

**Testimony Before
Senate Health and Medicaid Subcommittee
Amended Substitute House Bill 166**

May 14, 2019

Good afternoon, Chair Hackett, Ranking Member Thomas, and members of the subcommittee. I am Pete Van Runkle, Executive Director of the Ohio Health Care Association (OHCA). I appreciate the opportunity to offer testimony about the Department of Developmental Disabilities (DODD) portion of the budget bill as passed by the House.

In addition to other long-term services and supports providers – I'll be back later to testify about their issues – OHCA represents providers of services to individuals with intellectual and developmental disabilities. Our members operate intermediate care facilities and offer various waiver services for this population.

Overall, we are very supportive of the House-passed budget. DODD Director Jeff Davis presented to the House a budget proposal that he developed collaboratively with OHCA and many other stakeholders in the sector. Director Davis' budget contained bold proposals to help providers deal with the biggest challenge they face today: finding and keeping quality staff. Without staff – most importantly, direct support professionals (DSPs) – our members cannot provide critically needed services. OHCA hears from members constantly about this concern, in the ID/DD field and throughout our membership.

Director Davis proposed a two-step rate increase for homemaker/personal care providers premised on increases in the underlying average wage for DSPs who deliver these services that topped out at \$12.38 per hour by January 1, 2021. This increase was partially funded by county boards.

The House accepted this proposal and enhanced it to by adding another \$140 million so the DSP wage increase could move to \$13.00 per hour on January 1, 2020, a year earlier and \$0.62 higher than the Director's proposal. We support both Director Davis' proposal and the House's addition to it. These increases are sorely needed to support our members' efforts to staff services for people with disabilities.

On the ICF side, Director Davis proposed not to disturb the rate formula that stakeholders negotiated and the General Assembly enacted just last year in House Bill 24. Importantly, the ICF formula responds to the staffing crisis by giving providers the ability to increase wages and have the costs factored into their rates going forward. The House agreed with maintaining this policy.

Unfortunately, though, one amendment did not make it into the House bill despite carrying agreement of the department, provider associations, and county boards. We did not hear any concerns from House members about this amendment, and we understand its omission was accidental. We ask this subcommittee to recommend including it in the bill.

Specifically, the amendment addresses three issues. First, it would postpone and revise the quality measures that will determine a portion of the ICF rate in the future. The quality measures specified in HB 24 proved excessively burdensome and the payment methodology would have denied some providers money they are using to address the DSP crisis. Second, the amendment would create an incentive for ICFs to serve individuals with severe behavioral manifestations, with funding for the incentive coming from an increase in the ICF franchise permit fee. Third, the amendment would streamline and clarify provisions in the bill on summary suspension of supported living services.

Again, all of these changes are agreed upon.

I'd like to mention one other issue, non-medical transportation (NMT). The department proposed rule changes to increase rates for most NMT and included money in their budget plan to fund the changes. One rate, for large-capacity vehicles, would be reduced under DODD's proposal. This led the House to put the NMT rate changes on hold and create a study committee on the subject. We hope quickly to find a solution to this problem that eliminates the need for the House language.

To sum up, OHCA strongly supports the ID/DD portions of the House budget, with the addition of the agreed-upon amendment and, hopefully, a solution on NMT.

Thank you for your attention. I am happy to respond to any questions.