

D12A02
Department of Disabilities

Operating Budget Data

(\$ in Thousands)

	<u>FY 09</u> <u>Actual</u>	<u>FY 10</u> <u>Working</u>	<u>FY 11</u> <u>Allowance</u>	<u>FY 10-11</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$2,764	\$2,735	\$2,728	-\$7	-0.3%
Contingent & Back of Bill Reductions	0	0	-38	-38	
Adjusted General Fund	\$2,764	\$2,735	\$2,690	-\$45	-1.6%
Special Fund	159	241	193	-48	-19.9%
Contingent & Back of Bill Reductions	0	0	-3	-3	
Adjusted Special Fund	\$159	\$241	\$191	-\$51	-21.1%
Federal Fund	1,399	2,212	2,405	193	8.7%
Contingent & Back of Bill Reductions	0	0	-17	-17	
Adjusted Federal Fund	\$1,399	\$2,212	\$2,388	\$176	8.0%
Reimbursable Fund	459	260	432	172	66.0%
Contingent & Back of Bill Reductions	0	0	-6	-6	
Adjusted Reimbursable Fund	\$459	\$260	\$426	\$166	63.9%
Adjusted Grand Total	\$4,781	\$5,448	\$5,695	\$247	4.5%

Note: For purposes of illustration, the Department of Legislative Services has estimated the distribution of selected across-the-board reductions. The actual allocations are to be developed by the Administration.

- The fiscal 2011 allowance for the Maryland Department of Disabilities (MDOD) increases by \$246,792, or 4.5%, after accounting for contingent and Back of the Bill reductions compared to the fiscal 2010 working appropriation. The increase occurs as the result of the federal fund appropriation, which increases by \$176,435, and the reimbursable fund appropriation, which increases by \$166,191. These increases are partially offset by decreases by \$44,974 in general funds and \$50,861 in special funds.
- The major changes in the fiscal 2011 allowance reflect additional funding available through the Medicaid Infrastructure Grant (MIG) and changes in reimbursable fund agreements including an agreement with the Department of Health and Mental Hygiene (DHMH) to conduct peer-to-peer outreach related to the Money Follows the Person (MFP) program.

Note: Numbers may not sum to total due to rounding.

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Personnel Data

	<u>FY 09 Actual</u>	<u>FY 10 Working</u>	<u>FY 11 Allowance</u>	<u>FY 10-11 Change</u>
Regular Positions	26.00	25.70	23.70	-2.00
Contractual FTEs	<u>5.50</u>	<u>5.50</u>	<u>6.00</u>	<u>0.50</u>
Total Personnel	31.50	31.20	29.70	-1.50

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	0.71	3.00%
Positions and Percentage Vacant as of 12/31/09	3.00	11.67%

- The fiscal 2011 allowance abolishes 2.0 regular positions in MDOD that have been vacant longer than one year. These positions were for the Director of Housing Policy and a web content manager that was also part of the constituent services team. MDOD advises that these functions have been performed by other MDOD staff since the positions became vacant.
- MDOD had a net increase of 0.5 contractual full-time equivalent (FTE) position, resulting from several changes in contractual staffing plans. A decrease of 1.0 contractual FTE position for an emergency planner position results from a reimbursable fund agreement that is no longer in effect. A decrease of a 0.5 contractual FTE position is due to plans to create a family outreach coordinator for work under the MIG that was never filled. Two new 0.5 contractual FTE positions are added within the Maryland Technology Assistance Program to provide training, information, referral services, and demonstrating and loaning assistive technology. An increase of 1.0 contractual FTE position is the result of the MFP peer-to-peer outreach program.
- The turnover expectancy of MDOD remains relatively stable between the fiscal 2010 working appropriation (3.2%) and the fiscal 2011 allowance (3.0%). As of December 31, 2009, MDOD had a vacancy rate of 11.7% representing 3.0 positions. After accounting for the 2.0 position abolitions in the fiscal 2011 allowance, MDOD would have 1.0 position vacant. MDOD needs to maintain 0.71 positions vacant to meet its turnover expectancy.

Analysis in Brief

Major Trends

Progress in Transportation Services Is Unclear: MDOD typically provides information in its Managing for Results (MFR) submission related to public transportation. Progress has been made to improve transportation options in the Maryland Transit Administration, as shown by the recent increases in the paratransit service provided on time and the number of monthly disabled passes purchased. However, data from the Washington Area Metropolitan Transit Authority (WMATA) has not been consistently available and is not included in the fiscal 2011 budget books. The lack of consistent WMATA data prevents a clear picture of the progress in transportation services.

Emergency Preparedness Activities Decrease at MDOD: MDOD has completed work in the area of emergency preparedness since January 2004 as a result of funding provided through other State agencies, DHMH and the Maryland Emergency Management Agency. However, beginning in fiscal 2010, MDOD is no longer receiving funding to complete emergency preparedness work limiting its role in the future.

Recommended Actions

1. Add budget bill language to delete one position which is not funded in the allowance.
2. Adopt committee narrative requesting a plan for the consistent inclusion of Washington Metropolitan Area Transit Authority data.

Updates

Transition of the Administration of the Medicaid Infrastructure Grant: During fiscal 2009, MDOD began administering MIG, which was previously administered by DHMH. MDOD has sought to expand outreach under this program through work with the Department of Business and Economic Development and the Department of Labor, Licensing, and Regulation (DLLR) for employer outreach and with DLLR and Department of Human Resources for participants. The fiscal 2011 allowance provides an increase of nearly \$185,000 for MIG.

Revised Managing for Results Measures Related to Housing Services: Committee narrative in the 2009 *Joint Chairmen's Report* requested that MDOD include additional or alternative performance measures to reflect the range of housing issues that MDOD considers important to individuals with disabilities beginning with the fiscal 2011 budget. MDOD's fiscal 2011 MFR submission includes nine new measures related to rental assistance, new housing units, homeownership, and home modification to support MDOD's goal of individuals with disabilities having access to affordable, accessible housing in communities of their choosing.

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Department of Disabilities

Operating Budget Analysis

Program Description

The Maryland Department of Disabilities (MDOD) is the principal State agency responsible for developing, maintaining, revising, and enforcing statewide disability policies and standards throughout the units of State government. MDOD focuses on increasing the capacity of Maryland communities to provide services in inclusive settings, creating a citizen-centered delivery system which allows consumers to make meaningful choices and maintain control of their lives, bringing into the service delivery system elevated expectations about the capacities of individuals with disabilities, incorporating accessible design into communities and technologies, and constructing a seamless, responsive, and coordinated service delivery system. As part of this work, MDOD directs the development and implementation of the *State Disabilities Plan*.

The department also provides expertise on the law and State compliance issues and manages the Medicaid Infrastructure Grant (MIG) for the State. In addition, MDOD administers the following programs:

- ***Constituent Services Program:*** provides information, referrals, resource listings, and access assistance to individuals with disabilities, their families, and their caregivers.
- ***Attendant Care Program:*** provides financial reimbursement for eligible individuals with chronic or severe physical disabilities who require attendant services.
- ***Maryland Technology Assistance Program (MD TAP):*** provides technical assistance statewide for individuals with disabilities, making disability-related technology more readily available.
- ***Access Maryland Program:*** brings State-owned facilities into compliance with State and federal access requirements for people with disabilities.

MDOD's key goals are:

- that persons with disabilities improve their quality of life by acquiring assistive technology to work, operate businesses, excel in school, live in safe and accessible homes, enjoy independent transportation, and gain greater access to their communities;
- that persons with disabilities have access to community-based, self-directed long-term services that enable them to live in their community;
- that persons with disabilities have access to reliable transportation options;

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- that persons with disabilities have access to integrated training and employment options in the community;
- that persons with disabilities will have access to affordable, accessible housing in communities of their choosing; and
- that Maryland’s State facilities and technology are accessible and universally designed, promoting independence and participation of people with disabilities.

Performance Analysis: Managing for Results

In its annual Managing for Results (MFR) performance measures, MDOD presents information on the performance of not only programs contained within MDOD, but programs in other State agencies that serve individuals with disabilities. These MFR measures demonstrate MDOD’s role as a coordinating agency and highlight key areas of services for individuals with disabilities such as employment, housing, community-based services, and transportation.

MDOD also produces the *State Disabilities Plan* and *Annual State Progress Report*. The *2009 State Disabilities Plan* focused on nine service areas, some of which are also measured in the MFR. These areas include:

- housing;
- transportation;
- employment and training;
- community living;
- health and behavioral health;
- education;
- children and family support services;
- technology; and
- emergency preparedness.

The *State Disabilities Plan* provides information on accomplishments, goals, and strategies in each of these areas. Listed with each strategy is the State agency(ies) responsible for that activity. The *Annual State Progress Report* measures the progress toward each strategy.

While recognizing the important work of all State agencies responsible for providing services to individuals with disabilities, it is also necessary to focus on MDOD's role in achieving progress in these key service areas. The following discussion focuses on the specific role of MDOD in two of the areas reported in this plan, transportation and emergency preparedness, in fiscal 2009 and 2010. This discussion includes some information reported in the *2009 State Disabilities Plan* as well as other information about accomplishments and activities provided by MDOD.

Transportation

The MFR for MDOD in the area of transportation includes one goal with two objectives and multiple measures related to the performance of the Maryland Transit Administration (MTA) in the Maryland Department of Transportation (MDOT) in fiscal 2011. Beginning with the fiscal 2008 submission, MDOD attempted to include information on the performance of the Washington Metropolitan Area Transit Authority (WMATA) as well. However, timing issues has resulted in limited information being included. The fiscal 2011 MFR submission for MDOD contains no performance information on WMATA.

Goal 3 states, “[p]ersons with disabilities have access to reliable transportation options.”¹ The objectives for this program relate to increasing the service and use of paratransit and fixed route transportation. The measures for these objectives focus on the number of persons with disabilities certified for these transportation options, number of persons using this service (as measured by rides or passes), the on-time service of paratransit and the percent of accessible buses in fixed route.

MDOD's *2009 State Disabilities Plan* lists four goals in the area of transportation. These four goals focus on:

- improving access to public and personal transportation;
- increasing the use of fixed-route transportation;
- examining cross-regional transportation capacity to allow for travel across regions that involves multiple systems; and
- allowing shorter trips, increasing flexibility, and streamlining transportation scheduling for persons traveling to community service agencies, such as the Developmental Disabilities Administration (DDA), Mental Health Administration, and Department of Aging.

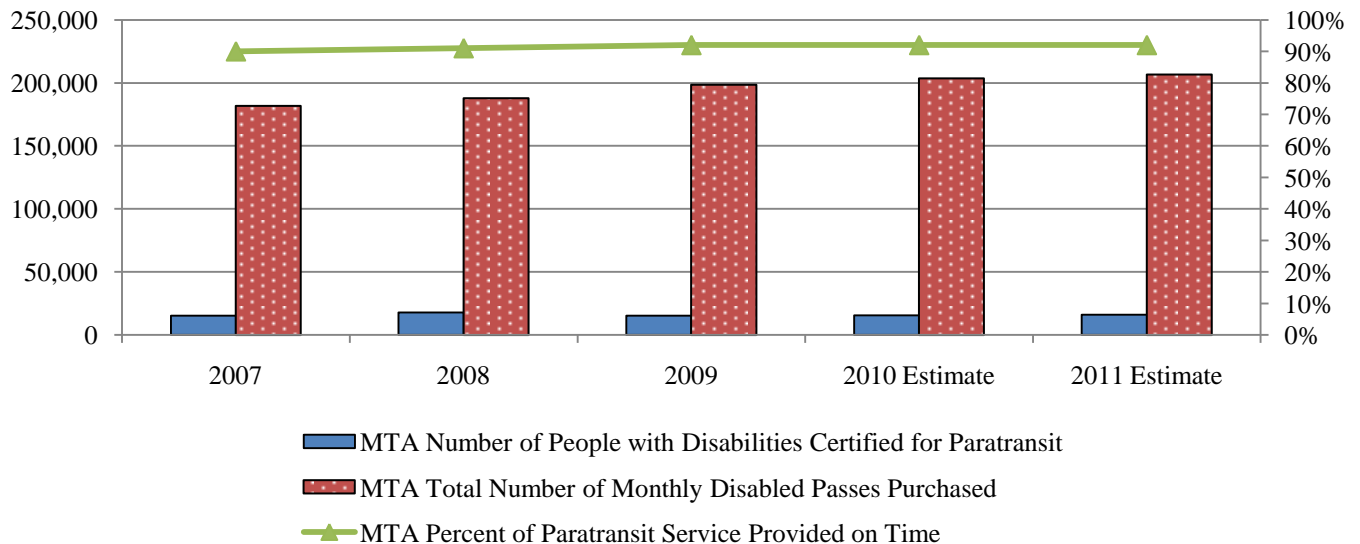
¹ Fiscal 2011 Maryland State Budget Books.

MDOD developed strategies for each of these goals and included itself as one of the responsible agencies for each strategy. Some examples of the strategies are:

- examining the feasibility of including travel training on demand in MTA’s business plan for the mobility paratransit;
- developing a transportation matters fact sheet;
- assessing potential revisions to paratransit services certification; and
- examining options for statewide cross-jurisdictional reciprocity of certifications.

Exhibit 1 shows some of the information reported in MDOD’s MFR in the area of transportation and the overall progress of the State in reaching transportation goals. The percent of on-time service for paratransit improved slightly between fiscal 2007 and 2009, reaching 92% in fiscal 2009. The number of monthly disabilities passes purchased, one method of estimating usage of fixed route transportation, has also improved between fiscal 2007 and 2009 and is expected to continue to increase through fiscal 2011. The number of people certified for paratransit has fluctuated between years.

Exhibit 1
Transportation Performance
Fiscal 2007–2011



MTA: Maryland Transit Administration

Source: Maryland Department of Disabilities; Governor’s Budget Books

Fiscal 2009 accomplishments of MDOD in the area of transportation were to work with MTA on changes to the Taxi Access Program and initiate expanded travel training and orientation for the fixed route systems. MDOD indicates that the focus in transportation in fiscal 2010 will be on three issues: (1) cross-regional transportation issues; (2) transportation issues for individuals with chronic health needs; and (3) streamlining services at the Motor Vehicle Administration for individuals with disabilities.

While MDOD's MFR measures do not reflect all of the goals shown in the *2009 State Disabilities Plan*, the measures reflect key aspects of the progress in improving public transportation to individuals with disabilities. **However, the Department of Legislative Services (DLS) recommends that MDOD, WMATA, and MDOT work together to develop a plan for the consistent inclusion of data related to the WMATA service provision in MDOD's MFR to enable a fuller understanding of progress for Maryland citizens in all regions of the State.**

Emergency Preparedness

MDOD does not report on the area of emergency preparedness as part of the MFR. In the *2009 State Disabilities Plan*, MDOD developed four goals in this area. These goals focus on:

- preparedness to survive an emergency or disaster and an ability to meet basic needs for at least 72 hours;
- preparedness of DDA licensed residential homes, State Residential Centers, nursing homes, and assisted living centers to evacuate or shelter in place;
- ensuring that people with disabilities know the locations and accessibility of all shelters and the types of equipment and supplies available at those shelters; and
- ensuring that timely and accessible notification of emergencies is available to individuals with disabilities.

MDOD developed specific strategies to accomplish the goals listed in the *2009 State Disabilities Plan*. Some examples of these strategies are:

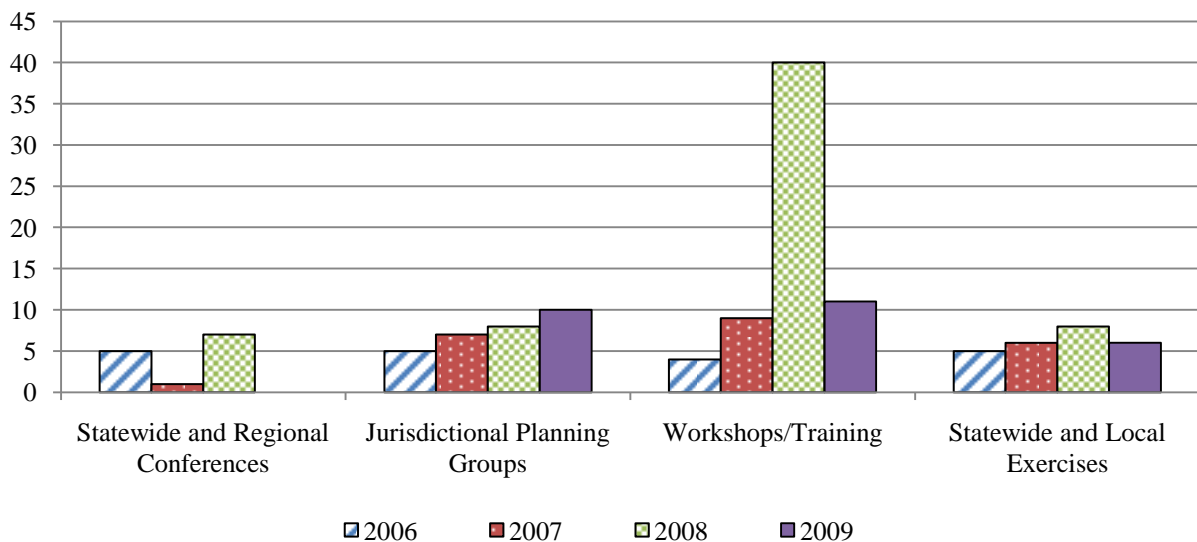
- to develop evacuation or sheltering in place plans and training for employees and visitors of State owned/leased buildings;
- participate in exercises at the State, local, and regional level and have a group of volunteers to participate in the exercises;
- conduct various types of training for populations including individuals with disabilities living independently and human service facilities;

- determine the accessibility, inventory, and location of public shelters;
- assess the emergency notification systems to determine if gaps exist in the ability to notify individuals with disabilities of emergencies in a manner that is timely and accessible.

MDOD anticipates altering some of these goals as a result of changes in funding for emergency preparedness activities that has recently limited the role of MDOD.

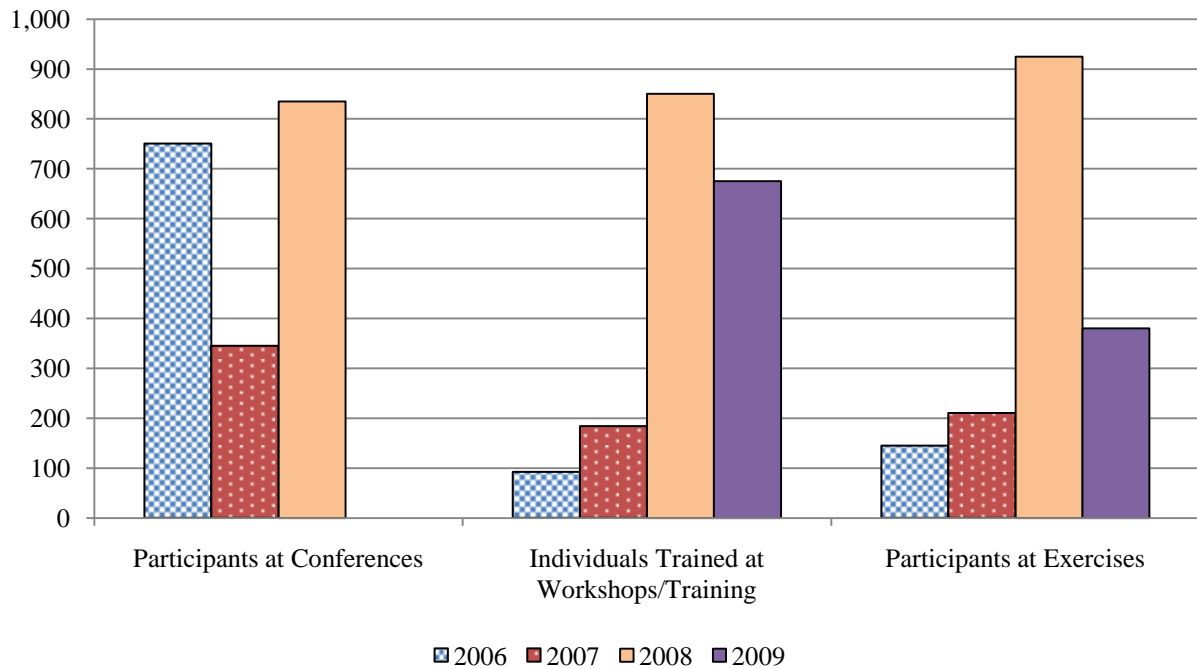
MDOD tracks several measures of activity in the area of emergency preparedness. As shown in **Exhibit 2**, the number of workshops and training and exercises increased from fiscal 2006 to 2008 and then declined in fiscal 2009. The number of conferences fluctuated from year to year, reaching a high of seven in fiscal 2009. The number of jurisdictional planning groups, however, increased in all years. **Exhibit 3** shows a similar trend in terms of the number of participants in these activities.

Exhibit 2
Emergency Preparedness Activities
Fiscal 2006-2009



Source: Department of Disabilities

**Exhibit 3
Participants in Emergency Preparedness Activities
Fiscal 2006-2009**



Source: Department of Disabilities

The decrease in activity in each of these areas is likely to continue in fiscal 2010 and 2011 as MDOD indicates that no conferences will be conducted with funding through MDOD in these years. In addition, MDOD indicates that there are no specific plans for the formation of additional jurisdiction planning groups or additional workshops or trainings conducted by MDOD.

MDOD articulated some accomplishments in the area of emergency preparedness in the *2009 State Disabilities Plan*. These accomplishments include activities such as participation in one statewide and one local pandemic flu exercise, the development and implementation of the “Path to Readiness Guide” and “Path to Readiness Assistant’s Guide,” and the development of templates to assist developmental disabilities and nursing home providers to develop emergency plans.

MDOD previously received funding from other agencies, Department of Health and Mental Hygiene (DHMH) and Maryland Emergency Management Agency (MEMA), to support its emergency preparedness activities. These funds supported 1 regular and 1 contractual position in the area of emergency preparedness. MDOD indicates that the agency is no longer receiving these funds and beginning in September 2009 has had no positions dedicated to this work.

Although no specific activities are planned for fiscal 2010 and 2011, MDOD anticipates continuing to work with agencies, such as DHMH, MEMA, and the Department of Human Resources (DHR) to ensure training is conducted as needed. MDOD also anticipates some of the goals from the *2009 State Disabilities Plan* will be implemented in modified ways with the assistance of other State agencies, *e.g.*, DHR and the Office of the Deaf and Hard of Hearing. **MDOD should discuss other steps the agency expects to take to ensure that individuals with disabilities are prepared for emergencies and disasters in light of the recent decreases in funding.**

Fiscal 2010 Actions

Impact of Cost Containment

MDOD's fiscal 2010 appropriation has decreased by \$205,233 as a result of cost containment actions approved by the Board of Public Works on August 26 and November 18, 2009. The majority of the decrease (\$201,289) was in general funds.

A decrease of \$40,689 resulted from savings associated with the furlough plan. An additional decrease of \$136,455 results from holding 2 positions vacant and a fund swap to use funds available from the MIG and an agreement with DHMH for activities associated with the Money Follows the Person (MFP) peer-to-peer outreach program for some personnel costs. MDOD indicates that, for those positions that will be funded through MFP, the non-MFP duties will be transferred to other MDOD staff.

The remaining decrease of \$28,089 occurs among general operating expenses and grants with the largest of these reductions (\$13,000) for contractual services to reduce staff training, the Goldmine technical support agreement, holding the Maryland Commission on Disabilities meetings through conference call, reducing outreach, and other services.

MDOD indicates that reductions in the areas of in-state conference attendance can be expected to impact the MDOD's ability to conduct outreach and maintain relationships with organizations working within the disability community.

Proposed Budget

As shown in **Exhibit 4**, MDOD's fiscal 2011 allowance increases by \$246,792, or 4.5%, after accounting for contingent and Back of the Bill reductions compared to the fiscal 2010 working appropriation. This increase occurs among federal funds, which increase by \$176,435, or 8.7%, and reimbursable funds, which increase by \$166,191, or 63.9%. These increases are partially offset by a decrease in general funds of \$44,974 and special funds of \$50,861.

Exhibit 4
Proposed Budget
Department of Disabilities
(\$ in Thousands)

How Much It Grows:	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Fund</u>	<u>Federal</u> <u>Fund</u>	<u>Reimb.</u> <u>Fund</u>	<u>Total</u>
2010 Working Appropriation	\$2,735	\$241	\$2,212	\$260	\$5,448
2011 Allowance	<u>2,728</u>	<u>193</u>	<u>2,405</u>	<u>432</u>	<u>5,758</u>
Amount Change	-\$7	-\$48	\$193	\$172	\$310
Percent Change	-0.3%	-19.9%	8.7%	66.0%	5.7%
Contingent Reduction	-\$38	-\$3	-\$17	-\$6	-\$63
Adjusted Change	-\$45	-\$51	\$176	\$166	\$247
Adjusted Percent Change	-1.6%	-21.1%	8.0%	63.9%	4.5%

Where It Goes:

Personnel Expenses

Regular earnings primarily due to fiscal 2010 cost containment actions including a fund swap offset by estimated Section 18 furlough reductions.....	\$98
Employee and retiree health insurance partially offset by estimated Section 19 reductions	38
Employee retirement	33
Social Security contributions.....	7
Unemployment	3
Change in turnover expectancy	-1
Abolition of 2.0 positions	-104

Medicaid Infrastructure Grant

Grants to State agencies including DBED, DLLR, and University of Baltimore for activities related to the Medicaid Infrastructure Grant	212
10 additional interns for the Employed Individuals with Disabilities Program	60
Decreased need for equipment purchases primarily related to computers for interns.....	-32
Decrease in contractual services to reflect changing needs partially offset by increase in printing of outreach materials.....	-46
Elimination of a 0.5 contractual position for a Family Outreach Coordinator that was not filled	-54

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Where It Goes:

Peer-to-peer Outreach

Outreach contract for the Eastern Shore Region	115
Interns to conduct outreach to nursing home residents	67
1.0 contractual FTE position	38
Laptops to be used by interns for tracking outreach and supplies	7

Other Program Changes

Two new 0.5 contractual positions in MD TAP for demonstration and loan, technical assistance, and related activities	62
End of National Technical Assistance and Research Leadership Center grant for the State Leaders Innovation Institute	-45
Elimination of a 1.0 contractual position due to the end of the agreement with MEMA to conduct emergency preparedness activities	-55
Decrease in grants and contractual services in MD TAP to contain costs and bring some activities in-house partially offset by increase for education and training related contracts	-55
End of Money Follows the Person Family-to-Family Mentoring Project Agreement between the DDA and DDC	-117

Administrative Expenses

In-state routine travel primarily due to peer-to-peer outreach program activities	28
Restore funding for interns and discretionary grants reduced in cost containment	7
Elimination of travel to conferences	-30
Other changes	11

Total **\$247**

DBED: Department of Business and Economic Development
 DDA: Developmental Disabilities Administration
 DDC: Developmental Disabilities Council
 DLLR: Department of Labor, Licensing, and Regulation
 FTE: full-time equivalent
 MD TAP: Maryland Technology Assistance Program
 MEMA: Maryland Emergency Management Agency

Note: Numbers may not sum to total due to rounding.

Impact of Cost Containment

The fiscal 2011 budget reflects several across-the-board actions to be allocated by the Administration. This includes a combination of employee furloughs and government shut-down days similar to the plan adopted in fiscal 2010; a reduction in overtime based on accident leave management; streamlining of State operations; hiring freeze and attrition savings; a change in the injured workers' settlement policy and administrative costs; and a savings in health insurance to

reflect a balance in that account. For purposes of illustration, DLS has estimated the distribution of selected actions relating to employee furloughs and health insurance.

In addition, 2 positions that had been vacant for longer than 12 months are abolished in the fiscal 2011 allowance, resulting in a decrease of \$104,417. These positions were for the Director of Housing Policy and a web content manager who also worked as part of the Constituent Services Team. The duties of these positions have been performed by other MDOD staff since the positions became vacant.

MDOD also eliminated funding for travel to both in-state and out-of-state conferences, a reduction of \$30,001.

Medicaid Infrastructure Grant

The fiscal 2011 allowance provides an increase in support for the MIG program of \$184,721, or 24.6%. Overall the increased funding in the fiscal 2011 allowance for this program reflects carryover funding from prior years.

Cost containment actions reduced general fund support for some personnel costs to be replaced with funding through MIG. The federal fund replacement has not yet been brought into the fiscal 2010 appropriation, slightly distorting the year-to-year change. The fiscal 2011 allowance for MIG provides some funding for personnel expenditures.

The major changes in MIG funding result from a realignment of funding to reflect the needs of the program and the availability of carryover funding. Some of the areas of increased MIG funding in the fiscal 2011 allowance are:

- contractual services to reflect increased need for printing, an increase of \$20,000;
- 10 additional interns to assist in the Employed Individuals with Disabilities (EID) program, an increase of \$60,000; and
- reimbursement of other State agencies for program activities conducted by these agencies through agreements with MDOD including the Department of Business and Economic Development (DBED) and Department of Labor, Licensing, and Regulation (DLLR) for employer outreach and the University of Baltimore for baseline development of individuals with disabilities employed in Maryland, an increase of \$211,618.

Another notable change in MIG funding is the elimination of a 0.5 contractual position that was planned but never filled, a decrease of \$54,253. MDOD also plans to fund consulting services to develop a financial literacy curriculum in fiscal 2011.

Peer-to-peer Outreach

The fiscal 2011 allowance recognizes reimbursable funding, \$350,000, associated with a memorandum of understanding (MOU) between DHMH and MDOD related to a peer-to-peer outreach program for MFP. The funding for the agreement is available through the MFP rebalancing demonstration grant that supports efforts to provide services in the community instead of institutions for long-term care needs. The particular activities of MDOD as a result of this agreement will be to provide and oversee peer outreach to overcome barriers in identifying individuals in institutional settings who desire to transition into community settings, to increase awareness of community services, and to increase awareness of the success of others who have transitioned to community settings. MDOD will provide the peer outreach services in the northern region (Anne Arundel, Baltimore, and Harford counties) and will contract with an organization for the nine Eastern Shore counties. Outreach activities will occur in nursing facilities.

The outreach services in the northern region will be conducted by interns who are individuals with disabilities who have experience with long-term care services. MDOD also plans to support this project through a project director, a senior outreach coordinator, and administrative assistant.

This agreement began in January 2010 and will end in December 2011. No specific funding for this project has been recognized in fiscal 2010 to date. MDOD advises it will use reimbursable fund appropriation anticipated to be used for other activities to support this agreement in fiscal 2010, distorting year-to-year changes. Cost containment actions taken in November 2009 reduced general fund support for 2 positions to be replaced with funding provided by this MOU in fiscal 2010.

The MOU will continue to support personnel expenses in fiscal 2011. In addition, the fiscal 2011 allowance for this program includes:

- \$115,000 for the contract to conduct outreach services on the Eastern Shore;
- \$67,400 for interns to conduct outreach in the northern region;
- \$37,776 for 1 contractual position;
- \$25,300 for travel primarily to conduct outreach activities; and
- \$6,760 to purchase laptops and supplies for the interns to maintain data on outreach activities.

Other Reimbursable Fund Changes

The fiscal 2011 allowance recognizes the end of two agreements with other State agencies included in the fiscal 2010 appropriation. A decrease of \$55,574 recognizes the elimination of 1 contractual position used to conduct emergency preparedness activities under an agreement with

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MEMA. This agreement is not in effect in fiscal 2010, but due to timing was included in the appropriation.

A decrease of \$117,074 results from the end of an agreement between DDA and the Developmental Disabilities Council (DDC) to conduct activities associated with the MFP Family-to-Family Mentoring project. DDC received funding for this project in fiscal 2009 and 2010. These funds primarily supported grants related to community inclusion and improving services and supports for persons with developmental disabilities.

The fiscal 2010 appropriation and the fiscal 2011 allowance include reimbursable funds from the DHMH, Office of Preparedness and Response, to support the Director of Emergency Preparedness in MDOD. However, MDOD advises that it is no longer receiving funding from DHMH to support this position. The position has been vacant since September 2009. The reimbursable funds and the position were included in the fiscal 2011 allowance as a result of timing from the end of the agreement to budget development. **DLS recommends deleting the one position associated with this agreement because no funds are available to support the position.**

Recommended Actions

1. Add the following language:

Provided that 1.0 regular position in this budget shall be deleted.

Explanation: This action is a technical amendment that deletes 1 regular position (PIN 083086). This vacant position was previously supported through reimbursable funds from the Department of Health and Mental Hygiene for emergency preparedness activities. The reimbursable funds that supported this position are no longer available.

2. Adopt the following narrative:

Plan for the Inclusion of Washington Metropolitan Area Transit Authority Performance Measures: Beginning with the fiscal 2008 Managing for Results (MFR) submission by the Maryland Department of Disabilities (MDOD), the department attempted to include, information on transportation services provided through the Washington Metropolitan Area Transit Authority (WMATA). However, the data has not been consistently included, and the fiscal 2011 submission includes no measures related to WMATA services. The committees request that MDOD, WMATA, and the Maryland Department of Transportation (MDOT) work together to develop a plan for the consistent inclusion of data associated with the WMATA service provision in MDOD’s MFR to enable a more complete understanding of progress in public transportation options in Maryland.

Information Request	Authors	Due Date
Plan for the inclusion of WMATA measures	MDOD, WMATA, and MDOT	September 1, 2010

Updates

1. Transition of the Administration of the Medicaid Infrastructure Grant

In the past, DHMH received Maryland's MIG. From fiscal 2005 to 2009, MDOD received reimbursable funds as part of DHMH's administration of this program. Beginning in January 2009, MDOD has received this grant directly.

The goal of MIG is to support individuals with disabilities in obtaining and maintaining competitive employment. One key component of MIG is the EID program. EID enables individuals with disabilities who are employed to maintain health benefits through the Medical Assistance program by allowing for higher income and asset limits. Eligibility is limited to individuals between the ages of 18 and 64, who are employed or self-employed, with a Social Security determined disability. Under this program, individuals can have a countable income up to \$32,490, or \$43,710 for a couple, and countable resources of up to \$10,000. The medical coverage under this program can be used to supplement private health insurance.

Through January 15, 2010, MDOD had assisted with 978 applications, of which 664 had been completed and returned by the applicant. Slightly more than one-third of these returned applications (244) had been approved with an additional 145 applications with a decision pending. An additional 147 of these applications were either denied or closed. The status on 124 applications is unknown.

MDOD Activities under MIG

During the period when MDOD received reimbursable funds from DHMH for MIG activities, MDOD primarily conducted EID outreach activities and conducted workshops for the program. As a result of MDOD's direct administration of this grant, MDOD now also conducts grant administration activities including submitting the grant application, providing quarterly reports, issuing requests for proposals for contracts, and creating MOUs with other State agencies. DHMH continues as a key partner in this program by continuing to make eligibility determinations, managing enrollment, and administering the EID program.

Examples of MOUs that have been developed by MDOD are:

- MOUs with DBED and DLLR under which 2 positions were created in each agency to conduct employer and EID participant outreach; and
- MOUs with DLLR, Division of Rehabilitation Services (DORS) and DHR under which the agencies provide lists of clients that are potentially eligible for EID to MDOD for outreach project workers to contact on a quarterly basis.

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MDOD has also increased outreach activities and application assistance activities for EID. These additional activities include:

- contacting individuals on the client lists provided by DORS and DHR;
- training sessions for various organizations;
- webinars;
- availability of informational fact sheets to employers;
- providing informational fact sheets to transitional counselors in schools, parents, and students;
- conduct outreach through Americorps members to parents and students of two school systems (Prince George’s County and Baltimore City) and to college students; and
- additional information on EID provided through MDOD’s web site.

Additional outreach expansion can be expected as MDOD has planned partnerships with a variety of organizations such as the Maryland Hospital Association, MTA, and Maryland Insurance Administration.

MDOD also has begun funding a project under MIG that will provide training on 30 State benefits and technical assistance as needed for benefit counselors working in nonprofit organizations and DORS.

MDOD indicates that it has also sought regulatory changes to increase eligibility and allow for additional retirement savings.

MDOD has also sought to improve the ability to identify trends in employment. One activity that MDOD has undertaken in this area is to develop a data sharing action plan and to put in place an MOU with DDA in DHMH and the University of Baltimore.

Impact of Transition

MDOD noted that some difficulties were experienced during the transition period of MIG. In particular, MDOD indicated that leading up to the transition some vendors experienced delays in payments. Other delays were attributed to communication challenges between the State agencies and the federal agencies.

MDOD explained that these problems have been resolved with vendor payments up to date and paperwork finalized.

2. Revised Managing for Results Measures Related to Housing Services

In the fiscal 2010 submission, MDOD included only one objective and one measure related to housing. The objective was to continue the bridge subsidy demonstration program which is a pilot program providing a rental subsidy to individuals with disabilities. The measure for this objective was the cumulative number of participants in this program. In contrast, the *2009 State Disabilities Plan* listed three goals in the area of housing, and the accomplishments MDOD noted in this area reflected a variety of areas of concern for individuals with disabilities.

As a result, committee narrative in the *2009 Joint Chairmen's Report* requested MDOD include in the annual budget beginning with fiscal 2011 additional or alternative performance measures to reflect the range of housing issues that MDOD considers important to individuals with disabilities.

MDOD indicates that to develop new measures for housing services, it consulted with the Department of Housing and Community Development (DHCD), the large Public Housing Authorities, and members of a statewide housing task force convened by the Secretary of MDOD.

In the fiscal 2011 submission, MDOD included nine measures reflecting two new objectives to meet its housing goals. The new objectives are:

- to increase affordable and accessible rental housing opportunities for people with disabilities in Maryland; and
- to increase opportunities for affordable homeownership and accessible home modification for people with disabilities in Maryland.

The new performance measures for the first objective reflect a variety of programs offered for rental assistance and housing that is accessible to individuals with disabilities, including housing vouchers, the Bridge Subsidy Demonstration program, rental unit financing by DHCD, and group home units produced.

The new performance measures for the second objective reflect programs offered for homeownership and modification to homes to make them accessible to individuals with disabilities.

Four of the nine measures have data or estimates available for all years included in the submission and four others have partial data. Only one measure has no data or estimates available for any year (number of loan applications received for accessibility related improvements to the homes of seniors).

These new measures should enable MDOD to more thoroughly track Maryland's progress in a wider range of housing issues and specifically track progress on existing programs for individuals for disabilities.

Current and Prior Year Budgets

Current and Prior Year Budgets Department of Disabilities (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2009					
Legislative Appropriation	\$3,004	\$197	\$1,466	\$158	\$4,826
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	-3	51	375	336	759
Cost Containment	-165	-2	-4	0	-171
Reversions and Cancellations	-73	-86	-439	-35	-633
Actual Expenditures	\$2,764	\$159	\$1,399	\$459	\$4,781
Fiscal 2010					
Legislative Appropriation	\$2,936	\$200	\$2,212	\$260	\$5,608
Cost Containment	-201	-4	0	0	-205
Budget Amendments	0	45	0	0	45
Working Appropriation	\$2,735	\$241	\$2,212	\$260	\$5,448

Note: Numbers may not sum to total due to rounding.

Fiscal 2009

During fiscal 2009, the general fund appropriation of MDOD decreased by \$167,659 through budget amendments and cost containment actions. An increase of \$24,041 in employee cost-of-living adjustments (COLAs) was more than offset by decreases of \$191,700, including \$164,700 in cost containment actions. The majority of cost containment actions involved personnel expenditures resulting from delays in filling vacant positions, furlough savings, and other salary and wages adjustments. Other cost containment reductions occurred in the areas of contractual services, grants, communications, travel, supplies, and equipment. The remaining decrease (\$27,000) resulted from realignment in health insurance expenses among some executive agencies. MDOD reverted approximately \$73,067 primarily due to delays in filling vacant positions.

MDOD's fiscal 2009 special fund appropriation increased \$49,209 as a result of budget amendments and cost containment actions. This increase was primarily the result of MDOD's participation in the National Technical Assistance and Research (NTAR) Leadership Center State Leader's Innovation Institute (\$50,000). An additional increase of \$1,418 was associated with employee COLAs. These increases are partially offset by a decrease of \$2,209 related to cost containment actions in the area of salaries and wages. MDOD cancelled approximately \$86,322 due to an extension of the award from the NTAR State Leader's Innovation Institute (\$45,000) and lower than anticipated expenditures in the MD TAP in the areas of contractual employee expenses as a result of furlough savings and reduced hours, general operating expenses, and contractual services for information technology (\$41,322).

The fiscal 2009 federal fund appropriation of MDOD increased by \$375,000 as a result of the transfer of the administration of MIG from the DHMH to MDOD. This increase was partially offset by cost containment actions (\$4,072) in the area of salaries and wages. MDOD cancelled approximately \$438,703 of the federal fund appropriation in three areas:

- approximately \$210,000 from DDC as a result of administrative savings, furlough savings, a reduction of 0.3 regular position, reductions in contractual employee costs, and lower than expected expenditures for grants;
- \$127,000 from a delay in the transition of the administration of MIG that led to lower than expected expenditures; and
- approximately \$102,000 from MD TAP as a result of vacant positions and a lower than expected federal fund award.

During fiscal 2009, the reimbursable fund appropriation of MDOD increased by \$335,919. This increase occurred in three areas:

- EID program activities prior to the transfer of the administration of MIG to MDOD (\$195,484);

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- activities associated with implementing the MFP Family-to-Family mentoring project (\$87,804); and
- emergency preparedness activities (\$52,631).

MDOD cancelled approximately \$34,727 of the reimbursable fund appropriation as a result of the failure to renew a memorandum of understanding with the MEMA for emergency preparedness activities.

Fiscal 2010

The general fund appropriation of MDOD has decreased by \$201,289 during fiscal 2010 as a result of cost containment actions. These decreases include:

- salary and wages adjustments for delayed filling of vacant positions and using federal funds rather than general funds for some positions (\$136,455);
- furlough savings (\$36,745);
- contractual services (\$13,000);
- general operating expenses (\$8,089);
- technical and special fees to eliminate internships and the youth works program support (\$4,250); and
- grants (\$2,750).

MDOD's special fund appropriation has increased by a net of \$41,056 during fiscal 2010. An increase of \$45,000 results from a delay in implementation of the NTAR State Leaders Innovation Institute originally awarded in fiscal 2009 allowing for the use of these funds in fiscal 2010. This increase is partially offset by a decrease of \$3,944 from furlough savings as part of cost containment actions.

Audit Findings

Audit Period for Last Audit:	January 17, 2007 – March 31, 2009
Issue Date:	October 2009
Number of Findings:	2
Number of Repeat Findings:	0
% of Repeat Findings:	0%
Rating: (if applicable)	N/A

Finding 1: MDOD was not in compliance with certain State regulations pertaining to the Attendant Care Program.

Finding 2: Adequate controls were not established over MDOD’s capital equipment.

*Bold denotes item repeated in full or part from preceding audit report.

**Object/Fund Difference Report
Department of Disabilities**

<u>Object/Fund</u>	<u>FY09 Actual</u>	<u>FY10 Working Appropriation</u>	<u>FY11 Allowance</u>	<u>FY10 - FY11 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	26.00	25.70	23.70	-2.00	-7.8%
02 Contractual	5.50	5.50	6.00	0.50	9.1%
Total Positions	31.50	31.20	29.70	-1.50	-4.8%
Objects					
01 Salaries and Wages	\$ 1,919,111	\$ 1,958,388	\$ 2,098,078	\$ 139,690	7.1%
02 Technical and Spec. Fees	286,683	426,846	527,504	100,658	23.6%
03 Communication	37,646	46,507	43,909	-2,598	-5.6%
04 Travel	64,479	74,300	69,400	-4,900	-6.6%
06 Fuel and Utilities	15,297	19,720	15,032	-4,688	-23.8%
07 Motor Vehicles	32,140	39,880	32,720	-7,160	-18.0%
08 Contractual Services	334,445	621,259	639,071	17,812	2.9%
09 Supplies and Materials	35,117	59,844	53,400	-6,444	-10.8%
10 Equipment – Replacement	5,585	5,540	9,525	3,985	71.9%
11 Equipment – Additional	14,579	82,446	48,029	-34,417	-41.7%
12 Grants, Subsidies, and Contributions	1,867,486	1,960,978	2,069,555	108,577	5.5%
13 Fixed Charges	168,563	152,222	151,631	-591	-0.4%
Total Objects	\$ 4,781,131	\$ 5,447,930	\$ 5,757,854	\$ 309,924	5.7%
Funds					
01 General Fund	\$ 2,763,722	\$ 2,734,788	\$ 2,727,652	-\$ 7,136	-0.3%
03 Special Fund	159,455	241,448	193,406	-48,042	-19.9%
05 Federal Fund	1,398,721	2,211,546	2,404,864	193,318	8.7%
09 Reimbursable Fund	459,233	260,148	431,932	171,784	66.0%
Total Funds	\$ 4,781,131	\$ 5,447,930	\$ 5,757,854	\$ 309,924	5.7%

Note: The fiscal 2010 appropriation does not include deficiencies.

**Fiscal Summary
Department of Disabilities**

<u>Program/Unit</u>	<u>FY09 Actual</u>	<u>FY10 Wrk Approp</u>	<u>FY11 Allowance</u>	<u>Change</u>	<u>FY10 - FY11 % Change</u>
1100 Office for Individuals with Disabilities	\$ 2,082,506	\$ 2,376,912	\$ 2,785,899	\$ 408,987	17.2%
1101 Attendant Care Program	1,305,532	1,295,065	1,307,564	12,499	1.0%
1130 Maryland Developmental Disabilities Council	868,691	1,113,547	991,293	-122,254	-11.0%
1160 Technology Assistance Program	524,402	662,406	673,098	10,692	1.6%
Total Expenditures	\$ 4,781,131	\$ 5,447,930	\$ 5,757,854	\$ 309,924	5.7%
General Fund	\$ 2,763,722	\$ 2,734,788	\$ 2,727,652	-\$ 7,136	-0.3%
Special Fund	159,455	241,448	193,406	-48,042	-19.9%
Federal Fund	1,398,721	2,211,546	2,404,864	193,318	8.7%
Total Appropriations	\$ 4,321,898	\$ 5,187,782	\$ 5,325,922	\$ 138,140	2.7%
Reimbursable Fund	\$ 459,233	\$ 260,148	\$ 431,932	\$ 171,784	66.0%
Total Funds	\$ 4,781,131	\$ 5,447,930	\$ 5,757,854	\$ 309,924	5.7%

Note: The fiscal 2010 appropriation does not include deficiencies.