



**Associated Production Services, Inc.**

***The Packaging Performance People™***  
*Empowering Disabled Workers*

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November 29, 2016

To our Esteemed Elected Officials:

I write to you at this time because I need to share with you what is now transpiring across the State and to solicit your attention to our plight.

I am Jay Belding. Together with my wife Barbara we founded Associated Production Services, Inc. in 1977 with a commitment to supporting and serving individuals with intellectual disabilities. We are today a State licensed Pre-Vocational work site (sheltered workshop) dedicated to providing our 575 trainees with job training, wage earning work, which exposes them to proper and efficient work skills, attitudes and behavior. With our staff of 100 we operate in 6 facilities in the greater Delaware Valley. We train our people by having them work on a variety of labor intensive contract packaging jobs. In response to the erosion of manufacturing we have invested heavily in equipment and plant improvements and we now specialize in confectionary and other prepackaged foods. We call our program the "productive model", we guarantee our trainees 5 full days of work each week.

I write to you because we are serving voting families in your district.

Please avail yourself of our web site at [apspackage.com](http://apspackage.com) and please find enclosed a brochure describing our mission and services. I invite you to visit any or all of our sites at any time.

Please know that based on our understanding of latest developments, on December 3rd the Office of Developmental Programs (ODP) of the State Department of Human Services (DHS) will issue a proposed plan as part of a Medicaid waiver renewal process that will change day programming for developmentally disabled adults. The plan has been authored in response to a mandate from the Federal Department of Health and Human Services - CMS, the Centers for Medicaid and Medicare Services. This mandate, the "Final Rule" evolves from the American Disabilities Act of 1990 and the Olmstead decision of the Supreme Court in 1999. The court held that public entities must provide community based services to persons with disabilities. In 2014 CMS promulgated a regulation that settings like ours would be subject to "heightened scrutiny" to insure that each individual being supported was receiving maximum opportunity to be integrated into their communities with competitive employment as an ultimate goal, and that no facility have the qualities of an institution. Workshops like ours will be subject to heightened scrutiny and could lose Waiver funds that could possibly eliminate these opportunities for families in your district, if we are to lose this funding we would have to close.

Pennsylvania's proposed plan to comply with the Federal Rule is currently expected to state that there will be a phase in of standards (diagram enclosed) such that day time activity of people with

developmental disabilities by January 1, 2018 will be 25% time in community locations and hubs of no more than 6 people. On July 1, 2018 50% of one's time will be in the community and finally on January 1, 2019 75% of the week is to be community oriented. In essence this means one could only attend our program at best one day a week. Our productive model program would shrink by 75%. How is this sustainable fiscally or programmatically? Further, workshops would have to reduce their population to no more than 100 people. How were such arbitrary thresholds selected? There is nothing person-centered about arbitrary thresholds. How do these arbitrary thresholds meaningfully advance the equally important competitive employment goals of the federal and state government?

It seems that the State is going to decide how people spend their days. This is contrary to the commendable policy of person centered planning currently in place where persons have choice and options; including community integration experiences. It is virtually impossible to imagine a life where you are taken in a group of 3 (as proposed in the regulatory package) to the library or the mall or to volunteer at the hospital for the day, most days of the week. Many will end up at home, isolated, lonely, eating poorly and being unhealthy. Lives will be disrupted. Many families will struggle to align their schedules such as to provide care for those clients who cannot stay home alone, or are not capable of participation in a community integrated setting. The plan eliminates full time programs and will cause harm in many cases.

We, like you, are strong advocates of community integration. Our stated goal is to aid those who desire to work in competitive employment at minimum wage or better. Our work sites are the very definition of a caring, inclusive community. We champion helping people feel productive, worthwhile, and knowing they are living a vital and a productive "work a day" life; in a matter they so choose. We are licensed by the Federal Department of Labor that allows us to compensate based on "piece rate"; not per hour.

As we struggle to understand how we can transform and comply with these proposed rules, we do so in a vacuum of information, facts and data. Currently for instance we are told the State has stated in their proposed regulations that there will be no additional costs. We have a 1 to 15 staff to client ratio on our production floor. If we have to go to a ratio of 1 to 3 when in the community, how do you pay for this significant addition of staff? How do you pay for the vehicles and transportation costs that will now grow due to the proposed regulations? Even a cursory financial evaluation of the proposed regulations yields the fact that the taxpayers of PA will be significantly and negatively impacted and there will be less value even though the cost, will be higher.

We will inform the State that one option we can make is that rather than outsource competitive job placement as we currently do with agencies such as OVR (The Office of Vocational Rehabilitation) we will form a department to do so internally and will also engage in other such projects as mobile work forces, where we take people to work sites outside of our shop with the goal of compensation at minimum wage or higher.


Please know that we will be sharing this news with our parents and guardians on December 5<sup>th</sup>. We will encourage them to participate in the comment period that ODP is extending and I am sure they will solicit your help.

May I please ask you to consider supporting our effort to petition ODP through the regulatory review process as well as the waiver renewal public comment process to allow work sites to remain viable and be an option of choice for those who need and want supported work experiences?

On December 3, 2016 a 45 day public comment period on the corresponding Medicaid waiver renewal will commence. We respectfully request of you to comment on our behalf by email or mail to the IRRC (Pennsylvania's Independent Regulatory Review Commission) at [irrc@irrc.state.pa.us](mailto:irrc@irrc.state.pa.us) and also to CMS on the proposed Waiver amendments at [RA-odpcomment@pa.gov](mailto:RA-odpcomment@pa.gov). Please reference the Department of Human Services Consolidated and P/FDS Waiver Renewal Comments. We would also appreciate it if you would copy your Caucus leader and your Committee chair of your comments.

Please call on me if we can be of any assistance at (215) 364-0211. We are grateful for your support on our behalf.

Sincerely,



J. Jay Belding  
Founder/Executive Director

