



Department of Developmental Disabilities

Mike DeWine, Governor
Jeff Davis, Director

Ohio House Finance Subcommittee on Health and Human Services Testimony in Support of HB 166

Director Jeff Davis
Ohio Department of Developmental Disabilities

April 1st, 2019

Chairman Romanchuk, Ranking Member West, Representatives Kelly, Lipps, and Roemer:

My name is Jeff Davis, Director of the Ohio Department of Developmental Disabilities. I am pleased to testify in support of House Bill 166, Governor Mike DeWine's operating budget proposal.

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.

Budget Overview

Governor DeWine is committed to encouraging and supporting people with disabilities to fully participate in the social and economic life of Ohio. Governor DeWine's budget proposal invests more than \$220 million over the next two years in Ohio's developmental disabilities system. The budget addresses severe workforce issues, provides children the early interventions they need to succeed, and improves transportation access to work and communities.

The proposed budget maintains current level of services and supports for people with developmental disabilities, while investing an additional \$55.8 million in new state appropriations, \$31 million in existing system resources, and \$10.7 million from county boards of developmental disabilities. With federal matching funds, this budget in total invests more than \$220 million over the next two years in Ohio's developmental disabilities system.

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 percent 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 Early Intervention 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 their communities
- Maintains the ICF rate reimbursement formula currently in statute

1. Investing in Our Workforce

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

Additionally, for 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. Supportive technology allows for greater independence for the person and has 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 percent and exceed 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 boards 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 percent 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. Over the next two years, this initiative costs \$32.2 million in state funds and \$10.7 million in local funds.

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 percent, and the number of children served has increased more than 8 percent 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 modifying Early Intervention eligibility to include lead exposure and neonatal abstinence syndrome (NAS).

To provide more children with the services and supports they need to grow into strong adults, this budget invests \$24.4 million over the next two years in new money for Early Intervention to serve children with developmental delays, lead exposure, or who were born with NAS.

3. Investing in Community Transportation

Our current transportation reimbursement system was built more than 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 their communities and who need to get to jobs. There is broad recognition in our field about the issue and the need for a solution.

This budget invests in community transportation models that allow Ohioans with developmental disabilities to get to their jobs and around their communities. A new investment will allow providers to operate smaller vehicles for more person-centered transportation. Over the next two years, this initiative costs \$9.8 million in state funds.

4. Youth with Complex Needs

There is a continuing 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, training, partnerships, and programs in place that prevent or reduce out-of-

home placements, prepare for a successful return home for out-of-home placements, build capacity, and improve outcomes overall for these youth and their families.

The department is committed to using our resources and staff to serve youth with complex needs through tele-psychiatry, respite services, and increased provider capacity.

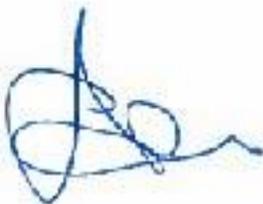
Additional Budget Initiatives

- Permits DODD to immediately suspend a provider's certification when there is serious noncompliance or substantial risk to the health and safety of a person
- Requires each county board of developmental disabilities to submit to DODD a five-year projection of revenues and expenditures to ensure the system's long-term financial sustainability
- Continues the Employment First Task Force to ensure that employment for Ohioans with developmental disabilities remains a priority and is coordinated between state agencies
- Continues the Interagency Workgroup on Autism to ensure coordination among the state agencies that serve Ohioans with autism spectrum disorders and their families

Conclusion

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

Sincerely,



Jeff Davis, Director