

VFA Testimony for Finance subcommittee Health and Human Services

Chairman Sprague, Ranking Member Sykes, and members of the Finance Subcommittee on Health and Human Services.

My name is Michael Rench and I am the President and CEO of St Joseph Home of Cincinnati. We are a not for profit sponsored ministry of the Sisters of Charity of Cincinnati and we serve children and adults with developmental disabilities and significant medical and physical challenges.

Our agency is a member of the Values and Faith Alliance which represents 10 faith and values based residential and day services providers. We were formed 3 years ago to provide an additional voice to public policy discussions in Ohio concerning citizens, children and adults, with developmental disabilities. We serve over 2400 individuals, employ over 2600 staff and generate annual operating budgets totaling 136 million dollars. Many of our members have been pillars in their community for over one hundred years.

As faith based agencies we are concerned about the long term sustainability of the DD service network in Ohio. My purpose in coming before you today is to share the members of the Values and Faith based Alliance support for and concerns about the budget initiatives proposed by DODD.

We support the general direction of Director Martin's budget to allow more Ohioans with developmental disabilities choices in the support system. We also applaud his 6% increase in Medicaid Waiver rates and 2% increase to the Intermediate Care Facilities budget.

We appreciate Director Martin's willingness to work with all stakeholders in the system to obtain input and ideas on how to move forward with choices and options.

We have worked closely with the three other key trade associations in the DD system, The Ohio Provider Resource Association, Ohio Health Care Association and the Ohio County Boards of Developmental Disabilities Association. The four associations have come together with joint concern on a number of budget proposals by Director Martin. We feel that sections of this budget will cause more harm than good to individuals served and the overall system that supports them.

There are several areas in the budget bill proposals around Intermediate Care Facilities we believe need revision. Our concerns fall under the following topics: flat rates, license take back and bed take back with waiver, bedroom size, downsizing development, rate cap, and admissions consultation. Our proposed revisions will give the overall system an opportunity to plan and execute the many changes Director Martin is outlining in his budget proposal. We seek to ensure these changes are integrated in a manner which does not disrupt the current system and therefore, maintains stability for those children and adults served throughout Ohio.

The first area of concern pertains to sections in the bill that create a flat rate for some 20% of individuals living in ICF facilities in Ohio. We propose that the flat rate apply only to facilities the size of 16 beds or larger that do not have an approved plan for downsizing or converting to Medicaid Waivers. We believe this should go into effect January 1, 2016. We also have concerns about the validity of the acuity tool that is being used to determine who will be funded with a flat rate. An improved acuity assessment instrument must be part of the new reimbursement system proposed for development over the next biennium.

Our second area of concern is the proposal that ICF beds be taken by the Department of DD if the bed is vacant for more than 12 months or if a resident leaves and receives services under a Medicaid Waiver. We propose these sections be removed from the bill. Like the flat rate, this loss of revenue would actually hamper some provider's efforts to convert or downsize their facilities.

A third area of concern is bedroom size. The bill prohibits any new admissions to ICFs with 3 or more residents in a bedroom. We are against this, but do agree such facilities should have a plan in place in order to continue admissions. And, by 2023 have completed that plan reducing their bedroom size to 2 or less per bedroom. We have suggested some exceptions to that for children.

Our fourth point pertains to downsizing development. We want to support downsizing but feel that the provisions in the budget bill around development of new facilities actually works against that effort. So in this area of concern we propose new ICFs can be up to 8 beds in size and if needed, can be built on adjoining sites. We also do not want separate facilities licensed as one entity.

Regarding rate caps - we appreciate the 2% rate increase for ICFs but want to be sure there is a fair distribution of those new dollars. To this end we have proposed some adjustments in several of the Medicaid ceilings.

Lastly, we are open to having county boards provide admission consultation with individuals considering admission to an ICF. But we believe the period of time allotted for that consultation should be 5 days not the 90 days proposed. We do not believe DODD is needed in the admissions consultation process.

I again want to thank the Committee for the opportunity to present testimony today. We appreciate the care and concern of this committee as we strive for the best in support and services for our residence each day. I am more than willing to answer any questions you might have.