

Issue Brief – Independent Living Centers

STATE BOARD OF EDUCATION – OFFICE OF REHABILITATION

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SUMMARY

Utah's Independent Living Centers (ILCs) enable citizens with disabilities learn to live more independent lives. The ILCs work with the various divisions of the Utah State Office of Rehabilitation and the Utah Statewide Independent Living Council to coordinate services. Currently, six ILCs and four satellite centers operate throughout the state.

Each ILC is a private non-profit organization operating with both the assistance of state and federal funding. The ILCs have contractual agreement with the Utah State Office of Rehabilitation to provide services for people with disabilities.

OBJECTIVE

This brief highlights the history of providing cost of living adjustments (COLA) to Utah's Independent Living Centers, and FY 2007 COLA estimates. In addition, this brief provides further information on nursing home diversion services provided by the ILCs and a budget increase request pursuant to this program.

DISCUSSION AND ANALYSIS

ILC Employee Cost of Living Adjustments (COLA)

As local providers, ILC employees are not included in the FTE counts at USOR. Because of this, these employees do not receive increases from the Legislature for changes in cost of living, health and dental insurance, or retirement.

The Budgetary Procedures Act (63-38-2(11)(a)) directs the Governor to consider funding wage and benefit adjustments for employees of corporations that provide direct services under contract with identified state agencies. The recommendation made by the Governor should reflect the percent increase recommended for state employees. The following state agencies are included in statute: the Division of

Services for People with Disabilities, Division of Child and Family Services, and the Division of Youth Corrections.

ILCs provide contract services to the divisions of the Utah State Office of Rehabilitation, but are not included in the statutory language mentioned above. The Legislature established through passing intent language in the 1999 General Session, a similarity between appropriating COLA funding for the ILCs and the other private non-profit organizations contracting with various state divisions. Further, the Legislature has, at times, provided COLA funding for Utah's Independent Living Center.

Recommendation: In July 2001, the Analyst presented a report to the Executive Appropriations Committee detailing the calculation methods used to determine local provider cost of living adjustments. The report identified that the basic approach was to "identify funds that are contracted with private providers or passed through to local agencies. Only state General Funds are considered, not other funding sources. Also only personnel costs are considered."¹ In the case of Utah's ILCs, Uniform School Funds would be used.

The Analyst recommends that the Legislature consider providing ILC cost of living adjustments at the same percent increase that is provided to other contracted service providers. A one percent COLA increase would cost approximately \$13,000.

¹ Nilsen, Thor. "Review of Calculation Method for Local Provider COLA." A report to the Executive Appropriations Committee of the Utah State Legislature. Office of the Legislative Fiscal Analyst. July 17, 2001.

Independent Living – Nursing Home Diversion

The Rehabilitation Service Administration is in the process of including nursing home diversion as one of the core services offered by the nation's Independent Living Centers. Nursing home diversion represents an effort to provide opportunities and options to disabled individuals living in nursing homes or facing long-term nursing home care due to a newly acquired disability. These services enable a disabled individual to live in an independent or semi-independent environment.

In some cases, a nursing home is not the most appropriate and cost effective living option for an individual. Sometimes without sufficient personal resources and community support a disabled

individual is referred to a nursing home even though it might not be the most appropriate environment.

The requested funding will provide for a Nursing Home Diversion and Community Re-entry specialist at each of the six Independent Living Centers. These specialists provide one-on-one evaluation and intervention services, as well as, identify appropriate community based services to assist willing and qualified individuals transition into more appropriate housing options. These services may lead to increased independence in a private/group home setting for a current resident of a nursing home. For a newly disabled individual, services provided by a specialist may help identify community infrastructure and resources that will allow the individual to avoid entering a nursing home.

Recommendation: The subcommittee may wish to evaluate the request for \$350,000 to provide a Nursing Home Diversion and Community Re-entry specialist at each of the six Independent Living Centers and prioritize this request with the others before the subcommittee.

LEGISLATIVE ACTION

This section provides a guide of what actions might be taken if the Legislature wishes to adopt the recommendations presented in this brief.

1. Request that the Executive Appropriations Committee include ILC cost of living adjustments at the same percent increase provided to other local private non-profit service providers.
2. Consider the request from the ILCs for \$350,000 in ongoing Uniform School Fund revenue appropriated to the Division of Rehabilitation Services to provide for a Nursing Home Diversion and Community Re-entry specialist at each of the six independent living centers. These funds would be passed through by the division to the local Independent Living Centers.