

**TESTIMONY OF SANKAR SEWNAUTH
PRESIDENT and CHIEF EXECUTIVE OFFICER
CDS LIFE TRANSITIONS**

SUBMITTED February 3, 2020

**NEW YORK STATE JOINT LEGISLATIVE PUBLIC
HEARING
EXECUTIVE BUDGET PROPOSAL**

MENTAL HYGIENE

Mr. Sankar Sewnauth Testimony

Good day Chair Krueger and Chair Weinstein. My name is Sankar Sewnauth. I am the President and Chief Executive Officer of CDS Life Transitions (CDSLTL) based in the Greater Rochester, New York area. I have served a long career in service to people with Intellectual and Developmental Disabilities. I began as a Direct Care Service Worker, and I have now been in the leadership position for 21 years. CDS Life Transitions is a diversified not-for-profit organization which has, from its' beginning, had a core mission to serve people with Intellectual and Developmental Disabilities. CDSLTL was founded by a small group of parents who were determined that their children would live close to home and participate in their own communities. CDSLTL now, also, provides: a Medicaid Managed Long Term Care Plan called iCircle Care, Integrated Affordable Housing for People with Intellectual and Developmental Disabilities throughout Upstate New York, a manufacturing facility called Unistel which employs people with Intellectual and Developmental Disabilities by providing a wide variety of high quality spices for worldwide distribution to the U. S. Military installations, a program for Veterans suffering with Post Traumatic Stress Disorder, Traumatic Brain Injury, and Military Sexual Trauma, and the CDS Wolf Foundation honoring its Founders, Lew and Phyllis Wolf and raising funds for unmet needs. Total annual revenues are approximately 230 mil.

I am here because of my concern for people with Intellectual and Developmental Disabilities. These citizens of New York need to receive supports and assistance to live their lives to the fullest extent possible in community with other people in the mainstream of society. This is not possible for many unless these supports are accessible and tailored to each individual's needs, life circumstances and choices.

The historical perspective of the impact of methods of funding upon service delivery teaches us that methods of funding overwhelmingly drive the type and quality of service delivered. One only needs to look back a relatively few years to see remotely located institutionally based services that existed throughout the State of New York to see this impact with great clarity. People were separated geographically from their families, cultures and local communities. These isolated communities were often formed with kind and altruistic visions where those who needed support to live full and satisfying lives would thrive. Physicians often told parents that the best option for their daughter/son was to admit her/him to

institutional care and move on with their lives. There were often no alternative viable service alternatives.

PRESENT AND FUTURE CHALLENGES

Accessibility

The determination of eligibility for services is made on a regional basis. This is a very slow and cumbersome process. Providers of services have a wide latitude of discretion in deciding who is eligible for a specific service. Long waiting times to start-up and receive urgent service is common.

Bundled and/or packages of Service

As individuals were placed out of institutions, they were normally provided with a supervised residential environment (usually a group home) and a full five days per week day habilitation program including professional clinical services whether they either really required it or in some cases wanted it or not. There are instances where individuals and their families have been enticed by service agencies to accept these services so that their programs would remain full and cost-efficient.

Utilization of Services

The above trends have resulted in substantial overutilization of services at the expense of other individuals who are waiting in line for service. This, also, creates a very cost-inefficient array of services. Also, currently, providers of services have no incentive to ensure that the entire population of individuals with Intellectual and Developmental Disabilities are provided with the services they require. This results in lack of attention to those who do not have services.

Funding Methodology

The funding methodology is a cost-based rate for a given type of service. There is no incentive for providers to manage to lower or more efficient costs. Generally, the higher the spending for a service, the higher the rate paid. This problem is exacerbated by the utilization and bundling factors which I outlined earlier. The result is a very cost-inefficient system which, also, limits access.

Lack of Integration of Healthcare, Mental Health and Drug and Alcoholism Services

These services are offered outside of the above referenced funding Methodology. There is a tendency to over utilize these services. This is especially true for services such as Emergency Room Care and Primary Medical Care. This fractionalized approach to organizing and delivering services, also, complicates sharing of important clinical and daily living information that could serve to enhance the health of the individuals served. Preventive services often lack emphasis and follow through due to this lack of unity in approach and lack of fiscal incentive to be more cost conscious. The result is, again, an escalation in the overall cost of care within each of these separate domains of service provision.

SOLUTIONS

I am convinced that the solution to many of the current and trending problems in the delivery and cost of services to people with Intellectual and Developmental Disabilities rests in the shift to a managed and integrated approach. Such an approach has been identified by Governor Andrew Cuomo. The problem is neither lack of a plan nor the approach to be taken. It is in the sluggishness of implementation.

Advantages of Managed Care for people with Intellectual and Developmental Disabilities

Accessibility

Managed Care requires that a full range of services be available in a defined catchment area. Upon enrollment, in a managed care plan the individual would be able to access any of the required services on the basis of their enrolled status in that Plan. The State generally mandates that a choice of Managed Care Plans be offered in any given area. Appeals processes with specified time frames are, also, required if at any point the individual and/or his/her representative do not agree with the decisions made by the Plan. People are guaranteed a comprehensive and accessible range of services.

Individualized Service Plan

An individualized life plan is developed by the Managed Care Plan based upon the specific individual needs, interests and cultural affiliation of each person. Services are not bundled and packaged but are delivered by either one or a great variety of providers as outlined in the Life Plan.

Utilization of Services

Utilization is approved as outlined in the Life Plan for each Individual. All enrolled participants have the ability to utilize any service available either in the Network of the Managed Care Plan or out of Network as approved by the Plan without any limitation which is based on the utilization rates by other members. Both the Quality and cost of services are closely monitored by the Managed Care Organization.

Accountability to Serve the Community

Managed Care Plans are required to provide the full range of comprehensive services to the communities they serve. Boards of Directors of Managed Care Plans that serve people with Intellectual and Developmental Disabilities are required to include strong membership by people with Intellectual and Developmental Disabilities, Families of these individuals and Stakeholders who have demonstrated a longstanding commitment to these individuals.

Funding Methodology

Managed Care Plans receive funding based on governmental contracts. A fixed and specified amount of money will be made available based on the number of people enrolled. This funding is a maximum and may not be exceeded. Adjustments may be made on the basis of a retroactive assessment of actual experience at the discretion of the government as described in the contract. Managed Care Plans must manage within the funding established within the contract without any restriction upon services contracted to be delivered.

Integration of Healthcare, Mental Health and Drug and alcoholism Services

The integration of all of these services into a single plan of care will offer optimal Opportunity for coordination of services, sharing of information and significant impact the opportunity for preventative Services toward maximization of the health of each individual.

Service Quality

All Providers of services within the Managed Care Network must be Credentialed by the network as meeting State Standards for licensure, certification and any other professional requirements specified by the state of New York. The Managed Care Company will be required to provide Qualitative data to the state which will be evaluated and made available to the public by the state.

iCircle Care: A Managed Long Term Care Plan

The iCircle Medicaid Managed Long Term Care Plan called iCircle Care is based in Webster, New York. This Plan was initially organized and licensed by the New York State Health Department in compliance with Article 44 of the Health Law for the purpose of establishing one of the first Managed Care Programs for individuals with Intellectual and Developmental Disabilities. This occurred with the support of Governor Andrew Cuomo's initiative through the Office for People with Developmental Disabilities (OPWDD). Soon after, the managed care initiative on behalf of people with Intellectual and Developmental Disabilities referred to as DDISCO (Developmental Disabilities Individual Support and Care Organization) was delayed. CDSLTC had a choice to make. We could delay our efforts or we could plow ahead so that we could learn how to effectively deliver services within a managed care framework. We chose the latter because we had already done much of the work, we needed to learn as much as we could about managed care, and we needed to be prepared for when that time came to institute managed care for people with Intellectual and Developmental Disabilities.

I had visited many organizations which provided services to people with Intellectual and Developmental Disabilities throughout the Central New York and the Finger Lakes Region. This evolved into a group of CEOs of most of those organizations who agreed to work together to lead the development of Managed Care for the people they served and others in their communities. Undeterred by the DDISCO slowdown, iCircle, a not-for-profit Provider Led organization, moved forward and established a Medicaid Managed Long Term Care Plan under the auspice of the Department of Health called iCircle Care. Medical, Nursing, Administrative, Actuarial and other managed care professionals who were experienced in Managed Care were recruited to lead the Plan. This Managed Care partially capitated Plan has been very successful.

The Services brought to this area have consistently been of highest Quality and have been very well received by the people in this region. I find it most significant

for today's purpose to tell you that we now serve approximately five thousand members in iCircle Care which includes approximately 250 people with Intellectual and Developmental Disabilities. Per capita, the Plan saves the State of New York significant dollars, especially costs associated with services for the people with Intellectual and Developmental Disabilities.

iCircle has demonstrated that Managed Care for people with Intellectual and Developmental Disabilities can be successful from both a Qualitative and Financial standpoint. iCircle Care and other equally motivated, experienced and capable organizations in the State of New York want to move forward now to establish a sound system of Managed Care which would be available to citizens throughout the State.

I am proud to be a part of the delivery and management of Services to people with Intellectual and Developmental Disabilities in New York State. I would, also, like to be part of a legacy to these individuals and those to come that is sustainable financially, community based and cost-effective well into the future. This will not happen unless those of us in leadership positions in this State take action to create a responsible and durable framework. I have seen the positive impact of iCircle Care in our communities and I know we have the ability to achieve the same for many more individuals with Intellectual and Developmental Disabilities across this great State. Please support us in this noble endeavor. Our fellow citizens with Intellectual and Developmental Disabilities deserve this opportunity. Thank you.

Sankar Sewnauth