



August 21, 2025

The Honorable Greg Abbott
Governor of Texas
P.O. Box 12428
Austin, Texas 78711-2428

Dear Governor Abbott:

Thank you for your service to the people of Texas. On behalf of the thousands of Texans with intellectual or developmental disabilities (IDD) and their families, we are bringing to your attention the dire state of community-based IDD services in Texas, which has entered an untenable phase in an ongoing crisis that threatens the health, safety and well-being of our state's most vulnerable residents.

Unfortunately, during the 89th Legislative Session, the Texas Legislature missed a critical opportunity to appropriate adequate new funding for community IDD services in Texas before the crisis entered the point of no return. Now, we are seeing additional IDD group homes cancel their contracts with the Texas Health and Human Services Commission (HHSC), citing a lack of funding from the state¹, leaving families of Texans with IDD scrambling to find appropriate care options for their loved ones with complex medical and behavioral needs.²

This continues the downward spiral for community IDD services in Texas, accelerating the misalignment and reduced access to services, ultimately costing the taxpayer more money and increasing negative outcomes for this particularly vulnerable population. We respectfully request that this urgent issue be added to the current special session's agenda to be addressed immediately, before it is too late and thousands of Texans with IDD and their families are left with no options to receive the care and support they need in their communities.

Before the 89th Legislative Session began, IDD providers across the state were already operating with an average of one-third or more of their staff positions vacant, with many community-based direct support professionals (DSPs) working anywhere from 60 to 100 hours per week. This level

¹ [“Local mental health authority Texana Center to lay off 185 workers, citing state funding shortfall,”](#) *Houston Business Journal*, June 3, 2025.

² [“Houston-area group homes for people with disabilities shutter as industry faces ‘crisis,’”](#) *Houston Chronicle*, June 16, 2025.

of strain is neither sustainable nor safe, and the Texans we serve and their families deserve better.

Despite this ongoing crisis and repeated calls from IDD providers to see meaningful investments and reforms this session, the Legislature adopted an across-the-board approach for both IDD providers and community attendant providers, glossing over their separate and distinct responsibilities, challenges, costs and requirements. The legislative wage adjustment from \$10.60 to \$13.00 per hour for DSPs fails to give the selfless, hard-working caregivers who take on a range of complex responsibilities to protect the health and safety of Texans with IDD the compensation they need or deserve. In fact, many IDD providers were already paying DSPs *more than* \$13.00 per hour by participating in the Texas Attendant Compensation Rate Enhancement (ACRE) program – and were still unable to hire or retain staff.

This inadequate funding is further exacerbated by the removal of the ACRE program. The reduction in ACRE funding providers will essentially wipe out any reimbursement rate increases received for key IDD services. For example, reimbursement rates for certain services, such as Group Homes and Intermediate Care Facilities (ICFs), which are the models that serve individuals with IDD who have “moderate” to “intense” level of needs, will see a less than 1% increase with the removal of ACRE funding. Although our staff has heard that the legislature has provided them with raises, most of us are unable to afford to raise wages, given the lack of net new funds for wages as well as the significant increases in the cost of all other aspects of meeting clients’ needs.

The grave concerns providers have about the viability of our programs for the next two years are further compounded by the risk that ACRE funding may go away on September 1, *before* the U.S. Centers for Medicare and Medicaid Services (CMS) approves HHSC’s proposed rate increases. The removal of ACRE without an offsetting rate increase could mean as much as a \$10.00 per day per client *decrease* in reimbursement for the very providers who were able to participate in the quality-focused program created by the legislature. For providers already operating on a shoestring budget (or even in a deficit), this decrease for any amount of time will be disastrous.

During a recent meeting³ of the Medical Care Advisory Committee (MCAC), Valerie Mays – HHSC’s Deputy State Medicaid Director – [acknowledged the concerns](#) from providers regarding implementation of Rider 23 in the 89th Legislature’s General Appropriations Act:

“This rider discontinued the attendant compensation rate enhancement programs for community services, intermediate care facilities, and intellectual and developmental

³ [Medical Care Advisory Committee Meeting \(MCAC\)](#), Texas Health and Human Services Commission, August 14, 2025

disability services. These rate increases will impact a number of Texas' programs to include our intellectual and developmental disability waiver programs.

"...since these are substantive changes to the programs, the federal government only allows these amendments to be in effect prospectively and, so, we have a very short window of time between the August 1 submission date and September 1. I want to note that we're also developing the state plan amendments related to this change that are needed for this project, however, we have some more time as an agency because those changes can be retroactive back to the September 1 date.

"We understand there have been concerns. We have heard from a number of stakeholders through the process about the looming September 1 date. I want to reiterate that we're continuing to explore options, however we have been laser focused on working with the federal Centers for Medicare and Medicaid Services on working towards a September 1 effective date for these changes."

It is critical that HHSC responsibly implement the legislatively appropriated funds for community-based IDD services. To ensure IDD care service providers do not fall over a devastating fiscal cliff, we respectfully urge you to take immediate action by directing HHSC to:

1. Allow HCS/TxHmL providers to continue receiving their current ACRE level of funding until the new rates are implemented; and
2. Ensure that no provider experiences a reduction in reimbursement during the transition period due to federal approval timelines.

This approach balances the Legislature's directive with the practical realities of implementation and helps protect the individuals and families who depend on stable community-based services. These are stopgap measures to prevent a near-term catastrophe for IDD community services in Texas but are by no means a permanent long-term solution to the continued misaligned funding decisions of the Texas Legislature.

The current reimbursement rates do not reflect the true cost of services for Texans with IDD in various community settings. Rather than making targeted investments to account for the heightened needs and skillsets required for DSPs who serve Texans with IDD, the Legislature took a 'broad brush' approach to funding disability care worker wages, resulting in a misalignment of services for Texans with IDD who have different levels of need.

This is also a fiscally irresponsible approach that will cost the state more in the long run. Ahead of the 89th Legislative Session, Texas Conservative Coalition Research Institute (TCCRI)

warned Texas lawmakers and budget writers⁴ about the consequences of failing to adequately invest in community IDD services, particularly long-overdue wage increases for DSPs:

“Policymakers should be aware that any projected fiscal impact from increasing the base wage for DSPs may not take into account the significant savings that are generated by people with IDD receiving necessary and preventative care.”

The decisions of an increasing number of IDD service providers to shut their doors or downsize are not made lightly. Providers would not make choices like these if they believed they could stretch their finances for another two years with the hope that the Legislature and HHSC will take meaningful steps to restore stability to a system in crisis.

Without relief, we will see more Texans with IDD displaced, their families left with few or no options to seek adequate care for loved ones, Texans with IDD living on the streets and arrested, and even losing their lives. The untenable economics that the Texas Legislature and HHSC have forced upon IDD service providers have now resulted in a death spiral for the community IDD care system in Texas.

In the short term, we request your help to ensure the rates are properly implemented at the state level, and furthermore, that the State gives IDD service providers a fighting chance if pending rate adjustment approvals by CMS are delayed. Beyond the implementation of these rates, we respectfully request your help to facilitate meaningful discussions during the interim about the full cost to safely serve Texans with IDD.

As a longtime champion for the most vulnerable Texans, we know you deeply understand the value of life that so many families of people with disabilities across our state cherish. We hope you will continue this commitment to life, to the men and women who protect and defend it, and to the tireless care workers who make life worth living for Texans with IDD every single day. Thank you for your attention to this urgent matter.

Sincerely,

The Time To Care Texas Coalition, including:

29 Acres
Ability Connection
Able Family Services
Advo Companies

⁴ [“Examining the Critical Need for a Rate Increase to IDD Community-Based Providers.”](#) Texas Conservative Coalition Research Institute (TCCRI), August 26, 2024.

All the Little Things Count
All the Little Things Country
Autism Speaks
Avondale House
B&L Homes, LLC
Berry Family Services
Breckenridge Village
Center for Pursuit
Christian Broadcasting Company
Community Homes for Adults, Inc. (CHAI)
Culpepper Creek Farms
D&S Community Services, part of the Sevita family
Down Home Ranch
EduCare Community Living
Evergreen Life Services
Golden Rule Services, Inc.
Harmony Living Centers
Henry B. Gonzalez III
Hill Resources
Living Resources
Mission Road Ministries
Mission Road Developmental Center
My Possibilities
Providers Alliance for Community Services of Texas (PACSTX)
Private Providers Association of Texas (PPAT)
Rock House
Spectrum of Solutions
Tarrytown Expocare Pharmacy
Taskmaster Pro (TMP)/Statewise
Tejas Management Systems, Inc.
Together Consulting
Vita-Living
Volunteers of America – Texas

###