



July 26, 2023

Senator Beverly Gossage
Chair 2023 Special Committee on the Intellectual and Developmental Disability Waiver
Kansas Legislature
300 SW10th Street
Topeka, Ks. 66612

Dear Senator Gossage and members of the Committee:

My name is Doug Wisby and I am the President and CEO of Multi Community Diversified Services Inc. (MCDS). We are a community service provider under the Intellectual and Developmental Disabilities (I/DD) Waiver in McPherson, Kansas. We will be celebrating our 50 year anniversary of serving our community next year.

I would like to thank all of you for the 25% rate increase received last year. After many years of stagnant rates MCDS was short approximately 22% of the workforce necessary to serve our existing clients. Due to this shortage MCDS was asking existing employees to work substantial amounts of overtime and burning many employees out. MCDS applied the increase to front line worker pay and is now starting direct care staff at \$17.00 per hour. The increase has helped us to stay in business and to continue to provide services to our clients. But like all increases, it is being eaten by inflation. Our budget is approximately 80%+ staffing costs (pay and benefits). Over the last two years ending in March 2022 and 2023, the cost of compensation (pay and benefits) for employees (regardless of category) has increased somewhere between 4 and 5 percent each year (U.S Bureau of Labor Statistics). This totals between 8 and 10 percent in just two years. Obviously we will be right back where we started in a few years without a process to continue to invest in community service providers like MCDS.

Kansas participates in the federal partnership Medicaid for providing services to our clientele. This partnership provides a federal match that funds roughly 60 cents of every dollar spent on our services. As such Kansas is obligated to provide services to persons with I/DD either in institutional or community settings as a Medicaid participant. The community is not only better from an outcomes perspective but is also much cheaper than institutional care.

Like anything else, fixing something that has been neglected over time is usually much more expensive than taking care of it along the way. Please work with us to develop a process for funding periodic rate increases for our system.

Sincerely,

Doug Wisby
President and CEO