



BRIEFING MEMORANDUM

DATE: July 28, 2021
TO: Members, Champaign County Developmental Disabilities Board (CCDDB) and
Members, Champaign County Mental Health Board (CCMHB)
FROM: Lynn Canfield, Kim Bowdry
SUBJECT: CILA Facilities Project, 2014 to Present

Background:

During 2014, the CCMHB and CCDDB established a shared CILA Facilities Project in order to develop additional small group home capacity for persons with Intellectual/Developmental Disabilities, within the County. At the time, the Ligas Consent Decree was in force, compelling Illinois to decrease its reliance on segregated, institutional care, and the Governor was active in a “Rebalancing” initiative, to offer people with I/DD who were living in large institutions the opportunity to move into smaller, community-based residential settings, including CILAs (Community Integrated Living Arrangements). The hope was to create a financial incentive for providers of community-based care who would accept individuals from those settings.

This project was a response to parent advocates’ coordinated message and request. A growing number of people with complex service needs, who were eligible for CILA services and willing to accept services as described and funded by the State under its Medicaid Waiver program, had been unable to secure placement close to home.

In May and June of 2014, the Boards approved purchasing CILAs up to a total cost of \$800,000, agreeing to contribute \$50,000 each year for eight years. With encouragement from the Governor’s office and assistance from the Champaign County Administrator, they developed a Request for Proposals to purchase up to four homes suitable for up to four individuals each and to identify a qualified CILA provider. In fall 2014, Individual Advocacy Group (IAG) was selected from three applicants. Two houses were purchased and renovated for compliance with State CILA Rules. JoelWard Homes was hired to manage the properties.

The first home was purchased for ~~\$196,250 and \$25,000 drawn~~ \$175,00 with another \$21,250 for other costs, including some property improvements. The second home was purchased for ~~\$280,000 and \$50,000 drawn~~ \$215,500 with another \$65,075 for other costs and for property improvements, to renovate the home for maximum physical accessibility, meeting the needs of the people to be served. Acceptable sprinkler systems for both homes required more work than anticipated, and Fire Marshall inspections were delayed; because both were need for CILA licensure, move-in was delayed. The total cost of purchase and renovation of the first two homes was \$551,248 (and when paid off in 2019, mortgage interest added \$75,153 to the total). Due to these costs, the Boards decided not to purchase additional homes. The fund has also covered costs related to legal services, maintenance of the properties, and property insurance.

Updates, 2015 to 2021:

From 2015 through 2019, both homes were operational and served residents as planned. Eleven individuals with complex service needs were served. IAG also operated a privately-owned two-person CILA in Champaign. Early on, these residents had day support options, including 'day program without walls' from IAG, along with other agency programs which have since closed due to inadequate state funding and staffing challenges; DSC and IAG were the only options by the end of 2018. IAG, the provider of services in both homes, experienced the same funding and workforce challenges that have threatened community-based provider capacity across Illinois and the country.

To address the workforce and revenue issues, IAG engaged with CCMHB/CCDDB staff, Independent Service Coordination staff, the state's Division of DD, and families of people not receiving CILA services to explore expansion of non-traditional day program services, host homes, and family and intermittent CILA. These state-funded service options would increase IAG business and revenue in the county and would also serve more of the people who are waiting, but without purchasing additional homes. These never took off, again due to staffing issues.

After the sudden passing of the attorney who worked on purchase of the homes and established the initial agreements, and with growing uncertainty about the financial stability of the project, we began working with Dan Walsh of Frederick and Hagle. We reviewed and revised all agreements between the Boards, the provider and the Boards, and the property manager and the Boards. We researched and took appropriate steps to lower the rental amounts. In 2019, the CCMHB paid off the mortgage, and the CCDDB has continued to contribute to the fund at the agreed level. In 2020, for best alignment with each Board's statutory authorities (which are not identical), the titles for the two properties were transferred from CCMHB to CCDDB, with rights and duties shared as before.

At the beginning of 2020, we had hope of keeping the project going. In March, COVID-19 and mitigation efforts had a swift impact on I/DD operations across the country, state, and county, further deepening the workforce shortage. In the summer of 2020, a key group home staff person was murdered, and IAG's CEO expressed concern that she would not be able to expand Champaign County operations enough to continue, eventually reducing operations to what could be safely staffed. In December of 2020, residents of one home found CILA services out of county. The parent of one resident has reported that the new placement worked out well and was not too long a drive from the family home. In July 2021, the second home was vacated, as residents accepted placements out of county (one in another IAG home).

Kim Bowdry, Associate Director for Intellectual/Developmental Disabilities, engaged a number of CILA providers in serious discussion about establishing a presence in Champaign County, either to 'take over' our CILA homes or to serve the residents in other local homes. These conversations started prior to 2020 and COVID-19; in all cases, the workforce shortage was the identified barrier, with some noting that it was harder to find direct support and Qualified Intellectual Disabilities Professionals (QIDPs) in Champaign County than in surrounding communities. Ms. Bowdry consulted with Ed McManus about best options and followed up on his suggestions. Importantly, both Ed and the final CILA provider commented that IAG was the best option for projects such as this one, and that if they could not make this work, it was probably not doable. Through these efforts, we were connected to James Chase, consultant for the *They Deserve More* campaign to

increase wages for Direct Support Professionals. As a result, CCDDDB Member Deb Ruesch's letter to Governor Pritzker was featured as in The News-Gazette. Although this and similar statewide advocacy efforts have raised awareness of the urgent need for increased pay to this workforce, the recent increases are much smaller than recommended, and a much greater, long-term investment is needed to shore up these important services.

The Future:

Given the poor outlook for future staffing, this appears to be a bad time for re-issuing an RFP to identify a CILA provider to continue this project, although we have prepared such a draft. Because the housing market is favorable to sellers, the homes could be marketed and sold quickly. Both meet CILA licensing standards, which adds value if they continue being used for this purpose. However, the staffing shortage is significant, and if providers across the country and state are reducing their small group home capacity, this added value is not timely.

With approval from both Boards in June 2021, we contracted for appraisals of the homes and posted a notice for bid proposals from realtors. One home is ready for sale and appraised as expected. The other may benefit from repairs and has the very unique quality of being a fully accessible home in a beautiful neighborhood. Current appraisals suggest total values of \$474,000. The realtor bids predict a range of approximate net revenue from \$376,000 to \$437,000. There is an additional \$152,808 in CILA fund balance and an amount near \$19,000 in checking for maintenance.

During this process, board members asked for more information, including this summary report:

- If the Boards choose not to sell the homes at this time and to wait for a recovery of the I/DD service system, maintaining the homes without occupants could cost \$30,000 annually; this includes careful estimates from the property manager, along with \$13,000 for building repairs and improvements (just in case).
- The Boards could sell the properties without a realtor, relying on appraisals to be sure they are getting a fair value.
- Because market conditions could change over time, the Boards should wait until they are ready to sell before contracting with a realtor. If selling the homes within a year, they may select a realtor from the proposals already submitted and contract when ready, but if a year or more, solicit new bids.

The need for CILA housing for Champaign County residents continues to grow. The decision to close the CCMHB/CCDDDB-owned homes was made because of the persistent and growing inability to staff them to ensure that residents have the supports they need. The ability to reopen future homes appears dependent on improving the wages allowed by state and federal regulations to pay future staff. The current limitation on what staff can earn is the key factor behind the decision to sell these homes and end these services locally. Both boards remained committed to identifying and supporting community housing arrangements for adults with developmental disabilities and will continue to explore viable options.

Board discussions and decisions related to the CILA project (and all other matters) are archived by year, including board packets, recordings, and approved minutes, at:

<https://www.co.champaign.il.us/mhbddb/MHBMeetingDocs.php>

<https://www.co.champaign.il.us/mhbddb/DDBMeetingDocs.php>