



# Department of Developmental Disabilities

Mike DeWine, Governor  
Jeff Davis, Director

## Ohio House Finance Committee Testimony in Support of Governor DeWine's FY 20-21 Operating Budget

Director Jeff Davis  
Ohio Department of Developmental Disabilities

March 20<sup>th</sup>, 2019

Chairman Oelslager, Vice Chairman Scherer, Ranking Minority Member Cera, and members of the Ohio House Finance Committee:

My name is Jeff Davis, director of the Ohio Department of Developmental Disabilities. I am pleased to present Governor DeWine's budget priorities for the department. I am grateful for the opportunity to address you today, and I am eager to meet and work with each of you to have a finished budget that we can all be proud of -- that invests in Ohioans with developmental disabilities and their families.

I am appreciative of the budget Governor DeWine has provided the department. Our system is fortunate that our Governor's priorities so closely align with the challenges we face. We are very grateful to the Governor and his staff, especially Director Murnieks and her team at OBM for their thoughtful consideration and guidance through this process.

### **DODD Overview**

Before I discuss our budget in detail, I will quickly walk through the structure of our department and system. It is our mission to oversee a system of services and supports for people with developmental disabilities and their families. Everything we do must work to better the case management and delivery of services to enhance the lives of Ohioans with developmental disabilities. As a system, we serve approximately 100,000 people with developmental disabilities and their families, and approximately 22,000 children with developmental delays and their families as lead agency for Early Intervention. Our service delivery is a partnership of the state department, 88 county

boards of developmental disabilities, and private providers. The state and local boards through their levy funds leverage federal Medicaid funding.

Services are primarily through two options; (1) waiver services that allow funding for services and supports in the community, both residential and day services, or (2) intermediate care facilities (ICF) that provide services in a provider-operated facility. People are eligible if they have a severe, chronic disability caused by a mental or physical impairment that is present before the age of 22, is likely to continue indefinitely, and causes someone to need services and supports.

DODD is responsible for administering Ohio's Early Intervention program by partnering with local partners and providers to serve children ages 0 to 3 years who have developmental delays. These interventions, provided in family homes, give children and their families support at a critical time.

The department is a funding partner and oversees the system of supports, certifies boards and providers, provides trainings and support, and operates 8 developmental centers across the state. County boards not only provide a substantial part of the funding, they also are the front doors to our system, providing intake, eligibility assessments, and case management. Private providers employ staff to carry out the service plan through the hands on delivery of care so the person can get the supports they need to live the life they want.

## **Budget Overview**

In this biennium, we will provide a critical increase in wages to the people who provide the hands on delivery of care. These people are everything to our system, without them our system does not exist. We also will invest in Early Intervention, modernize our transportation rates to increase access to communities and employment, and work with our stakeholders to develop better ways to serve youth with complex needs. This budget puts us on a pathway to achieve these priorities and initiatives, and in a conservative manner, by utilizing existing system resources and partnering with our county boards and providers.

We share Governor DeWine's commitments to strengthen healthcare and supports for those who need it most, to tackle workforce issues, to collaborate in combating the effect drugs have on our families and communities, and to make sure every Ohio child

has an opportunity to succeed. I know many of these issues are dear to many of you, so as I share our plans to tackle these issues in our system, I extend my ear to each of you to hear your thoughts and ideas.

Highlights of our budget proposals as introduced are as follows:

- With state and locals dollars, the homemaker personal care (HPC) direct support professional (DSP) base rate increases approximately 11% over the biennium
- Upon implementation of the rate increases, accountability measures will be implemented using a revised version of the National Core Indicators Staff Stability Survey, and agency-specific results will be released by DODD
- Increases On-site/On-call DSP reimbursement rate to current minimum wage of \$8.55 (from \$6.09)
- Completes the transition of lead agency for Ohio's Early Intervention program from the Ohio Department of Health to DODD, and increases funding to keep up with increased demand
- Updates EI eligibility to cover children with high lead exposure or other substances
- Invests in non-medical transportation so people with disabilities can get to work and other places in the community
- Maintains the ICF rate reimbursement formula currently in statute

## **1. Investing in Our Workforce**

A direct care workforce shortage is widely regarded as the number one issue facing our system. The Ohioans who provide direct support to people with developmental disabilities are foundational to our system. This job requires a special kind of person who has judgment and a caregiving instinct. However, a Medicaid rate reimbursement structure that compensates direct care staff at an average of \$11.12 an hour does not reflect the demanding nature of the job nor does it allow us to compete in a tightening labor market.

Additionally, for small business providers who have staff provide overnight coverage, the current direct support staff portion of the Medicaid rate actually reimburses at an amount significantly lower than the mandated state minimum wage. This means providers must make up for the gap between what the state pays and what they must legally pay their staff. We propose to increase the hourly wage to more adequately pay for the service provided and to ensure enough provider capacity exists for this service.

The department has worked to address our workforce issue through many strategies including the use of technology. These emerging technologies are wide ranging and have equally as wide-ranging benefits to those who utilize them. Remote support and assistive technologies are now being discussed when people with disabilities meet with their support team to plan for services. These technologies allow greater independence for the person and have the benefit of being less expensive than traditional staff. In a climate of a tight workforce, we are able to provide remote support to those who want it and shift that staff person to where there is need.

Without increases, we struggle to compete in the labor pool, in both recruiting and retaining workers. Turnover rates for Ohio direct care workers are approaching 60% and exceeds the national average. This puts a strain on our whole system; understaffed providers create hardships for families and counties who are trying to find coverage.

Fortunately, there is system consensus on this issue, and because of that, I am happy to announce a historic collaboration. Our county board of developmental disabilities have agreed to a first of its kind partnership with the State to invest jointly in raising rates for our direct care workforce. This state-local partnership will raise the HPC DSP rates approximately 11% by the end of the biennium. I cannot understate how momentous this is for our system. Our county boards have stepped up to the plate in a large way and they ought to be commended for their investment and partnership.

## **2. Investing in Ohio Children**

We share Governor DeWine's commitment to investing in children and giving them the best start at life. Since 2014, early intervention referrals have increased more than 10% and the number of children served have increased more than 8% while state funds have remained flat or declined. We are seeing children with lead exposure and neonatal abstinence syndrome come into our system and need services. Through the JCARR process, we are proposing to modify eligibility to include lead exposure and neonatal abstinence syndrome (NAS).

This budget invests in children with developmental delays, lead exposure, or who were born with NAS. The budget provides resources to meet higher need and completes the transition of Early Intervention from the Ohio Department of Health to DODD.

## **3. Investing in Community Transportation**

Our current transportation reimbursement system was built over a decade ago. At that time, transportation to and from day activities relied almost exclusively on large vehicles

to move large groups of people from one location to another. This model needs modernized to meet the needs of people with disabilities who work and are more involved in our communities and who need to get to jobs. There is broad recognition in our community about the issue and the need for a solution.

This budget invests in community transportation models that allow Ohioans with developmental disabilities get to their jobs and get around their communities. A new investment will allow providers to operate smaller vehicles for more person-centered transportation.

#### **4. Youth with Complex Needs**

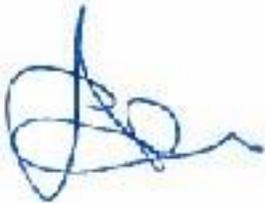
We are seeing a continued rise in the number of youth who have significant behavioral challenges and who are typically involved with multiple systems, agencies, and providers. It is vital that we have interventions, trainings, partnerships, and programs in place that (1) prevent or reduce out-of-home placements, (2) prepare for a successful return home for out-of-home placements, (3) build capacity and (4) improve outcomes overall for these youth and their families. This is a conversation that we will have together through the budget process.

The department is committed to using our resources and staff to serve these youth. We are in discussions with our intermediate care facility providers to use existing capacity and build upon it with increased training and supports.

#### **Conclusion**

Chairman Oelslager and members of the committee, thank you for this opportunity to provide a high-level overview of Governor DeWine's budget for the Department of Developmental Disabilities. As the budget process continues, I make myself available for conversations and questions.

Sincerely,



Jeff Davis, Director