
Testimony of Dan Connors before the Senate Medicaid Committee

5-4-23

Chairman Romanchuk, Vice Chair Wilson, Ranking Member Ingram, and members of Senate Medicaid Committee, my name is Dan Connors, and I have the privilege of serving as the CEO of St. Joseph Home in the greater Cincinnati area. I am here this morning to share with you the critical need for investment in the developmental disabilities, or “DD” system to address the staffing crisis that exists for individuals who need critical support from a front-line worker, such as a nurse or direct support professional, known in our field as a DSP.

St. Joseph Home employ’s around 220 staff to provide residential, respite and day services to over 200 individuals. We specialize in services to individuals with complex medical and support needs. For example, our 48 Bed Intermediate Care Facility, or ICF, is one of a select few provider settings in the state of Ohio that offer residential services to individuals who require ventilator support.

I want to start off by expressing my gratitude to Director Hauck of DODD, and to Governor DeWine for the investment made to the DD system in the Administration’s budget, which as you know brought the DSP wage to a statewide average of \$16/hour, and also offered considerable investment toward the care for vent dependent individuals. I am additionally grateful to your colleagues in the House for an additional investment to bring this number to \$17 and \$18/hour in the respective FY 24 and 25 budgets.

These investments are historic and I know I speak for the entire provider community in expressing gratitude for this recognition of the value of citizens with developmental disabilities in Ohio.

My experience at St. Joseph Home, however, has unfortunately shown that the times we are in are just as historic, and this wage will not be enough to stabilize a workforce that has been rocked by the pandemic, surging inflation and the changing demands of a modern labor market.

Two years ago, St. Joseph Home began to see a dramatic change in our ability to recruit and retain staff. Our staffing levels were trending in a direction that meant we had to consider eliminating or downsizing services. We know the individuals we serve have very few options and we felt we had no choice but to invest our reserves into raising our wage to prevent this from happening. In doing so, we brought our average DSP wage to just over \$18/hour.

I’m grateful that we had this option, however, we are now spending reserves on operational costs, which of course is not sustainable without increased investment in the Medicaid rate, which is our only ongoing source of operational revenue.

Medicaid rates have not kept up with inflation over the last decade or more. Despite this, we have continued to find unique ways to increase our wages to our front-line workforce. The last 3 years, however, have created a situation where no amount of operational efficiency can keep pace with the labor market's pay demands. Consider for example, the Chairman of our board, who works for a large business based in Cincinnati that employs a considerable number of individuals who have the same minimum qualifications as our DSP's. In 2018, that company paid a minimum starting wage of \$12/hour. By 2022, that number had climbed to \$20/hour. And that is their minimum pay rate, not their average pay rate.

It is also important to say that bringing St. Joseph Home's average DSP pay to \$18/hour allowed us to keep from closing services, but it by no means solved our staffing challenges. We have had to prioritize residential services, with other services operating below their pre-pandemic capacity directly due to staffing challenges. Even in our residential program, front line worker vacancies are over 30%, leading to surging overtime costs to make sure shifts are covered. I think this experience demonstrates the credibility of the coalition of providers' request to bring the average DSP pay rate to \$20/hour to stabilize our workforce.

Our continued staffing challenges have also caused us to halt expansion plans that we had to meet a surging demand for services that is, frankly, overwhelming.

St. Joseph Home maintains a list of over 50 individuals who are waiting for a bed to open. We also receive regular calls from local children's hospitals seeking placement for children as young as 10 months old who are ventilator dependent and live in an inpatient hospital setting with no long-term placement options. As the staffing crisis in our state has increased, we have now begun to see a staggering number of inquiries looking for service. In the last 10 months alone, we have received about 400 additional requests for services.

I cannot emphasize enough that these individuals and their families are in crisis. A shrinking provider support system is driving them to consider much more expensive options, such as nursing homes and hospitals. More importantly, these systems are not able to meet their unique needs.

In closing, I want to thank you for the opportunity to share our story with you this morning. I know the Senate has many members who are well versed on, and champion the needs of individuals with developmental disabilities and I want to thank you in advance for your efforts to drive funding to support them. I would be happy to take any questions you might have.