



Joint Position on Change to Contribution to Care and Maintenance

Background

Individuals with developmental disabilities receiving residential supports and services through the Division of Developmental Disabilities are currently required to contribute to the cost of their care and maintenance. Governor Christie’s FY2011 budget proposal includes an increase to the amount of this contribution from 75% to 100% of an individual’s monthly unearned income. The proposal allows individuals to keep \$100 a month as a Personal Needs Allowance (PNA), an increase from the current \$40 a month PNA. For example:

	Current Contribution to Care (75% of unearned income and \$40 PNA)	Proposed Contribution to Care (100% of unearned income and \$100 PNA)
Full SSI Benefit	\$674	\$674
Personal Needs Allowance (PNA)	- \$40	- \$100
Balance	\$634	\$574
Contribution to Care	\$475.50 (75% of \$634)	\$574 (100% of \$574)
Total Net Monthly Income	\$198.50 (\$40 PNA + 25% of \$634)	\$100 (PNA only)

This will be a significant decrease for many individuals and will make it difficult to maintain their current standard of living. Individuals should be allowed to keep a minimum of \$150 a month, indexed annually to the Cost of Living Adjustment for SSI, as part of the proposal to increase the Contribution to Care and Maintenance. It is also our position that the current special circumstances and work incentive provisions in the Contribution to Care and Maintenance regulations must be maintained. The current provisions on earned income were included in the regulations to ensure that individuals who work will have an incentive to continue working.

Rationale for Position

Increasing the contribution to care and maintenance without allowing an individual to keep at a minimum \$150 a month would leave an individual with little money to fully participate in the community. Currently, individuals must pay for a variety of items with the remaining 25% of their income and their \$40 PNA. In addition, individuals living in community settings have the opportunity to participate in community life including recreational activities for which they must pay.

Some examples of what an individual might spend their PNA on include:

1. Personal hygiene supplies (toiletries, adult diapers, maxi-pads, make-up, etc.)
2. Clothing and shoes

3. Medication, over-the counter medicines and doctor visits (co-payments for private insurance, unreimbursable medical/dental services, ibuprofen, medicated shampoo, specialized creams, allergy medicine, etc.)
4. Nutritional supplements (such as Ensure or Boost) or food needed for specialized diets, as well as food taken to work or on outings
5. Cable, long distance phone calls, and internet fees
6. Recreation
7. Haircuts
8. Other forms of community involvement (transportation, membership to the YMCA, going to a museum, etc.)

An individual can easily spend a significant amount, conservatively \$150 or more, each month. For example:

- Over the counter medications and vitamins (which may be prescribed by a doctor but still not covered by Medicaid) can average \$30 a month
- Haircuts average \$15-25 a month
- Long distance phone calls to family and friends could be anywhere from \$10-\$50 a month (or cell phone plans start at \$30 a month)
- Transportation could range from \$20-\$50 or more a month
- Nutritional supplements can average \$50 - \$60 a month
- A city recreation program costs \$8.00 a month
- Personal toiletries average between \$25 and \$50 a month. For someone with additional needs, such as an individual who uses adult diapers, this could easily be \$100 a month or more
- Clothing, shoes and other one-time items, when added together, can range from \$20 - \$40 a month

It is important to note that these are only examples and the actual costs vary greatly depending upon the individual, the region they live in, and the contract that their provider agency has with the state. Also, while funding for some of these expenses are included in residential provider contracts, the funds included in these contracts are often inadequate for an individual living in the community today. Most of the dollar amounts were developed years ago and have never been adjusted for the increasing cost of living. Individuals living in the community need significantly more funds than the contracts allow and many providers try to find other ways to supplement these unfunded needs. For example, some providers report that their contracts include \$250 to cover the cost of clothing for an individual for one year. If the person requires shoes or a winter coat, this funding can be used very quickly. Also, provider contracts often include transportation to some things but not to others, so while it may appear that an individual would not need funding for transportation, they in fact often do.

Conclusion

The position of the Alliance for the Betterment of Citizens with Disabilities (ABCD) and The Arc of New Jersey is that a change in the percentage of cash benefits for Contribution to Care and Maintenance must include an increase of the Personal Needs Allowance to a minimum of \$150 a month with an annual increase based on the Cost of Living Adjustment for SSI. It is also our position that the work incentive and special circumstances provisions of the current regulations for Contribution to Care and Maintenance be maintained. We look forward to working with the Administration toward a PNA that meets the needs of individuals with intellectual and developmental disabilities and supports their participation in their communities.