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Testimony on SFY 26/27 Operating Budget - Senate Medicaid Committee

Chairman Romanchuk, Vice-Chair Huffman, Ranking Member Liston, and esteemed committee members,

Thank you for the opportunity to testify before you today.

My name is Justin Blumhorst, and I am the Chief Innovation Officer of Capabilities. We are headquartered in St. Marys and serve 66 counties. We provide day and employment services administered by the Department of Developmental Disabilities (DODD) and Vocational Rehabilitation under Opportunities for Ohioans with Disabilities (OOD). We are the largest vendor in Ohio for OOD. Our team of 200 employees is proud to provide essential services to 5,000 Ohioans with disabilities.

First, I want to express our deep gratitude for 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 applicants, allowing us to fill critical positions and provide more reliable services.
- Reduce overtime costs, which are necessary for coverage but are not reimbursed by Medicaid.
- Increase wages, with our current average Direct Support Professional wage at \$22.30 per hour.

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, despite the continued workforce crisis and rising costs, the budget does not include any additional funding to further boost direct support professional wages. 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 General Assembly 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.

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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.

Justin Blumhorst

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