



Ohio Senate Medicaid Committee Fiscal Year 2026-2027 Operating Budget

Director Kim Hauck Ohio Department of Developmental Disabilities

April 29, 2025

Chairman Romanchuk, Vice Chairman Huffman, Ranking Member Liston, and members of the Ohio Senate Medicaid Committee, my name is Kim Hauck, and I serve as Director of the Ohio Department of Developmental Disabilities (DODD). Thank you for the opportunity to present Governor Mike DeWine's budget recommendations supporting Ohio's developmental disabilities system. It is a privilege to be with you today and continue the important work and progress we have made together.

I would like to spend our time today providing a high-level system and funding overview and then discuss our budget recommendations for key initiatives.

System Background

DODD and Ohio's developmental disabilities system supports over 100,000 Ohioans with developmental disabilities and their families across the lifespan. At DODD, our mission is to partner with people and communities to support Ohioans with developmental disabilities and their families in realizing their version of a good life. Ohio is the heart of opportunity, and we envision Ohio as the best place in the nation for people with developmental disabilities to thrive.

To briefly provide an overview of our system, I would like to focus on some key words in our mission and vision.

A Good Life: Many people with developmental disabilities need support for daily living, transportation, and employment to seek a good life. Our responsibility is to ensure health and safety and to listen to and honor the needs and choices of people with developmental disabilities and their families. This requires that decisions about a person's life are made by that person. That systems, services, and individual plans are person-centered with a strong focus on the individual, and with involvement from the family.

Partnership: DODD oversees a statewide system of services that supports people with developmental disabilities and their families.

We partner with people who receive services and their families to ensure their voice is heard at the table – advocating for what is important to them.

We partner with county boards of developmental disabilities, as they are significant funding partners, the front door to our system, and the case management entity. We partner with small businesses that are Medicaid providers that



support people with developmental disabilities in day-to-day activities and routines. Thousands of providers employ around 50,000 dedicated Direct Support Professionals, or DSPs, in Ohio. Providers and DSPs help people with developmental disabilities live their version of a good life. This looks different to each person but can include working towards independence, teaching new skills, and providing opportunities for community participation.

Additionally, we partner with many more advocates and supporters, from yourself in the Ohio General Assembly, to local communities and businesses who value opportunity and accessibility for people with developmental disabilities.

The Best Place in the Nation for People with Developmental Disabilities to Thrive: It is our aspiration that Ohio is always seen and known as a state that supports people with developmental disabilities and their families. From embracing technology that enables greater independence, to accessing support, to investing in our workforce, Ohio is often recognized for our leadership and innovation.

Ohio provides an array of service options for people with developmental disabilities. Enrolling in a DODD home and community-based services waiver is one way to access person-centered services. More than 40,000 Ohioans with developmental disabilities are enrolled in a DD waiver, with access to services while living on their own, with family, with roommates, or with a paid caregiver.

In addition to providing local levy funds as match for waivers and providing case management, county boards of developmental disabilities provide significant locally funded services for one-time expenses for the person, family support, and many other non-Medicaid services and support.

Intermediate care facilities (ICFs) are also an important part of Ohio's developmental disabilities service system. They offer a bundle of services, including round-the-clock care and nursing services. Ohio has about 440 ICFs serving over 4,000 people with developmental disabilities. ICFs vary in size and appearance, ranging from small homes in the community to large campuses.

DODD supports around 600 people with developmental disabilities at eight state-operated ICFs, called Developmental Centers. Today, these centers admit people in need of short-term crisis stabilization and those who are court-involved.

Funding Background

The array of service options above are needs-based. Developmental disabilities are likely to last a person's lifetime so their services could also last their lifetime. These robust options are the primary way that people with developmental disabilities and families get their needs met. Private pay and insurance do not cover the daily living support that many people with developmental disabilities require.

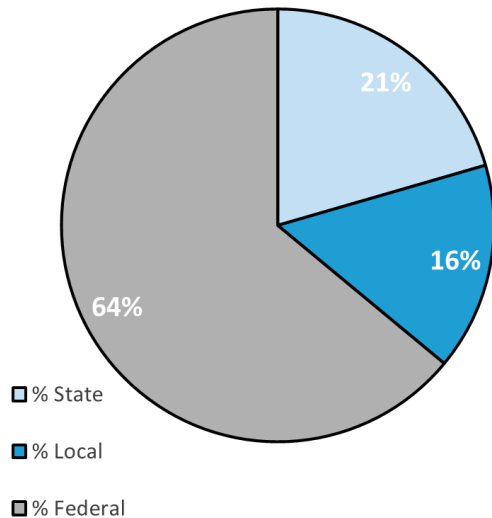
The DD system is funded through a unique combination of local, state, and federal dollars. The uniqueness lies in the significant role local dollars play in our system. With the passage of HB 94 in 2001, local dollars were made available to leverage federal dollars, which resulted in substantial growth in both the number of people served and the amount of funding available for waivers.

Funds expended on Medicaid services are federal match eligible. In most cases, county boards of developmental disabilities are responsible for the non-federal share of costs with waiver enrollments and growth in service needs. The state contribution has grown as historic rate increases, targeted state-funded waivers, and key service improvements



have been introduced. The state is responsible for the non-federal share of costs for ICFs and Developmental Centers. The chart below shows the breakdown of local, state, and federal funding based on service type.

Percent of HCBS Waiver Match by Source



Percent of ICF and DC Match by Source

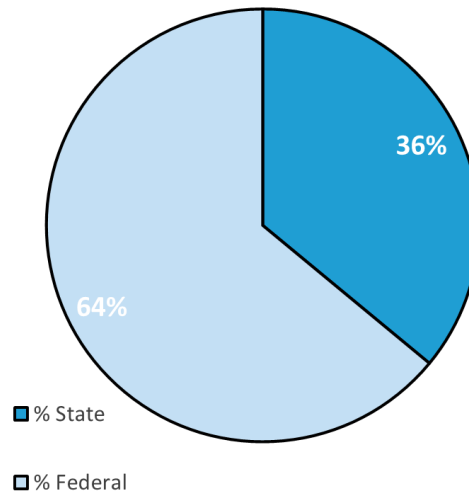


Figure 1: FY25 Estimated Funding Source by Service Type

Fiscal Year 2026 and 2027 Budget Overview

I am very grateful for Governor DeWine's continued and overwhelming support for people with developmental disabilities and their families. This budget continues significant funding, most notably in the Fiscal Year 2024/2025 budget. In this budget, I am pleased to present recommendations that would solidify that historic investment while continuing to innovate and improve support for Ohioans with developmental disabilities and their families.

In Fiscal Year (FY) 2026, we respectfully request \$5.51 billion in all funds (+7%) and \$1.18 billion in GRF (+12% GRF increase). In FY2027, we respectfully request \$5.75 billion in all funds (+4%) and \$1.19 billion in GRF (+1% GRF increase). At this funding level, the recommended budget would maintain critical direct care reimbursement and meet the projected demand for state and locally funded Medicaid services.

This budget solidifies a legacy of valuing and prioritizing the workforce that supports people with developmental disabilities. Due primarily to the timing of rate increases and the targeted use of one-time funds in FY24-25, DODD is requesting a 12% increase in GRF ALI 653407 in FY26 to maintain these rates. As the following table shows, approximately 9% of the total GRF 653407 increase is attributed to maintaining rates and related timing or funding source changes. The increase from FY26 to FY27 in GRF ALI 653407 decreases to approximately 1%.



GRF FY25 12% Increase		
State-Funded HCBS & ICF Formula	\$26,400,000	2.6%
DC Payroll	\$8,108,242	0.8%
Rate Sustainment	\$88,284,758	8.8%

I will spend some time now talking through key initiatives in our budget request.

Supporting the Critical DSP Workforce

Governor DeWine's budgets have addressed the most pressing issue in our DD system: the availability of DSPs for Ohioans with developmental disabilities. Ohio's DD system has struggled to recruit, retain, and invest in this essential workforce, primarily due to low and unmaintained Medicaid reimbursement rates. People with developmental disabilities, their families, and provider agencies are exclusively reliant on Medicaid rates to compensate DSPs.

When Governor DeWine took office, rates supporting wages for DSPs were an average of \$11.12 per hour. Through Governor DeWine's and your actions, Ohio has made a monumental commitment.

Building off FY20-21 investments through the state and county boards of developmental disabilities, Governor DeWine's FY24-25 budget invested a historic \$1.3 billion between local, state, and federal funds into provider rates so DSPs could get paid more. The FY24-25 budget included increases across the board to waiver and ICF providers.

Early estimates for July 2024 indicate the average starting wage increased to \$16.04 per hour with an overall average wage of \$17.04 per hour. We expect, with full data, to see an average DSP wage across the state of at least \$18 per hour. Providers have reported to DODD that many are fully staffed for the first time in years, and they are seeing lower turnover. This allows them to increase the number of people they are supporting and the amount of services offered.

People with developmental disabilities and families have reported the positive impact of increased wages. On behalf of DODD, the people we support, their families, our providers, and our county boards – thank you for your partnership in valuing people with developmental disabilities and those who support them.

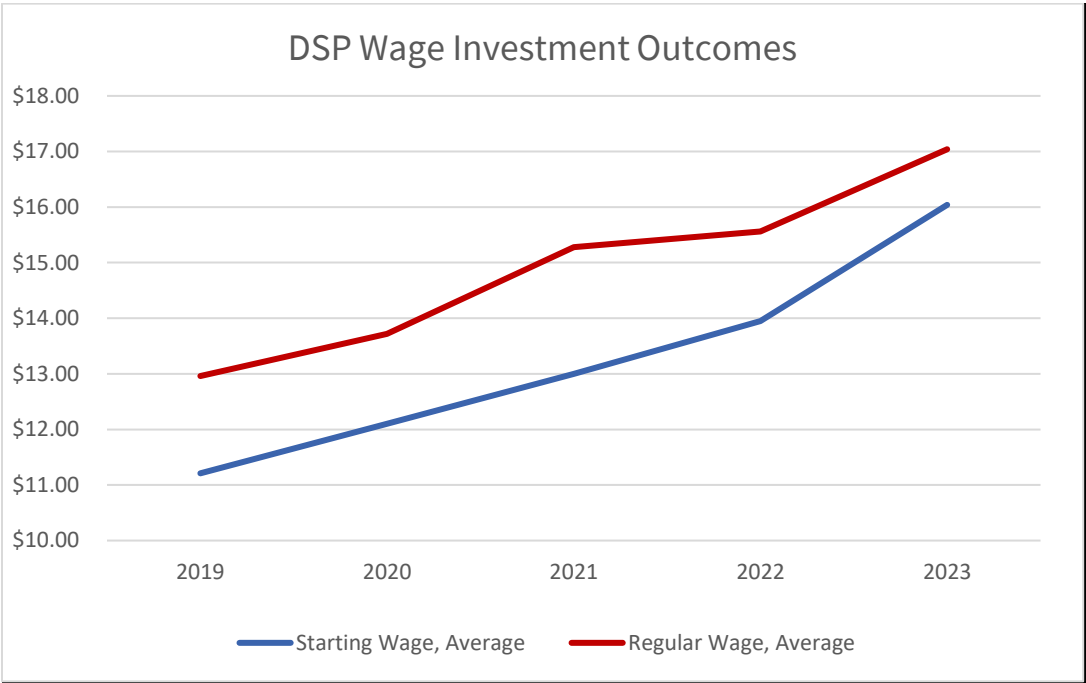


Figure 2 2019 Data from NCI Staff Stability Survey. Data from 2020 to present from DODD DSP Compensation Survey

This budget solidifies our commitment to Ohioans with developmental disabilities, their families, and those who support them.

Ventilator Support

The FY24-25 budget provided an increase to the add-on rate for ICFs who support Ohioans who are dependent on ventilator care. Over the next two years, we will continue that work by increasing the capacity of ICF providers who offer ventilator services. This will allow more people dependent on ventilators to receive care in an ICF instead of needing higher cost and more restrictive hospital settings.

Increasing Advocacy and Accessibility

Ohioans with developmental disabilities and their families should have every opportunity to be a part of their communities. People with disabilities across Ohio have led this effort and advocated for communities to be accepting and inclusive.

At DODD, we have worked with advocates to ensure that every county board of developmental disabilities will have a board member who receives services. We have strategically used one-time funds to work with county boards and other partners to make Ohio the best place in the nation for community involvement for people and families who need universal changing tables. From persistent and powerful advocacy from families, to partnership with county boards, communities, and other state agencies, these funds have resulted in what we believe is the most universal changing tables of any state in the county.



Supported Decision-Making: In current law, people with developmental disabilities who need assistance making decisions are restricted to using guardianship or power of attorney. In this budget, we are pursuing supported decision-making language requested by people with developmental disabilities and advocates. Supported decision-making is a framework for people with disabilities to be able to make their own decisions about their lives, education, employment, healthcare, and legal areas. This approach builds on providing information, skills, and guidance to make decisions in the areas where support is needed. Just as any of us would seek out our friends, families, and supporters when we need advice.

Adding supported decision-making respects the use of guardianship while adding an additional important option for Ohioans with developmental disabilities.

Investing in Technology Support

Technology, from off-the-shelf assistive items to remote support, allows for greater independence and quality of life for Ohioans with developmental disabilities. This budget continues the work of the last budget to establish a dedicated line of \$3.2 million per fiscal year for innovative technology.

Through those funds, we have established regional technology support, creating close-to-home opportunities for people to experience and try technology that may benefit them. Regional teams that provide technical assistance for the county boards and providers who want to offer the service or learn more about how it can increase the independence of the people they support. These investments are giving more people across Ohio the opportunity to explore and use technology in the way it works best for them.

Investing in Youth with Complex Needs

Governor DeWine's administration has worked collaboratively to support youth with complex needs and their families. Funds in the budget bolster partnerships to support youth with complex needs in their family homes and support youth in crisis through short-term stabilization as well as appropriate long-term residential settings. Over the next two years, we will continue to work on building the capacity and expertise of ICF and waiver providers. DODD requests to maintain \$5 million per fiscal year for initiatives to support youth with complex needs and their families.

With this funding, DODD will continue the Multi-Disciplinary Comprehensive Assessment Team (MCAT), which provides technical assistance for local teams and coaching for families. The MCAT is a clinical panel specializing in supporting people with developmental disabilities and behavioral health concerns. This team provides a comprehensive report to the regional coach and family. The program includes representation from families with lived experience, psychiatry, trauma experts, Autism experts, occupational therapy, speech therapy, and educational advocates.

DODD will also continue partnering with county boards of developmental disabilities on the Keeping Families Together initiative, which bolsters local efforts to support multi-system youth and their families.

Conclusion

Chairman Romanchuk and members of the committee, thank you for this opportunity to provide an overview of Governor DeWine's budget proposal for the Department of Developmental Disabilities. I look forward to continuing to



meet with you and working together on a budget that supports Ohioans with developmental disabilities, their families, and those who support them. I am happy to answer any questions.

Thank you,

A handwritten signature in black ink that reads "Kim Hauck". The signature is written in a cursive, flowing style.

Kim Hauck

Director