



TOPEKA

HOUSE OF
REPRESENTATIVESCOMMITTEE ASSIGNMENTS
CHAIR: SOCIAL SERVICE BUDGETMEMBER: APPROPRIATIONS
HEALTH & HUMAN SERVICES

J. DAVID CRUM

STATE REPRESENTATIVE, DISTRICT 77

2903 LAKESHORE DR.
AUGUSTA, KS 67010
(316) 775-6826STATE CAPITOL—50-S
TOPEKA, KS 66612
785-296-7639

Chairman Brunk & Committee Members:

1. The purpose of House Bill 2442 is to provide greater opportunities for employment for disabled Kansans. It has been demonstrated that individuals with disabilities exhibit a strong work ethic and become very productive workers. When employed, the disabled live happier, healthier, more productive and fulfilling lives.

The state has a significant investment in special education training for our youngsters who exhibit developmental disabilities (\$750 million in 2011). It only makes sense to move these individuals into competitive employment before they lose their skills and require more costly adult waiver services. Not only does employment opportunities improve the quality of life of the disabled but each disabled adult that is moved off the Medicaid Waiver into competitive employment reduces the state's Medicaid cost and reduces costs to the federal government through Supplemental Security Income or Supplemental Security Disability Income (PD: \$21,000 per year, DD: \$40,000 per year, SSI & SSDI: \$26,000 per year).

Example: Center Industries has an employee who is eligible for the Developmental Disability waiver but never exercised the waiver and has worked for 35 years. This has saved the state \$1.4 million and the federal government \$910,000 for a total savings of \$2,310,000.

2. The bill encourages the hiring of individuals with developmental and physical disabilities by companies that contract with the state through the director of purchasing as well as the hiring of more individuals with disabilities by "Use Law" vendors. The incentive mechanism works in two ways:

- a. A certified business that employs 20% disabled workers and provides 70% of the cost of the disabled workers health insurance will have a 10% advantage in the state bidding process.
 - b. A responsible bidder may deduct the cost of purchases made from a state use law vendor during the previous calendar year from the original bid used to determine the lowest possible bid. The deduction may not exceed 10% of the original bid.
3. For the purpose of this bill the definition of disability is as follows:
 - a. Any individual certified by SRS as having a physical or mental impairment which constitutes a substandard barrier to employment and
 - b. Is receiving services, has received services or is eligible to receive services under a Home and Community Based Services Program and
 - c. Is employed by a 501(c)(3) charitable organization domiciled in the state of Kansas.
4. Issues related to the bill:
 - a. There are 15,000 working age adults on state waiver programs
 - b. The DD waiting list is 4,400 and PD waiting list is 2,900
 - c. Reporting requirements to House and Senate Social Services Committees regarding the number of jobs created by the bill and the number of individuals removed from waiver services.
 - d. Mechanism to move individuals back onto the waiver if they lose employment.
5. Examples of employment opportunities for disabled Kansans:
 - a. CDDOs through Direct Service Providers provide sheltered workshops or facility and yard maintenance for individuals with Developmental Disabilities who don't have the skills to work in competitive employment.
 - b. Direct Service Providers also provide "Supported Employment" for individuals who can work part time or full time in the community.
 - c. Use Law vendors (Goodwill Industries, Envision and Ketch) usually provide part time employment for the disabled; however, under this legislation it is hoped that Use Law vendors can move more of the employees into full time employment and off the waiver.
 - d. The Cerebral Palsy Research Foundation has two support organizations known as Center Industries Corporation (CIC) and Business Technology Career Opportunities (BTCO). CIC is a manufacturing company with 300 employees, many of whom are disabled, and BTCO employs 21 individuals with disabilities. Employees at these two companies are provided with benefits that keep them off the Medicaid Waiver.