



TO: Carolyn McGinn, Chair, and Members of the Ways and Means Committee
FROM: Colin McKenney, CEO, Starkey, Inc.
RE: SB 173 and Funding for Vital Community Services

Good morning, Madam Chair, and Members of the Committee:

I am speaking to you today on behalf of direct support professionals (DSPs) at Starkey and across the state. These amazing individuals improve the lives of fellow Kansans with life-long disabilities who need assistance with some or all aspects of their daily lives. Most would tell you that the reason they continue to work in this field is because they know they are making a difference and enjoy sharing the daily victories they help make happen for the people with disabilities they work for.

Although the amount they are paid is not typically the first consideration, it goes without saying that they have to earn enough to buy groceries and gas, pay the rent, and provide for all the other expenses that are part of our daily lives. **Even the very best DSP may find that the amount she makes in this field is not enough to pay all those bills, and she will have to leave the job she loves and the people who have become as close as members of her own family.** In that respect we aren't talking about just any job that you may try for a while and then move on. These jobs are intimately connected to the daily lives of some of our most vulnerable neighbors, and turnover most commonly means that the lives of one or more people with disabilities just took a big step backward.

I thought I would spend some time today talking about the problem of wage compression, as that was a specific issue that Secretary Keck identified at the state hospitals and took the fairly unusual step of seeking additional funding in this year's budget process to address. I agree with those of you who supported his decision to make that request at a time when increasing the budget is even less popular than usual. He successfully advocated for additional dollars last year to increase wages paid at Osawatomie State Hospital when it was determined that wages were a key reason why there were so many vacancies leading to concerns about

safety and service quality there. Again, taking steps to address a serious concern is what a capable manager should do, and he deserves credit for doing what needs to be done.

Unfortunately that level of concern about safety and service quality seems to plummet as you change focus from the few Kansans who receive services in a state hospital to those who receive very similar services in community-based programs. Wage compression and insufficient wages affect far more Kansans outside of state hospitals than inside them. I believe that the average daily census numbers provided as part of the overview for Parsons State Hospital and Kansas Neurological Institute totaled 311 this year. Starkey is just one of many service providers in Sedgwick County, and alone serves more than 500 people in one of our programs. **The safety and quality of services for the thousands of Kansans who need daily support services related to their disabilities is certainly no less important than for those who live in one of the state hospitals.** The only difference seems to be that the state has a clear and direct responsibility for those residing in one of its hospitals, and that responsibility is not as clear if someone is being served in a community support program.

There has been some indication from KDADS officials that we have not made a case for increases to reimbursement rates that is sufficiently compelling. I am assuming that such a statement refers back to the required “rate studies” that are to be performed every other year, but which actually happen less frequently than that. The results of those studies are never decisive, and when they have suggested that rates are insufficient or that some ongoing cost adjustment factor is needed, the findings have not led to budget requests or any sort of rate increase. **We will soon end our ninth fiscal year since the last reimbursement rate increase took place, and it is just common sense that wages need to increase over the course of a decade, just as the costs of insurance, utilities, supplies, construction and vehicles have increased over that period of time.**

Since the Secretary’s advocacy for wages for those who work in the state hospitals makes sense to many of us, that would seem to be a good place to draw some comparisons with community programs:

- Depending upon the situation, perceptions about the demands placed upon the workers in state hospitals and community programs are either very similar, or not that similar at all. If I suggest that employees in community programs should be paid the same as their counterparts in state hospitals, KDADS representatives have made the case that the jobs are not equivalent. If KDADS is seeking to discharge people who live in the hospitals to community services, I do not believe they ever suggest to those individuals or their families that employees in community programs are any less capable of meeting the needs of those individuals.
- Although postings for these state jobs do not currently indicate position ranges or wage levels, it appears that the introductory MHDD Technician will be paid \$12.35 per hour during his probationary period. That amount is \$3.10 more than Starkey’s base wage for

a first-shift DSP. **If we were to increase our pay rates by \$3 per hour for all of our front-line employees and supervisors, and received no additional revenues to offset the cost of that increase, I would project that we would have an operating deficit of more than \$2 million next fiscal year. Rate studies fail to disclose that type of catastrophic impact, because they generally look at how you spent what you received instead of what it actually costs to provide quality services.**

- Vacancies and turnover are obviously a problem in the state hospitals, but it does not appear that they are as big of an issue as is the case in community programs at this point. A review of compensation for MHDD technicians at Parsons State Hospital, for example, reveals that it is not uncommon for those employees to work overtime. Fortunately overtime pay is typically a small percentage of their annual compensation, which suggests that overtime averages out to a few hours per week for most employees. The number of vacancies in community programs have driven the use of overtime hours to extraordinary levels. It is not unusual for our employees to work 80 or 100 hours instead of the typical 40-hour work week. Although that much overtime does provide the employee more compensation, no one should be asked to work that many hours, and especially not in a job where lives are on the line each day.

During 2016, Starkey hired 157 employees and had 160 leave our employment. As I speak to you today, we have more than 50 full-time and 30 part-time position vacancies. There are many reasons why an employee may leave a job, but offering a level of pay that may not attract the applicants we need nor retain those who we would like to keep is a big part of the problem. When you don't have a number of applicants to choose from and you really need to fill a vacancy, you may end up hiring individuals who otherwise would not make the cut. You hope that they will develop into good employees, but know that the odds are just as good that they will not be a good fit and move on. That approach may be worth the risk if you are hiring people to wash dishes, but affects people's lives in a far more personal way when you are hiring someone to provide direct support services to individuals with disabilities.

Try to picture yourself, a close friend or family member in the situation of people we serve. You have never before met the person who comes to your room in the morning to help you wake up and go to the bathroom, take a shower, brush your teeth and get dressed. You have a specific preference about how all of those things should happen, but he doesn't seem to understand what you are trying to tell him. Since he has never met you before, the only information he has to go off of to determine what you like to eat for breakfast came from a quick scan of your individual support plan. The plan doesn't say that you are allergic to eggs, so he cooks them the way that he likes them, with the yolk running all over the plate. You don't mind eating an egg when it is fully cooked, but the yellow puddle on your plate doesn't look like food, and so you get loaded up to participate in the day's activities with nothing in your stomach. I could carry this example on and on, but I think that it is pretty apparent to see that the constant turnover in staffing is going to have a negative effect upon the lives of Kansans with disabilities.

Building a true continuum of care for those who need assistance with the activities of daily living that you and I take for granted should not be tied to whether someone is fortunate enough to live or work in a state institution. If there is no reason why someone needs to receive services in such a place, there should be a high level of confidence that the he can move to his home community and expect that the level of support will be as professional and reliable as he experienced in the state hospital. None of us can give that assurance at this time, but we could certainly help bridge that gap with your support of SB 173. For most of the last decade we have heard that our state has many priorities and not enough resources, and so the needs of people with disabilities and the people who work for them would have to wait. I urge you to take another look at the list of priorities that are high on that list, and determine if any of them are more important than the people who rely upon these services, and the amazing direct support professionals who give so much and receive so little in return.

I would be happy to answer any questions you may have.