



**Doug Wisby, President/CEO**  
**HB 2550**  
**In support of this bill**  
**Written testimony only**  
**House Social Services Budget Committee**

February 7, 2020

Honorable Representative Will Carpenter  
Chairperson  
Kansas House Social Services Budget Committee  
Kansas State Capital Building  
Room 144-S  
300 SW 10<sup>th</sup> Street  
Topeka, Ks. 66612

RE: HB 2550

Dear Representative Carpenter and Distinguished Members of the Committee:

I am providing written testimony on behalf of Multi Community Diversified Services a community service provider organization that has provided services to persons with intellectual and developmental disabilities (I/DD) for 48 years. **MCDS supports the passage of HB 2550.**

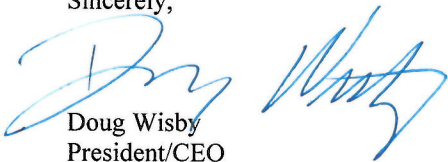
There is a roughly 40% gap between inflation and current provider rates paid to providers like MCDS over the last 20 years through 2019. House Bill 2550 provides for a multi-year rate increase for Home and Community based providers to try and address roughly a decade of reimbursement rate stagnation and the effects of such stagnation on providers like MCDS.

MCDS continues to struggle with hiring, training and retaining qualified staff to serve persons with I/DD in our community. These difficulties affect our ability to fill existing positions and contribute to significant overtime, burnout and turnover among our employees. Currently MCDS turns over 3 out of every 4 employees hired within a year due to low pay, poor benefits and significant hours worked due to employee shortages. All of this is directly attributable to low provider reimbursement rates.

In addition, there is a significant waiting list for I/DD services in Kansas that continues to grow every year. The provider community is struggling to serve persons with services in the community currently. Taking people off the waiting list without addressing rates will only make a bad situation worse. We must address rates. It is my hope that the state will invest in community service providers to address this significant problem.

By almost every metric, services in the community are significantly less expensive than institutional care and are better for the person served, their family, our community and the state. Please support HB 2550.

Sincerely,



Doug Wisby  
President/CEO



# I/DD services in Kansas and proposed rates and waiting list bills HB 2550 and SB 348

February 2020

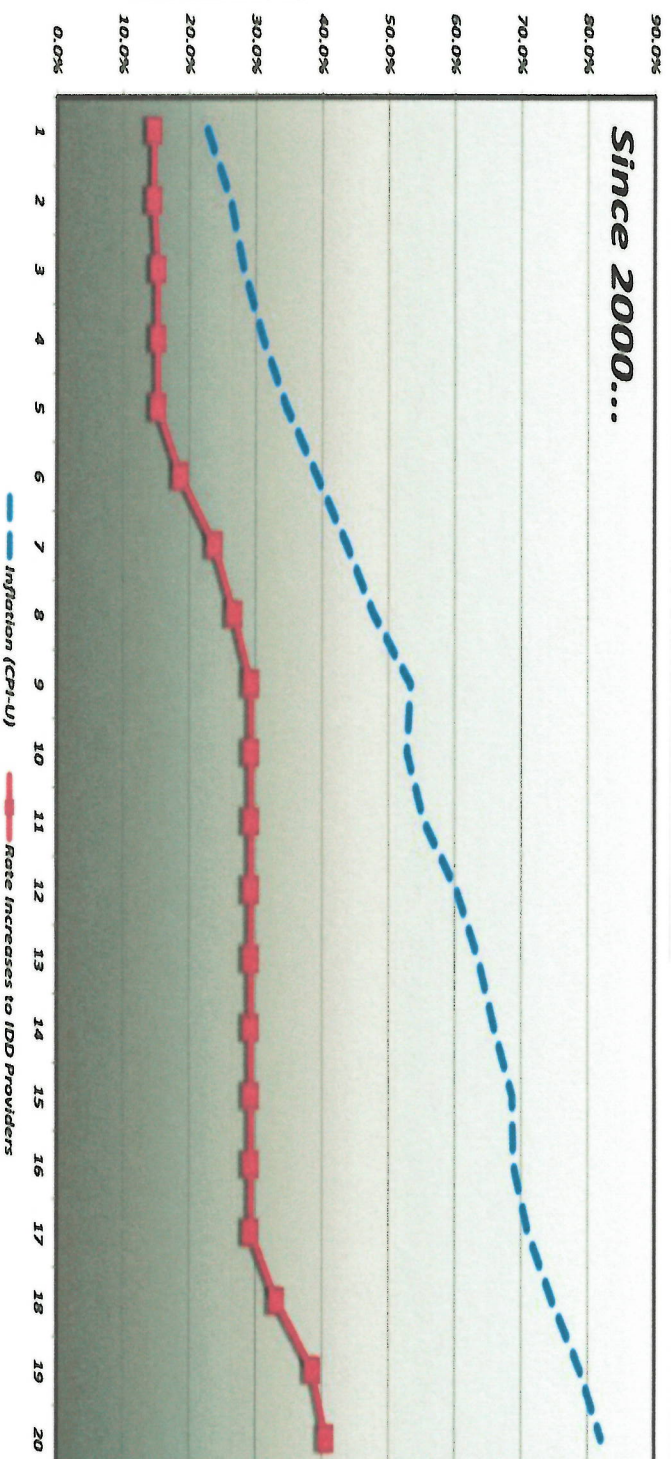
# History

The gap between the rates paid to I/DD providers and inflation (cost of doing business) has grown significantly over the last 20 years.

Even with the recent rate increases afforded to providers over the last few years the gap between rates and the cost of inflation stands at roughly 40% since 2000 **(including the recent increases)**.

This gap significantly affects our ability to hire and retain staff for our current population as well as significantly affects our ability to serve additional people including those currently on the waiting list in Kansas.

# Consumer price index to rates comparison “the gap”







# MCDS Agency Information

Number of employees - 110

Average annual turnover (December 2019) - 77%

Current open positions for Direct Support Professionals - 19

Services provided at 23 different locations and in 3 different counties.

# Significant increases in the cost of doing business

Insurance including workmans compensation and general liability.

Benefits including medical insurance, KPERS, payroll tax rates and other retirement costs. *(MCDs cannot provide medical insurance to its employees due to the cost).*

Utilities

Transportation including gas, oil, insurance and maintenance.

Infrastructure including technology, building costs and maintenance.

Competitive wage rates for McPherson, Harvey and Marion counties.

# Solutions

**Rate increases to narrow “the gap” so we can:**

Hire additional staff to limit overtime for existing staff (same number of overall hours). This will save money, limit burnout and turnover and improve services.

Hire additional staff so we can take individuals off the waiting list many who have been waiting for years for services.

Annual cost of living adjustment based upon CPI to keep “the gap” between rates and inflation from continuing to increase.

Improve services to the disabled in Kansas.

# Thank you for your representation and service!!

Please contact me if you have any questions whatsoever

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