

## Summary of 7-13-18 Meeting with DDA Regarding Transportation

Brief findings:

-**Transportation funding** will be transitioned to embedded within the rate for specific services by 7-1-19. This is a problem for self-direction for the following reasons:

1. Services will be treated the same whether received through Traditional or Self-Direction; i.e., payments for Transportation will no longer be a stand-alone service, but embedded within the rate for each service in which it is part of the definition.

2. The rates for these services will be based on "Reasonable and Customary Rates." Those rates may not be high enough to accommodate current rates of pay under self-direction. DDA is to ask the FMSes to determine what is typical under self-direction. DDA envisions Transportation being funded by increasing the hourly rate of employees to compensate them for the use of their personal car or adding a mileage reimbursement rate under each category in which mileage is embedded in the rate.

3. The difference between a benefit and a reimbursement were discussed at length. Currently, mileage is paid to staff as a reimbursement under SDS and is TAX FREE. If it is paid as a benefit in the hourly rate, it will be taxed both by the employer (14% for employer expenses) and the employee as income. SDAN stated that this was not the way State employees and indeed most employees are reimbursed and that paying extra each hour creates double taxation of these funds that are not currently taxed at all.

- **The standalone Transportation category** in the waiver is only to be used ~~to~~ by individuals who travel independently, such as on Transit or taxis, etc. SDAN sees no problem with the current method of transportation reimbursement.

- **No cap for self-direction as of now but:** There is a \$7500 cap for traditional services, but as written, the cap does not apply to self-direction. This was not DDA's intent, however, and they are making a list of several things that need to be amended in the waiver. The implication was that applying the cap to SDS transportation would be one of the changes.

### Conclusion:

SDAN shared with DDA how mileage reimbursements are handled now and that there are no problems with this methodology nor with the FMS being able to verify mileage and make timely payments. Currently, monthly mileage sheets have the amount of miles for each day on one line. If individuals set this up as a reimbursement under each category, then each day could need multiple lines for the multiple purposes of trips; i.e., line item for personal supports, line item for community services, and line item for any standalone service that involves mileage. SDAN stressed the importance of reimbursing (tax free) employees for their mileage and families who

supply a wheel-chair accessible vehicle. DDA is concerned about providing oversight and indicated that some individuals in SDS use \$25K of their budget on transportation, and they felt that was too high. SDAN stressed that as long as health and safety needs are being met, individuals with appropriate person-centered plans should be able to use their budget to create their individual “good life”.

DDA indicated that they pay day providers \$55/day for their services. However, SDAN contends that does not include many add on costs currently paid to providers.

**DDA asked SDAN to give them a solution to the problem. Our solution was to add wording into each section in which Transportation is embedded in the rate to indicate that only applies to traditional services or that SDS is excluded from that provision of the definition.**

**-Statewide Coordinator Update:** DDA will begin interviews soon. For about five months, though, SDS issues will be handled by Patricia Sastogue, Rhonda Workman, and Dr. Yolanda Smalls.

**Next meeting:** DDA also indicated that they would have information to share about the inclusion of SB and FMS fees being included in the administration funding and Support Broker rate methodology and **asked for a meeting prior to the regular quarterly meeting scheduled for August 7.\***

**\* DDA since cancelled the August 7<sup>th</sup> meeting. SDAN has requested a re-schedule date with no response as of this writing.**