

FOR IMMEDIATE RELEASE: February 1, 2010

Contact: Jamie Liban- 804.649.8481 ext. 101 or [jliban@thearcofva.org](mailto:jliban@thearcofva.org)

## **Stop and Look Before You Leap: Don't make a Billion Dollar Mistake**

Today The Arc of Virginia renewed its appeal to Governor McDonnell and the General Assembly to stop and look at plans to rebuild a 75-bed state institution at the Southeastern Virginia Training Center (SEVTC) in Chesapeake. The Arc is seeking suspension of the rebuild project to allow the McDonnell administration and legislative leaders adequate time to review the controversial project.

According to The Arc President Howard Cullum, "the state policy of rebuilding state institutions for persons with intellectual disabilities will cost at least \$250 Million or \$1/4 Billion dollars in future capital outlay funds if the Chesapeake model is replicated at the state's four other aging institutions. No other state is rebuilding institutions. Eleven states have already closed all their institutions for persons with intellectual disabilities. Remember, we are not talking about the state's mental hospitals for persons with serious mental illness. This has nothing to do with the state's mental hospitals."

Mr. Cullum said, "A state-funded study of the SEVTC residents completed last year, after the decision to rebuild was made, concluded that all residents could be served in the community with needed supports. The thousands of Virginia families caring for family members with significant intellectual or developmental disabilities already knew this."

The Arc also pointed out that the average annual operating cost at state institutions is \$194,000 per person compared to an average annual cost of \$95,000 for persons living in community housing through the Medicaid waiver program. Mr. Cullum further stated, "Virginia's decision to keep operating expensive state institutions will cost at least \$750 Million or \$3/4 Billion more to operate than community care over a ten year period. Meanwhile, the wait list for community waivers is now over 5,900. These families want community care but are told there is no money for waivers."

The Arc wants the intellectual and developmental disability system to be reformed so that funds can be freed up down the road to address the growing waiting lists. Virginia has over 17,000 persons with intellectual or developmental disabilities living at home with parents 60 years or older. This is the looming issue Virginia is facing in the years ahead. The Arc is asking the Governor and legislature to turn back from a policy direction that will cost taxpayers \$1 Billion in unnecessary expenditures over a ten-year period.

### Officers

Howard Cullum, President  
Sue Sargeant, President-Elect  
Amy Yarcich, Vice President  
Barbara Barrett, Secretary  
Glenn Slack, Treasurer.  
Nita Grignol, Past-President

### Local Chapters

The Arc of Augusta  
The Arc of Central Virginia  
Danville Arc  
The Arc of Eastern Shore  
The Arc of Halifax  
Hanover Arc  
The Arc of Harrisonburg/Rockingham  
The Arc of Loudoun County  
The Arc of Northern Shenandoah Valley  
The Arc of Northern Virginia  
The Arc of Virginia Peninsula  
The Arc of the Piedmont  
The Arc of Greater Prince William  
The Arc of Rappahannock  
The Greater Richmond Arc  
The Arc of Greater Roanoke Valley  
The Arc of Rockbridge  
Smyth County Arc  
The Arc of Warren County  
The Arc of Greater Williamsburg

Last year's decision to start rebuilding state institutions was made without an open review and discussion of important policy and financial issues. These issues include:

- How have other states successfully closed segregated institutions and shifted to community care?
- What has been the impact on former institutional residents and their families?
- What is the future legal risk to the Commonwealth of rebuilding institutions in light of the Americans for Disability Act's (ADA) community integration requirement?
- What is the long range financial risk to the Commonwealth of continuing to receive federal Medicaid reimbursement that now offset about half the costs of operating large state institutions?
- How have other states successfully leveraged state general fund dollars with federal housing and private sector investments to build or acquire community housing at the best cost to state taxpayers?
- What should the state's role, including operation of community-based homes, be in order to maintain a strong safety net for this population in the future?

Good businesses have the ability to step back and reassess previous decisions to be sure their policy and product are right. It is the prudent and common sense thing to do. Spend time and look at the issues before making a Billion dollar mistake. It takes leadership. That is what The Arc is asking our Governor and legislators to provide.