

Request for Reinvestment of all Federal Funds into Community Services for people with developmental disabilities

- New Jersey needs to reinvest all of the federal funds from the Medicaid Home and Community-based Services Waiver for people with developmental disabilities (the Community Care Waiver) into community services rather than for other State purposes.
- The Community Care Waiver (CCW), a joint federal-state program, permits the New Jersey to *wave* certain Medicaid requirements to allow the State to receive federal reimbursement funds for providing community services to people with developmental disabilities rather than for institutional services.
- Medicaid Waiver services in the CCW include: case management, personal assistance at home, adult day programs, supported employment services, respite care, vehicle accessibility adaptations and many other services and supports.
- For every dollar of state funds that New Jersey spends on Medicaid community services, the federal government reimburses the state 50 cents. However, the federal government does not reimburse for room and board, which means that for residential placements the reimbursement rate is approximately 35-40%.
- Since 2004, the final State budgets have included language limiting the amount of federal CCW reimbursed funds that the State may use to provide additional community services for people with developmental disabilities. The funds received from the federal government not used for community services are used by New Jersey for other State operations.
- This language has the effect of allowing New Jersey to spend federal CCW reimbursement funds on State operations like road maintenance instead of providing community services for people with developmental disabilities. Tens of millions of dollars from the federal government has been lost to community services which could have been used to reduce the waiting list, help people leave institutions, support people in jobs, and help people live independent and fulfilling lives.
- Reinvestment of all federal CCW funds in community services would allow the state to support and serve more people in the community every year. In addition, the State plans to apply for a new Medicaid waiver for family support services.
- All federal funds reimbursed to New Jersey for the current Community Care Waiver (CCW) and this new Home Support Waiver must be reinvested in community services to people with developmental disabilities.
- We urge the Administration and Legislature to eliminate the budget language limiting the amount of federal funds from the CCW to be used for community services. All federally reimbursed funds must be spent on community services for people with developmental disabilities.