

Substitute H.B. 483 – Mid-Biennium Review Testimony

Gary Smith, Director of Finance and Operations
Licking County Board of Developmental Disabilities
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Chairman Oelslager, Ranking Member Skindell, and Members of the Senate Finance Committee, my name is Gary Smith and I am the Director of Finance and Operations for the Licking County Board of Developmental Disabilities. I also serve as the Vice-chair of the Business Managers Organization of County Boards of Developmental Disabilities.

I am testifying today to ask for your support of an amendment to Substitute HB483 that would modernize Ohio developmental disabilities levy statute so that county boards of developmental disabilities can maintain stable, predictable funding streams for services in accordance with the wishes of local taxpayers.

County Boards of Developmental Disabilities ("county boards") are the primary funders of services for people with developmental disabilities in Ohio. Each year, approximately \$1 billion is raised through voter-approved county levies to fund programs and services for people with developmental disabilities, a substantial portion of which is used to draw-down additional federal Medicaid dollars. This funding model ensures that local taxpayers have the ability to ensure all members of their community can live happy, healthy, and fulfilling lives.

County boards are responsible for people with developmental disabilities from birth to death, so it is imperative that county boards have the ability to plan how they will pay for these services and supports over the long term. However, recent federal changes have spurred the need to modernize Ohio's DD levy statute to ensure that the county boards can remain good stewards of taxpayer dollars, and continue to see that our state's most vulnerable citizens receive the supports that deserve.

The federal Centers for Medicare and Medicaid Services (CMS) has determined that the county boards can no longer provide direct services. While a broad base supports this effort conceptually, the practical challenges of transforming our system are great. Nevertheless, the county boards are working closely with the Ohio Department of Developmental Disabilities (DODD) to help county boards transition from being service providers to solely being administrators and funders of DD services. As this transition occurs it is critical that the county boards have the tools they need to fund services, and to do that Ohio must update its DD levy statute.

Ohio's developmental disability levies are unique in that we have the authority to go to the ballot from two separate Ohio Revised Code Sections, 5705.19(L) and 5705.222. The problem is that the sections are very different and create confusion at the local level during and after levy requests to the budget commissions. A levy under 5705.222 has the flexibility boards need to manage their levies properly, while 5705.19 do not. Unfortunately, counties that have levied

under Sec. 5705.19(L) are stuck in an endless short cycle of renewals that require them to go to the ballot more often, even though they are funding the same type of services that increase in need and scope over time. Our goal is to bring 5705.19(L) in line with 5705.222 to alleviate confusion and ensure county boards remain fiscally sustainable.

To illustrate the need for these changes, I will use my county board as an example. The Licking County Board of Developmental Disabilities currently has two levies in place; a 1 mill, five-year levy and a 1.6 mill continuing term levy. The 1 mill levy is due to expire at the end of 2016 (with collection through 2017). The voters of Licking County have been supportive of the board's past seven levy attempts for renewals, replacements, and additional millage. However, the board's current levy structure requires the board to return to voters for support a minimum of every five years. With new mandates from the federal government, our board must now make decisions that will have implications lasting far longer than five years. As it currently stands, this is far more difficult than it has to be under state law.

To address these issues, we began working with House Finance on an amendment to HB483. Our amendment included main three provisions that made technical changes to the DD levy statute to pair 5705.19(L) with 5705.222. These changes included; (1) allowing county boards to combine two or more levies into one (currently we can only combine two into one); (2) allowing county boards to remove the names of specific programs and facilities in the levy language without having to run a new levy; and (3) allow levies under 5705.19(L) to change their duration.

As I understand it, the House was supportive of part of our request but ran out of time to fully vet all the provisions. As a result, I am here today to request that the rest of the changes be included into Sub. HB483. The Licking County Board of Developmental Disabilities is working with Senator Hottinger's Office on this and we appreciate his support.

It is important to note that this request does not require any state funds to implement (i.e., they are budget neutral). Moreover, the changes we're seeking are technical changes. Nothing here is new policy. In fact, many levying organizations already have these abilities; including the county board levies under 5705.222.

Given all of the changes going on within Ohio's developmental disabilities system today, I respectfully request that you provide county boards with the means to sustain a stable fiscal environment by including our amendment in Substitute HB483.

Thank you for your time today. I welcome any questions you may have.