

To our valued Consumer Directed Services (CDS) employers and attendants,

As your Fiscal Management Service Agency or FMSA, we at the Coalition of Texans with Disabilities (CTD) recently sent you a detailed email (9/14/22) on the COVID 19 American Rescue Plan Act (ARPA), which provided federal money or grants for attendant bonuses. **This is different than the ARPA formula bonuses, which will be discussed in more detail towards the end of this email.**

We are writing you today to:

- **provide some background** about the grant money;
- **explain why** CTD considered applying for these funds a risk;
- and **outline what CTD is doing** to ensure that you and your attendants receive bonus funds in the near future.

**The process of individual CDS employers applying for ARPA grants with the state of Texas puts CDS employers and attendants at significant risk for being accused by the government for committing fraud, even if it would not be intentional.** CDS Employers (you) would be responsible for following the complex rules for reporting up to \$2500 received to give to your attendants, and for following federal and state payroll laws.

For example, if a CDS employer made a mistake in reporting or following the federal and state tax laws, this could lead to a charge of fraud and the state seeking money back. Not only that, but the CDS attendant, in receiving a bonus from you, their CDS employer, could be committing tax evasion in taking a cash payment.

**The Texas Health and Human Services Commission (HHSC), who received this ARPA money of over \$6,000,000 refused to send the grant money directly to the FMSAs to manage and distribute.** Again, by refusing to give the money to FMSAs, HHSC clearly put CDS employers in the hot seat for individually handling (taxing) the significant sums of money and meeting all legal requirements for reporting how these funds were used to the state. There was another grant that FMSAs could apply for with HHSC that would give us some additional funds to provide training to employers on how to apply for these funds, but when CTD learned that even with this additional grant that nothing would fundamentally change with the risk involved to employers, we decided not to apply.

**Because we do not want you as employers and your attendants to be harmed in applying with HHSC for federal money, CTD attempted to convey rather forcefully with you that this is serious, and we used very strong language to warn and alert our CDS community.** We deeply value and respect our reputation as your FSMA and apologize if you were frustrated or confused by the tone of the email that was sent out earlier this month. In retrospect, this letter should have come to you before any information about the grant did.

**Here's the good news: The risky ARPA grants have no effect on the ARPA formula bonuses.**

As your FMSA, CTD will process those bonuses and pay your attendants. **We do not have the complete bonus money, instructions, and amounts, but once we know more details, our goal will be to have the bonuses paid by mid-November.**

Finally, because of our deep commitment to Texans with disabilities, we want you to know that as your advocates, **CTD has won big ARPA battles to get as much in bonuses as possible for not just our CDS employers and their attendants, but for *all* Texas CDS employers and their attendants.**

- Last year, we pushed hard for the state and Legislature to set aside money for attendants, in CDS and in the agency model programs.
- Earlier this year, the Houston Chronicle reported that CTD discovered a defect in the state plan—that is true. The result is that attendants for 130,000 Texans in the STAR Plus program were added to the bonuses, adding \$238 million in bonuses.
- CTD also forced a change from a state requirement that each individual CDS employer would be forced to complete a 17-page online report; instead, FSMAs are now doing this for you.

CTD advocated hard to change the risky ARPA grant system to something that would work without risk to CDS employers and attendants, even meeting with high state offices. That may yet make a difference but so far it has not. **No matter what, we believe the attendants on your staff have more than earned their bonuses and we are doing everything we can to get as much money as possible.**

If you, as CDS employers, would like to help CTD advocate for you, we ask **you to be ready to contact your legislators in early 2023 to support a real wage increase for attendants.** We will alert via email on when and how to do this.

Let's work together to make all the challenges associated with being CDS employers and their employees less difficult and worth the frustration. Let's work together as a small community to fight for higher attendant care wages and for more money to go to improving the lives of Texans with disabilities.

**We are so thankful for you.**

In solidarity,

The Coalition of Texans with Disabilities