> OLS departmental budget analysis FY06 (p. 10). See the description of Home Assistance and Family Support in this chapter.

<sup>58</sup> The federal recovery is due to a delay in obtaining federal revenues for expenditures related to community programs in FY06. Because the state did not finalize federal reimbursement rates, the state paid for the services with entirely state funds, so that all reimbursements collected in FY07 for FY06 expenses may be allocated to other programs.

<b>Real Life Choices Grants-in-Aid – Appropriation Data</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
Real Life Choices	---	---	---	\$13,890,000	\$19,231,000	\$19,231,000
<b>Source: State FY07 Budget Book (p. D-218) &amp; FY07 Appropriation Bill S2007 (p. 117)</b>						

Note – This funding projection includes anticipated state and federal revenues, as indicated in the following table incorporating information from the OLS analysis.

***Additional Analysis:***

While Real Life Choices involves system change goals to better meet the needs of families caring for developmentally disabled members in their own homes, the effort also clearly involves some fiscal motivations. The concerted focus on maximizing federal funding through the Medicaid Community Care Waiver is one dimension of the Division’s budgetary strategy. A focus on “equity” in the distribution of division resources is another, as articulated in the first of the program’s four goals. The literature describing Real Life Choices presents statistics regarding rising caseloads<sup>59</sup> and the relatively small percentage of the budget dedicated to helping individuals who live with their families (6.6% of the \$1 billion division budget). This information explains the incorporation into the Real Life Choices plan a decision to “increase the portion that individuals contribute from their own federal benefits to the cost of care in group homes and supervised apartments.”<sup>60</sup> Thus, Real Life Choices is, in effect, reallocating resources from individuals who are not cared for at home to those who are, by requiring group home and supervised apartment residents to surrender a larger portion of their SSI benefits to the division for use in funding community services.

A further issue with the fiscal shifts underlying the Real Life Choices program is the reliance on anticipated increased federal revenue. The state budget materials continue to anticipate increased federal funding from the Community Care Waiver portion of Title XIX. This estimate is being used to plan expenditures despite the fact that estimates in the FY04 and FY05 budgets were not realized, requiring a supplemental appropriation of \$17.3 million in state funds for FY05.

In FY06, the departmental response to the OLS inquiry regarding these historical over-estimates pointed to issues with eligibility and attendance records as the reasons that the state was unable to realize anticipated federal CCW funds in the previous two fiscal years. The department claims that the new requirement of services recipients to apply for Medicaid waivers prior to receiving services, an improved intranet attendance reporting system, and the opening of

<sup>59</sup> “The Division serves more than 30,000 persons a year – nearly double the number of consumers we served a decade ago....” Real Life Choices pamphlet, p. 2.

<sup>60</sup> Ibid.

new programs that are claimable will resolve this issue and enable the department to realize the full amount of anticipated revenues.<sup>61</sup> Funding information is not yet available to determine whether New Jersey was able to capture the anticipated increase in federal funding through these strategies.

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<sup>61</sup> DHS response to OLS FY06 Budget Analysis (p. 11).

## **Home Assistance/Family Support**

### ***Program Purpose and Description:***

The Family Support Act of 1993 established the responsibility in DDD to create a system of family support to serve families caring for relatives with disabilities at home. This system aims to be flexible, empowering, strengthening and supportive to families by providing resources that help families to keep their loved ones at home. The program is built on the premise that families are best able to determine their needs and that appropriate service must include the family members of developmentally disabled persons. Families in the program may receive cash subsidies, communication and interpreter services, counseling and crisis intervention, day care, equipment and supplies, home and vehicle modifications, homemaker assistance, medical and dental care, personal assistance services, respite care, self-advocacy training, therapeutic or nursing services, and vouchers for additional services. The program also allows the families to decide what they need and to choose, control, and monitor their own services. The Family Support Law also created Regional Family Support Planning Councils, which make recommendations to a Family Support Coordinator. The availability of assistance through the program is limited by available resources.<sup>62</sup> A small number of the families served by DDD have been incorporated into the Real Life Choices program,<sup>63</sup> but the majority of families are still served by the Home Assistance program.

A federal grant in 2000 provided additional initial funding of \$198,802 for a pilot project in four New Jersey cities (Newark, Irvington, Orange and East Orange) intended to overcome barriers to accessing available services faced by family members and caretakers of persons with disabilities living in urban areas. The Family Support Urban Outreach program addressed issues such as lack of transportation, insurance, literacy and awareness of state-operated support programs.<sup>64</sup> The initial one-year pilot was extended, but funding has not continued since FY03.

### ***Budget and Performance Trends:***

In addition to the line-item budget information in the State FY07 Budget Book and FY07 Appropriations Bill, the OLS analysis of the DHS budget indicates that an additional \$3.6 million in funding for respite services will be available in FY07 from federal recoveries.<sup>65</sup>

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<sup>62</sup> <http://www.state.nj.us/humanservices/ddd/famsupp.html>

<sup>63</sup> See discussion earlier in this chapter.

<sup>64</sup> Administration on Developmental Disabilities website & <http://www.njddc.org/families10-1/fam10-1-13.htm>.

<sup>65</sup> OLS DHS Budget Analysis (p. 4); see discussion of federal recoveries from FY06 expenditures under the description of the Real Life Choices program.

<b>Social Supervision and Consultation Evaluation Data</b>				
	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Average number receiving home assistance	10,774	9,408	10,908	10,908
<b>Source: State FY07 Budget Book (p. D-216)</b>				

<b>Social Supervision and Consultation Direct State Services (by fund and program)</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
From general fund	\$1,117,000	\$1,310,000	\$1,241,000	\$1,486,000	\$1,486,000	\$1,486,000
From federal funds	\$21,861,000	\$21,861,000	\$16,166,000	\$22,633,000	\$23,797,000	\$23,797,000
<b>Total all funds</b>	<b>\$22,978,000</b>	<b>\$23,171,000</b>	<b>\$17,407,000</b>	<b>\$24,119,000</b>	<b>\$25,283,000</b>	<b>\$25,283,000</b>
<b>Source: State FY07 Budget Book (p. D-216) &amp; FY07 Appropriations Bill S2007 (p. 115)</b>						

Note: This appropriation represents the costs to the state of administering all social supervision and consultation services. This program classification includes not only home assistance, but also Case Management and Guardianship Services discussed elsewhere in this chapter.

<b>Social Supervision and Consultation Grants-In-Aid (by fund and program)</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
From general fund	\$40,243,000	\$41,977,000	\$41,977,000	\$46,836,000	\$46,958,000	\$46,958,000
From Casino Revenue Fund (CRF)	\$2,208,000	\$2,208,000	\$2,208,000	\$2,208,000	\$2,208,000	\$2,208,000
From federal Funds	\$5,570,000	\$5,667,000	\$4,950,000	\$17,354,000	\$22,695,000	\$22,695,000
<b>Total all funds</b>	<b>\$48,021,000</b>	<b>\$49,852,000</b>	<b>\$49,135,000</b>	<b>\$66,398,000</b>	<b>\$71,861,000</b>	<b>\$71,861,000</b>
<b>Source: State FY07 Budget Book (p. 217) &amp; FY07 Appropriations Bill S2007 (p. 116)</b>						

Note: This appropriation represents the costs to the state of all services purchased and provided under the category of social supervision and consultation.

<b>Home Assistance (Family Support) Grants-in-Aid (by fund and object)</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
Home Assistance	\$37,697,000	\$39,431,000	\$39,431,000	\$42,059,000	\$42,306,000	\$42,306,000
Home Assistance (CRF)	\$1,657,000	\$1,657,000	\$1,657,000	\$1,657,000	\$1,657,000	\$1,657,000
Essex ARC – Expanded respite care for families with autistic children	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Autism respite care	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Purchased after-school and camp services	\$1,339,000	\$1,339,000	\$1,339,000	\$1,339,000	\$1,339,000	\$1,339,000
Purchased after-school and camp services (CRF)	\$551,000	\$551,000	\$551,000	\$551,000	\$551,000	\$551,000
Social services	\$4,048,000	\$4,048,000	\$4,048,000	\$4,048,000	\$4,048,000	\$4,048,000
Case management	\$471,000	\$471,000	\$471,000	\$471,000	\$471,000	\$471,000
<b>Source: State FY07 Budget Book (p. D-218) &amp; FY07 Appropriations Bill S2007 (p. 117)</b>						

Note – This table presents line-item detail of home assistance, respite and related family support services included in the total grants-in-aid appropriation in the preceding table. The Developmental Disabilities Council is also included in the total grants-in-aid appropriation, which is not included in this table.

## Guardianship Services

### *Program Purpose and Description:*

The Division may provide guardianship services should it become necessary to establish a way to act of behalf of an individual with a developmental disability who does not have the capacity to make informed decisions regarding health, living arrangements, and other life choices. The stated purpose of this service is to protect the rights of incapacitated adults and to ensure appropriate care and treatment.<sup>66</sup>

### *Budget and Performance Trends:*

<b>Guardianship Services Evaluation Data</b>				
	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Average number in guardianship services	4,016	4,741	4,941	4,941
<b>Source: State FY07 Budget Book (p. D - 216)</b>				

<b>Social Supervision and Consultation Direct State Services (by fund and program)</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
From general fund	\$1,117,000	\$1,310,000	\$1,241,000	\$1,486,000	\$1,486,000	\$1,486,000
From federal funds	\$21,861,000	\$21,861,000	\$16,166,000	\$22,633,000	\$23,797,000	\$23,797,000
<b>Total all funds</b>	<b>\$22,978,000</b>	<b>\$23,171,000</b>	<b>\$17,407,000</b>	<b>\$24,119,000</b>	<b>\$25,283,000</b>	<b>\$25,283,000</b>
<b>Source: State FY07 Budget Book (p. D-216) &amp; FY07 Appropriations Bill S2007 (p. 115)</b>						

Note: This appropriation represents the costs to the state of administering all social supervision and consultation services. This program classification includes not only Guardianship Services, but also Case Management and Home Assistance and Family Support Services discussed elsewhere in this chapter.

<sup>66</sup> <http://www.state.nj.us/humanservices/ddd/dddservices.html>.

## **Residential Services / Community Residential Options**

### ***Program Purpose and Description:***

DDD provides funding to purchase community residential services for individuals with developmental disabilities who are no longer able to remain in their home setting and cannot be served in public facilities either because there are no vacancies or because they can better be served in non-public facilities. DDD helps the family make other living arrangements that best meet the individual's needs. Individuals who receive residential services may be required to contribute toward the cost from their disability benefits or other personal resources. Because there is higher demand for residential services than there are service slots available, there is currently a Community Services Waiting List. Individuals are served in the order in which their names were added to the list.

In consultation with individuals and their families, the Division provides a variety of residential options with varying levels of supervision.<sup>67</sup> There are a number of community residential options, including group homes, supervised apartments and supported living arrangements. Group homes provide housing for several roommates with 24-hour staff supervision. Supervised apartments provide more independent living for roommates with nearby 24-hour support staff available. Supported living arrangements are available for individuals or roommates who live independently but require the availability of assistance through a 24-hour hotline and other assistance as needed. Another type of residential services is the sponsor family (family care), which provides the opportunity for an individual to live as part of the family of a trained caretaker. The resident receives 24-hour care and assistance from that caretaker, with other support services available as needed. Other private residential options funded through DDD include skill development homes and private institutional care (PIC). PIC placements are primarily out-of-state facilities that are used because no appropriate placements are available in New Jersey. Some recipients of residential services may be required to contribute to the cost of their own care out of their disability benefits or other resources.<sup>68</sup>

Some individuals choose not to receive residential services through DDD and meet their specialized housing needs through other means. In addition to investment of personal resources and pooled funds in private home-sharing arrangements, resources are available through the Housing and Mortgage Finance Agency (HMFA). The Developmental Disabilities Homeownership Mortgage Program provides below-market fixed interest rate mortgages to adults with developmental disabilities on the DDD Community Services "Urgent" Waiting List who have steady incomes. HMFA also provides a number of other programs for development and funding of housing for individuals with disabilities in general, and the FY06 budget includes \$200 million in new funding for a Special Needs Housing Trust Fund to develop 10,000 units of supportive housing for individuals with disabilities. Budget information for these programs is presented with the description of HMFA in the Housing and Shelter chapter of this report.

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<sup>67</sup> Department of Human Services Division of Developmental Disabilities *Overview of Services*, June 2004.

<sup>68</sup> See the additional analysis discussion of Real Life Choices later in this chapter for additional detail regarding individual contributions to the cost of care for group home and supervised apartment residents.

**Budget and Performance Trends:**

The state budget materials provide a significant amount of detail regarding the types of services and funding levels for the various community residential care services provided to individuals with developmental disabilities. The evaluation data in the FY07 budget book for the first time provides a breakdown of community residential options, by group homes, supervised apartments, and supported living, indicating the average number of people in each type of residence and the average annual cost per resident. Language in the budget book also indicates that the new \$3 million funding line for capital improvements is a priority initiative to fund improvements to community residences for developmentally disabled residents, to provide better accommodation for individuals with ambulatory difficulties, behavioral challenges, or special medical needs.<sup>69</sup>

<b>Community Residential Options / Residential Services Evaluation Data</b>				
<b>Purchased Residential Care</b>	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Rev. FY06</b>	<b>Est. FY07</b>
Private institutions: average daily population	597	639	659	659
Private institutions: average cost/client/year	\$59,062	\$79,787	\$81,757	\$81,757
Family care: average daily pop.	145	145	145	145
Family care: average c/c/y	\$12,159	\$12,159	\$12,159	\$12,159
Skill development homes: average daily pop.	1,503	1,414	1,422	1,422
Skill development homes: average c/c/y <sup>70</sup>	\$17,830	\$16,210	\$18,918	\$18,918
Community residential: average daily pop. <sup>59</sup>	7,284	---	---	---
Community residential: average c/c/y <sup>71</sup>	\$58,166	---	---	---
CR – Group homes: average daily pop.	---	4,674	4,794	4,794
CR – Group homes: average c/c/y	---	\$68,259	\$71,851	\$71,581
CR – Supervised apartments: average daily pop.	---	1,147	1,227	1,227
CR – Supervised apartments: average c/c/y	---	\$54,561	\$57,335	\$57,335
CR – Supported living: average daily pop.	---	639	659	659
CR – Supported living: average c/c/y	--	\$22,196	\$24,561	\$24,561
<b>Source: State FY07 Budget Book (p. D – 215, -216)</b>				

<sup>69</sup> State FY07 Budget Book, p. D-182.

<sup>70</sup> According to language in the FY07 Budget Book, these averages have been revised to include the costs of completed of placements from two initiatives for moving individuals with Developmental Disabilities into community residential placements (the FY02 Community Services Waiting List Reduction Initiative and the FY02 Community Transition Initiative).

<sup>71</sup> Community Residential data for FY05 and later is broken out by residential setting.

**Purchased Residential Care  
Direct State Services  
Appropriations Data**

	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
From general fund	\$6,362,000	\$6,389,000	\$2,879,000	\$3,637,000	\$1,137,000	\$1,137,000
From federal funds	\$4,089,000	\$4,089,000	\$4,089,000	\$4,123,000	\$2,501,000	\$2,501,000
<b>Total all funds</b>	<b>\$10,453,000</b>	<b>\$10,478,000</b>	<b>\$6,968,000</b>	<b>\$7,760,000</b>	<b>\$3,638,000</b>	<b>\$3,638,000</b>

**Source: State FY07 Budget Book (p. D-216) & FY07 Appropriations Bill S2007 (p. 115)**

Note: This appropriation represents the costs to the state of administering contracts for purchased residential care as well as additional services and initiatives (including the Self-Determination Initiative discussed later in this chapter).

**Purchased Residential Care  
Grants – In – Aid (by fund and program)  
Appropriations Data**

	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
From general fund	\$351,682,000	\$367,480,000	\$347,596,000	\$336,211,000	\$357,515,000	\$358,351,000
From Casino Revenue Fund (CRF)	\$28,827,000	\$28,827,000	\$28,717,000	\$22,934,000	\$22,934,000	\$22,934,000
From federal funds	\$162,578,000	\$175,595,000	\$147,429,000	\$185,354,000	\$186,266,000	\$186,266,000
From all other funds	---	\$50,777,000	\$50,461,000	\$38,630,000	\$38,620,000	\$38,630,000
<b>Total all funds</b>	<b>\$543,087,000</b>	<b>\$622,679,000</b>	<b>\$574,203,000</b>	<b>\$583,129,000</b>	<b>\$605,345,000</b>	<b>606,145,000</b>

**Source: State FY07 Budget Book (p. D-217) & FY07 Appropriations Bill S2007 (p. 116)**

Note: This appropriation represents the costs to the state of all services purchased under the category of purchased residential care, including services and initiatives other than residential placements.

**Purchased Residential Care  
Grants – In – Aid (by fund and object)  
Appropriations Data**

	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
Private institutional care <sup>72</sup>	\$37,393,000	\$37,399,000	\$37,393,000	\$41,878,000	\$43,428,000	\$43,424,000
Private institutional care (CRF)	\$1,311,000	\$1,311,000	\$1,311,000	\$1,311,000	\$1,311,000	\$1,311,000
Skill development homes	\$13,157,000	\$23,507,000	\$23,507,000	\$27,646,000	\$27,646,000	\$27,646,000
Skill development homes (CRF)	\$1,141,000	\$1,141,000	\$1,141,000	\$1,141,000	\$1,141,000	\$1,141,000
Group homes	\$351,962,000 \$17,373,000 <sup>s</sup>	\$438,577,000	\$408,638,000	\$421,013,000	\$431,315,000	\$431,315,000
Group homes (CRF)	\$26,247,000	\$26,247,000	\$26,247,000	\$20,354,000	\$20,354,000	\$20,354,000
Family Care	\$5,135,000	\$5,135,000	\$5,135,000	\$5,135,000	\$5,135,000	\$5,135,000
Family Care (CRF)	\$128,000	\$128,000	\$27,000	\$128,000	\$128,000	\$128,000
CSWL Initiative Development	\$7,243,000	\$7,243,000	\$5,051,000	\$20,713,000	\$20,713,000	\$20,713,000
Capital Improvements for Olmstead Group Homes	---	---	---	---	\$3,000,000	\$3,000,000

**Source: State FY07 Budget Book (p. D-217,-218) & FY07 Appropriations Bill S2007 (p. 116,117)**

Note – This table presents line-item detail broken out by residential care options from the total grants-in-aid appropriation in the preceding table. Additional services and initiative funding are included in the total grants-in-aid appropriation, which are not included in this table as they do not directly fund the residential options discussed. Three of these line items are presented under the discussion of the Self-Determination Initiative later in this chapter. The CSWL Initiative Development funding is used to place clients from the waiting list into community residential programs.

<sup>72</sup> According to language in the Appropriations Bill (p. 108) “amounts required to return persons with mental retardation or developmental disabilities presently residing in out-of-State institutions to group homes within the State may be transferred from the Private Institutional Care account to the Group Homes account, subject to the approval of the Director of the Division of Budget and Accounting.”

**Additional Analysis:**

The need for increased community residential options to accommodate individuals with developmental disabilities has been a challenge for New Jersey for many years. In the early 1990s, a bonding measure was passed to provide \$80 million in funding for the development of residential services provided by the Division of Developmental Disabilities, as well as a number of other funding needs.<sup>73</sup> This bond provided significant capital for the construction costs of building group homes for the developmentally disabled. The money is reported as a special revenue fund in the State Budget Book. The figures in the FY07 Budget Book indicate that FY05 and FY06 fund expenditures were lower than anticipated in last year's budget book, but nevertheless the fund is anticipated to have only \$3 million in fund balances by the end of FY07, and this remaining balance is due to decreased expenditures.

<b>Developmental Disabilities Waiting List Reduction Fund Special Revenue Funds</b>			
	<b>FY05 Actual</b>	<b>FY06 Est.</b>	<b>FY07 Est.</b>
Fund balance July 1	\$28,252,000	\$22,110,000	\$10,110,000
Total available	\$28,781,000	\$22,875,000	\$110,423,000
Total expenditures and other financing uses	\$6,671,000	\$12,765,000	\$7,313,000
Fund balance June 30 <sup>th</sup>	\$22,110,000	\$10,110,000	\$3,110,000

**Source: State FY06 Budget Book (p. H-8)**

Despite this investment, New Jersey still lacks adequate community residential services, as demonstrated by the state's failure to move 1,500 residents of the state's Developmental Centers into more appropriate and less restrictive settings.<sup>74</sup> In an effort to address this continuing problem, and a consequent lawsuit,<sup>75</sup> the state budget includes language that allows appropriation of \$50 million for community placements for individuals currently residing in Developmental Centers. This appropriation is from unexpended balances for FY06 due to increased recoveries.<sup>76</sup> According to the OLS DHS budget analysis and the departmental response, this appropriation will primarily provide operating funds for the support services (such as medical, behavioral and family support services) to support transitions into community residential settings. In combination with the \$3 million capital construction line item, it is intended to develop 180 community placements over the next 3 years.

Another factor in the lack of adequate placement options in New Jersey is the increasing use of private institutional care placements in out-of-state facilities (an estimated 10% increase from FY04 to FY06 & FY07). Not only do such placements inhibit regular contact between the

<sup>73</sup> P.L. 1994, c. 108

<sup>74</sup> This situation is noted in the departmental response to the OLS analysis of the DHs Budget (p. 19).

<sup>75</sup> The state is faced with a lawsuit alleging that the failure to move these residents out of the Developmental Centers is in violation of the Americans with Disabilities Act and the U.S. Supreme Court's decision in *Olmstead v. L.C.* ex rel. Zimring.

<sup>76</sup> State FY07 Budget Book, p. D-250, FY07 Appropriations Bill S2007, p. 133.

residents and their families, but since such placements are not eligible for federal reimbursement all costs must be born exclusively by the state. According to the departmental response to the OLS budget analysis in FY06, DDD is encouraging providers to develop and expand state programs as alternative in-state placement options, but such programs would require new bridge funding for start-up costs.<sup>77</sup>

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<sup>77</sup> Departmental Response to OLS Analysis of the DHS Budget (p. 10).

## **Self-Determination Initiative**

### ***Program Purpose and Description:***

The Self-Determination Initiative is available for individuals with disabilities on the DDD waiting list. The program provides assistance with finances and services for individuals with disabilities and their families who have some resources, but who need additional supports in order to achieve a more independent lifestyle. When individuals on the Community Services Waiting List are approaching the top of the list, they may choose self-determination as a way to develop their own plans of services and determine where and with whom they would like to live.<sup>78</sup> Individuals may live in the homes of family members or obtain assistance in maintaining their own housing, often with roommates. Funding through this initiative is not available for residential placement in programs run by private providers, such as group homes.

### ***Budget and Performance Trends:***

The OLS departmental budget analysis for the FY06 DHS budget indicated that, as of February 2005, about 300 persons participated in the Self-Determination project.<sup>79</sup> There is no information available projecting the number of participants for FY07.

Funding for implementation of the Self-Determination Initiative derives from funding for participants in the Community Services Waiting List Reduction Initiatives, Community Transition Initiative and Community Nursing Care Initiative. Such funds must be used to provide self-determination services to individuals with developmental disabilities who are identified as part of these initiatives. There is significant funding associated with these three appropriations (as indicated in the following table), and there is no budget detail indicating what portion of the funding has been and will be redirected to the self-determination initiative, as opposed to other community services provided to individuals with developmental disabilities.

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<sup>78</sup> <http://www.state.nj.us/humanservices/ddd/dddselfdetermin.html>.

<sup>79</sup> OLS departmental budget analysis (p. 8).

**Grants-in-Aid  
Appropriations Data**

	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
Community Nursing Care Initiative – FY2002	\$1,604,000	\$1,604,000	\$1,169,000	\$1,604,000	\$1,604,000	\$1,604,000
Community Services Waiting List Reduction Initiative – FY2002	\$28,359,000	\$28,359,000	\$20,998,000	\$28,579,000	\$28,579,000	\$28,579,000
Community Transition Initiative – FY2002	\$9,919,000	\$9,919,000	\$7,237,000	\$9,919,000	\$9,919,000	\$9,919,000

**Source: State FY07 Budget Book (p. D-218) & FY07 Appropriation Bill S2007 (p. 117)**

Note – These appropriations are available for transfer to community support programs, according to the FY06 Appropriation Bill S3000 (p. 108). There is no information available regarding what portion of these funds have been transferred or used to serve individuals participating in the Self-Determination Initiative.

## **Adult Day Programs**

### ***Program Purpose and Description:***

DDD provides funding for the purchase of a number of day program services and activities for adults with developmental disabilities. These include adult training services, which help individuals with basic vocational skills,<sup>80</sup> such as those needed to develop social skills, manage money, and take care of their homes. Experience and training opportunities are provided in an adult atmosphere, with the goal of developing the participant's personal, social and work skills to achieve the greatest possible independence.<sup>81</sup> Training services also provide the opportunity to explore personal interests, develop skills, participate in using community resources and make a contribution to their communities.<sup>82</sup>

### ***Budget and Performance Trends:***

In addition to the line-item budget information in the State FY07 Budget Book and FY07 Appropriations Bill, the OLS analysis of the DHS budget indicates that an additional \$4.6 million in funding for respite services will be available in FY07 from federal recoveries.<sup>83</sup>

<b>DDD Adult Activities Evaluation Data</b>				
	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Average daily population – private facilities	8,282	8,392	8,888	8,888
Average cost/client/year <sup>84</sup>	\$14,732	\$16,674	\$17,220	\$17,220

**Source: State FY07 Budget Book (p. D-216)**

<sup>80</sup> Training services that are directly related to employment, including Supported Employment and Sheltered Workshops, are funded separately and are discussed elsewhere in this report. The Supported Employment Program is discussed in the Employment and Jobs Creation chapter of this report. Sheltered Workshops are funded through the Division of Vocational Rehabilitation, which is discussed in this chapter and in the Employment and Jobs Creation chapter of this report.

<sup>81</sup> State FY06 Budget Book (p. D-198).

<sup>82</sup> Division of Developmental Disabilities *Overview of Services*, June 2004, p. 2.

<sup>83</sup> OLS DHS Budget Analysis (p. 4); see discussion of federal recoveries from FY06 expenditures under the description of the Real Life Choices program.

<sup>84</sup> Language in the FY07 Budget Book indicates that figures have been revised to reflect finalized data, which were changed to include the cost of completed placements from FY02 Community Services Waiting List Initiatives and the FY02 Community Nursing Care Initiative (p. D-216).

**Adult Activities  
Direct State Services (by fund and program)  
Appropriations Data**

	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
From general fund	\$1,055,000	\$870,000	\$870,000	\$1,120,000	\$1,120,000	\$1,120,000
From federal funds	\$856,000	\$856,000	\$773,000	\$895,000	\$9385,000	\$938,000
<b>Total all funds</b>	<b>\$1,911,000</b>	<b>\$1,726,000</b>	<b>\$1,643,000</b>	<b>\$2,015,000</b>	<b>\$2,058,000</b>	<b>\$2,058,000</b>

**Source: State FY07 Budget Book (p. D-216) & FY07 Appropriations Bill S2007 (p. 115)**

Note – This funding represents the administrative costs to the state of providing adult activities services.

**Adult Activities  
Grants-In-Aid (by fund and program)<sup>85</sup>  
Appropriations Data**

	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
From General Fund	\$79,147,000	\$79,147,000	\$79,147,000	\$87,117,000	\$87,117,000	\$87,117,000
From Casino Revenue Fund	\$7,374,000	\$7,374,000	\$7,374,000	\$7,374,000	\$7,374,000	\$7,374,000
From Federal Funds	\$35,492,000	\$35,492,000	\$31,933,000	\$37,142,000	\$37,142,000	\$37,142,000
<b>Total All Funds</b>	<b>\$122,013,000</b>	<b>\$122,013,000</b>	<b>\$118,454,000</b>	<b>\$131,633,000</b>	<b>\$131,633,000</b>	<b>\$131,633,000</b>

**Source: State FY06 Budget Book (p. D-199) & FY06 Appropriations Bill S3000 (p. 106 - 107)**

Note – This funding represents the costs of purchasing adult activities services from private providers, broken down by funding source.

<sup>85</sup> The State FY07 Budget Book also includes line-item grants-in-aid funding by fund and object, but these line items only distinguish purchase of adult activities services funded by the Casino Revenue Fund and those purchased with other funding sources (combined general funds and federal funds). Since this information can also be garnered from the grants-in-aid by fund and program line items, the funding is not duplicated in this report.

## **Developmental Centers**

### ***Program Purpose and Description:***

Individuals with the most severe disabilities can receive services through developmental centers. The Division of Developmental Disabilities runs seven [developmental centers](#) across the state for individuals determined by the division to be inappropriate for community placement. The centers are supposed to provide training, medical care and therapy and, as needed, training in preparation for community life.<sup>86</sup>

As discussed under the description of Community Residential Options, an estimated 1,500 residents in the state's Developmental Centers should be moved to less restrictive community placements, but this transition has been occurring only very slowly, due to the absence of adequate community residential placements.

### ***Budget and Performance Trends:***

The largest source of funding for New Jersey's seven developmental centers is the Medicaid Title XIX Intermediate Care Facility for the Mentally Retarded (ICF/MR) funding. The federal ICF/MR funds are reported in the revenue section of the budget. The state also provides a significant portion of the funding for each center. The departmental budget information presents separate budgets for each developmental center, including breakdowns of federal versus state funding.

There are two additional line-item appropriations of state funding in the departmental budget for Developmental Center Enhancement, which will continue to fund improvements in the Woodbridge and New Lisbon centers. These centers were cited for violations by the U.S. Department of Justice (see additional analysis). According to the departmental response to the OLS DHS budget analysis, the \$3.1 million increase in funding the Developmental Center Enhancement is being used primarily to hire staff, with the remainder being used for direct-care staff training, adaptive equipment, and vehicles.<sup>87</sup>

The OLS DHS Budget Analysis notes that there is a 58% reduction in state funding for the developmental centers from \$207.8 million to \$87.4 million, and explains that this reduction will be offset by increased federal funds related to reimbursements from FY06. The federal funding included in line-item appropriations does not include this reimbursement funding, which creates the appearance of a significant reduction in funding for the developmental centers which is not, in fact, the case. The number of residents in the Developmental Centers is expected to decline by about 4% in FY07, with the largest reductions coming from New Lisbon (50) and Woodbridge (39).<sup>88</sup> The following tables report the grand total federal revenue, funds for improvements to the two cited Developmental Centers, and the evaluation and appropriation information for each center, which are reported together.

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<sup>86</sup> <http://www.state.nj.us/humanservices/ddd/dddservices.html>.

<sup>87</sup> Departmental response to OLS DHS Budget Analysis (p. 18).

<sup>88</sup> OLS DHS Budget Analysis (p. 4); the federal reimbursement to DHS for community services in FY06 is discussed in more detail under the description of the Real Life Choices program earlier in this chapter.

<b>Title XIX ICF/MR Schedule 2 (denotes federal revenue)</b>			
<b>Actual FY05</b>	<b>Estimated FY06</b>	<b>Estimated FY07</b>	<b>Appropriated FY07</b>
\$279,053,000	\$282,111,000	\$314,562,000	\$314,562,000
<b>Source: State FY07 Budget Book (p. C-28) &amp; FY07 Appropriation Bill S2007 (p. 15)</b>			

<b>Developmental Center Enhancement Appropriation Data</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
Direct state services	\$5,166,000 \$3,000,000 <sup>S</sup>	\$8,166,000	\$2,333,000	\$4,298,000	--- <sup>89</sup>	---
Grants-in-aid	\$3,910,000 \$5,000,000 <sup>S</sup>	\$8,910,000	\$3,628,000	\$2,894,000	\$10,258,000	\$10,258,000
<b>Source: State FY07 Budget Book (p. D-217, D-218) &amp; FY07 Appropriations Bill S2007 (p. 117)</b>						

<b>Green Brook Regional Center Evaluation Data</b>				
<b>Residential Care and Habilitation Services</b>	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Average daily population	100	97	95	95
Ratio: population/total positions	0.4/1	0.4/1	0.4/1	0.4/1
Gross per capita: annual	\$112,730	\$121,876	\$128,000	\$136,189
Gross per capita: daily	\$308.85	\$333.91	\$350.68	\$373.12
<b>Source: State FY07 Budget Book (p. D-220)</b>				

<sup>89</sup> A note in the FY07 Budget Book indicates that this line item was reallocated to the Woodbridge Developmental Center in FY07 (p. D-218).

**Green Brook Regional Center  
Appropriations Data**

	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
State appropriation	\$1,575,000	\$1,594,000	\$1,585,000	\$1,447,000	\$1,447,000	\$1,447,000
Federal funds	\$10,246,000	\$10,237,000	\$10,237,000	\$10,713,000	\$11,491,000	\$11,491,000
<b>Grand total all funds</b>	<b>\$11,821,000</b>	<b>\$11,831,000</b>	<b>\$11,822,000</b>	<b>\$12,160,000</b>	<b>\$12,938,000</b>	<b>\$12,938,000</b>

Source: State FY07 Budget Book (p. D-221) & FY07 Appropriations Bill S2007 (p. 119)

**Vineland Developmental Center  
Evaluation Data**

<b>Residential Care and Habilitation Services</b>	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Average daily population	492	482	466	454
Ratio: population/total positions	0.3/1	0.3/1	0.3/1	0.3/1
Gross per capita: annual	\$172,772	\$170,263	\$171,873	\$177,874
Gross per capita: daily	\$473.35	\$466.48	\$470.89	\$487.33

Source: State FY07 Budget Book (p. D-221)

**Vineland Developmental Center  
Appropriation Data**

	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recomm. FY07</b>	<b>Actual Approp. FY07</b>
State approp. <sup>90</sup>	\$53,221,000	\$49,986,000	\$49,329,000	\$37,219,000	\$15,640,000	\$15,640,000
Federal funds	\$32,815,000	\$33,019,000	\$32,848,000	\$42,874,000	\$47,075,000	\$47,075,000
<b>Grand total all funds</b>	<b>\$86,036,000</b>	<b>\$83,005,000</b>	<b>\$82,177,000</b>	<b>\$80,093,000</b>	<b>\$62,715,000</b>	<b>\$62,715,000</b>

Source: State FY07 Budget Book (p. D-223) & FY07 Appropriations Bill S2007 (p. 119)

<sup>90</sup> A footnote in the State FY06 Budget Book indicates that the fiscal year 2005 appropriation has been adjusted to reflect enhanced federal funds permitting the reallocation of State funds to the Division of Management and Budget.

**North Jersey Developmental Center  
Evaluation Data**

<b>Residential Care and Habilitation Services</b>	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Average daily population	389	388	396	394
Ratio: population/total positions	0.4/1	0.4/1	0.4/1	0.4/1
Gross per capita: annual	\$132,686	\$127,021	\$130,008	\$133,650
Gross per capita: daily	\$363.52	\$348.00	\$356.19	\$366.16

**Source: State FY07 Budget Book (p. D-223)**

<b>North Jersey Developmental Center Appropriations Data</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
State approp.	\$24,956,000	\$21,648,000	\$21,565,000	\$24,234,000	\$10,891,000	\$10,891,000
Federal funds	\$27,770,000	\$27,819,000	\$27,719,000	\$27,249,000	\$28,567,000	\$28,567,000
<b>Grand total all funds</b>	<b>\$52,726,000</b>	<b>\$49,467,000</b>	<b>\$49,284,000</b>	<b>\$51,483,000</b>	<b>\$39,458,000</b>	<b>39,458,000</b>
<b>Source: State FY07 Budget Book (p. D-224) &amp; FY07 Appropriations Bill S2007 (p. 120)</b>						

<b>Woodbine Developmental Center Evaluation Data</b>				
<b>Residential Care and Habilitation Services</b>	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Average daily population	518	508	489	474
Ratio: population/total positions	0.4/1	0.4/1	0.4/1	0.4/1
Gross per capitas: annual	\$128,658	\$123,514	\$133,530	\$141,295
Gross per capitas: daily	\$352.49	\$338.39	\$365.83	\$387.11
<b>Source: State FY07 Budget Book (p. D-225)</b>				

<b>Woodbine Developmental Center Appropriations Data</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
State approp.	\$35,930,000	\$33,335,000	\$32,274,000	\$34,299,000	\$16,123,000	\$16,123,000
Federal funds	\$30,674,000	\$30,714,000	\$30,672,000	\$30,997,000	\$37,546,000	\$37,546,000
<b>Grand total all funds</b>	<b>\$66,604,000</b>	<b>\$64,049,000</b>	<b>\$62,946,000</b>	<b>\$65,296,000</b>	<b>\$53,669,000</b>	<b>\$53,669,000</b>
<b>Source: State FY06 Budget Book (p. D-226) &amp; FY07 Appropriations Bill S2007 (p. 121)</b>						

<b>New Lisbon Developmental Center Evaluation Data</b>				
<b>Residential Care and Habilitation Services</b>	<b>Actual FY03</b>	<b>Actual FY04</b>	<b>Revised FY05</b>	<b>Estimated FY06</b>
Average daily population	536	526	505	455
Ratio: population/total positions	0.4/1	0.4/1	0.3/1	0.3/1
Gross per capitas: annual	\$125,797	\$155,184	\$164,715	\$191,046
Gross per capitas: daily	\$344.65	\$425.16	\$451.27	\$526.41
<b>Source: State FY07 Budget Book (p. D-227)</b>				

<b>New Lisbon Developmental Center Appropriations Data</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
State approp.	\$36,593,000	\$36,720,000	\$36,684,000	\$42,311,000	\$16,729,000	\$16,729,000
Federal funds	\$42,625,000	\$45,105,000	\$45,034,000	\$40,870,000	\$47,322,000	\$47,322,000
<b>Grand total all funds</b>	<b>\$79,218,000</b>	<b>\$81,825,000</b>	<b>\$81,718,000</b>	<b>\$83,181,000</b>	<b>\$64,051,000</b>	<b>\$64,051,000</b>
<b>Source: State FY07 Budget Book (p. D-228) &amp; FY07 Appropriations Bill S2007 (p. 121)</b>						

<b>Woodbridge Developmental Center Evaluation Data</b>				
<b>Residential Care and Habilitation Services</b>	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Average daily population	501	485	451	412
Ratio: population/total positions	0.4/1	0.4/1	0.3/1	0.3/1
Gross per capitas: annual	\$132,232	\$126,435	\$156,692	\$193,687
Gross per capitas: daily	\$362.28	\$346.40	\$429.29	\$530.65
<b>Source: State FY07 Budget Book (p. D-228)</b>				

<b>Woodbridge Developmental Center Appropriations Data</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
State approp.	\$31,332,000	\$27,589,000	\$27,401,000	\$34,810,000	\$14,041,000	\$14,041,000
Federal funds	\$34,124,000	\$34,236,000	\$33,998,000	\$35,802,000	\$44,587,000	\$44,587,000
All other funds	---	---	---	\$56,000	\$56,000	\$56,000
<b>Grand total all funds</b>	<b>\$65,456,000</b>	<b>\$61,825,000</b>	<b>\$61,399,000</b>	<b>\$70,668,000</b>	<b>\$58,684,000</b>	<b>\$58,684,000</b>
<b>Source: State FY07 Budget Book (p. D-230) &amp; FY07 Appropriations Bill S2007 (p. 122)</b>						

<b>Hunterdon Developmental Center Evaluation Data</b>				
<b>Residential Care and Habilitation Services</b>	<b>Actual FY04</b>	<b>Actual FY05</b>	<b>Revised FY06</b>	<b>Estimated FY07</b>
Average daily population	585	586	587	583
Ratio: population/total positions	0.5/1	0.5/1	0.4/1	0.4/1
Gross per capita: annual	\$117,350	\$119,058	\$116,520	\$119,691
Gross per capita: daily	\$321.51	\$326.19	\$319.23	\$327.92
<b>Source: State FY07 Budget Book (p. D-230)</b>				

<b>Hunterdon Developmental Center Appropriations Data</b>						
	<b>Orig. &amp; --Supple. FY05</b>	<b>Total FY05 Available</b>	<b>Expended FY05</b>	<b>FY06 Adjusted Appropriation</b>	<b>Request/ Recommend FY07</b>	<b>Actual Approp. FY07</b>
State approp.	\$38,308,000	\$34,321,000	\$34,254,000	\$33,455,000	\$12,491,000	\$12,491,000
Federal funds	\$37,159,000	\$37,279,000	\$35,690,000	\$34,942,000	\$38,624,000	\$38,624,000
<b>Grand total all funds</b>	<b>\$75,467,000</b>	<b>\$71,600,000</b>	<b>\$69,944,000</b>	<b>\$68,397,000</b>	<b>\$51,115,000</b>	<b>\$51,115,000</b>
<b>Source: State FY07 Budget Book (p. D-231) &amp; FY07 Appropriations Bill S2007 (p. 123)</b>						

### ***Additional Analysis:***

As noted in the preceding budget discussion, two of New Jersey's Developmental Centers were recently cited by the U.S. Department of Justice for violations of patient rights. While accreditation was not withdrawn for the Woodbridge and New Lisbon centers (as it was for a period between 2001 and 2002), the citations detail a number of violations of individual patient rights. A number of the citations related to an inadequate level of care provided to the residents of the centers, including frequent injuries, inadequate supervision, abuse and neglect, inappropriate use of restraints, and failure to provide adequate medical care. The funding lines for Developmental Center Enhancement are in response to these findings and provide a total of approximately \$7.2 million in state funding for recruiting additional qualified staff and purchasing equipment needed to remedy these problems.

An additional citation is for violation of Title II of the Americans with Disabilities Act as interpreted by the U.S. Supreme Court in the Olmstead decision, which requires that individuals with developmental disabilities be served in the most integrated settings appropriate to their individual needs. Over-reliance on institutional care is an on-going issue for New Jersey. Developmental Centers are highly restrictive settings and, based on the Individual Habilitation Plans of the state's approximately 3,100 DC residents, approximately 1,500 plans have as a goal transition to a community placement. 100 of these individuals lived in the Woodbridge DC and only 5 have been placed in the community. In 2002 a national study ranked New Jersey 48<sup>th</sup> in the country for residents living in large (more than 16 residents) state-operated MR/DD centers. Of the 344 individuals for whom funding was provided in FY01 and FY02 for transition to community placements from Developmental Centers, only 57 had been transitioned as of January 31, 2005. According to the OLS analysis, the FY05 and FY06 funding for Developmental Center Enhancement at New Lisbon was for improvements that included community placement, but no information is available regarding the portion of funding used for this purpose or the number of residents transitioned.<sup>91</sup> In addition to the need for more and better trained staff for Developmental Centers, there is also a clear need for more investment in community living alternatives to transition a larger number of residents out of the centers.<sup>92</sup>

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<sup>91</sup> OLS DHS Departmental Budget Analysis (p. 24).

<sup>92</sup> The Association for The Betterment of Citizens with Disabilities contributed substantially to the information presented in this analysis.

## **Recommendations**

### **Residential Services / Community Residential Options**

- Funding for residential services and community residential options should be increased to allow all consumers currently on the Community Services Waiting List to gain appropriate community placements in the least restrictive setting consistent with their needs, strengths, and choices.
- The state should guarantee the availability of additional funding for supplemental habilitation skills training and recreational and social services for consumers currently on the Community Services Waiting List.

Moving into the community can be a critical life-altering event for many consumers with developmental disabilities. As a result, delays in putting consumers in community placements waste important opportunities for personal growth and life satisfaction. Ensuring the availability of supplemental enrichment services for consumers on the waiting list can mitigate the detrimental impact of such delays for consumers ready to move into the community.

### **NJ Workability**

- Full funding for the WorkAbility program should continue, and additional money should be allocated for an education and publicity campaign to increase enrollment of eligible disabled workers and potential workers.

Given the historic persistence of work disincentives in benefits programs for the disabled, outreach is needed to inform potential participants about the WorkAbility program. It is important that potential beneficiaries of WorkAbility fully understand how they can now work and continue to maintain Medicaid eligibility. In addition to mailing information on WorkAbility to disability organizations and SSI and SSD recipients, sufficient funding should be allocated to attempt to speak to all SSI and SSD recipients by phone about the program. Both written and oral outreach should be rich with examples of people who may benefit from the program.

- The Office of Civil Rights should increase its efforts to monitor and enforce federal and state disability-based employment discrimination law.

As more individuals with disabilities learn about and participate in the NJ WorkAbility program, it is likely that there will be an increase in the number of people with disabilities actively looking for work. Given this increase, it is also likely that there will be an increase in the gross number of cases of discrimination based on disability, which it is the responsibility of the Office of Civil Rights to investigate and prosecute. This office must ensure that potential workers and employers are aware of the protections afforded by disability status and must vigorously enforce these protections.

## **Personal Assistance Services Program**

- Funding for the Personal Assistance Services Program should be increased to allow all eligible program applicants currently on the waiting list to begin receiving services.

The Personal Assistance Services Program offers a nationally-recognized model for providing essential personal assistance services without imposing work disincentives on those people with disabilities most active in the community. Program clients use the services to help themselves live as independently as possible and to contribute to the economic and social life of this state. Given that life-altering, positive opportunities (such as job offers) can come infrequently to people with disabilities, the current waiting period could create irrevocable barriers to the ability of some persons with disabilities to live independently.

- The cash option model of PASP, already utilized by Hunterdon and Essex counties, should be adopted statewide.

The cash option already adopted in Hunterdon and Essex counties represents a particularly well-designed program. The needs of individual personal assistance services recipients can vary tremendously based on their lifestyles, the makeup of their households, geography, and many other factors. By giving each client the opportunity to essentially design his or her own personal assistance program, the program can allow participants to enjoy services that maximally serve particularized needs in a cost-effective manner. Furthermore, participation in planning the personal assistance program also helps to foster independent living skills that will be useful in all aspects of a program participant's life.

## **General Recommendation**

- State benefits programs that use income-based criteria as part of an eligibility determination or measure for determining client-cost-of-share should take into account disability-related expenses.

As a first step, all state government programs with income eligibility requirements should subtract identifiable unreimbursed disability-related expenses from any gross income that is counted. Since disability-related costs can exist in a number of areas of a person's life, and some of those costs may be relatively subtle (e.g., increased rental rates due to a shortage of wheelchair-accessible apartments), program administrators should adopt a relatively liberal interpretation of "disability-related" in making these adjustments.