



STATE OF WASHINGTON

July 9, 2013

The Honorable Troy Kelley
Washington State Auditor
P.O. Box 40021
Olympia, WA 98504-0021

Dear Auditor Kelley:

Thank you for the opportunity to respond to the State Auditor's Office (SAO) performance audit report on Developmental Disabilities in Washington: Increasing Access and Equality. The Department of Social and Health Services and the Office of Financial Management have reviewed the report and provide our joint response below.

The Department of Social and Health Services, Developmental Disabilities Administration (DDA) thanks the State Auditor's Office (SAO) for the work contained in this report. The information is accurate in all major respects and is helpful in illustrating the challenging lack of funding. DDA believes that progress has already been made in addressing the SAO recommendation that DDA create an incentivized payment system for employing people with disabilities. In July 2012, DDA implemented new, higher rates to promote individualized employment in non-sheltered workplaces. We fully support the goal of increasing individualized employment, but it must also be recognized that individualized employment is more costly due to the need for more scrutiny and credentialing of employers.

However, the SAO's recommendation to achieve more individualized employment and increase working hours in a budget-neutral way is not practicable. As DDA continues to move its partners away from sheltered workplaces, work hours tend to decrease as they are focused more on individualized, longer-term career goals. DDA will continue to seek progress in both the quantity and quality of work experience for these clients, but it is important to recognize that this will increase program costs.

Sincerely,

A handwritten signature in black ink, appearing to be "Kevin Quigley".

Kevin Quigley, Secretary
Department of Social and Health Services

A handwritten signature in black ink, appearing to be "David Schumacher".

David Schumacher, Director
Office of Financial Management

Enclosure

cc: Mary Alice Heuschel, Chief of Staff, Office of the Governor
Kelly Wicker, Executive Director for Internal Affairs, Office of the Governor
Ted Sturdevant, Director of Legislative Affairs and Policy Office, Office of the Governor
Wendy Korthuis-Smith, Director, Results Washington, Office of the Governor
Tammy Firkins, Performance Audit Liaison, Results Washington, Office of the Governor
Alan Siegel, External Audit Compliance Manager, Department of Social and Health Services

OFFICIAL STATE CABINET AGENCY RESPONSE TO THE PERFORMANCE AUDIT ON DEVELOPMENTAL DISABILITIES IN WASHINGTON: INCREASING ACCESS AND EQUALITY

JULY 9, 2013

This coordinated management response to the audit report received June 10, 2013, is provided by the Department of Social and Health Services and the Office of Financial Management.

RECOMMENDATION: To further improve its employment program, the Developmental Disabilities Administration (DDA) should:

- Provide financial incentives to counties to encourage equal access to integrated, individual employment for clients regardless of where they live in the state.

RESPONSE

We agree that financial incentives could further improve the employment program and fully support the goal of increasing individualized employment.

Since the time period covered in this review, we believe that progress has already been made on the SAO recommendation to create an incentive payment system for employing people with disabilities.

It is important to recognize that this is not a cost-neutral proposition. It is less expensive to support people in sheltered workplaces because these are congregated setting and hours are pooled. As we move in the direction of integrated, individual employment, this will create a budget challenge.

DDA assesses each person's individual support needs to participate in a variety of activities. This assessment also measures the person's support needed in the areas of behavior, employment, medical care, and caregiver needs. It determines which programs and services the individual is eligible for, and how much service can be authorized. DDA has adjusted the rate structure in the computer system (named CARE) used for the assessment so that individuals with higher needs will receive more hours. This means providers will receive additional funds to support individuals with higher needs. The CARE assessment is applied statewide and will encourage employment agencies to develop jobs for clients regardless of where they live in the state. Once a person is employed, the person will earn more money and have more independence. The need for employment supports in many cases will decrease over time.

DDA is committed to seeking progress in both the quantity and quality of work experience for clients seeking integrated, individual employment. DDA will work in partnership with the Legislature to address the needs of individuals seeking integrated employment.

Action Steps and Time Frame

Implement new, higher rates to promote individualized employment in non-sheltered workplaces.
Complete. July 2012