

**Testimony on HB 33 (FY24-25 State Budget)
by Adam Herman, Chief Executive Officer
Ohio Association of County Boards of DD
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Chairman Romanchuk, Vice Chair Wilson, Ranking Member Ingram, and members of the Senate Medicaid Committee;

On behalf of the Ohio Association of County Boards of Developmental Disabilities, I thank you for the opportunity to testify on House Bill 33. Ohio's 88 county boards of DD support nearly 100,000 people with developmental disabilities—and their family members—by providing them with direct services, helping them plan their service needs, and offering targeted support from birth to death.

This lifelong perspective gives county boards a unique vantage point to observe all areas of our system in real-time. You heard about the state of our system from Director Hauck last week, as well as my colleagues here this morning. After our testimony is complete, you will hear specific examples from people with disabilities and family members who are living this crisis every day.

Our message is the same: the ability of people with developmental disabilities in Ohio to live healthy, safe, and fulfilling lives is in serious jeopardy.

The private DD provider businesses that support tens of thousands of Ohioans with essential functions of their day-to-day lives are struggling because the state's reimbursement rates do not allow them to hire and retain necessary staff.

As these dedicated front-line professionals leave for jobs in other, better-paying, less-demanding sectors, those who remain are working longer and longer hours for artificially low wages. Soon, they too will leave, and nobody will be here to take their place.

The most common sentiment I hear from Direct Support Professionals as I travel the state is that they believe supporting people with disabilities is their life's work. They become so close to some individuals in our system that they feel like members of their extended families.

Unfortunately, these DSPs are now being forced to make a choice—do they continue working 60 to 80 hours a week making only a few dollars more than minimum wage to support someone they deeply care about, or do they accept a job elsewhere that allows them to pay their bills and feed their families with 50% or more annual income than they can earn in our system?

County boards know the answer to this question, because they see the impact of this crisis on a daily basis: DSPs are leaving our field at an alarming rate.

Today, our case managers focus less and less of their time supporting the goals of people with disabilities who simply want to live healthy, safe, and independent lives of their own choosing; instead, they operate like triage medics on a battlefield, rushing from emergency to emergency as people lose their providers, often multiple times a year, with no end in sight.

Among all the individuals who are losing their providers, those with the most significant support needs suffer the most. By no fault of their own, their support needs require a higher level of staffing than many providers can offer. For those individuals whose families are unequipped to serve as a backup, many find themselves in hospital emergency rooms, the state's developmental centers, or worse in search of care and support.

People with developmental disabilities and their families across Ohio are in crisis. As our service population continues to expand, this crisis will only intensify in the next biennium without state action today.

Statistics over the past several years collected by county boards indicate that our service population is dramatically increasing at the exact time our state's capacity to support them is faltering. As has been stated by my colleagues, we predict that—without action in this budget—more than 60% of providers will cease operations within 5 years. For many, it will be as soon as 18 months from now—squarely within the fiscal biennium HB 33 addresses.

This means that—within the next 18 months—a significant number of additional people in your communities will face a devastating loss of support. There will be few options left to ensure their health and safety, and those options will be the most restrictive and the most expensive for the State of Ohio to provide.

It is not hyperbole to say that the lives and livelihoods of many people with developmental disabilities and their families are hanging in the balance.

The path we must travel is clear: increasing the State of Ohio's Medicaid reimbursement rate to support a \$20 per hour average wage for workers in the DD system is essential if DD providers are to compete with other businesses in a crowded labor market.

The budget before you already includes significant rate increases to increase average wages to \$17 per hour in the first year of the biennium and \$18 per hour in the second year. We are grateful to the Governor and your colleagues in the House of Representatives for supporting people with developmental disabilities in our system, and for making tough decisions to allow these appropriations to take place. However, more is needed to overcome our system's structural hiring disadvantages.

Fortunately, evidence that higher wages will attract and retain DSPs comes from the State of Ohio itself: in 2022 when the state could not find enough workers to staff its developmental centers (DCs), DODD increased their DC starting wage to more than \$20 per hour, which stabilized their workforce.

This was the right thing to do then, and it remains the right thing to do today.

DD provider businesses must operate within the Medicaid reimbursement rates set by the State of Ohio, which are exclusively based on appropriations in the state budget. County boards and service recipients cannot supplement the rate with other funds—even if they were available—because federal law stipulates that state Medicaid payments must be accepted as payment in full.

While county boards are open to further discussions with the committee on ways that local funds can be paired with additional state investment to increase the rate in this budget, it should be noted that the ability of county boards to contribute in a uniform manner is severely limited by the ability of local property tax payers to shoulder the additional expense.

Furthermore, county boards' ability to support an increase in this budget is currently being challenged by a newly-proposed expansion of Medicaid services that is projected to cost as much if not more than the amount we were hoping to offer in this budget. We look forward to having further conversations with the committee in the coming weeks as we identify a financially sustainable path forward on this topic.

At the end of the day, our request is simple: DD providers must be given the ability to pay competitive wages for life-changing work. Reporting mechanisms are already in place to ensure rate increases are passed along to DSPs, and county boards welcome additional accountability measures proposed by this body to ensure these funds go where they are intended.

With your help, we can restore hope for the people and families supported by our system whose lives are profoundly impacted by this crisis. On behalf of my colleagues, thank you again for your time today in addressing this challenge. Our panel welcomes your questions at this time.