

CLI Incorporated

Testimony on SFY 26/27 Operating Budget

Senate Finance Committee

Chairman Cirino, Vice-Chair Chavez, Ranking Member Hicks-Hudson, and esteemed committee members,

I want to thank you for the opportunity to testify before you today.

My name is John Schwartz and I am the Executive Director of Operations for CLI Incorporated. We are headquartered in Norwalk, Ohio. We are a non-profit business that provides vocational and habilitative services for individuals with developmental disabilities, as well as vocational rehabilitation under Opportunities for Ohioans with Disabilities. Our team of 20 employees are proud to provide essential services to more than 85 Huron County residents with intellectual and developmental disabilities.

CLI Incorporated and our subsidiary, Firelands Local LLC, employs 21 people without disabilities and more than 30 people with intellectual and developmental disabilities. We're proud to provide support services to our clients and business-to-business services for companies throughout the Firelands Region.

We are very grateful that Ohio made the historic investment in disability services in the last state budget. The funding increase helped providers like us recover from a decade-long crisis that led to devastating workforce shortages. Thanks to your support, we have been able to increase wages, with our current average Direct Support Professional (DSP) wage at almost \$20/hour. This has led to more applicants, allowing us to fill critical positions and provide more reliable services. We've also been able to reallocate administrative time to implement quality measures, such as developing an electronic documentation system and also to redouble our internal quality assurance controls. Finally, having a few more staff has meant that we've been able to reduce overtime costs, which are necessary for coverage but are not reimbursed by Medicaid.

I want to express my appreciation to Governor DeWine and Director Hauck for honoring the commitment made in the last General Assembly by using General Revenue Funds (GRF) to maintain the rate increases that were funded in part with ARPA dollars. This



investment provides much-needed stability for providers and the people they serve. However, the budget does not include any additional funding to further boost direct support professional wages, despite the continued workforce crisis and rising costs. The last rate increase took effect in July 2024, and without action from this body, providers face a nearly four-year gap in rate adjustments—putting us right back in the crisis we just emerged from.

To ensure Ohioans with disabilities and their families have access to the care they need, we urge the Senate to:

1. Maintain the Governor's investment in ICFs, Multi-System Youth, and Technology First initiatives.
2. Include a rate increase for waiver providers to keep up with inflation and workforce demands.
3. Establish a mechanism for ongoing increases to prevent future funding crises.

Investing in these services is not just about providers—it's about ensuring Ohioans with disabilities receive the care and support they need to live full, independent lives in their communities. We look forward to working with you to build on the progress you've made and keep Ohio moving forward.

Thank you again for the opportunity and privilege to bring my concerns before you and if I can ever be of any help in this process, please let me know.



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