

**Testimony on SFY 24/25 Operating Budget
Senate Medicaid Committee**

Chairman Romanchuk, Vice Chair Wilson, Ranking Member Ingram, and esteemed committee members,

I want to thank you for the opportunity to provide written testimony to you today.

My name is Diane Beastro and I have the privilege to serve as President & CEO of Koinonia, a nonprofit organization serving over 300 people with developmental disabilities (DD) in Cuyahoga, Summit, and surrounding counties, headquartered in Independence, Ohio. Koinonia provides a wide array of services, including Intermediate Care Facilities (ICF), home and community-based waiver residential settings, adult day services, vocational training, employment services, shared living, respite, transitional youth employment preparation, and transportation. All our settings are small, and community based. Koinonia also provides community mental health services, a program we developed in 2021 to address the mental health needs of the DD population, which is often underserved. A high proportion of people we serve have dual diagnoses that include mental health challenges.

Throughout my 36 years with Koinonia, I have been proud of our commitment to serve people with high behavioral and mental health complexities in our residential programs; we are committed to serve those who are most challenging. However, our ability to act on that commitment has been significantly challenged over the past several years. We know that continuing to prioritize those with complex conditions without staff sufficient in number and preparation is not responsible. So, instead of actualizing our plans to grow and develop our services in response to the need, we are instead shrinking and contracting our services, making choices I never thought I would encounter. Three years ago, Koinonia employed 630 and today we employ 450 with over 70 open positions we are actively recruiting to fill. As a result of an ongoing significant staff vacancy rate, we are faced with the need to terminate services to people in need, to align with the available workforce. My staff and I dread the painful decisions that we are forced to make and feel that we are letting down people we have served for years.

Weekly, Koinonia receives many contacts from family members and county boards of DD desperately searching for services. The number is so great and our current ability to respond is greatly compromised due to the workforce.

Workforce challenges did not begin with the pandemic; however, the past several years have exacerbated the issue. Relying solely on Medicaid funding for most of our services restricts our ability to increase prices to meet the increasing costs to provide services in this economy. We are further constrained by limited options to reduce costs that don't also result in negative impacts on both quality and access to services. The DD system is unique in healthcare in its single payer funding model.

Out of necessity to keep our doors open and services available, Koinonia and other providers had to increase our wages to compete at all in the market. These increases exceeded reimbursement, forcing reliance on one-time funds and risking depleting financial reserves, thereby shortening the provider's longevity. This leap of faith, borne of necessity, now needs

significant investments to forge the path to stability of the service system that is at risk of collapse.

For these reasons, I am very grateful for budget initiatives outlined by Governor DeWine and Director Hauck in House Bill 33 and further appreciate the additional investments adopted by the House of Representatives, demonstrating their understanding of the importance of investing in the DD service system now. We now ask that the Senate build on this foundation by investing additional dollars into these vital services to raise the direct support professional wages to at least an average of \$20.00 per hour. While increased wages alone may not solve the workforce crisis, no solution is viable without a substantial and meaningful increase in wages for the frontline workers. This is the essential first step to make it possible for us to recruit and retain the needed workforce. Many job seekers want to do this important, meaningful work. It is essential to remove the barrier of subpar wages resulting from inadequate Medicaid funding to make this job choice a reasonable option for themselves and their families.

Developmental disabilities are lifelong and complex. Families and individuals needing services for their daily life support are counting on provider organizations like ours to be there for them now and into the future. We need a stable workforce to respond. We trust that we can count on you to ensure that the DD system receives the resources and supports it so deeply needs.

Thank you for the opportunity to bring my concerns to you today. If I can be of any assistance in this process, please let me know.

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